

HUMBOLDT GENERAL HOSPITAL

DISTRICT BOARD OF TRUSTEES

REGULAR BOARD MEETING

TUESDAY

FEBRUARY 25, 2020

5:30 P.M.

SARAH WINNEMUCCA CONFERENCE
ROOM

JoAnn Casalez - Chairman
Michelle Miller - Secretary
Bill Hammargren - Member
Gene Hunt - Member
Alicia Cramer - 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 February 25, 2020
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

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
2. Administration report
 - a. CEO Report

D. CONSENT AGENDA

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

1. Board meeting minutes January 28, 2020.
2. Medical Staff applications for appointments, reappointments, provisional and temporary privileges for: Laurie Parker, NP, Provisional-Family Practice; Kermit Brunelle, MD, Active-Pediatrics; Craig Dates, MD, Active-Emergency Medicine; Michael Odom, MD, Active-Hospitalist; Srikishna Vulava, MD, Active-Hospitalist; Quinn Lindstrom, DPM, Active-Podiatry; Paul Herman, MD, Active-Emergency Medicine; Leon Jackson, MD, Active-Radiology; Lawrence Shank, MD, Active-Orthopedic; Katrinka Kip, MD, Consulting-Pediatric Cardiology; Joseph Ludwick, MD, Consulting-Pediatric Cardiology; James Langevin, MD, Active-General Surgery; S. Curtiss Mull, MD, Active-Ortho Surgery.

E. FINANCIAL REPORTS

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

1. Cerner / Financial update
2. Warrants disbursed - Monthly expenditures
3. Budget Hearing update

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, review,

DISTRICT BOARD OF TRUSTEES MEETING AGENDA

February 25, 2020

Page 2

recommendation, 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 / CEO recruitment update / Board of Trustees
2. Hospital Administration / proposal to employ and enter into an employment agreement with Arthur Johnson, PA to provide physician assistant health care services / Administration
3. Hospital Administration / proposal to enter into a contract with Sara Thorp, MD to provide newborn nursery coverage, C-section assistance coverage and Pediatric call coverage services / Administration
4. Hospital Administration / proposal to enter into an employment agreement with Kirit Saigal, ARNP to provide psychiatric nurse practitioner services / Administration
5. Hospital Administration / proposal to employ and enter into an employment agreement with Dan Lambert, PA to provide physician assistant health care services / Administration
6. Hospital Administration / proposal to amend and extend agreement with Roger Brecheen, M.D., Arroyo Medical, Inc. to provide OBGYN services / Administration
7. Hospital Administration / proposal to enter into agreement with Humboldt County to provide health care services for the Humboldt County Detention Facility / Administration
8. Hospital Administration-Maintenance / proposal to authorize repair, replacement and possible relocation of the kitchen hood-exhaust systems on a time and materials basis at an estimated cost of \$150,000 / Maintenance Director-Administration
9. Hospital Administration-Maintenance / update on the pharmacy project-hood / Maintenance Director-Administration
10. Hospital Administration / proposal to authorize five year term interlocal agreements and amendments to existing five year interlocal agreements with the Nevada Division of Health Care Finance and Policy for: payment of the outpatient supplemental payments at a cost not to exceed \$5,076,036; payment of the total supplemental inpatient and outpatient upper payment limit payments at a cost not to exceed \$9,251,303; increase the outpatient supplemental payments at a cost not exceed \$3,957,348; and, increase the total supplemental inpatient and outpatient upper payment limit payments at a cost not to exceed \$7,238,727 / Administration
11. Hospital Administration-Respiratory / proposal to purchase pulmonary machine from PulmOne for \$40,565 / Respiratory Director

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, 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: The Executive Assistant at the Administrator's 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 and the Administrator's Office is the location where the supporting material is available to the public.

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: Members of the public who are disabled and require special assistance or accommodations at the meeting are requested to notify in writing the Executive Assistant at the Administrator's Office located at Humboldt General Hospital, 118 E. Haskell Street, Winnemucca, Nevada 89445, or by telephoning 775-623-5222 extension 1123, at least one (1) business day in advance of the meeting.

**HUMBOLDT GENERAL HOSPITAL
DISTRICT BOARD OF TRUSTEES
JANUARY 28, 2020 REGULAR MEETING
SARAH WINNEMUCCA CONFERENCE ROOM**

BOARD PRESENT:

Michelle Miller, Secretary
Bill Hammargren, Member
Gene Hunt, Member
Alicia Cramer, Member
Ken Tipton, County Comm. Member

Kent Maher, Legal Counsel

BOARD ABSENT:

JoAnn Casalez, Chairman

MEDICAL STAFF PRESENT:

Rommel Adajar, MD
Robert Johnson, PA
Merleen Grover, APRN

GUESTS:

Ashley Maden (Humboldt Sun), Nicole Maher (Public Relations Director), Judy Adams (Auxiliary) and David Grover.

CALL TO ORDER:

Board Secretary Miller called the January 28, 2020 board meeting to order at 5:33 p.m.

PUBLIC COMMENT:

There were no comments from the public.

MEDICAL STAFF – HOSPITAL DEPARTMENT REPORTS:

Medical Staff report:

There was no report.

Administration Department reports:

Interim CEO Cole reported on the following:

Staff updates: Tiffany Love, COO, started January 13, 2020; and, Leeann Cushway, CNO, started January 27, 2020.

Physician-Clinic updates: Dr. Andrew Wesley, Pain Management clinic, had 48 patient contacts in January; Dr. Draper and Dr. Lindstrom, Podiatry clinic, had 98 patient contacts in January; the Sleep

Medicine clinic equipment will be installed January 30, 2020; Dr. Subha Rajan, an FPOB provider, will start in April, and she has obtained the Nevada license and started relocation efforts; and, Dr. David Masuck, an FP provider, will start next fall.

Physician recruitment: Brittani Smith, MD, FPOB, visited again in January; and, contact was made with Robert Crawford, MD, an FP provider, Ellen Ouellette, MD, an FPOB provider who will graduate in 2022, and Deepthi Ciddi, MD, a Nevada licensed Internal Medicine provider.

Other providers: Arthur Johnson, PA, will start in the Walk-In Clinic; Raafat Khani, DO, and Pamela Sherwill-Navaro, NP, both locum providers, are currently providing services in the clinic; and, Tom Mouritsen, CRNA, has been hired to fill the third CRNA position.

Staff recruitment: HR Director Didi Almendares will start February 13, 2020; Rachel Lara, RN, a seven-year HGH employee, has accepted the Clinic Nurse Supervisor position; Kat Ourada, RN, a twenty-five year HGH employee has accepted the Interim OB Manager position; and, a recruiting firm has been retained to provide OR Manager candidates.

Remodel project: The Pharmacy hood and pressurization issue is proposed to be solved by increasing the size of VAV box and ductwork; the PT and Cardiac Rehab remodel is going well; and, the Cafeteria work will begin after completion of PT remodel.

Air Ambulance services: There was a meeting with the MedX AirOne flight crew representatives to clarify staffing issues; some facility needs in the flight crew house were addressed; and, the communications center closure is scheduled to occur in February.

Long Term Care survey: The plan of correction for the clinical portion of survey was accepted; and, administration is awaiting clarification on some potential items of concern regarding the facility.

Other: The Board mini retreat to discuss various matters affecting the district is scheduled for February 28-29, 2020; and, the Western Regional Trustee Symposium is scheduled for June 10-12, 2020 in Reno, Nevada.

No action was taken.

CONSENT AGENDA:

Motion by board member Hammargren and second by board member Miller to approve the consent agenda consisting of board meeting minutes for December 17, 2019 and the Medical Staff applications for appointments, reappointments, provisional and temporary privileges for: Rufus Ed Mohr, CRNA, Provisional-Anesthesia; Veronica Janhunnen, MD, Active Staff-Pediatrics; Ajeet Mahendernath, MD, Active Staff-Emergency Medicine; Maryellyn Gilfeather, MD, Consulting Staff-Teleradiology; and, Peter Verhey, MD, Consulting Staff-Teleradiology. Motion carried unanimously.

FINANCIAL REPORTS:

Interim CFO Gentry presented: the November-December 2019 financial reports; the financial improvement plan; an update on the Cerner system; on-going training updates; an update on the long term care billing; an update on Hospital billing system and self-pay issues; and, the tentative calendar for the next fiscal year budget as follows: March 14, 2020 for the budget workshop; March 24, 2020 to

consider proposed budget changes; April 15, 2020 to submit the tentative budget to the State; May 26, 2020 for the public budget hearing; and, June 1, 2020 for submission of the final budget to the State.

Motion by board member Hammargren and second by board member Cramer to approve the November and December 2019 financials, warrants, and disbursements as presented. Motion carried unanimously.

BUSINESS ITEMS-OTHER REPORTS:

1. Hospital Administration / proposal to employ and enter into an employment agreement with Brittani Smith, MD to provide family practice obstetrics physician health care services / Administration

Motion by board member Hammargren second by board member Hunt to approve the employment agreement for Brittani Smith, MD, as presented. Motion carried unanimously.

2. Hospital Administration / proposal to enter into an employment agreement with Landon Mouritsen, CRNA to provide CRNA staff services / Administration

Motion by board member Hunt and second by board member Hammargren to approve the employment agreement for Landon Mouritsen, CRNA as presented. Motion carried unanimously.

3. Hospital Administration / proposal to enter into an employment agreement with Tom Mouritsen, CRNA to provide CRNA staff services / Administration

Motion by board member Hunt and second by board member Tipton to approve the employment agreement for Tom Mouritsen, CRNA as presented. Motion carried unanimously.

4. Hospital Administration / proposal to appoint Janet Sturtz as Infection Preventionist / Administration

Interim CEO Cole said new regulations require the Board to be aware of who will be overseeing the onsite infection control programs.

Motion by board member Hammargren and second by board member Hunt to approve the appointment of Janet Sturtz as the Infection Preventionist. Motion carried unanimously.

5. Hospital Administration / proposal to appoint Cody Bright as Chair of the Antibiotic Stewardship Committee / Administration

Interim CEO Cole said new regulations require the Board to be aware of who will be responsible for stewardship of antibiotics kept on the premises.

Motion by board member Hammargren and second by board member Cramer to appoint Cody Bright as Chair of the Antibiotic Stewardship Committee. Motion carried unanimously.

6. Hospital Administration / proposal to amend agreement with Roger Brecheen, M.D., Arroyo Medical, Inc. to provide OBGYN services for an extended term / Maintenance Director-Administration

Board member Miller said she spoke with Board chair Casalez who suggested the matter be tabled.

Motion by board member Hammargren and second by board member Hunt to table discussion and action on the proposal to amend the agreement with Roger Brecheen, M.D.-Arroyo Medical, Inc. Motion carried unanimously.

7. Hospital Administration / proposals to amend employment agreements with Echo Mathews, APRN (benefits-compensation), Robert Johnson, PA-C (benefits-compensation), Veronica Janhunen, MD (benefits-compensation), Robert Westling, MD (benefits-compensation), Rommel Adajar, MD (benefits-compensation), Subha Rajan, MD (benefits) and David Masuck, MD (benefits) to eliminate payment for the healthcare benefits for persons other than the employed provider and to adjust the base compensation to account for the reduction in the benefits / Administration

Board member Hammargren asked if adjusting the compensation to offset the elimination of healthcare benefits for persons other than the provider is acceptable. Interim CEO Cole indicated it is allowed and the fair market value of the provider compensation with the adjustment will not be exceeded.

Motion by board member Hammargren and second by board member Cramer to amend the employment agreements (as indicated in the parentheses) with Echo Mathews, APRN (benefits-compensation), Robert Johnson, PA-C (benefits-compensation), Veronica Janhunen, MD (benefits-compensation), Robert Westling, MD (benefits-compensation), Rommel Adajar, MD (benefits-compensation), Subha Rajan, MD (benefits only) and David Masuck, MD (benefits only) to eliminate payment by the employer of the healthcare benefits for persons other than the employed provider and to adjust (increase) the base compensation of the providers to account for the reduction in the benefits as presented. Motion carried unanimously.

TRUSTEE COMMENTS-STAFF REPORTS:

Board members Tipton and Miller expressed appreciation for the additions of the various providers over the past several months.

PUBLIC COMMENT:

There were no comments from the public.

Board secretary Miller adjourned the January 28, 2020 meeting of the Humboldt County Hospital District Board of Trustees at 6:03 p.m.

APPROVED:

ATTEST:

JoAnn Casalez, Board Chairman

Alicia Wogan, Executive Assistant

- **Laurie Parker, NP** is applying for initial appointment to Provisional Staff with privileges in Family Practice. She started 01/02/2020.
- **Quinn Lindstrom, DPM** is applying for Provisional Staff with privileges in Podiatry. He was given Allied Health privileges on 10/22/2015.
- **Paul Herman, MD** is applying for reappointment to Active Staff with privileges in Emergency Medicine. He was given privileges on 04/24/2012.
- **Leon Jackson, MD** is applying for reappointment to Active Staff with privileges in Radiology. He was given privileges on 05/24/2005.
- **Lawrence Shank, MD** is applying for reappointment to Active Staff with privileges in Orthopedic. He was given privileges on 03/05/2019.
- **Katrinka Kip, MD** is applying for reappointment to Consulting Staff with privileges in Pediatric Cardiology. She was given privileges on 06/14/2000.
- **Joseph Ludwick, MD** is applying for reappointment to Consulting Staff with privileges in Pediatric Cardiology. He was given privileges on 12/20/2005.
- **James Langevin, MD** is applying for reappointment to Active Staff with privileges in General Surgery. He was given privileges on 09/27/2016.
- **Sears Curtiss Mull, MD** is applying for reappointment to Active Staff with privileges in Orthopedic Surgery. He was given privileges on 03/12/2015.
- **Kermit Brunelle, MD** is applying for initial appointment to Active Staff with privileges in Pediatrics. He was given privileges on 03/05/2019.
- **Craig Dates, MD** is applying for initial appointment to Active Staff with privileges in Emergency Medicine. He was given privileges on 08/08/2019.
- **Michael R. Odom, MD** is applying for initial appointment to Active Staff with privileges as a Hospitalist. He was given privileges on 02/06/2019.
- **Srikishna Vulava, MD** is applying for initial appointment to Active Staff with privileges as a Hospitalist. He was given privileges on 01/29/2019.

O. KENT MAHER
ATTORNEY AT LAW
33 WEST FOURTH STREET
P.O. BOX 130
WINNEMUCCA, NEVADA 89446

TEL: (775) 623 5277 FAX: (775) 623 2468
EMAIL: KENT@WINNEMUCALAW.COM

MEMORANDUM

TO: Interim Administrator-CEO
FROM: Hospital District Legal Counsel
DATE: February 18, 2020
RE: Arthur A. Johnson / physician assistant employment agreement

Attached (in pdf. format to the email) is a draft version of the proposed *Agreement for Physician Assistant Employment* with Arthur A. Johnson, PA-C, which was prepared using the terms and conditions information provided. The authorization for the provider employment is an item on the upcoming Board of Trustees meeting agenda.

Please review the document carefully for content and accuracy. After your review and the opportunity for the Board to offer input, any desired revisions can be incorporated into the final draft version of the document submitted for the provider to review. When the Agreement as drafted or revised, as the case may be, is acceptable to the parties it will be placed in final form for signatures.

If you have questions concerning this matter, please contact me. Thank you.

OKM/lp
Attachment

AGREEMENT
FOR PHYSICIAN ASSISTANT EMPLOYMENT

THIS AGREEMENT, made and entered into effective the _____ day of _____, 2020 (the "Effective Date") by and between:

DISTRICT: HUMBOLDT COUNTY HOSPITAL DISTRICT
c/o Humboldt General Hospital
118 East Haskell Street
Winnemucca, Nevada 89445

PHYSICIAN ASSISTANT: ARTHUR A. JOHNSON, PA-C

RECITALS:

A. Humboldt County Hospital District ("District" or "Employer") operates Humboldt General Hospital ("Hospital"), an acute care medical facility with critical access designation, Harmony Manor ("Harmony Manor"), a long-term skilled nursing medical facility, Quail Corner Life Enrichment Community ("Quail Corner"), a memory care long-term skilled nursing medical facility, and the Hospital Clinic ("Clinic") and Resident Clinic ("Resident Clinic"), medical clinics offering the professional services of health care providers (collectively such facilities are sometimes referred to herein as the "District Facilities"), in Winnemucca, Humboldt County, Nevada, and has a need for a qualified and licensed qualified family practice (herein referred to as the "Practice Specialty") physician assistant at the District Facilities to serve the interests of the District, the District patients and the residents of Humboldt County.

B. Arthur A. Johnson, PA-C ("Physician Assistant") is, or will be at the time services are to be provided pursuant to this Agreement, qualified and licensed to practice in the State of Nevada, with experience and capability in providing Practice Specialty services, and desires to provide to District the services described in this Agreement.

WITNESSETH: For and in consideration of the mutual recitals, representations, warranties and covenants herein it is mutually agreed as follows:

1. TERM. Hospital shall utilize Physician Assistant on a full-time basis for the period commencing _____, 202 (the "Commencement Date") and ending _____, 2020, subject to the terms and conditions herein. The period beginning _____, 2020 and ending _____, 2021 and the subsequent one-year periods beginning _____ 1 and ending _____ 31 may each be referred to as an "Agreement year." The Commencement Date may be adjusted to a different mutually agreed upon date.

2. PHYSICIAN ASSISTANT SERVICES. Physician Assistant shall devote Physician Assistant's professional efforts to performance of this Agreement to provide Practice Specialty services for the District and, to the extent it does not interfere with Physician Assistant's performance of any duty or obligation hereunder, Physician Assistant may accept work with and provide services for the independent contractors providing Hospitalist services and ER services

O. KENT MAHER Attorney at Law P.O. Box 130 Winnemucca, Nevada 775.623.5277

kent@winnemuccalaw.com

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to the District without advance consent of the District. Any non District Facilities work by Physician Assistant may only be provided with the advance consent of the District. For purposes of this Agreement, the Physician Assistant shall be an "exempt" employee under applicable federal and state wage and hour laws, not eligible for overtime compensation or benefits.

