

**HUMBOLDT GENERAL HOSPITAL**

**DISTRICT BOARD OF TRUSTEES**

**REGULAR BOARD MEETING**

**TUESDAY**

**NOVEMBER 24, 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 November 24, 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  
**PERSON POSTING:** www.hghospital.org      https://notice.nv.gov  
Alicia Wogan

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

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

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

**A. CALL TO ORDER**

**B. PUBLIC COMMENT**

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

**C. MEDICAL STAFF-HOSPITAL DEPARTMENT REPORTS**

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

1. Medical Staff report – Chief of Staff
2. Administration report
  - a) Physician-Staff Introductions
  - b) CNO update – LeeAnn Cushway
  - c) CEO report – Tim Powers

**D. CONSENT AGENDA**

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

## DISTRICT BOARD OF TRUSTEES MEETING AGENDA

November 24, 2020

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