3. PHYSICIAN ASSISTANT DUTIES. During the term of this Agreement Physician Assistant shall:

a. Personally provide a full range of customary Practice Specialty services: (i) to patients utilizing the Clinic; (ii) to patients accepted under District Facilities' rules, regulations and policies; (iii) to patients admitted to the District Facilities; and, (iv) to patients at District medical facilities in outlying Humboldt County.

b. Accept and provide Practice Specialty physician assistant services as reasonably agreed upon and assigned to Physician Assistant from time to time by the District.

c. Personally devote Physician Assistant's full working time and attention, and Physician Assistant's best endeavors and skills, for the interest, benefit and best advantage of the District, providing services in a manner that shall maintain the productivity of the Practice Specialty practice.

d. Participate in federal and state governmental third party programs, health maintenance organizations ("HMOs"), preferred provider organizations ("PPOs") with substantial representation in the District service area and other indemnity health insurance programs as determined by District.

e. Perform all duties in an ethical, professional and competent manner, and in all matters connected with providing Practice Specialty services, Physician Assistant shall exercise Physician Assistant's independent professional judgment, unless otherwise directed by the Physician Assistant's supervising physician, and nothing contained in this Agreement requires the referral of patients to the District Facilities or to any affiliated provider or facilities.

f. Meet the standards required by District, including the standards of ethics and professional competence of District medical staff and the standards required by this Agreement, appropriate licensing agencies, including the State of Nevada, and any other relevant community standards.

4. PHYSICIAN ASSISTANT HOURS.

a. **At Clinic.** Physician Assistant shall be available as scheduled in the Clinic for a full time practice, defined as a minimum average of thirty-six (36) hours per week, forty-six (46) weeks per Agreement year. The Clinic schedule will be determined by the Administrator based on anticipated patient demand and the needs of the District, with reasonable effort to accommodate Physician Assistant's scheduling preferences; however, the schedule is subject to change based on District needs and/or patient demand.

b. **Otherwise.** To the extent the regular Clinic hours are not needed for services specified in section 4.a. herein, Physician Assistant shall participate in and assist District in providing in-service training to its other employees, CME for District staff, community education, community outreach programs, medical screenings and administrative activities as assigned by

the Employer.

5. COMPENSATION. District shall pay Physician Assistant a base compensation salary of \$150,000 per Agreement year. There may be an adjustment to the base compensation salary depending on the PERS (as herein defined) retirement plan selected by Physician Assistant. The base compensation salary is paid in equal biweekly payments on the District's regularly scheduled payroll dates during the term.

The compensation contemplated by this Agreement is consistent with the fair market value of the Physician Assistant services arrived at through an arms length negotiation between the parties. The compensation is not intended to relate to and does not take into account the volume or value of any referrals or business otherwise generated for or with respect to the District or between the parties for which payment may be made in whole or in part under Medicare or any other federal or state health care program or under any other third party payor program.

6. BENEFITS / FEES / ALLOWANCES / EXPENSES.

a. Benefits. District shall provide Physician Assistant with the following benefits:

(i) Paid Time Off. A total of six (6) weeks or thirty (30) days (240 hours) paid time off ("PTO") per Agreement year, which is an all purpose time off policy for vacation, sick leave, injury leave, holidays and personal business. The accumulation rate for PTO is .115385 hours per paid hour calculated each biweekly pay period (e.g., 80 paid hours every biweekly pay period times .115385 equals 9.2308 accumulated hours, and 9.2308 accumulated hours per pay period times 26 pay periods per year equals 240 hours per year). When the PTO accrual reaches 240 hours in any Agreement year, the accumulation of PTO ceases and there is no accrual until the then accrued PTO is used or reimbursement is made to reduce the accrued PTO to less than 240 hours. Payment of PTO shall be based upon an hourly prorating of Physician Assistant's base compensation salary then in effect. Physician Assistant shall obtain the District's advance approval of the leave schedule and coverage, except in the event of unexpected illness, injury or emergency. If Physician Assistant does not use all or any portion of the PTO in any Agreement year, the unused portion shall roll over and be available for use in a subsequent Agreement year; provided, however, the maximum amount of PTO that can be accrued and/or rolled over is 240 hours. Upon written request by Physician Assistant, but not more frequently than four times (4X) per Agreement year, Physician Assistant is entitled to receive compensation in lieu of time off for accrued PTO; provided, however, Physician Assistant shall be entitled to a maximum payment each Agreement year for 120 hours (3 weeks or 15 days) of PTO. Physician Assistant is entitled to receive compensation for accrued PTO benefits at the end of the term.

(ii) Health and Other Care Benefits. Medical, dental, vision, prescription drug and life insurance (subject to eligibility) coverage consistent with and upon the same terms as the health and welfare benefit plan provided other employees of the District

(iii) Retirement Contribution. The District share of the contribution for the State of Nevada Public Employees Retirement System ("PERS") plan selected by the Physician Assistant in accordance with PERS rules and regulations then in effect.

b. CME / Professional Dues / Subscriptions. Employee shall be allowed five (5) paid days each Agreement year (in addition to PTO) for the purposes of attending and maintaining Employee's current credentials and professional licensure. The payment shall be

based upon an hourly prorating of Employee's base compensation annual salary then in effect (the base compensation hourly rate is calculated by dividing the base compensation annual salary then in effect by 2,080 hours). District shall pay or reimburse up to \$2,000 per Agreement year for: (i) pre-approved CME registration and course fees, both for on-site and on-line programs, necessary for CME and CME materials; (ii) the costs of the CME associated travel, vehicle, parking, lodging and meals; and, (iii) professional dues and subscriptions from professional organizations, upon Employee providing invoices for, or proof of payment of, such fees, costs and expenses. Employee shall obtain the Hospital Administration advance approval of the schedule for CME requiring travel outside the northern Nevada regional area. Any portion of the CME days or payment allowances remaining unused at the end of an Agreement year shall be forfeited.

c. License Fees. The District shall pay Physician Assistant's fees to maintain a valid Nevada license to provide Practice Speciality services within the State of Nevada.

d. Expenses. District shall reimburse Employee for reasonable and customary pre-approved costs and expenses incurred for commercial carrier travel, airline travel, vehicle rental, mileage for personal vehicle use, parking, lodging, meals, telephone, Internet and other communication services incurred by Employee for providing services to or on behalf of District. The costs and expenses allowed by this section do not include reimbursement for normal travel to and from home to place of employment, personal expenses of Employee or any expenses of Employee's family members. District shall not be responsible for any other business or travel expenses of Employee unless agreed to in writing prior to incurring such expenses.

e. Relocation Allowance. District shall pay up to the sum of \$10,000 for IRS approved moving and relocation expenses. The expenses may be paid directly to a relocation company or service, or reimbursed to Physician Assistant upon providing receipts for payments made by Physician Assistant. If, prior to the end of the first Agreement year, Physician Assistant terminates employment, the relocation allowance must be repaid to District on a pro rata basis.

f. Rural Practice Incentive. District shall pay a one-time \$15,000 payment to Physician Assistant, within thirty (30) days of the Commencement Date, as an incentive to practice and continue practicing in a rural community. If, prior to the end of the first Agreement year, Physician Assistant terminates employment or voluntarily changes employment status to less than full time, the rural practice incentive payment shall be repaid to District on a pro rata basis.

g. Payment Requests. When payment authorized by this section must be requested by Physician Assistant (e.g., expenses reimbursement, CME reimbursement or PTO payment) the Physician Assistant must make a timely (not more than 45 days after the expense was incurred or benefit earned) request for such payment and District will process the payment request and make payment at the end of the first full pay cycle following approval of the request.

7. TAXES / WITHHOLDING. The District will withhold federal, state and local taxes, social security (FICA), workers' compensation insurance and unemployment insurance (FUTA and state), PERS contributions and other fees and taxes from Physician Assistant's compensation under this Agreement as required by federal and state laws relating to employees. It is understood that the responsibility for payment of Physician Assistant's portion of such taxes, fees and withholding is the Physician Assistant's, and not the District's.

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8. POLICIES.

a. Professional. Physician Assistant shall comply with all obligations of professional staff appointees as provided in the District's medical staff bylaws, medical staff rules and regulations, Hospital and Clinic policies and procedures and the personnel handbook relevant to professionals utilizing District Facilities, as amended from time to time. Nothing in this Agreement shall obligate the District to take favorable action on Physician Assistant's application or reapplication for professional staff appointment or clinical privileges. District shall retain the right to process all such applications and any suspensions, terminations or restrictions of staff appointment or clinical privileges in accordance with District's normal standards and procedures.

b. Personnel. As a professional employee with management responsibilities, Physician Assistant shall be subject to policies and rules in the District's personnel handbook, including attendance at District orientation, mandatory in-services and passing employee health screening exams. Physician Assistant shall be subject to the applicable provisions and terms that apply to management personnel in the personnel manual. Physician Assistant shall perform all management functions required by this Agreement in a manner consistent with other District employees' rights under the personnel manual.

c. Conflict. In the event of conflict between or among the terms and/or conditions of this Agreement, the medical staff bylaws, the medical staff rules and regulations, the Hospital and Clinic policies and regulations and the personnel handbook rules, the terms and/or conditions of this Agreement shall control, and if this Agreement is silent on such terms and/or conditions, then the medical staff bylaws and the medical staff rules and regulations shall control, and if the bylaws, rules and regulations are silent on such terms and/or conditions, then the Hospital and Clinic policies and regulations shall control, and if the policies and regulations are silent on such terms and/or conditions, then the personnel handbook rules shall apply.

9. SUPERVISION. Physician Assistant shall report directly to and be under the supervision of the Administrator for personnel matters and non-clinical aspects of Physician Assistant's employment. Supervision shall include direction, evaluation, performance reviews, discipline, granting of leaves, scheduling and other usual and customary tasks of supervisory and management responsibility. Supervision for clinical or professional aspects of Physician Assistant's employment shall be by the Physician Assistant's supervising physician or by the administrator with the concurrence of Physician Assistant's supervising physician or qualified peer medical professional.

10. DISTRICT DUTIES.

a. Facilities. In addition to providing the compensation and benefits described herein, District shall provide, at District expense, an office space in the District's service area for the providing of Practice Specialty services. The office space shall include such amenities as are reasonably necessary, in the good faith opinion of the District, to the conduct of a Practice Specialty medical practice, including access to a waiting room, reception area, examining room(s), restroom(s), personal office space, and patient parking. The facilities provided by the District are not leased or rented to Physician Assistant, and the right to occupy and use such facilities shall continue only while this Agreement is in effect and there is compliance with the terms and conditions hereof.

b. Equipment / Supplies / Utilities. District shall provide, at District expense, all

professional office equipment, supplies and utilities that are, in District's good faith opinion, reasonably necessary for providing Practice Speciality services. Such equipment, supplies and utilities shall remain the sole property of District, and may be removed, replaced or encumbered in the sole discretion of District. District will consult with Physician Assistant concerning selection of equipment, supplies and utilities.

c. Ancillary Personnel. District shall recruit, evaluate, employ or otherwise provide or make available at District expense ancillary support personnel reasonably necessary, in District's good faith opinion, for providing Practice Specialty services, including billing/collection personnel, transcription services, and an office manager. District shall, after appropriate opportunity for input from Physician Assistant, have the exclusive right to select, schedule, evaluate, discipline, promote or terminate such support personnel and to set their compensation and duties. Physician Assistant shall have general medical supervisory responsibility for Practice Specialty patient care activities and ancillary medical personnel while performing services for the District.

d. Insurance. District, at District expense, maintains professional liability insurance for its employed providers which covers Physician Assistant's practice in amounts required by the District's professional staff policies, but not less than \$1,000,000 per claim and \$3,000,000 in the aggregate. The insurance is obtained on a claims-made basis, and provides for continuation or "tail coverage" after termination of services hereunder. Physician Assistant shall promptly notify District of any claim or threatened claim based on services rendered by Physician Assistant, under Physician Assistant's supervision, or at the District Facilities and shall cooperate fully with District and its insurers in investigation, defense, and other disposition of such claims, including not making any voluntary statements or commitments which could prejudice defense of same. If Physician Assistant ceases to be covered by District's professional liability insurance, then Physician Assistant shall obtain and maintain the required professional liability insurance coverage at Physician Assistant expense.

e. Laboratory / Diagnostic Services. District will provide at the Hospital such laboratory and other diagnostic services as are customary and reasonable for a Practice Specialty medical practice, including reasonable courier and other communications services necessary to transmit samples or results.

11. BILLING / RECORDS.

a. Billing / Assignment. Physician Assistant assigns to District all of Physician Assistant's right, title and interest to payment from or on behalf of patients or other recipients of professional services rendered by Physician Assistant or under Physician Assistant's supervision during the term of this Agreement. Physician Assistant shall promptly execute such further documents as may be necessary or helpful to give effect to this assignment. District shall determine the fee schedule for Physician Assistant's services. Physician Assistant shall not waive or compromise any obligation, payment, deductible or copayment for any service rendered pursuant to this Agreement and shall promptly and accurately complete and sign all billing reports, diagnoses, certifications, and attestations necessary for the District to bill and collect for professional services rendered by Physician Assistant or under Physician Assistant's supervision pursuant to this agreement. District shall retain, as District property, all amounts received or collected for Physician Assistant's services. Physician Assistant shall not seek to bill or collect from any third party payor or any patient in violation of this Agreement.

b. Medical Records. Physician Assistant shall create and maintain accurate, complete, readable and timely records of all care rendered at the District Facilities. The records must be kept and maintained in the District provided EHR (Electronic Health Records) system in the format approved by the District. The records shall be and remain the property of the District. Patient records shall not be removed from the District Facilities without District's written consent. For purposes of this Agreement, "timely" means: (i) within two (2) business days for completion of (a) clinic written diagnosis notes, indication of procedures performed notes, indication of level of care notes, outpatient notes and progress notes; and, (ii) within one (1) business day of receipt and review for lab reports, radiology reports, letters from other providers and transcriptions. The timeliness requirements may be revised by the District from time to time based upon operational or legal requirements without amending this Agreement.

c. Non-Medical Records. Physician Assistant shall keep current, comprehensible and accurate records reflecting the amount of time devoted by Physician Assistant to office related management and administrative activities.

d. Compliance. Physician Assistant shall meet all legal and regulatory requirements and District's standards for medical record documentation and billing claims submission, including without limitation, accurate coding. Physician Assistant shall cooperate with District in all coding and compliance audits and reviews, including making all documents and records available for review on a timely basis, and participation in exit interviews and telephone conferences as requested. Physician Assistant shall participate in all internal coding, billing and documentation educational programs as directed by District and shall comply with the recommendations of the District to improve documentation coding accuracy. In the event Physician Assistant is delinquent in the maintenance of medical records, District may withhold ten percent (10%) of the aggregate pre-tax compensation due Physician Assistant pending completion of all outstanding medical records. Additionally, if Physician Assistant fails to meet District's required level of medical record documentation and coding accuracy, the District may implement any or all of the following measures:

(i) Education. Physician Assistant may be required to undertake education regarding documentation and coding at Physician Assistant's expense.

(ii) Claims Review. Physician Assistant may be required to participate and cooperate in a system of pre-bill or concurrent review of claims or coding accuracy with claims being reviewed prior to submission.

(iii) Additional Audits. Physician Assistant may be required to incur the costs of subsequent or external audits, conducted by an auditor of District's choosing, to re-audit medical record documentation or coding accuracy.

e. Books / Records Availability / Retention. In accordance with Section 1861(v)(1) (i) of the Social Security Act, and the implementing regulations, Physician Assistant shall make available upon written request from the Secretary of the Health and Human Services, the Comptroller General, the District or agents of any of them, this Agreement and the books, documents and records of Physician Assistant necessary to certify the nature and extent of the costs related to the Physician Assistant for performance of this Agreement. Such books, documents and records shall be preserved for six (6) years after the furnishing of services by Physician Assistant pursuant to this Agreement, unless a longer retention period is required by applicable law or regulation.

(i) **Access.** If this Agreement is or becomes subject to any law relating to verification of contract costs under Medicare, Medicaid or any other law relating to reimbursement for professional medical services, the above noted entities and their representatives shall have access to Physician Assistant's books, documents and records for Physician Assistant's services ("Books") as are necessary to certify the nature and extent of such costs.

(ii) **Audit / Notice.** If Physician Assistant is asked to disclose any Books relevant to this Agreement for any audit or investigation, Physician Assistant shall immediately notify the District of the nature and scope of such request.

(iii) **Ownership.** All the Physician Assistant's work product and records related to services provided to or on behalf of District pursuant to this Agreement shall be and remain the property of the District, and shall be maintained for a period of six (6) years following the termination of this Agreement and, during such time, District agrees to retain and maintain all significant components of the files of Physician Assistant relative to Physician Assistant's services for the District and District shall make such records reasonably available to Physician Assistant upon request.

f. **Confidentiality.** Physician Assistant shall maintain the confidentiality of all patient care information and of all District Facilities and Hospital business and financial data, patient lists, and other trade secrets and confidences. Physician Assistant shall follow appropriate procedures to ensure that patient confidentiality rights are not abridged in accordance with applicable state and federal confidentiality laws and regulations. Physician Assistant shall at no time during or after the providing of services pursuant to this Agreement communicate in any way to any person or entity, any proprietary business or trade secrets of District unless such information is reasonably available to the general public from third party sources that Physician Assistant knows are not under any obligation to refrain from divulging such information.

12. PHYSICIAN ASSISTANT WARRANTIES. Physician Assistant represents and warrants that:

a. Physician Assistant is a registered physician assistant, duly licensed as of the effective date of this Agreement and in good standing, without restriction, as a registered physician assistant in the State of Nevada.

b. Physician Assistant is eligible to participate in Medicare and Medicaid and has never been denied participation, restricted or charged with any program violation by those administering Medicare or Medicaid programs. Physician Assistant will abide by all procedures, practices and administrative regulations promulgated by Medicare and Medicaid.

c. Physician Assistant will maintain the Nevada license to engage in Practice Specialty services, and the Medicare and Medicaid practice eligibility in good standing, without restriction or challenge, throughout the term of this Agreement.

d. Physician Assistant will comply with the American Medical Association's Principles of Medical Ethics, the standards of the Joint Commission, the National Committee on Quality Assurance and any other accrediting or licensing agency that may have jurisdiction or authority over the District.

e. Physician Assistant will provide services under this Agreement in compliance with

all applicable federal and state statutes, regulations, rules and standards, including the Medicare Conditions of Participation applicable the District.

f. Physician Assistant will comply with and promote Physician Assistant's daily interaction with District patients and personnel in accordance with the quality standards developed by the District administration, and will fully support, by the attendance at required meetings and educational sessions and otherwise, and participate in the quality improvement, utilization review, and financial performance improvement initiatives of the District.

g. Physician Assistant will practice effective communication skills, people oriented human relationship skills and participatory administrative and supervisory skills to facilitate the efficient operational performance of the District Facilities to satisfy the needs and expectations of the District patients served by Physician Assistant.

h. Physician Assistant will perform all Practice Speciality services and responsibilities without default or without instigating, initiating or perpetuating interpersonal conflict with other physician assistants.

i. Physician Assistant will on request by District and at District's expense, if any, apply for and promptly take all steps necessary to qualify for, obtain and maintain the right of participation in any provider panel, e.g., IPA, PPO panel, HMO panel, or third-party insurance program, or contractual agreements with which District elects to participate.

j. Physician Assistant will notify District in writing within five (5) business days of receipt of notice of any investigation by or of Physician Assistant which could result in: (i) loss, restriction or suspension of Physician Assistant's license to practice medicine in the State of Nevada and Physician Assistant's DEA permit; (ii) exclusion from participation in Medicare, Medicaid, or under any third party payer or managed care company; (iii) loss of Physician Assistant's insurability for professional liability insurance or, (iv) any action that is threatened, initiated or taken against Physician Assistant by any other health care facility provider or organization.

13. NON-DISCRIMINATION. Physician Assistant shall uphold and abide by all laws pertaining to equal access and employment opportunities. The laws include, but are not limited to, Title VI and VII of the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act of 1967, as amended, the Age Discrimination in Employment Act of 1975, the Equal Pay Act of 1963, Sections 501 & 504 of the Rehabilitation Act of 1973, the Civil Rights Act of 1991 and the Americans with Disabilities Act of 1990, as amended.

Physician Assistant shall not discriminate against any patient, District employee, District contractor or any other individual the Physician Assistant comes into contact with by reason of the duties performed pursuant to this Agreement because of race, color, ethnicity, ancestry, creed, national origin, religion, age, sex, sexual orientation, gender identity or expression, marital status, familial status, veteran's status, political affiliation or disability (including AIDS and related conditions).

14. ADDITIONAL INSTRUMENTS. Physician Assistant shall, from time to time and as often as requested by District execute an addendum to this Agreement governing Physician Assistant's use and disclosure of Protected Health Information in accordance with the requirements of the Health Insurance Portability and Accounting Act of 1996 ("HIPAA") and the

implementing regulations of HIPAA, as amended. Failure of Physician Assistant to execute such addendum upon request shall result in immediate termination of this Agreement.

15. EVALUATION OF SERVICES. The District continually evaluates all services provided and may initiate changes to services provided based upon the health care environment and external pressures to remain competitive. Physician Assistant and District agree to participate in open dialog and negotiations regarding Physician Assistant or District developments that may affect the manner in which services are provided and/or the services that Physician Assistant or District may choose to provide. The development of new programs of patient care by Physician Assistant shall be discussed with the appropriate medical advisors and approved by District before being instituted.

16. IMMUNITY. To the extent the services provided by Physician Assistant pursuant to this Agreement include peer review and quality improvement activities, such activities are intended to be conducted in such a way as to provide Physician Assistant with the protections and immunity from liability granted such peer review activities pursuant to applicable law.

17. INFORMATION TO DISTRICT. Physician Assistant shall use reasonable efforts to assure that District is informed at all times as to the status of matters that Physician Assistant is providing services for and the courses of action or recommendations of Physician Assistant. Physician Assistant shall make reasonably available to District all written materials sent or received by Physician Assistant pertaining to matters involving the District or the District Facilities and copies of such materials will be provided to the District upon request.

18. NO REFERRALS. Nothing contained in this Agreement or in any other agreement between the District and Physician Assistant will obligate either party to refer patients to the other party, or to the affiliated providers or facilities of either party.

19. INDEPENDENT JUDGEMENT. Nothing contained in this Agreement or in any other agreement between the District and Physician Assistant shall be interpreted to prescribe Physician Assistant's method or manner of practice of medicine or delivery of patient care, or to influence the exercise of independent judgement in the practice of medicine. Physician Assistant shall have complete control over the care of patients subject to the directives of the Physician Assistant's supervising physician, and District shall not exercise any direct supervision or control over the individual care of any patient. Physician Assistant's care of patients must be consistent with any rules and regulations promulgated by District dealing with the general treatment of patients.

20. TERMINATION. This Agreement and the employment of Physician Assistant may be terminated as follows:

a. Upon Occurrence of Certain Events. The District may unilaterally terminate this Agreement before the end of the term, effective immediately unless otherwise provided, on the occurrence of any of the following events:

(i) Licenses Permits and Participation. Denial, termination, restriction, or suspension of Physician Assistant's license to engage in Practice Specialty Services in the State of Nevada or Physician Assistant's right of participation in Medicare, Medicaid, or any provider panel designated pursuant to this Agreement.

(iii) **Professional Liability Insurance.** Termination of the professional liability insurance covering Physician Assistant's practice pursuant to this Agreement for reasons based upon Physician Assistant's conduct.

(iv) **Personnel Manual.** Termination in accordance with the policies and rules in the District's personnel manual.

(v) **Disability or Death.** Disability of Physician Assistant which cannot be reasonably accommodated, or Physician Assistant's death.

(vi) **Criminal Conviction.** Conviction of any crime punishable as a felony or conviction of a gross misdemeanor or misdemeanor crime involving moral turpitude.

(vii) **District Facilities Closure.** Closure of the District Facilities, or any of them, for any reason, including damage or destruction to the physical facilities or loss of licensing.

b. **Material Breach.** Either party may terminate this Agreement before its expiration based on a material breach of this Agreement by the other party if it has given written notice to the party in breach describing the breach, and within thirty (30) days after the giving of such written notice the breaching party has not cured the breach and provided reasonable assurances that the breach will not be repeated. No opportunity to cure shall be required for any second breach by a party and termination may be made effective on giving of the second notice.

c. **Third Party Causes.** Either the District or Physician Assistant may, by written notice to the other party, terminate this Agreement in the event that any federal, state or local government regulatory agency or entity adopts, issues or promulgates any law, rule, regulation, standard or interpretation that prohibits, restricts, limits or in any way substantially changes the arrangement contemplated by this Agreement or which otherwise significantly affects either party's rights or obligations hereunder. If this Agreement can be amended to the satisfaction of both parties to compensate for such prohibition, restriction, limitation or change, this clause shall not be interpreted to prevent such amendment.

d. **Without Cause.** Either the District or Physician Assistant may, by written notice to the other party, terminate this Agreement without cause ninety (90) days after the giving of such written notice.

e. **Mutual Agreement.** The District and Physician Assistant may, upon mutual written agreement, terminate this Agreement upon the terms and conditions set forth therein.

At the effective date of termination, all rights, duties and obligations of District and Physician Assistant under this Agreement shall terminate except: (i) District shall compensate Physician Assistant for services performed by the Physician Assistant for which compensation is due but has not been received; (ii) in the event Physician Assistant is indebted to District for amounts due under this Agreement or other obligations between the parties, District may offset such indebtedness against any amounts due Physician Assistant from the District; and, (iii) the records access and retention of files (section 11.e.), the confidentiality agreement (section 11.f.), the non competition covenant (section 21), and the release (section 22) provisions shall continue to bind the parties.

Upon termination of this Agreement or upon resolution of any other dispute hereunder, there shall

be no right of review or appeal under the District's Hospital and Clinic professional staff policies and procedures, fair hearing plan or the personnel handbook relevant to professionals. Unless otherwise mutually agreed, termination of this Agreement automatically terminates Physician Assistant's professional staff appointment and all clinical privileges at the Hospital, without hearing or review.

21. COVENANT NOT TO COMPETE. Physician Assistant, for and in consideration of the compensation and benefits herein, agrees that for a period of one (1) year from and after the date of termination of this Agreement, Physician Assistant shall not, within seventy-five (75) miles of the city limits of Winnemucca, Humboldt County, Nevada (the same being the normal service area of the District), as an employee, associate, partner, manager, trustee, independent contractor, consultant, principal, agent of or through the agency of any corporation, company, limited liability company, partnership, association, entity, business, agent, agency or person: (i) engage in Practice Speciality services, or (ii) solicit or accept employment to perform Practice Speciality services with or from any corporation, company, limited liability company, partnership, association, entity, business, agent, agency or person, or (iii) solicit former patients served by Physician Assistant as an employee of the District. In the event the provisions of this section should be determined by a court of competent jurisdiction to exceed the time or geographical limitations permitted by the applicable law, then such provisions shall be reformed to the maximum time or geographical limitations permitted by applicable law.

22. RELEASE. Upon any termination under this Agreement and upon acceptance of all compensation for services performed, the Physician Assistant shall be deemed to have voluntarily released and discharged the District, the Board of Trustees of the District, the Hospital and their officers, directors, employees, agents and permitted successors and assigns, individually and collectively, and in their official capacity, from any and all liability arising out of this Agreement or from Physician Assistant's providing of services under this Agreement.

23. GENERAL PROVISIONS. The general provisions attached hereto as **Exhibit "A"** are made a part of this Agreement and are incorporated herein by reference.

IN WITNESS WHEREOF, the parties have hereunto caused this Agreement to be executed effective as of the beginning of the term on the day and year first above written.

DISTRICT:

PHYSICIAN ASSISTANT:

JoAnn Casalez, Board of Trustees Chairman
Humboldt County Hospital District

Arthur A. Johnson, PA-C

EXHIBIT "A"
TO
AGREEMENT FOR PHYSICIAN ASSISTANT EMPLOYMENT
GENERAL PROVISIONS

A. AMENDMENT. This Agreement may be modified or amended only in writing by an instrument executed with the same formality as this Agreement.

B. APPLICABLE LAW. This Agreement and all rights and obligations hereunder shall be governed by and construed in accordance with the laws of the State of Nevada in effect from time to time.

C. ASSIGNMENT. This Agreement relates to the performance of services by Physician Assistant and shall not be transferred or assigned by Physician Assistant without the prior written consent and agreement of District. Any unauthorized transfer of this Agreement shall be void. The District may assign this Agreement to a successor organization or successor entity of District.

D. BINDING EFFECT. This Agreement will inure to the benefit of and bind the respective successors and permitted assigns of the parties hereto.

E. CAPTIONS. The captions or titles used in this Agreement shall have no effect on its interpretation and are for convenience and reference only and in no way define limits or describe the scope of this Agreement or the scope or content of any Agreement provision.

F. COMPLIANCE WITH LAW-DISTRICT POLICIES. In the performance of services pursuant to this Agreement, there shall be compliance by District and Physician Assistant with all applicable laws, regulations and rules, and Physician Assistant shall comply with applicable District, Hospital and Clinic policies, as enacted and amended from time to time, including policies relative to illegal harassment, and drug and alcohol free workplace.

G. CONSTRUCTION. Whenever the context of this Agreement requires, the gender of all words shall include the masculine, feminine, and neuter, and the number of all words shall include the singular and plural. The language of all parts of this Agreement shall in all circumstances be construed as a whole, according to its fair meaning, and not strictly for or against any party. The doctrine or rule of construction against the drafting party shall not apply, nor shall any such presumption apply, to the interpretation and/or enforcement of this Agreement or any documents attached to this Agreement.

H. COUNTERPARTS. This Agreement may be executed in counterparts, each of which when executed and delivered shall be deemed an original, but all such counterparts together shall constitute one and the same instrument.

I. DEFINITIONS-TERMS. The capitalized terms used in this Agreement with reference to HIPAA or any other federal or state law or regulation shall have the meaning ascribed to such term in the law or regulation. As used in this Agreement, the term: (i) "Physician Assistant" shall include, when the context requires inclusion, all Physician Assistant associates, subcontractors and agents of Physician Assistant used to provide services or carry out Practice Specialty services under this Agreement; (ii) "Administrator" refers to the District/Hospital chief executive officer or chief operating officer and, when the context requires, shall include the designee or appointee of the Administrator; and, (iii) "Board" refers to the District's Board of Trustees, the governing body of the District. References to "days" refer to calendar days, unless stated otherwise, and reference to a "business day" refers to a day that is not a Saturday, Sunday, legal holiday or a day observed as a legal holiday for Nevada state governmental offices under the Nevada Revised Statutes.

J. DISPUTE RESOLUTION. Any controversy, claim or dispute relating to this Agreement or Physician Assistant services concerning a non medical issue shall be the subject of informal discussions between Physician Assistant and the Hospital Physician Assistant Services Director (or equivalent practice

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administrator). If no agreement can be reached between Physician Assistant and Physician Assistant Services Director, the decision of the Physician Assistant Services Director may be referred to the Administrator for a decision. Any questions or disagreements concerning standards of professional practice or the medical aspects of the services provided by Physician Assistant shall be referred to a peer or peer group (up to three (3) persons) of qualified medical professionals selected by the Physician Assistant and the Administrator, which peer or peer group will recommend a resolution of the matter to the Administrator. If Physician Assistant is dissatisfied in either case with the decision of the Administrator, then upon the written request of Physician Assistant submitted to the Administrator on or before the expiration of five (5) business days after the decision is rendered, the dispute will be submitted to a committee (less than a quorum) appointed by the Board Chairman of the District's Board of Trustees for resolution. The decision of the District's Board of Trustees is final. If there is failure to reach resolution upon exhaustion of the procedures of this section, the parties may then exercise any remedy authorized by this Agreement or by law.

K. ELECTRONIC COMMUNICATION. Physician Assistant consents to and allows District to initiate electronic communications (whether by email, facsimile, or other mode) to Physician Assistant and to respond to electronic communications from Physician Assistant via electronic communication. The consent extends to initiation of electronic communications with, and the electronic response to communications from, such others as District deems necessary or appropriate in the performance of services hereunder, and will also include attachment of electronic copies of documents to any electronic communications. Physician Assistant acknowledges and assumes the risk that electronic communications may be randomly intercepted and disclosed by an otherwise disinterested person, and could be intercepted by an individual or other party interested in the subject of the electronic communication.

L. EXHIBITS. All exhibits attached and referred to in this Agreement are fully incorporated herein by reference.

M. FEES-COSTS. Each party shall pay their respective costs of dispute resolution under section J above. In the event that either party institutes a suit against the other party, either directly by complaint or by way of cross complaint, including a cross complaint for indemnity, for alleged negligence, error, omission or other failure to perform, or for declaratory relief, or to enforce or interpret the provisions of this Agreement, and if instituting party fails to obtain a judgment in its favor, the lawsuit is dismissed, or if judgment is rendered for the defending party, the instituting party shall pay the costs incurred by the defending party, including fees incurred for notices of default, negotiation, settlement, trial, appeal after trial, reasonable attorney's fees, expert witness fees, court costs and any and all other expenses of defense. If the instituting party is the prevailing party, then the instituting party shall be entitled to reasonable attorney's fees, which fees shall be set by the court in the action in addition to any other costs assessed by the Court. Payment shall be made immediately following dismissal of the case or upon entry of judgment.

N. ENTIRE AGREEMENT. This Agreement contains the entire understanding between the parties and there are no terms, promises, conditions, inducements, representations or warranties, express or implied, other than as herein set forth. This Agreement and the other instruments attached hereto or herein referred to supersede any prior discussions, contracts or agreements of the parties pertaining to the subject of this Agreement.

O. NOTICES. Any notice, request or demand or other communication pursuant to this Agreement shall be in writing and shall be considered given (i) upon personal service to the party to be served, or (ii) upon acknowledgment of receipt of a facsimile or other electronic transmission or communication and, if there is no acknowledgment of receipt, then one business day after the date of transmittal of the facsimile or other electronic communication and no failed delivery notification is received by the sender, or (iii) upon the sooner of first attempted delivery or receipt for Federal Express or other similar delivery service keeping records of deliveries and attempted deliveries, or (iv) on the third business day after deposit in the United States mail, certified and postage prepaid, return receipt requested, in a regularly maintained receptacle for the deposit of United States mail to the party to be served at their address given herein, or at such other address or attention as from time to time may be specified by either party by notice to the other party in the manner herein provided.

P. RECITALS. The recital and introductory paragraphs of this Agreement are considered an integral part of this Agreement and form a basis for entering into this Agreement and shall be considered *prima facie* evidence of the facts, events, documents and information referred to therein.

Q. RECONSIDERATION. If either party to this Agreement reasonably determines that a provision of this Agreement is unworkable or, if either party identifies a method of improving the working relationship between the parties, this Agreement may be reconsidered for amendment. If there is failure of the parties to reach agreement on the proposed amendment, then this Agreement shall continue in force and effect without change.

If, in the opinion of counsel for the District, changes in federal or state statutes or regulations, or court interpretations of statutes or regulations applicable to District, render this Agreement or any of its provisions illegal, or significantly impair or restrict District's entitlement to reimbursement for services rendered by Physician Assistant, the parties shall negotiate in good faith to eliminate the illegality or adverse reimbursement effects occasioned by such changes while maintaining the intended effect of this Agreement as nearly as possible. If the parties are unable to reach agreement or if, in the opinion of counsel for the District, it is not possible to eliminate the illegality or adverse reimbursement effects through mutual agreement, District may terminate this Agreement on fifteen (15) days written notice to Physician Assistant. In the event of termination under this section, the parties shall be relieved of all obligations each to the other pursuant to this Agreement from the date of termination, except as provided in section 21 herein.

R. REMEDIES. All rights and remedies provided for in this Agreement are cumulative and in addition to, and not in lieu of, any other remedies available at law, in equity, or otherwise.

S. REVIEW OF AGREEMENT. The parties represent that they have read this Agreement, that the terms and provisions of this Agreement have been explained to them and that they are fully aware of the contents and binding legal effect of this Agreement and that they are entering into this Agreement freely and voluntarily.

T. SEVERABILITY. The enforceability, voidability, invalidity or illegality of any provisions of this Agreement shall not render any other provisions unenforceable, void, invalid or illegal.

U. THIRD-PARTY BENEFICIARIES. Nothing expressed or implied in this Agreement is intended, or should be construed, to confer upon or give any person not a party to this Agreement any third-party beneficiary rights, interests or remedies under or by reason of any term, provision, condition, undertaking, warranty, representation or agreement contained herein.

V. TIME. Time is of the essence of this Agreement and each of its provisions.

W. VENUE. In the event litigation is used to enforce or interpret the provisions of this Agreement such litigation is to be brought in the jurisdiction of the state of Nevada District Court in Humboldt County, Nevada and, notwithstanding that Physician Assistant may not reside in Humboldt County, Nevada, Physician Assistant waives the right to bring, try or remove such litigation to any other state, county or judicial district or court system, unless the District consents to or brings such litigation in another jurisdiction. Nothing in this Agreement shall be construed to limit the right of a court of competent jurisdiction to change the venue.

X. WAIVERS. All waivers under this Agreement must be in writing and signed by the party against whom the waiver is sought to be enforced. One or more waivers of any term, condition or covenant by either party shall not be construed as a waiver of any other term, condition or covenant.

O. KENT MAHER
ATTORNEY AT LAW
33 WEST FOURTH STREET
P.O. BOX 130
WINNEMUCCA, NEVADA 89446
TEL: (775) 623 5277 FAX: (775) 623 2468
EMAIL: KENT@WINNEMUCCALAW.COM

MEMORANDUM

TO: Interim Administrator-CEO
FROM: Hospital District Legal Counsel
DATE: February 18, 2020
RE: Thorp / physician contract services agreement

Attached (in pdf. format to the email) is a discussion draft version of the proposed *Agreement for Physician Services* with Sara Elizabeth Thorp, D.O., which was prepared using the terms and conditions information provided. The authorization for the provider employment is an item on the upcoming Board of Trustees meeting agenda.

Please review the document carefully for content and accuracy. After your review and the opportunity for the Board to offer input, any desired revisions can be incorporated into the final draft version of the document submitted for the provider to review. When the Agreement as drafted or revised, as the case may be, is acceptable to the parties it will be placed in final form for signatures.

If you have questions concerning this matter, please contact me. Thank you.

OKM/lp
Attachment

**AGREEMENT
FOR PHYSICIAN SERVICES**

THIS AGREEMENT, made and entered into effective the 10th day of February, 2020 (the "Effective Date") by and between:

DISTRICT: HUMBOLDT COUNTY HOSPITAL DISTRICT
c/o Humboldt General Hospital
118 East Haskell Street
Winnemucca, Nevada 89445

PHYSICIAN: SARA ELIZABETH THORP, D.O.
765 Poli Street
Ventura, California 93001

RECITALS:

A. Humboldt County Hospital District ("District") operates Humboldt General Hospital ("Hospital"), an acute care medical facility with critical access designation, and the Hospital Clinic ("Clinic"), medical clinics offering the professional services of health care providers (collectively such facilities are sometimes referred to herein as the "District Facilities"), in Winnemucca, Humboldt County, Nevada, and has need for a licensed and qualified physician to provide pediatrics services, nursery call services and OB/GYN surgery assistant services (herein referred to as the "Practice Specialty") at the District Facilities to serve the interests of the District, the District patients and the residents of Humboldt County.

B. Sara Elizabeth Thorp, D.O. ("Physician") is qualified and licensed to practice in the State of Nevada, with experience and capability in providing Practice Specialty physician services, and desires to provide to the District the services described in this Agreement.

WITNESSETH: For and in consideration of the recitals, representations, warranties and covenants herein it is agreed as follows:

1. PHYSICIAN SERVICES. Subject to the terms and conditions herein, Physician shall be available for and provide Practice Specialty services at the District Facilities for a minimum of seven (7) days per calendar month on an as needed on-call basis as requested by District.

2. TERM / RENEWAL. This Agreement: (i) becomes effective upon execution by all parties on the date first above written and will remain in effect until August 10, 2020; and, (ii) is conditionally renewable upon agreement between the District and Physician.

3. COMPENSATION-ALLOWANCES-REIMBURSEMENTS.

a. Services Payments. District shall pay Physician the sum of \$1,750.00 per day for call services. At the end of each calendar month Physician shall provide to District a record of the services provided by Physician during that month. The services payment shall be made within fifteen (15) days of receipt by District from Physician of the report of services provided. For purposes of the compensation, allowances and reimbursements of this Agreement, the term "day" means any twenty-four (24) hour period between 12:00 a.m. and 11:59 p.m.

b. **CME.** Physician shall receive a one-time payment or reimbursement of up to \$2,500 to attend a pediatric conference in calendar year 2020.

c. **Payment Requests.** When payment or reimbursement authorized by this section must be requested by Physician, the Physician must make a timely (not more than thirty (30) days after the expense was incurred) request for such payment or reimbursement and District will process the payment request and make payment of approved expenses within fifteen (15) days of receipt of the request.

The compensation and value of the allowances and reimbursements established by this Agreement are consistent with the fair market value of the Physician provided services arrived at through an arms length negotiation between the parties. The compensation is not intended to relate to and does not take into account the volume or value of any referrals or business otherwise generated for or with respect to the District or between the parties for which payment may be made in whole or in part under Medicare, Medicaid or any other federal or state health care program, or under any third party payor program.

4. **RELATIONSHIP / SUPERVISION.** The District is contracting for the performance of Physician's services as an independent contractor, and the District does not control the manner in which Physician provides such services, nor does the District retain control over the methods and procedures to be utilized in the performance of Physician's professional activities, so long as the terms of this Agreement are complied with by the Physician and the objectives of the District are achieved by the performance of the Physician provided services.

No relationship of employment, partnership, joint venture or agency is created or intended to be created by this Agreement and Physician shall have no claim under this Agreement against the District for vacation pay, sick leave, retirement benefits, social security, workers' compensation, health, disability or unemployment insurance benefits, or employee benefits of any kind.

5. **EXPENSES.** All expenses incurred by Physician in connection with Physician's private business operations, including the practice of medicine, such as fees, salaries, benefits, insurance, licensing costs, insurance, professional association dues, continuing education programs and conferences and medical equipment and supplies are the sole responsibility of Physician, unless otherwise provided or authorized by this Agreement.

6. **TAXES / WITHHOLDING.** Payment of federal, state and local taxes, social security (FICA), workers' compensation insurance and unemployment insurance (FUTA and state), and any other fees and taxes related to the compensation and allowances received by Physician pursuant to this Agreement are the responsibility of the Physician.

7. **PHYSICIAN WARRANTIES.** Physician represents, warrants and agrees during the term of this Agreement:

a. **License.** Physician is a doctor of medicine, duly licensed and in good standing, without restriction, as a physician in the State of Nevada.

b. **Permit.** Physician holds a DEA permit with respect to controlled substances, and the permit is in good standing and without restrictions.

c. Program Eligibility. Physician is eligible to participate in Medicare and Medicaid and has never been denied participation, restricted or charged with any program violation by those administering Medicare or Medicaid programs. Physician will abide by all procedures, practices and administrative regulations promulgated by Medicare and Medicaid.

d. License-Permit Maintenance. Physician will maintain the Nevada license to practice medicine, the DEA permit and Medicare and Medicaid practice eligibility in good standing, without restriction or challenge.

e. Policies. Physician is, or will be, familiar with and shall be subject to, comply with, and abide by the policies, procedures, rules, regulations, guidelines, protocols, and requirements of the District insofar as they are applicable to contract physicians, and the bylaws, rules and regulations of the District's medical staff, as amended from time to time.

f. Audits. Physician will cooperate with, and carry out any corrective action recommended as a result of, any and all internal and external audits conducted by the District to promote regulatory compliance.

g. Standards Compliance. Physician will comply with the American Medical Association's Principles of Medical Ethics, the standards of the Joint Commission, the National Committee on Quality Assurance and any other accrediting or licensing agency that may have jurisdiction or authority over the District.

h. Regulatory Compliance. Physician will provide services under this Agreement in compliance with all applicable federal and state laws, regulations, rules and standards, including the Medicare Conditions of Participation, applicable to the District.

i. Quality Standards. Physician will comply with and promote Physician's interaction with District patients in accordance with the quality standards developed by the District administration, and will fully support, by the attendance at required meetings and educational sessions and otherwise, and participate in the quality improvement, utilization review, and financial performance improvement initiatives of the District.

j. Medical Staff. Physician will maintain in good standing both appointment to the professional medical staff of District and all clinical privileges relevant to the providing of Practice Speciality services.

k. Provider Participation. Physician will on request by District and at District's expense, if any, apply for and promptly take all steps necessary to qualify for, obtain and maintain the right of participation in any provider panel, e.g., IPA, PPO panel, HMO panel, or third-party insurance program, or contractual agreements with which District elects to participate.

l. Notice. Physician must notify District in writing within five (5) business days of receipt of notice of any investigation by or of Physician, or any claim or threatened claim against Physician based on services rendered by Physician pursuant to this Agreement, or any action that is threatened, initiated or taken against Physician by any person, entity, other health care facility provider or organization, which could result in: (i) loss, restriction or suspension of Physician's license to practice medicine in the State of Nevada and Physician's DEA permit; (ii) exclusion from participation in Medicare, Medicaid, or under any third party payer or managed care company; or, (iii) loss of Physician's insurability for professional liability insurance.

8. BILLING / MEDICAL RECORDS.

a. Billing / Assignment. Physician assigns to District all of Physician's right, title and interest to payment from or on behalf of patients or other recipients of professional services at the District Facilities rendered by Physician or under Physician's supervision during the term of this Agreement. Physician shall promptly execute such further documents as may be necessary or helpful to give effect to this assignment. District shall determine the fee schedule for Physician's services at the District Facilities. Physician shall not waive or compromise any obligation, payment, deductible or copayment for any service rendered pursuant to this Agreement and shall promptly and accurately complete and sign all billing reports, diagnoses, certifications, and attestations necessary for the Hospital to bill and collect for professional services rendered at the District Facilities by Physician or under Physician's supervision pursuant to this Agreement. District shall retain all amounts received or collected for Physician's services at the District Facilities as District property. Physician shall not seek to bill or collect from any third party payor or any District Facilities patient in violation of this Agreement.

b. Medical Records. Physician shall create and maintain accurate, complete, readable and timely records of all care rendered at the District Facilities. The records must be kept and maintained in the District provided EHR (Electronic Health Records) system in the format approved by the District. The records shall be and remain the property of the District. Patient records shall not be removed from the District Facilities without District's written consent. For purposes of this Agreement, "timely" means: (i) within two (2) business days after services are rendered, for written diagnosis notes, indication of procedures performed notes, indication of level of care notes, outpatient notes and progress notes; (ii) within one (1) business day of receipt and review, for lab results and radiology results; and, (iii) within four (4) business days, for completion of history and physicals upon admission and for completion of discharge summaries upon discharge.

c. Compliance. Physician shall meet all legal and regulatory requirements and District's standards for medical record documentation and billing claims submission, including without limitation, accurate coding. Physician shall cooperate with District in all coding and compliance audits and reviews, including making all documents and records available for review on a timely basis, and participation in exit interviews and telephone conferences as requested. Physician shall participate in all internal coding, billing and documentation educational programs as directed by District and shall comply with any and all recommendations of District to improve documentation coding accuracy. In the event Physician is delinquent in the maintenance of medical records, District may withhold ten percent (10%) of the aggregate compensation then due Physician pending completion of all outstanding medical records. Upon completion of the outstanding records, the withheld compensation shall be released to Physician. Failure to complete the outstanding records will result in forfeiture to District of the withheld compensation.

9. DISTRICT PROVIDED FACILITIES-SERVICES. The District provides, at District expense, the following facilities and services for use or participation by Physician to provide services per this Agreement:

a. Facilities. Office space at the District Facilities, which includes such amenities as are reasonably necessary, in the good faith opinion of the District, for providing Practice Specialty services, including access to a waiting room, reception area, examining room(s), restroom(s), personal office space, and patient parking. The facilities provided by the District are not leased or rented to Physician, and the right to occupy and use such facilities shall continue only while this

Agreement is in effect and there is compliance with the terms and conditions hereof.

b. Equipment / Supplies / Utilities. Professional office equipment, supplies and utilities that are, in District's good faith opinion, reasonably necessary for providing Practice Specialty services. The equipment, supplies and utilities are the property of District, and may be removed, replaced or encumbered in the sole discretion of District. District will consult with Physician concerning selection of equipment, supplies and utilities.

c. Ancillary Personnel. Ancillary support personnel reasonably necessary, in District's good faith opinion, for providing Practice Specialty services, including billing/collection personnel, transcription services, and an office manager. District provides appropriate opportunity for input from Physician, but retains the exclusive right to recruit, select, employ, schedule, evaluate, discipline, promote or terminate such support personnel and to set their compensation and duties. Physician may exercise general supervisory authority of ancillary support personnel while performing Practice Specialty services for the District.

d. Insurance. District, at District expense, maintains professional liability insurance for its employed providers which covers Physician's practice in amounts required by the District's professional staff policies, but not less than \$1,000,000 per claim and \$3,000,000 in the aggregate. The insurance is obtained on a claims-made basis, and provides for continuation or "tail coverage" after termination of services hereunder. Physician shall promptly notify District of any claim or threatened claim based on services rendered by Physician, under Physician's supervision, or at the District Facilities and shall cooperate fully with District and its insurers in investigation, defense, and other disposition of such claims, including not making any voluntary statements or commitments which could prejudice defense of same. If Physician ceases to be covered by District's professional liability insurance, then Physician shall obtain and maintain the required professional liability insurance coverage at Physician expense.

10. POLICIES.

a. Professional. Physician shall comply with all obligations of professional staff appointees as provided in the District's medical staff bylaws, medical staff rules and regulations, Hospital and Clinic policies and procedures and the personnel handbook relevant to professionals utilizing District Facilities, as amended from time to time. Nothing in this Agreement shall obligate the District to take favorable action on Physician's application or reapplication for professional staff appointment or clinical privileges. District shall retain the right to process all such applications and any suspensions, terminations or restrictions of staff appointment or clinical privileges in accordance with District's normal standards and procedures.

b. Personnel. As a professional employee with management responsibilities, Physician shall be subject to policies and rules in the District's personnel handbook, including attendance at District orientation, mandatory in-services and passing employee health screening exams. Physician shall be subject to the applicable provisions and terms that apply to management personnel in the personnel manual. Physician shall perform all management functions required by this Agreement in a manner consistent with other District employees' rights under the personnel manual.

c. Conflict. In the event of conflict between or among the terms and/or conditions of this Agreement, the medical staff bylaws, the medical staff rules and regulations, the Hospital and Clinic policies and regulations and the personnel handbook rules, the terms and/or conditions

of this Agreement shall control, and if this Agreement is silent on such terms and/or conditions, then the medical staff bylaws and the medical staff rules and regulations shall control, and if the bylaws, rules and regulations are silent on such terms and/or conditions, then the Hospital and Clinic policies and regulations shall control, and if the policies and regulations are silent on such terms and/or conditions, then the personnel handbook rules shall apply.

11. RECORDS.

a. Retention. In accordance with Section 1861(v)(1)(1) of the Social Security Act, and the implementing regulations, Physician shall make available upon written request from the Secretary of the Health and Human Services, the Comptroller General, the District or agents of any of them, this Agreement and the books, documents and records of Physician necessary to certify the nature and extent of the costs related to the Physician for performance of this Agreement. Such books, documents and records shall be preserved for six (6) years after the furnishing of services by Physician pursuant to this Agreement, unless a longer retention period is required by applicable law or regulation.

(i) Access. If this Agreement is or becomes subject to any law relating to verification of contract costs under Medicare, Medicaid or any other law relating to reimbursement for professional medical services, the above noted entities and their representatives shall have access to Physician's books, documents and records for Practice Specialty services ("Books") as are necessary to certify the nature and extent of such costs.

(ii) Audit / Notice. If Physician is asked to disclose any Books relevant to this Agreement for any audit or investigation, Physician shall immediately notify the District of the nature and scope of such request.

(iii) Ownership. All the Physician's work product and records related to services provided to District pursuant to this Agreement, including marketing, public relations and intellectual property generated by or on behalf of Physician, shall be and remain the property of the District, and shall be maintained for a period of six (6) years following the termination of this Agreement and, during such time, District agrees to retain and maintain all significant components of the files of Physician relative to Physician's services for the District and District shall make such records reasonably available to Physician upon request.

b. Confidentiality. Physician shall maintain the confidentiality of all patient care information and of all District and Hospital business and financial data, patient lists, and other trade secrets and confidences. Physician shall follow appropriate procedures to ensure that Hospital patient's confidentiality rights are not abridged in accordance with applicable state and federal confidentiality and disclosure laws and regulations. Physician shall at no time during or after the providing of services pursuant to this Agreement communicate in any way to any person or entity, any proprietary business or trade secrets of District unless such information is reasonably available to the general public from third party sources that Physician knows are not under any obligation to refrain from divulging such information.

12. NON-DISCRIMINATION. Physician shall while performing the services for District pursuant to this Agreement uphold and abide by all laws pertaining to equal access and employment opportunities. These laws include Title VI and VII of the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act of 1967, as amended, the Age Discrimination in Employment Act of 1975, the Equal Pay Act of 1963, Section 501 & 504 of the

Rehabilitation Act of 1973, the Civil Rights Act of 1991 and the Americans with Disabilities Act of 1990, as amended.

Physician shall not discriminate against any patient, District employee, District contractor or any other individual the Physician comes into contact with by reason of the duties performed pursuant to this Agreement because of race, color, ethnicity, ancestry, creed, national origin, religion, age, sex, sexual orientation, gender identity or expression, marital status, familial status, veteran's status, political affiliation or disability (including AIDS and related conditions).

13. ADDITIONAL INSTRUMENTS. Physician shall, from time to time and as often as requested by District execute an addendum to this Agreement governing Physician's use and disclosure of Protected Health Information in accordance with the requirements of the Health Insurance Portability and Accounting Act of 1996 ("HIPAA") and the implementing regulations of HIPAA, as amended. Failure of Physician to execute such addendum upon request shall result in immediate termination of this Agreement.

14. EVALUATION OF SERVICES. The District continually evaluates all services provided and may initiate changes to services provided based upon the health care environment and external pressures to remain competitive. Physician and District agree to participate in open dialog and negotiations regarding Physician or District developments that may affect the manner in which services are provided and/or the services that Physician or District may choose to provide. The development of new programs of patient care by Physician shall be discussed with the appropriate medical advisors and approved by District before being instituted.

15. IMMUNITY. To the extent the services provided by Physician pursuant to this Agreement include peer review and quality improvement activities, such activities are intended to be conducted in such a way as to provide Physician with the protections and immunity from liability granted such peer review activities pursuant to the applicable law.

16. INFORMATION TO DISTRICT. Physician shall use reasonable efforts to assure that District is informed at all times as to the status of matters that Physician is providing services for and the courses of action or recommendations of Physician. Physician shall make reasonably available to District all written materials sent or received by Physician pertaining to matters involving the District or the District Facilities and copies of such materials will be provided to the District upon request.

17. NO REFERRALS. Nothing contained in this Agreement or in any other agreement between the District and Physician will obligate either party to refer patients to the other party, or to the affiliated providers or facilities of either party.

18. INDEPENDENT JUDGEMENT. Nothing contained in this Agreement or in any other agreement between the District and Physician shall be interpreted to prescribe Physician's method or manner of practice of medicine or delivery of patient care, or to influence the exercise of independent judgement in the practice of medicine. Physician shall have complete control over the diagnosis and treatment of patients and District shall not exercise any direct supervision or control over the individual treatment of any patient. Physician's treatment and diagnosis of patients must be consistent with any rules and regulations promulgated by District dealing with the general treatment of patients.

19. TERMINATION. This Agreement and the services of Physician may be terminated

as follows:

a. Without Cause. Prior to the end of the term, this Agreement may be terminated without cause by District or Physician upon service of a written notice of termination upon the other party. The termination shall become effective not sooner than thirty (30) days following service of the notice of termination, unless another time is mutually agreed upon by the parties.

b. Automatic. This Agreement automatically terminates on the date Physician resigns, is removed or is otherwise no longer a member of the District Medical Staff.

c. Mutual Agreement. The District and Physician may, upon mutual written agreement, terminate this Agreement upon the terms and conditions set forth therein.

At the effective date of termination, all rights, duties and obligations of District and Physician under this Agreement shall terminate except: (i) District shall compensate Physician for services performed by the Physician for which compensation is due but has not been received; and, (ii) the records access and retention of files (section 11.a.), and the confidentiality provisions (section 11.b.), shall continue to bind the parties.

20. GENERAL PROVISIONS. The general provisions attached hereto as **Exhibit "A"** are made a part of this Agreement and are incorporated herein by reference.

IN WITNESS WHEREOF, the parties have hereunto caused this Agreement to be executed effective as of the day and year first above written.

DISTRICT:

PHYSICIAN:

Chairman Humboldt County
Hospital District Board of Trustees

Sara Thorp, DO

EXHIBIT "A"
TO
AGREEMENT FOR PHYSICIAN EMPLOYMENT
GENERAL PROVISIONS

A. AMENDMENT. This Agreement may be modified or amended only in writing by an instrument executed with the same formality as this Agreement.

B. APPLICABLE LAW. This Agreement and all rights and obligations hereunder shall be governed by and construed in accordance with the laws of the State of Nevada in effect from time to time.

C. ASSIGNMENT. This Agreement relates to the performance of services by Physician and shall not be transferred or assigned by Physician without the prior written consent and agreement of District. Any unauthorized transfer of this Agreement shall be void. The District may assign this Agreement to a successor organization or successor entity of District.

D. BINDING EFFECT. This Agreement will inure to the benefit of and bind the respective successors and permitted assigns of the parties hereto.

E. CAPTIONS. The captions or titles used in this Agreement shall have no effect on its interpretation and are for convenience and reference only and in no way define limits or describe the scope of this Agreement or the scope or content of any Agreement provision.

F. COMPLIANCE WITH LAW-DISTRICT POLICIES. In the performance of services pursuant to this Agreement, there shall be compliance by District and Physician with all applicable laws, regulations and rules, and Physician shall comply with applicable District, Hospital and Clinic policies, as enacted and amended from time to time, including policies relative to illegal harassment, and drug and alcohol free workplace.

G. CONSTRUCTION. Whenever the context of this Agreement requires, the gender of all words shall include the masculine, feminine, and neuter, and the number of all words shall include the singular and plural. The language of all parts of this Agreement shall in all circumstances be construed as a whole, according to its fair meaning, and not strictly for or against any party. The doctrine or rule of construction against the drafting party shall not apply, nor shall any such presumption apply, to the interpretation and/or enforcement of this Agreement or any documents attached to this Agreement.

H. COUNTERPARTS. This Agreement may be executed in counterparts, each of which when executed and delivered shall be deemed an original, but all such counterparts together shall constitute one and the same instrument.

I. DEFINITIONS-TERMS. The capitalized terms used in this Agreement with reference to HIPAA or any other federal or state law or regulation shall have the meaning ascribed to such term in the law or regulation. As used in this Agreement, the term: (i) "Physician" shall include, when the context requires inclusion, all Physician associates, subcontractors and agents of Physician used to provide services or carry out Practice Specialty services under this Agreement; (ii) "Administrator" refers to the District/Hospital chief executive officer or chief operating officer and, when the context requires, shall include the designee or appointee of the Administrator; and, (iii) "Board" refers to the District's Board of Trustees, the governing body of the District. References to "days" refer to calendar days, unless stated otherwise, and reference to a "business day" refers to a day that is not a Saturday, Sunday, legal holiday or a day observed as a legal holiday for Nevada state governmental offices under the Nevada Revised Statutes.

J. DISPUTE RESOLUTION. Any controversy, claim or dispute relating to this Agreement or Physician services concerning a non medical issue shall be the subject of informal discussions between Physician and the Hospital Physician Services Director (or equivalent practice administrator). If no agreement can be reached between Physician and Physician Services Director, the decision of the Physician Services Director may be referred to the Administrator for a decision. Any questions or disagreements

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concerning standards of professional practice or the medical aspects of the services provided by Physician shall be referred to a peer or peer group (up to three (3) persons) of qualified medical professionals selected by the Physician and the Administrator, which peer or peer group will recommend a resolution of the matter to the Administrator. If Physician is dissatisfied in either case with the decision of the Administrator, then upon the written request of Physician submitted to the Administrator on or before the expiration of five (5) business days after the decision is rendered, the dispute will be submitted to a committee (less than a quorum) appointed by the Board Chairman of the District's Board of Trustees for resolution. The decision of the District's Board of Trustees is final. If there is failure to reach resolution upon exhaustion of the procedures of this section, the parties may then exercise any remedy authorized by this Agreement or by law.

K. ELECTRONIC COMMUNICATION. Physician consents to and allows District to initiate electronic communications (whether by email, facsimile, or other mode) to Physician and to respond to electronic communications from Physician via electronic communication. The consent extends to initiation of electronic communications with, and the electronic response to communications from, such others as District deems necessary or appropriate in the performance of services hereunder, and will also include attachment of electronic copies of documents to any electronic communications. Physician acknowledges and assumes the risk that electronic communications may be randomly intercepted and disclosed by an otherwise disinterested person, and could be intercepted by an individual or other party interested in the subject of the electronic communication.

L. EXHIBITS. All exhibits attached and referred to in this Agreement are fully incorporated herein by reference.

M. FEES- COSTS. Each party shall pay their respective costs of dispute resolution under section J above. In the event that either party institutes a suit against the other party, either directly by complaint or by way of cross complaint, including a cross complaint for indemnity, for alleged negligence, error, omission or other failure to perform, or for declaratory relief, or to enforce or interpret the provisions of this Agreement, and if instituting party fails to obtain a judgment in its favor, the lawsuit is dismissed, or if judgment is rendered for the defending party, the instituting party shall pay the costs incurred by the defending party, including fees incurred for notices of default, negotiation, settlement, trial, appeal after trial, reasonable attorney's fees, expert witness fees, court costs and any and all other expenses of defense. If the instituting party is the prevailing party, then the instituting party shall be entitled to reasonable attorney's fees, which fees shall be set by the court in the action in addition to any other costs assessed by the Court. Payment shall be made immediately following dismissal of the case or upon entry of judgment.

N. ENTIRE AGREEMENT. This Agreement contains the entire understanding between the parties and there are no terms, promises, conditions, inducements, representations or warranties, express or implied, other than as herein set forth. This Agreement and the other instruments attached hereto or herein referred to supersede any prior discussions, contracts or agreements of the parties pertaining to the subject of this Agreement.

O. NOTICES. Any notice, request or demand or other communication pursuant to this Agreement shall be in writing and shall be considered given (i) upon personal service to the party to be served, or (ii) upon acknowledgment of receipt of a facsimile or other electronic transmission or communication and, if there is no acknowledgment of receipt, then one business day after the date of transmittal of the facsimile or other electronic communication and no failed delivery notification is received by the sender, or (iii) upon the sooner of first attempted delivery or receipt for Federal Express or other similar delivery service keeping records of deliveries and attempted deliveries, or (iv) on the third business day after deposit in the United States mail, certified and postage prepaid, return receipt requested, in a regularly maintained receptacle for the deposit of United States mail to the party to be served at their address given herein, or at such other address or attention as from time to time may be specified by either party by notice to the other party in the manner herein provided.

P. RECITALS. The recital and introductory paragraphs of this Agreement are considered an integral part of this Agreement and form a basis for entering into this Agreement and shall be considered *prima facie* evidence of the facts, events, documents and information referred to therein.

Q. RECONSIDERATION. If either party to this Agreement reasonably determines that a provision of this Agreement is unworkable or, if either party identifies a method of improving the working relationship between the parties, this Agreement may be reconsidered for amendment. If there is failure of the parties to reach agreement on the proposed amendment, then this Agreement shall continue in force and effect without change.

If, in the opinion of counsel for the District, changes in federal or state statutes or regulations, or court interpretations of statutes or regulations applicable to District, render this Agreement or any of its provisions illegal, or significantly impair or restrict District's entitlement to reimbursement for services rendered by Physician, the parties shall negotiate in good faith to eliminate the illegality or adverse reimbursement effects occasioned by such changes while maintaining the intended effect of this Agreement as nearly as possible. If the parties are unable to reach agreement or if, in the opinion of counsel for the District, it is not possible to eliminate the illegality or adverse reimbursement effects through mutual agreement, District may terminate this Agreement on fifteen (15) days written notice to Physician. In the event of termination under this section, the parties shall be relieved of all obligations each to the other pursuant to this Agreement from the date of termination, except as provided in section 21 herein.

R. REMEDIES. All rights and remedies provided for in this Agreement are cumulative and in addition to, and not in lieu of, any other remedies available at law, in equity, or otherwise.

S. REVIEW OF AGREEMENT. The parties represent that they have read this Agreement, that the terms and provisions of this Agreement have been explained to them and that they are fully aware of the contents and binding legal effect of this Agreement and that they are entering into this Agreement freely and voluntarily.

T. SEVERABILITY. The enforceability, voidability, invalidity or illegality of any provisions of this Agreement shall not render any other provisions unenforceable, void, invalid or illegal.

U. THIRD-PARTY BENEFICIARIES. Nothing expressed or implied in this Agreement is intended, or should be construed, to confer upon or give any person not a party to this Agreement any third-party beneficiary rights, interests or remedies under or by reason of any term, provision, condition, undertaking, warranty, representation or agreement contained herein.

V. TIME. Time is of the essence of this Agreement and each of its provisions.

W. VENUE. In the event litigation is used to enforce or interpret the provisions of this Agreement such litigation is to be brought in the jurisdiction of the state of Nevada District Court in Humboldt County, Nevada and, notwithstanding that Physician may not reside in Humboldt County, Nevada, Physician waives the right to bring, try or remove such litigation to any other state, county or judicial district or court system, unless the District consents to or brings such litigation in another jurisdiction. Nothing in this Agreement shall be construed to limit the right of a court of competent jurisdiction to change the venue.

X. WAIVERS. All waivers under this Agreement must be in writing and signed by the party against whom the waiver is sought to be enforced. One or more waivers of any term, condition or covenant by either party shall not be construed as a waiver of any other term, condition or covenant.

O. KENT MAHER
ATTORNEY AT LAW
33 WEST FOURTH STREET
P.O. BOX 130
WINNEMUCCA, NEVADA 89446
TEL: (775) 623 5277 FAX: (775) 623 2468
EMAIL: KENT@WINNEMUCCALAW.COM

MEMORANDUM

TO: Interim Administrator-CEO
FROM: Hospital District Legal Counsel
DATE: February 20, 2020
RE: Humboldt County Detention Facility medical services agreement

Attached (in pdf. format to the email) is a draft version of the proposed *Adult Detention Facility Medical Authority Agreement* by and between the Hospital District and Humboldt County, which was prepared by the County to provide for the procurement of medical services at the County detention facility.

Please review the document carefully for content and accuracy. After your review and the opportunity for the Board to offer input, any desired revisions can be incorporated into the final draft version of the document submitted for the County to review. When the Agreement as drafted or revised, as the case may be, is acceptable to the parties it will be placed in final form for signatures.

If you have questions concerning this matter, please contact me. Thank you.

OKM/lp
Attachment

**ADULT DETENTION FACILITY MEDICAL
AUTHORITY AGREEMENT**

THIS AGREEMENT, is made and entered into this _____ day of _____, 2020, by and between HUMBOLDT COUNTY, a political subdivision of the State of Nevada, by and through the Humboldt County Sheriff's office, the "COUNTY," and HUMBOLDT COUNTY HOSPITAL DISTRICT, the "DISTRICT."

WITNESSETH:

WHEREAS, the COUNTY is responsible for the operation of the Humboldt County Adult Detention Facility ("Detention Facility") in Winnemucca, Nevada and desires to obtain the services of a licensed physician assistant to provide periodic medical care services for inmates detained at the facility and to assist with medical services at the facility; and

WHEREAS, the DISTRICT operates Humboldt General Hospital ("Hospital"), an acute care medical facility and other medical facilities and medical clinics offering the professional services of health care providers (collectively such facilities are sometimes referred to herein as the "District Facilities"), in Winnemucca, Humboldt County, Nevada, and has the ability to provide the services of a licensed, qualified physician assistant ("PHYSICIAN ASSISTANT") to serve the interests of the COUNTY;

NOW, THEREFORE, in consideration of the mutual covenants, promises, terms, and conditions herein, the parties agree as follows:

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///

ARTICLE I – MEDICAL SERVICES

Section 1.1: PHYSICIAN ASSISTANT shall provide professional medical care services as outlined in Attachment A for inmates at the Detention Facility on an “as requested” basis.

Section 1.2: In the event PHYSICIAN ASSISTANT is temporarily unable to provide medical care services for COUNTY, then HGH shall, with the concurrence of the Humboldt County Sheriff, designate a suitably qualified and licensed medical professional to provide the medical care services contemplated by this Agreement. The Humboldt County Sheriff’s Office may utilize the emergency department as a twenty-four (24) hour service of the Humboldt General Hospital.

Section 1.3: For purposes of administering this Agreement and the services provided by PHYSICIAN ASSISTANT, the Humboldt County Sheriff, or the Sheriff’s designee, is the person with authority to act on behalf of the COUNTY.

ARTICLE II – TERM-RENEWAL

Section 2.1: This agreement becomes effective upon execution by all parties and will remain in effect until the end of the calendar year unless sooner terminated by the terms of this agreement. This agreement will automatically renew for two (2) successive one-year terms beginning January 1 and ending December 31 of each calendar year unless written notice is given by either party (30) days prior to the commencement of a calendar year that the agreement will not be renewed, or unless sooner terminated as herein provided.

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ARTICLE III – CONSIDERATION

Section 3.1: COUNTY shall pay DISTRICT fees for medical care services as follows:

- A. A fee of \$80.00 per inmate for each inmate provided services at HGH or at a site other than the Detention Facility;
- B. The customary fee in effect for each Inmate provided services at HGH or at a site other than the Detention Facility.
- C. The customary fee for office or specialty referral, x-rays or other diagnostic or treatment provided to the inmate.

Section 3.2: DISTRICT shall submit periodic invoices to COUNTY for services provided, and COUNTY shall remit payment within thirty (30) days of receipt of an invoice.

Section 3.3: DISTRICT is responsible for payment of federal, state and local taxes, fees and withholding resulting from the compensation received by PHYSICIAN ASSISTANT pursuant to this Agreement.

ARTICLE IV – RELATIONSHIP

Section 4.1: COUNTY is contracting for the performance of PHYSICIAN ASSISTANT services as an independent contractor and COUNTY does not control the manner in which of PHYSICIAN ASSISTANT shall exercise medical judgment nor does COUNTY retain control over the methods and procedures to be utilized in the performance of PHYSICIAN ASSISTANT'S professional activities.

Section 4.2: No relationship of employment, partnership, joint venture or agency is created or intended to be created by this Agreement and DISTRICT and/or PHYSICIAN ASSISTANT shall have no claim against COUNTY for services provided under this Agreement for vacation pay, sick leave, retirement benefits, social security, workers'

compensation, disability or unemployment insurance benefits, or employee benefits of any kind.

ARTICLE V – WARRANTIES

Section 5.1: DISTRICT represents and warrants that: (i) PHYSICIAN ASSISTANT is duly licensed and in good standing, without restriction, as a physician assistant in the State of Nevada; (II) PHYSICIAN ASSISTANT will maintain and keep in good standing the Nevada license to practice medicine without restriction or challenge during the term of this Agreement; and, (III) PHYSICIAN ASSISTANT's services provided pursuant to this Agreement shall be consistent with the standard care and quality of services generally available from general practice physician assistants in the Winnemucca, Nevada area.

ARTICLE VI – INDEMNIFICATION

Section 6.1: DISTRICT assumes all liability for and agrees to defend protect, indemnify and hold harmless the COUNTY against liability, claims, demands, costs, losses and expenses, including attorney fees, for damage to property or injury, including death to persons, arising from the active or passive negligence or willful misconduct of PHYSICIAN ASSISTANT in performing services pursuant to this Agreement.

ARTICLE VII – INSURANCE

Section 7.1: DISTRICT shall be responsible for procuring and maintaining, at DISTRICT expense, professional liability insurance for PHYSICIAN ASSISTANT for claims arising out of the performance of PHYSICIAN ASSISTANT's services pursuant to this Agreement, including "tail coverage" or continuation of insurance after termination of the services provided hereunder.

Section 7.2: DISTRICT shall promptly notify COUNTY of any claim or threatened claim based on services provided by PHYSICIAN ASSISTANT or under PHYSICIAN ASSISTANT's supervision.

ARTICLE VIII – EQUIPMENT-SUPPLIES

Section 8.1: DISTRICT shall provide, at DISTRICT expense, equipment and supplies that are necessary for conducting the PHYSICIAN ASSISTANT services provided pursuant to this Agreement when services are performed at District Facilities.

ARTICLE IX – NON-DISCRIMINATION

Section 9.1: PHYSICIAN ASSISTANT shall, while performing services and duties pursuant to this Agreement, uphold and abide by all laws pertaining to equal access and employment opportunities, including: Title VI and VII of the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act of 1967, as amended, the Age Discrimination in Employment Act of 1975, the Equal Pay Act of 1963, Section 501 and 504 of the Rehabilitation Act of 1973, the Civil Rights Act of 1991 and Americans with Disabilities Act of 1990.

Section 9.2: PHYSICIAN ASSISTANT shall not discriminate against the COUNTY, the Humboldt County Sheriff, and their officers, employees, agents or any other individual the PHYSICIAN ASSISTANT comes into contact with by reason of the services performed pursuant to this Agreement because of race, color, religion, age, sex, sexual orientation, national origin, veteran's status or disability (including AIDS and related conditions).

////////

ARTICLE X – TERMINATION

Section 10.1: This Agreement may be terminated without cause by COUNTY or DISTRICT upon service of a written notice of termination upon the other party. The termination shall become effective not sooner than thirty (30) days following service of the notice of termination, unless another time is mutually agreed upon by COUNTY and DISTRICT.

ARTICLE XI – RELEASE

Section 11.1: Upon any termination of this Agreement and upon acceptance of all compensation for services performed, DISTRICT and PHYSICIAN ASSISTANT shall be deemed to have voluntarily released and discharged the COUNTY, the Board of Commissioners of the COUNTY, the Humboldt County Sheriff, and their officers, employees, agents and successors and assigns, individually and collectively, and in their official capacities, from any and all liability arising out of PHYSICIAN ASSISTANT providing services under this Agreement.

ARTICLE XII – GENERAL CONDITIONS

Section 12.1: This Agreement may be modified or amended only in writing by an instrument executed with the same formality as this Agreement.

Section 12.2 This Agreement and all rights and obligations hereunder shall be governed by and construed in accordance with the laws of the State of Nevada in effect from time to time. In the event litigation is used to enforce or interpret the provisions of this Agreement, such litigation is to be brought and adjudicated in Humboldt County, Nevada and the parties waive the right to bring, try or remove such litigation to any other

county or judicial district; provided, however, nothing in this Agreement shall be construed to limit the right of a court of competent jurisdiction to change the venue.

Section 12.3: This Agreement relates to the performance of services and shall not be transferred or assigned by DISTRICT without the prior written consent and agreement of COUNTY. Any unauthorized transfer of this Agreement shall be void.

Section 12.4: This Agreement will inure to the benefit of and bind the respective successors and permitted assigns of the parties hereto.

Section 12.5: The captions or titles used in this Agreement shall have no effect on its interpretation and are for convenience and reference only and in no way define limits or describe the scope of this Agreement or the scope or content of any Agreement provision.

Section 12.6: In the performance of services pursuant to this Agreement, there shall be compliance by COUNTY, DISTRICT and PHYSICIAN ASSISTANT with all applicable laws, regulations and rules, and DISTRICT and PHYSICIAN ASSISTANT shall comply with applicable COUNTY and Detention Facility policies.

Section 12.7: Whenever the construction of this Agreement requires, singular terms shall be deemed plural, and plural the singular; and, masculine shall be deemed to be feminine or neuter, and feminine the masculine or neuter. The language of all parts of this Agreement shall in all circumstances be construed as a whole, according to its fair meaning, and not strictly for or against any party. The doctrine or rule of construction against the drafting party shall not apply, nor shall any presumption apply, to the interpretation and/or enforcement of this Agreement or any documents attached to this Agreement.

Section 12.8: This Agreement may be executed in counterparts, each of which when executed and delivered shall be deemed an original, but all such counterparts together shall constitute one and the same instrument.

Section 12.9: The capitalized terms used in this Agreement with reference to federal or state law or regulation shall have the meaning ascribed to such term in the law or regulation. The term "PHYSICIAN ASSISTANT" as used in this Agreement shall include, when the context requires inclusion, all PHYSICIAN ASSISTANT associates and subcontractors, agents of PHYSICIAN ASSISTANT used to provide services or carry out PHYSICIAN services under this Agreement, and authorized assignees of PHYSICIAN ASSISTANT.

Section 12.10: This Agreement contains the entire understanding between the parties and there are no terms, promises, conditions, inducements, representations or warranties, express or implied, other than as herein set forth. This Agreement and the other instruments attached hereto or herein referred to supersede any prior discussions, contracts or agreements of the parties pertaining to the subject of this Agreement.

Section 12.11: Any notice, request, or demand or other communication pursuant to this Agreement shall be in writing and shall be considered given (I) upon personal service to the party to be served, or (II) upon acknowledgment of receipt or proof of transmittal of a facsimile or other electronic transmission or communication, or (III) upon the sooner of first attempted delivery or receipt for Federal Express or other similar delivery service keeping records of deliveries and attempted deliveries, or (IV) seventy-two(72) hours after deposit in the United States mail, certified and postage prepaid, return

receipt requested, in a regularly maintained receptacle for the deposit of United States mail to the party to be served at their address given herein, that is:

If to COUNTY: Dave Mendiola
Attn: County Administrator
50 W. Fifth Street, Room 205
Winnemucca, Nevada 89445

If to HGH : Karen Cole
Attention: Chief Executive Officer
118 E. Haskell Street
Winnemucca, Nevada 89446

or at such other address or attention as from time to time may be specified by either party by notice to the other party in the manner herein provided.

Section 12.12: The recital and introductory paragraphs of this Agreement are considered an integral part of this Agreement and form a basis for entering into this Agreement and shall be considered *prima facie* evidence of the facts, events, documents and information referred to therein.

Section 12.13: The parties represent that they have read this Agreement, that the terms and provisions of this Agreement have been explained to them and that they are fully aware of the contents and binding legal effect of this Agreement and that they are entering into this Agreement freely and voluntarily.

Section 12.14: The enforceability, voidability, invalidity or illegality of any provisions of this Agreement shall not render any other provisions unenforceable, void, invalid or illegal.

Section 12.15: Time is of the essence of this agreement and each of its provisions.

Section 12.16: All waivers under this Agreement must be in writing and signed by the party against whom the waiver is sought to be enforced. One or more waivers of any term, condition or covenant by either party shall not be construed as a waiver of any other term, condition or covenant.

IN WITNESS WHEREOF the parties have executed this Agreement effective as of the day and year first above written.

COUNTY:

By: _____
Ken Tipton, Chairman of the Humboldt
County Board of Commissioners

Date: _____

Attest:

Tami Rae Spero, Ex Officio Clerk of
Board of County Commissioners

Date: _____

DISTRICT:

By: _____
JoAnn Casalez, Chairman of the
District Board of Trustees

Date: _____

ATTACHMENT A
TO
ADULT DETENTION FACILITY MEDICAL SERVICES AGREEMENT

1. PHYSICIAN ASSISTANT shall attend to the medical needs of inmates, on a case by case basis, at the Detention Facility.
2. PHYSICIAN ASSISTANT shall, in the event of a medical emergency, shall be aware of the normal protocol to be followed for transportation of the detention Facility inmates and disposition of the medical emergency.
3. PHYSICIAN ASSISTANT shall assist in arranging specialist consultation as needed by Detention Facility inmates.
4. PHYSICIAN ASSISTANT shall keep and record this information necessary to insure the proper care of Detention Facility inmates, and provide legal documentation of same.
5. PHYSICIAN ASSISTANT shall review and countersign all medical records generated in the Detention Facility.
6. PHYSICIAN ASSISTANT shall oversee and be responsible for the distribution instructions for prescription medication used in the Detention Facility and prescribed by PHYSICIAN ASSISTANT.

Michael Clay

C O R P O R A T I O N

Request to the Board

Date: February 19, 2020

To: Karen Cole, Interim CEO
Humboldt General Hospital District Board

From: Mike Sheppard, Owner's Representative

Subject: Request to Issue Construction Change to Upgrade Kitchen Hood Systems

Summary:

Requesting authorization to proceed with repairs and upgrades of the hood exhaust and dishwasher exhaust systems serving the Kitchen Hoods. The work shall be performed on a Time and Material Basis. The Construction Team shall promptly proceed with the demolition, construction and installation required under direction of the Design Team.

Background:

The current systems were installed in the early 70s and have been operating long past their normal service life. A recent failure alerted staff to the issue. The Board authorized moving forward with repair not to exceed \$50,000 in November. CTA and Sletten promptly commenced investigation and budgeting. The scope of work has been established in general and initial budget targets established. It now appears this work will be in the range of \$130,000 to \$150,000 and as with this type of work there will undoubtedly be discovery with cost impacts. The Construction Change Directive is the most practical course of action for budget and time frame.

Request & Recommendation:

We request approval of the Board. The prosecution of the work shall be on a time and material basis with Sletten Construction with billings attaching support documentation.

#

Mail: 410 E. Minor Street *FedEx/UPS:* 8 E. Haskell Street
Winnemucca, Nevada 89445 *License No. 4548*
Phone 775-623-4488 *Fax* 775-623-6217
mike@michaelclay.com * www.michaelclay.com

Alicia J. Wogan

From: Jo McClellan
Sent: Thursday, February 20, 2020 2:21 PM
To: Alicia J. Wogan
Subject: Re: Quote for kitchen hood

Hello Jo,

The shipping quote came back at \$1,000.

Please let me know which way you would like to go.

Thank You,

Matt Zeiner
mobilekitchenrental.us
949-558-5687

From: Jo McClellan
Sent: Thursday, February 20, 2020 2:19:47 PM
To: Alicia J. Wogan
Subject: Re: Quote for kitchen hood

Hide original message

Hello Jo,

Would this 46' unit work for you?

We would install a steam table for you and might be able to send a 3 pan steamer as well.

This unit rents for \$7,995 per month.

Please let me know what questions you have.

Thank You,

Matt Zeiner
mobilekitchenrental.us
949-558-5687

| | |
|---------------------|-------|
| CETS #: | 17785 |
| Agency Reference #: | |

AMENDMENT # 2

TO INTERLOCAL CONTRACT BETWEEN PUBLIC AGENCIES

Between the State of Nevada
Acting By and Through Its

| | |
|------------------------|---|
| Public Entity #1: | Division of Health Care Finance and Policy |
| Address: | 1100 E William St |
| City, State, Zip Code: | Carson City, Nevada 89701 |
| Contact: | Sarah Lamb |
| Phone: | 775-684-3621 |
| Fax: | |
| Email: | s.lamb@dhecfp.nv.gov |

| | |
|------------------------|--|
| Public Entity #2: | Humboldt County Hospital District |
| Address: | 118 E Haskell St |
| City, State, Zip Code: | Winnemucca, Nevada 89445 |
| Contact: | Sandi Lehman |
| Phone: | 775-623-5222 ext 1124 |
| Fax: | |
| Email: | |

1. **AMENDMENTS.** For and in consideration of mutual promises and other valuable consideration, all provisions of the original Contract dated July 12, 2016, attached hereto as Exhibit A, remain in full force and effect with the exception of the following:

A. Provide a brief explanation for contract amendment.

This amendment removes Attachment B: Budget Proposal, and will increase the contract maximum from \$1,579,843.00 to \$3,957,348.00, an increase of \$2,377,505.00.

B. Current Contract Language:

6. **INCORPORATED DOCUMENTS.** The parties agree that the services to be performed shall be specifically described; this Contract incorporates the following attachments in descending order of constructive precedence:

- ATTACHMENT A: SCOPE OF WORK
- ATTACHMENT AA: ADDITIONAL SCOPE OF WORK GRADUATE MEDICAL EDUCATION
- ATTACHMENT B: BUDGET PROPOSAL

7. **CONSIDERATION.** Humboldt County Hospital District shall voluntarily pay DHECFP an amount equal to 60% of the total outpatient upper payment limit supplemental payments received by the non-state governmental owned or operated hospital in the County; less the State's federally required participation share of the total supplemental outpatient upper payment limit received by the non state governmental owned or operated hospital in the County. The payment shall be made in accordance with Attachment A. Total Contract payment will amount to approximately \$363,083 for SFY 2017, \$408,651 for SFY 2018, \$407,029 for SFY 2019, \$401,080 for SFY 2020 with the contract

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| CETS #: | 17785 |
| Agency Reference #: | |

maximum not to exceed approximately \$1,579,843. Any intervening end to a biennial appropriation period shall be deemed an automatic renewal (not changing the overall Contract term) or a termination as the results of legislative appropriation may require.

C. Amended Contract Language:

6. **INCORPORATED DOCUMENTS.** The parties agree that the services to be performed shall be specifically described; this Contract incorporates the following attachments in descending order of constructive precedence:

ATTACHMENT A: SCOPE OF WORK

ATTACHMENT AA: ADDITIONAL SCOPE OF WORK GRADUATE MEDICAL EDUCATION

7. **CONSIDERATION.** Humboldt County Hospital District shall voluntarily pay DHCFP an amount equal to 60% of the total outpatient upper payment limit supplemental payments received by the non-state governmental owned or operated hospital in the County; less the State's federally required participation share of the total supplemental outpatient upper payment limit received by the non state governmental owned or operated hospital in the County. The payment shall be made in accordance with Attachment A. Total Contract payment will not to exceed \$3,957,348.00. Any intervening end to a biennial appropriation period shall be deemed an automatic renewal (not changing the overall Contract term) or a termination as the results of legislative appropriation may require.

2. **INCORPORATED DOCUMENTS.** Exhibit A (original Contract) is attached hereto, incorporated by reference herein and made a part of this amended contract.
3. **REQUIRED APPROVAL.** This amendment to the original Contract shall not become effective until and unless approved by the Nevada State Board of Examiners.

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| CETS #: | 17786 |
| Agency Reference #: | |

AMENDMENT # 2

TO INTERLOCAL CONTRACT BETWEEN PUBLIC AGENCIES

Between the State of Nevada
Acting By and Through Its

| | |
|------------------------|---|
| Public Entity #1: | Division of Health Care Financing and Policy |
| Address: | 1100 E William St |
| City, State, Zip Code: | Carson City, Nevada 89701 |
| Contact: | Sarah Lamb |
| Phone: | 775-684-3621 |
| Fax: | 775-684-3773 |
| Email: | s.lamb@dncfp.nv.gov |

| | |
|------------------------|--|
| Public Entity #2: | Humboldt County Hospital District |
| Address: | 118 E Haskell St |
| City, State, Zip Code: | Winnemucca, Nevada 89445 |
| Contact: | Sandi Lehman |
| Phone: | 775-623-5222 ext 1124 |
| Fax: | |
| Email: | |

1. **AMENDMENTS.** For and in consideration of mutual promises and other valuable consideration, all provisions of the original Contract dated July 12, 2016 and Amendment #1 dated September 11, 2018, attached hereto as Exhibit A, remain in full force and effect with the exception of the following:

A. Provide a brief explanation for contract amendment.

This amendment removes Attachment B: Budget Proposal, and will increase the contract maximum from \$3,208,171.00 to \$7,238,727.00, an increase of \$4,030,556.00

B. Current Contract Language:

6. **INCORPORATED DOCUMENTS.** The parties agree that the services to be performed shall be specifically described; this Contract incorporates the following attachments in descending order of constructive precedence:

- ATTACHMENT A: SCOPE OF WORK
- ATTACHMENT AA: ADDITIONAL SCOPE OF WORK GRADUATE MEDICAL EDUCATION
- ATTACHMENT B: BUDGET PROPOSAL

7. **CONSIDERATION.** Humboldt County Hospital shall pay DHCFP an amount equal to the State's federally required participation share of total supplemental inpatient and outpatient upper payment limit payments received by the non-state governmentally owned or operated hospital in the County, approximately \$749,658 for State Fiscal Year 2017, approximately \$808,139 State Fiscal Year 2018, approximately \$818,159 for State Fiscal Year 2019, approximately \$832,215 for State Fiscal Year 2020 with the total not-to-exceed \$3,208,171. Any intervening

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| CETS #: | 17786 |
| Agency Reference #: | |

end to a biennial appropriation period shall be deemed an automatic renewal (not changing the overall Contract term) or a termination as the results of legislative appropriation may require.

C. Amended Contract Language:

6. **INCORPORATED DOCUMENTS.** The parties agree that the services to be performed shall be specifically described; this Contract incorporates the following attachments in descending order of constructive precedence:

ATTACHMENT A: SCOPE OF WORK

ATTACHMENT AA: ADDITIONAL SCOPE OF WORK GRADUATE MEDICAL EDUCATION

7. **CONSIDERATION.** Humboldt County Hospital shall pay DHCFP an amount equal to the State's federally required participation share of total supplemental inpatient and outpatient upper payment limit payments received by the non-state governmentally owned or operated hospital in the County, not-to-exceed \$7,238,727.00 for the contract term. Any intervening end to a biennial appropriation period shall be deemed an automatic renewal (not changing the overall Contract term) or a termination as the results of legislative appropriation may require.

2. **INCORPORATED DOCUMENTS.** Exhibit A (original Contract) is attached hereto, incorporated by reference herein and made a part of this amended contract.
3. **REQUIRED APPROVAL.** This amendment to the original Contract shall not become effective until and unless approved by the Nevada State Board of Examiners.

| | |
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| CETS #: | 22751 |
| Agency Reference #: | |

INTERLOCAL CONTRACT BETWEEN PUBLIC AGENCIES

A Contract Between the State of Nevada
Acting by and through its

| | |
|------------------------|---|
| Public Entity #1: | Department of Health and Human Services Division of Health Care Financing and Policy |
| Address: | 1100 E William St |
| City, State, Zip Code: | Carson City, Nevada 89701 |
| Contact: | Sarah Lamb |
| Phone: | 775-684-3621 |
| Fax: | |
| Email: | s.lamb@dhcfnv.gov |

| | |
|------------------------|--|
| Public Entity #2: | Humboldt County Hospital District |
| Address: | 118 E Haskell St |
| City, State, Zip Code: | Winnemucca, Nevada 89445 |
| Contact: | Sandi Lehman |
| Phone: | 775-623-5222 ext 1124 |
| Fax: | |
| Email: | |

WHEREAS, NRS 277.180 authorizes any one or more public agencies to contract with any one or more other public agencies to perform any governmental service, activity or undertaking which any of the public agencies entering into the contract is authorized by law to perform; and

WHEREAS, it is deemed that the services hereinafter set forth are both necessary and in the best interests of the State of Nevada.

NOW, THEREFORE, in consideration of the aforesaid premises, the parties mutually agree as follows:

1. **REQUIRED APPROVAL.** This Contract shall not become effective until and unless approved by appropriate official action of the governing body of each party.
2. **DEFINITIONS**

| TERM | DEFINITION |
|--------------------|---|
| State | The State of Nevada and any State agency identified herein, its officers, employees and immune contractors. |
| Contracting Entity | The public entities identified above. |
| Fiscal Year | The period beginning July 1 st and ending June 30 th of the following year. |
| Contract | Unless the context otherwise requires, 'Contract' means this document titled Interlocal Contract Between Public Agencies and all Attachments or Incorporated Documents. |

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|---------------------|-------|
| CETS #: | 22751 |
| Agency Reference #: | |

3. **CONTRACT TERM.** This Contract shall be effective as noted below, unless sooner terminated by either party as specified in *Section 4, Termination*. Contract is subject to Board of Examiners' approval (anticipated to be June 9, 2020).

| | | | |
|-----------------|--------------|-----|---------------|
| Effective From: | July 1, 2020 | To: | June 30, 2024 |
|-----------------|--------------|-----|---------------|

4. **TERMINATION.** This Contract may be terminated by either party prior to the date set forth in *Section 3, Contract Term*, provided that a termination shall not be effective until **30** days after a party has served written notice upon the other party. This Contract may be terminated by mutual consent of both parties or unilaterally by either party without cause. The parties expressly agree that this Contract shall be terminated immediately if for any reason State and/or federal funding ability to satisfy this Contract is withdrawn, limited, or impaired.
5. **NOTICE.** All communications, including notices, required or permitted to be given under this Contract shall be in writing and directed to the parties at the addresses stated above. Notices may be given: (a) by delivery in person; (b) by a nationally recognized next day courier service, return receipt requested; or (c) by certified mail, return receipt requested. If specifically requested by the party to be notified, valid notice may be given by facsimile transmission or email to the address(es) such party has specified in writing.
6. **INCORPORATED DOCUMENTS.** The parties agree that this Contract, inclusive of the following Attachments, specifically describes the Scope of Work. This Contract incorporates the following Attachments in descending order of constructive precedence:

| | |
|---------------|---------------|
| ATTACHMENT A: | SCOPE OF WORK |
|---------------|---------------|

Any provision, term or condition of an Attachment that contradicts the terms of this Contract, or that would change the obligations of the State under this Contract, shall be void and unenforceable.

7. **CONSIDERATION.** The parties agree that the services specified in *Section 6, Incorporated Documents* at a cost as noted below:

| | |
|-------------------------------|-----------------|
| Total Contract Not to Exceed: | \$ 5,076,036.00 |
|-------------------------------|-----------------|

Any intervening end to a biennial appropriation period shall be deemed an automatic renewal (not changing the overall Contract term) or a termination as the result of legislative appropriation may require.

8. **ASSENT.** The parties agree that the terms and conditions listed in the incorporated Attachments of this Contract are also specifically a part of this Contract and are limited only by their respective order of precedence and any limitations expressly provided.
9. **INSPECTION & AUDIT**
- A. **Books and Records.** Each party agrees to keep and maintain under general accepted accounting principles full, true and complete records, agreements, books, and document as are necessary to fully disclose to the State or United States Government, or their authorized representatives, upon audits or reviews, sufficient information to determine compliance with all State and federal regulations and statutes.
- B. **Inspection & Audit.** Each party agrees that the relevant books, records (written, electronic, computer related or otherwise), including but not limited to relevant accounting procedures and practices of the party, financial statements and supporting documentation, and documentation related to the work product shall be subject, at any reasonable time, to inspection, examination, review, audit, and copying at any office or location where such records may be found, with or without notice by the State Auditor, Employment Security, the Department of Administration, Budget Division, the Nevada State Attorney General's Office or its Fraud Control Units, the State Legislative Auditor, and with regard to any federal funding, the relevant federal agency, the Comptroller General, the General Accounting Office, the Office of the Inspector General, or any of their authorized representatives.

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| CETS #: | 22751 |
| Agency Reference #: | |

- C. Period of Retention. All books, records, reports, and statements relevant to this Contract must be retained a minimum three years and for five years if any federal funds are used in this Contract. The retention period runs from the date of termination of this Contract. Retention time shall be extended when an audit is scheduled or in progress for a period reasonably necessary to complete an audit and/or to complete any administrative and judicial litigation which may ensue.
10. **BREACH - REMEDIES.** Failure of either party to perform any obligation of this Contract shall be deemed a breach. Except as otherwise provided for by law or this Contract, the rights and remedies of the parties shall not be exclusive and are in addition to any other rights and remedies provided by law or equity, including but not limited to actual damages, and to a prevailing party reasonable attorneys' fees and costs. It is specifically agreed that reasonable attorneys' fees shall not exceed \$150.00 per hour.
 11. **LIMITED LIABILITY.** The parties will not waive and intend to assert available NRS Chapter 41 liability limitations in all cases. Contract liability of both parties shall not be subject to punitive damages. Actual damages for any State breach shall never exceed the amount of funds which have been appropriated for payment under this Contract, but not yet paid, for the fiscal year budget in existence at the time of the breach.
 12. **FORCE MAJEURE.** Neither party shall be deemed to be in violation of this Contract if it is prevented from performing any of its obligations hereunder due to strikes, failure of public transportation, civil or military authority, acts of public enemy, acts of terrorism, accidents, fires, explosions, or acts of God, including, without limitation, earthquakes, floods, winds, or storms. In such an event the intervening cause must not be through the fault of the party asserting such an excuse, and the excused party is obligated to promptly perform in accordance with the terms of the Contract after the intervening cause ceases.
 13. **INDEMNIFICATION.** Neither party waives any right or defense to indemnification that may exist in law or equity.
 14. **INDEPENDENT PUBLIC AGENCIES.** The parties are associated with each other only for the purposes and to the extent set forth in this Contract, and in respect to performance of services pursuant to this Contract, each party is and shall be a public agency separate and distinct from the other party and, subject only to the terms of this Contract, shall have the sole right to supervise, manage, operate, control, and direct performance of the details incident to its duties under this Contract. Nothing contained in this Contract shall be deemed or constructed to create a partnership or joint venture, to create relationships of an employer-employee or principal-agent, or to otherwise create any liability for one agency whatsoever with respect to the indebtedness, liabilities, and obligations of the other agency or any other party.
 15. **WAIVER OF BREACH.** Failure to declare a breach or the actual waiver of any particular breach of the Contract or its material or nonmaterial terms by either party shall not operate as a waiver by such party of any of its rights or remedies as to any other breach.
 16. **SEVERABILITY.** If any provision contained in this Contract is held to be unenforceable by a court of law or equity, this Contract shall be construed as if such provision did not exist and the non-enforceability of such provision shall not be held to render any other provision or provisions of this Contract unenforceable.
 17. **ASSIGNMENT.** Neither party shall assign, transfer or delegate any rights, obligations or duties under this Contract without the prior written consent of the other party.
 18. **OWNERSHIP OF PROPRIETARY INFORMATION.** Unless otherwise provided by law any reports, histories, studies, tests, manuals, instructions, photographs, negatives, blue prints, plans, maps, data, system designs, computer code (which is intended to be consideration under this Contract), or any other documents or drawings, prepared or in the course of preparation by either party in performance of its obligations under this Contract shall be the joint property of both parties.
 19. **PUBLIC RECORDS.** Pursuant to NRS 239.010, information or documents may be open to public inspection and copying. The parties will have the duty to disclose unless a particular record is made confidential by law or a common law balancing of interests.
 20. **CONFIDENTIALITY.** Each party shall keep confidential all information, in whatever form, produced, prepared, observed or received by that party to the extent that such information is confidential by law or otherwise required by this Contract.

| | |
|----------------------------|--------------|
| CETS #: | 22751 |
| Agency Reference #: | |

21. **FEDERAL FUNDING.** In the event, federal funds are used for payment of all or part of this Contract, the parties agree to comply with all applicable federal laws, regulations and executive orders, including, without limitation the following:
- A. The parties certify, by signing this Contract, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any federal department or agency. This certification is made pursuant to Executive Orders 12549 and 12689 and Federal Acquisition Regulation Subpart 9.4, and any relevant program-specific regulations. This provision shall be required of every subcontractor receiving any payment in whole or in part from federal funds.
 - B. The parties and its subcontractors shall comply with all terms, conditions, and requirements of the Americans with Disabilities Act of 1990 (P.L. 101-136), 42 U.S.C. 12101, as amended, and regulations adopted thereunder, including 28 C.F.R. Section 35, inclusive, and any relevant program-specific regulations.
 - C. The parties and its subcontractors shall comply with the requirements of the Civil Rights Act of 1964 (P.L. 88-352), as amended, the Rehabilitation Act of 1973 (P.L. 93-112), as amended, and any relevant program-specific regulations, and shall not discriminate against any employee or offeror for employment because of race, national origin, creed, color, sex, religion, age, disability or handicap condition (including AIDS and AIDS-related conditions.)
 - D. Clean Air Act (42 U.S.C. 7401–7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251–1387), as amended. Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401–7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251–1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).
22. **PROPER AUTHORITY.** The parties hereto represent and warrant that the person executing this Contract on behalf of each party has full power and authority to enter into this Contract and that the parties are authorized by law to perform the services set forth in *Section 6, Incorporated Documents*.
23. **GOVERNING LAW – JURISDICTION.** This Contract and the rights and obligations of the parties hereto shall be governed by, and construed according to, the laws of the State of Nevada. The parties consent to the exclusive jurisdiction of and venue in the First Judicial District Court, Carson City, Nevada for enforcement of this Contract.
24. **ENTIRE AGREEMENT AND MODIFICATION.** This Contract and its integrated Attachment(s) constitute the entire agreement of the parties and as such are intended as a complete and exclusive statement of the promises, representations, negotiations, discussions, and other agreements that may have been made in connection with the subject matter hereof. Unless an integrated Attachment to this Contract specifically displays a mutual intent to amend a particular part of this Contract, general conflicts in language between any such Attachment and this Contract shall be construed consistent with the terms of this Contract. Unless otherwise expressly authorized by the terms of this Contract, no modification or amendment to this Contract shall be binding upon the parties unless the same is in writing and signed by the respective parties hereto, approved by the Office of the Attorney General.

| | |
|----------------------------|--------------|
| CETS #: | 22751 |
| Agency Reference #: | |

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be signed and intend to be legally bound thereby.

HUMBOLDT COUNTY HOSPITAL DISTRICT

 Sandi Lehman Date

Chief Financial Officer

 Title

DIVISION OF HEALTH CARE FINANCING AND POLICY

 Suzanne Bierman, JD, MPH Date

Administrator, DHCFP

 Title

 Richard Whitley, MS Date

Director, DHHS

 Title

APPROVED BY BOARD OF EXAMINERS

 Signature – Board of Examiners

On: _____
 Date

Approved as to form by:

 Deputy Attorney General for Attorney General

On: _____
 Date

| | |
|---------------------|-------|
| CETS #: | 22728 |
| Agency Reference #: | |

INTERLOCAL CONTRACT BETWEEN PUBLIC AGENCIES

A Contract Between the State of Nevada
Acting by and through its

| | |
|------------------------|---|
| Public Entity #1: | Department of Health and Human Services Division of Health Care Financing and Policy |
| Address: | 1100 E Willian St |
| City, State, Zip Code: | Carson City, Nevada 89701 |
| Contact: | Sarah Lamb |
| Phone: | 775-684-3621 |
| Fax: | |
| Email: | s.lamb@dhecp.nv.gov |

| | |
|------------------------|--|
| Public Entity #2: | Humboldt County Hospital District |
| Address: | 118 E Haskell St |
| City, State, Zip Code: | Winnemucca, Nevada 89445 |
| Contact: | Sandi Lehman |
| Phone: | 775-623-5222 ext 1124 |
| Fax: | |
| Email: | |

WHEREAS, NRS 277.180 authorizes any one or more public agencies to contract with any one or more other public agencies to perform any governmental service, activity or undertaking which any of the public agencies entering into the contract is authorized by law to perform; and

WHEREAS, it is deemed that the services hereinafter set forth are both necessary and in the best interests of the State of Nevada.

NOW, THEREFORE, in consideration of the aforesaid premises, the parties mutually agree as follows:

1. **REQUIRED APPROVAL.** This Contract shall not become effective until and unless approved by appropriate official action of the governing body of each party.
2. **DEFINITIONS**

| TERM | DEFINITION |
|--------------------|---|
| State | The State of Nevada and any State agency identified herein, its officers, employees and immune contractors. |
| Contracting Entity | The public entities identified above. |
| Fiscal Year | The period beginning July 1 st and ending June 30 th of the following year. |
| Contract | Unless the context otherwise requires, 'Contract' means this document titled Interlocal Contract Between Public Agencies and all Attachments or Incorporated Documents. |

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| CETS #: | 22728 |
| Agency Reference #: | |

3. **CONTRACT TERM.** This Contract shall be effective as noted below, unless sooner terminated by either party as specified in *Section 4, Termination*. Contract is subject to Board of Examiners' approval (anticipated to be June 9, 2020).

| | | | |
|-----------------|--------------|-----|---------------|
| Effective From: | July 1, 2020 | To: | June 30, 2024 |
|-----------------|--------------|-----|---------------|

4. **TERMINATION.** This Contract may be terminated by either party prior to the date set forth in *Section 3, Contract Term*, provided that a termination shall not be effective until **30** days after a party has served written notice upon the other party. This Contract may be terminated by mutual consent of both parties or unilaterally by either party without cause. The parties expressly agree that this Contract shall be terminated immediately if for any reason State and/or federal funding ability to satisfy this Contract is withdrawn, limited, or impaired.
5. **NOTICE.** All communications, including notices, required or permitted to be given under this Contract shall be in writing and directed to the parties at the addresses stated above. Notices may be given: (a) by delivery in person; (b) by a nationally recognized next day courier service, return receipt requested; or (c) by certified mail, return receipt requested. If specifically requested by the party to be notified, valid notice may be given by facsimile transmission or email to the address(es) such party has specified in writing.
6. **INCORPORATED DOCUMENTS.** The parties agree that this Contract, inclusive of the following Attachments, specifically describes the Scope of Work. This Contract incorporates the following Attachments in descending order of constructive precedence:

| | |
|---------------|---------------|
| ATTACHMENT A: | SCOPE OF WORK |
|---------------|---------------|

Any provision, term or condition of an Attachment that contradicts the terms of this Contract, or that would change the obligations of the State under this Contract, shall be void and unenforceable.

7. **CONSIDERATION.** The parties agree that the services specified in *Section 6, Incorporated Documents* at a cost as noted below:

| | |
|-------------------------------|----------------|
| Total Contract Not to Exceed: | \$9,251,303.00 |
|-------------------------------|----------------|

Any intervening end to a biennial appropriation period shall be deemed an automatic renewal (not changing the overall Contract term) or a termination as the result of legislative appropriation may require.

8. **ASSENT.** The parties agree that the terms and conditions listed in the incorporated Attachments of this Contract are also specifically a part of this Contract and are limited only by their respective order of precedence and any limitations expressly provided.
9. **INSPECTION & AUDIT**
- A. **Books and Records.** Each party agrees to keep and maintain under general accepted accounting principles full, true and complete records, agreements, books, and document as are necessary to fully disclose to the State or United States Government, or their authorized representatives, upon audits or reviews, sufficient information to determine compliance with all State and federal regulations and statutes.
- B. **Inspection & Audit.** Each party agrees that the relevant books, records (written, electronic, computer related or otherwise), including but not limited to relevant accounting procedures and practices of the party, financial statements and supporting documentation, and documentation related to the work product shall be subject, at any reasonable time, to inspection, examination, review, audit, and copying at any office or location where such records may be found, with or without notice by the State Auditor, Employment Security, the Department of Administration, Budget Division, the Nevada State Attorney General's Office or its Fraud Control Units, the State Legislative Auditor, and with regard to any federal funding, the relevant federal agency, the Comptroller General, the General Accounting Office, the Office of the Inspector General, or any of their authorized representatives.

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| CETS #: | 22728 |
| Agency Reference #: | |

- C. Period of Retention. All books, records, reports, and statements relevant to this Contract must be retained a minimum three years and for five years if any federal funds are used in this Contract. The retention period runs from the date of termination of this Contract. Retention time shall be extended when an audit is scheduled or in progress for a period reasonably necessary to complete an audit and/or to complete any administrative and judicial litigation which may ensue.
10. **BREACH - REMEDIES**. Failure of either party to perform any obligation of this Contract shall be deemed a breach. Except as otherwise provided for by law or this Contract, the rights and remedies of the parties shall not be exclusive and are in addition to any other rights and remedies provided by law or equity, including but not limited to actual damages, and to a prevailing party reasonable attorneys' fees and costs. It is specifically agreed that reasonable attorneys' fees shall not exceed \$150.00 per hour.
 11. **LIMITED LIABILITY**. The parties will not waive and intend to assert available NRS Chapter 41 liability limitations in all cases. Contract liability of both parties shall not be subject to punitive damages. Actual damages for any State breach shall never exceed the amount of funds which have been appropriated for payment under this Contract, but not yet paid, for the fiscal year budget in existence at the time of the breach.
 12. **FORCE MAJEURE**. Neither party shall be deemed to be in violation of this Contract if it is prevented from performing any of its obligations hereunder due to strikes, failure of public transportation, civil or military authority, acts of public enemy, acts of terrorism, accidents, fires, explosions, or acts of God, including, without limitation, earthquakes, floods, winds, or storms. In such an event the intervening cause must not be through the fault of the party asserting such an excuse, and the excused party is obligated to promptly perform in accordance with the terms of the Contract after the intervening cause ceases.
 13. **INDEMNIFICATION**. Neither party waives any right or defense to indemnification that may exist in law or equity.
 14. **INDEPENDENT PUBLIC AGENCIES**. The parties are associated with each other only for the purposes and to the extent set forth in this Contract, and in respect to performance of services pursuant to this Contract, each party is and shall be a public agency separate and distinct from the other party and, subject only to the terms of this Contract, shall have the sole right to supervise, manage, operate, control, and direct performance of the details incident to its duties under this Contract. Nothing contained in this Contract shall be deemed or constructed to create a partnership or joint venture, to create relationships of an employer-employee or principal-agent, or to otherwise create any liability for one agency whatsoever with respect to the indebtedness, liabilities, and obligations of the other agency or any other party.
 15. **WAIVER OF BREACH**. Failure to declare a breach or the actual waiver of any particular breach of the Contract or its material or nonmaterial terms by either party shall not operate as a waiver by such party of any of its rights or remedies as to any other breach.
 16. **SEVERABILITY**. If any provision contained in this Contract is held to be unenforceable by a court of law or equity, this Contract shall be construed as if such provision did not exist and the non-enforceability of such provision shall not be held to render any other provision or provisions of this Contract unenforceable.
 17. **ASSIGNMENT**. Neither party shall assign, transfer or delegate any rights, obligations or duties under this Contract without the prior written consent of the other party.
 18. **OWNERSHIP OF PROPRIETARY INFORMATION**. Unless otherwise provided by law any reports, histories, studies, tests, manuals, instructions, photographs, negatives, blue prints, plans, maps, data, system designs, computer code (which is intended to be consideration under this Contract), or any other documents or drawings, prepared or in the course of preparation by either party in performance of its obligations under this Contract shall be the joint property of both parties.
 19. **PUBLIC RECORDS**. Pursuant to NRS 239.010, information or documents may be open to public inspection and copying. The parties will have the duty to disclose unless a particular record is made confidential by law or a common law balancing of interests.
 20. **CONFIDENTIALITY**. Each party shall keep confidential all information, in whatever form, produced, prepared, observed or received by that party to the extent that such information is confidential by law or otherwise required by this Contract.

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| CETS #: | 22728 |
| Agency Reference #: | |

21. **FEDERAL FUNDING.** In the event, federal funds are used for payment of all or part of this Contract, the parties agree to comply with all applicable federal laws, regulations and executive orders, including, without limitation the following:
- A. The parties certify, by signing this Contract, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any federal department or agency. This certification is made pursuant to Executive Orders 12549 and 12689 and Federal Acquisition Regulation Subpart 9.4, and any relevant program-specific regulations. This provision shall be required of every subcontractor receiving any payment in whole or in part from federal funds.
 - B. The parties and its subcontractors shall comply with all terms, conditions, and requirements of the Americans with Disabilities Act of 1990 (P.L. 101-136), 42 U.S.C. 12101, as amended, and regulations adopted thereunder, including 28 C.F.R. Section 35, inclusive, and any relevant program-specific regulations.
 - C. The parties and its subcontractors shall comply with the requirements of the Civil Rights Act of 1964 (P.L. 88-352), as amended, the Rehabilitation Act of 1973 (P.L. 93-112), as amended, and any relevant program-specific regulations, and shall not discriminate against any employee or offeror for employment because of race, national origin, creed, color, sex, religion, age, disability or handicap condition (including AIDS and AIDS-related conditions.)
 - D. Clean Air Act (42 U.S.C. 7401–7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251–1387), as amended. Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401–7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251–1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).
22. **PROPER AUTHORITY.** The parties hereto represent and warrant that the person executing this Contract on behalf of each party has full power and authority to enter into this Contract and that the parties are authorized by law to perform the services set forth in *Section 6, Incorporated Documents*.
23. **GOVERNING LAW – JURISDICTION.** This Contract and the rights and obligations of the parties hereto shall be governed by, and construed according to, the laws of the State of Nevada. The parties consent to the exclusive jurisdiction of and venue in the First Judicial District Court, Carson City, Nevada for enforcement of this Contract.
24. **ENTIRE AGREEMENT AND MODIFICATION.** This Contract and its integrated Attachment(s) constitute the entire agreement of the parties and as such are intended as a complete and exclusive statement of the promises, representations, negotiations, discussions, and other agreements that may have been made in connection with the subject matter hereof. Unless an integrated Attachment to this Contract specifically displays a mutual intent to amend a particular part of this Contract, general conflicts in language between any such Attachment and this Contract shall be construed consistent with the terms of this Contract. Unless otherwise expressly authorized by the terms of this Contract, no modification or amendment to this Contract shall be binding upon the parties unless the same is in writing and signed by the respective parties hereto, approved by the Office of the Attorney General.

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|---------------------|-------|
| CETS #: | 22728 |
| Agency Reference #: | |

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be signed and intend to be legally bound thereby.

HUMBOLDT COUNTY HOSPITAL DISTRICT

Chief Financial Officer

 Sandi Lehman Date

 Title

DIVISION OF HEALTH CARE FINANCING AND POLICY

Administrator, DHCFP

 Suzanne Bierman, JD, MPH Date

 Title

Director, DHHS

 Richard Whitley, MS Date

 Title

APPROVED BY BOARD OF EXAMINERS

 Signature – Board of Examiners

On: _____
 Date

Approved as to form by:

 Deputy Attorney General for Attorney General

On: _____
 Date

Respiratory Department

Pulmonary Function Machine Purchase Request

Background

Pulmonary function tests (PFTs) are noninvasive tests that show how well the lungs are working. The tests measure lung volume, capacity, rates of flow, and gas exchange. This information can help your healthcare provider diagnose and decide the treatment of certain lung disorders (Johns Hopkins Medicine, 2020).

The respiratory department is requesting to purchase a pulmonary function test machine. The exact age of the current machine is uncertain (approximately 10 years old) but it is at end of life and the vendor would not agree to a preventive maintenance contract beyond one year due to the life of the machine. The problem is that the staff complain that the machine always requires calibration and they do not know how to calibrate it. As a result, the staff don't have confidence in the integrity of the machine to provide accurate test results and choose to cancel the testing. The staff also report this machine is a more difficult test for the patient because it requires the patient to hold their breath twice as long as the newer machines (14 seconds versus 7 seconds).

Repair Costs

Repair costs for the current machine range from \$5,000 - \$7,000 or more per visit with the one year service agreement that was offered. The out-of-pocket costs with service parts alone would range between \$700 (umbilical) - \$5,995 (engine replacement). The vendor has also informed us that if the machine fails then it is possible they would not have the parts to fix it, with or without the contract.

Pulmonary Function Testing Revenue

There were 45 PFTs total since 11/11/2019. There are 3 different kinds of tests: PFT Complete, PFT Pre and Post, and PFT Spirometry. Cerner data show Pulmonary Function Tests from 11/11/19-12/31/2019 are 16 complete PTS at \$60 for a total of \$9,712. There were 29 PFTs (11 Pre and Post & 18 PFT Spirometry) at \$607/each for total of \$17,603. For the year of 2019 the revenue generated is estimated at \$60,808. There are currently 18 individuals waiting for PFTs to be rescheduled.

The quote includes instillation, training and a warranty for the first 5 years. What is not included are the E regulator or the K/H regulators. E tanks range from \$140-210 and K tanks range from \$240-395. These tanks are a recurring cost in which we will select a vendor to come and refill the tanks. The cost of the disposable mouth piece is approximately \$3 per piece.

Pulmonary Function Tests. Johns Hopkins Medicine, 2020. Retrieved from:

<https://www.hopkinsmedicine.org/health/treatment-tests-and-therapies/pulmonary-function-tests>

Created Date 2/18/2020
Quote Number 00000283
Expiration Date 2/27/2020

Account Name Humboldt General Hospital

Billing Address 118 e haskell st
winnemucca, NV 89445
United States

Prepared By Brooke Salisbury Email brooke.salisbury@pulm-one.com

| Product | Quantity | Sales Price | Total Price |
|--|----------|---------------|---------------|
| 3-Liter Calibration syringe | 1.00 | USD 300.00 | USD 300.00 |
| Cart for MiniBox/MiniBox+ | 1.00 | USD 2,400.00 | USD 2,400.00 |
| DLCO Gas Regulator | 1.00 | USD 400.00 | USD 400.00 |
| MB+ Extended Warranty - 3-4-4 | 1.00 | USD 9,315.00 | USD 9,315.00 |
| MiniBox+™ Starter Kit | 1.00 | USD 31,050.00 | USD 31,050.00 |
| Shipping, installation, onsite training, 100 filters, software upgrades and 1 year manufacturer's warranty | 1.00 | USD 0.00 | USD 0.00 |

| | | | |
|--------------------|--|---------------|---------------|
| Payment Method | Wire transfer | Total Price | USD 43,465.00 |
| General Notes | MD SPIRO MIP/MEP \$2,000 ADD ON (Total \$40,565) | Deal Discount | USD 4,900.00 |
| | | Deal Total | USD 38,565.00 |
| Filter price – 3\$ | | Grand Total | USD 38,565.00 |

PulmOne Signature: _____

Customer Signature: _____

Date: _____

MD Spiro \$2,000 Add-on

Total Sale price
\$40,565.00

TERMS & CONDITIONS

- 1. Acceptance of Terms:** PulmOne Advanced Medical Devices Ltd. and/or its affiliates ("PulmOne") agrees to sell to the person ("Customer") named in the purchase order (the "Order") those products and/or services referenced in the Order ("Products" and "Services" respectively), on and subject to these terms and conditions. No Order shall be binding on PulmOne until accepted by PulmOne in writing.
- 2. Price and Taxes:** Prices in the Order do not include applicable value added, excise, sales, use, transfer, or other similar taxes which shall be borne solely by Customer. Unless otherwise specified in the Order, all prices are Ex Works, Israel (Incoterms, 2010). All amounts must be paid within the period referenced in the Order. PulmOne reserves the right to charge default interest on all outstanding amounts due under any Order at a rate of 1.5% per month, compounded simply.
- 3. Title and Risk of Loss:** Title to the Products shall pass to Customer after and subject to full payment for the Products is received by PulmOne, however risk of loss shall pass to the Customer immediately upon delivery of the Products.
- 4. Acceptance and Inspection:** All Products delivered must be examined by the Customer promptly upon receipt. Customer shall notify PulmOne in writing within ten (10) days after such receipt of any discrepancies between Products received and those ordered by Customer and any apparent defects or damage to the Products (inspection claims). PulmOne shall not be obligated to consider inspection claims made after such 10 day period. If an Order includes initial demonstration of Product functionality by PulmOne, Customer shall be deemed to accept the Products when functional testing by PulmOne demonstrates that a Product conforms to the specifications in such Product's operator manual.
- 5. Limited Warranty:** All Products are warranted to be free of material defects in materials and workmanship for a period of 12 months beginning from the date Customer received the delivery of the Products (the "Warranty Period"). Customer's sole remedy in respect of a defective Product shall be to return the defective Product to PulmOne and receive a replacement Product (fixed or new) in return, or a credit in respect of the defective Product. The cost of shipment of defective Products to PulmOne shall be for the account of Customer, and the cost of return of the replacement Product shall be for the account of PulmOne. Without derogating from the foregoing, it is hereby clarified that this limited warranty does not extend to: (i) nonconformities, defects or errors in the Products due to accident, abuse, misuse or negligent use of the Products or use in other than a normal and customary manner and in normal and customary environmental conditions, or failure to follow prescribed operating maintenance procedures, (ii) defects, errors or nonconformities in the Products due to modifications, alterations, additions or Product changes not made or authorized to be made by PulmOne, (iii) normal wear and tear, or (iv) damage caused by force of nature or act of Customer or any third party. The Warranty Period may be extended by the Customer by payment of an additional fee to PulmOne for such extended period, in an amount set by PulmOne from time to time.

CUSTOMER'S REMEDY FOR BREACH OF WARRANTY AS EXPRESSLY PROVIDED ABOVE CONSTITUTES PULMONE'S SOLE AND EXCLUSIVE OBLIGATION AND WARRANTY AND CUSTOMER'S SOLE AND EXCLUSIVE REMEDY FOR DEFECTIVE PRODUCTS. THE FOREGOING WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, AND OF ALL OTHER OBLIGATIONS OR LIABILITIES, CONTRACTUAL OR OTHERWISE, EITHER TO THE CUSTOMER OR TO ANY OTHER PERSON, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WHICH ARE HEREBY EXPRESSLY DISCLAIMED AND WAIVED.

- 1. Intellectual Property Rights.** All intellectual property and other rights with respect to the Products, including, but not limited to, all patents, trademarks, copyrights, service marks, trade names, technology, know how, moral rights and trade secrets, all applications for any of the foregoing, and all permits, grants and licenses or other rights relating to the Products, both registered and unregistered, owned and/or otherwise used by PulmOne and all goodwill related thereto (hereinafter, referred to as the "IP Rights") are and shall remain at all times the sole and exclusive property of PulmOne. Customer will not have or acquire any right, title or interest in or otherwise become entitled to any IP Rights by taking delivery of, making payment for or otherwise using the Products. Customer must not reverse-engineer the Products or attempt to do so, or allow any person or entity to do so.
- 2. Services and Support:** PulmOne provides standard maintenance service, repairs and support for the Product during the Warranty Period at no additional charge to the Customer. These Services include telephone technical support, hardware repairs, and software bug fixes. After the Warranty Period, such maintenance, repair, and support services may be provided by PulmOne at its standard service rates. PulmOne shall perform the maintenance and support services in a reasonable timely, professional, and workmanlike manner using trained and qualified personnel capable of performing such services in accordance with standards used in the industry.
- 3. Limitations of liability:** The total cumulative liability of PulmOne arising out of or in connection with any Product Ordered by Customer shall be limited to the purchase price paid by Customer for such Product. In no event shall PulmOne be liable for indirect, incidental, special, consequential, or punitive damages, of any nature or kind whatsoever and under any theory of

law (whether in contract, tort, or otherwise), including but not limited to loss of anticipated profits, loss of revenue, loss of production, loss of business opportunity, downtime, loss of use of equipment or any installation, system or facility into which PulmOne's Products may be located, even if advised of the possibility of such damages in advance, and Customer will hold PulmOne harmless from and against any and all such liability in excess of this amount. PulmOne shall not be liable for any latent defects or any other defects that might appear after the lapse of the Warranty Period. Customer's sole and exclusive remedies for any damages or loss in any way connected with the provision of Services, shall be at PulmOne's option; (i) re-performance of the relevant Services; or (ii) return of an appropriate portion of any payment made by Customer with respect to the applicable portion of the Services.

4. **Governing Law.** The Order and these terms and conditions Order shall be governed by and construed in accordance with the laws of the State of Israel. The parties agree to submit any dispute connected with or arising under any Order to the exclusive jurisdiction of the competent courts in Tel-Aviv or the Merkaz Districts.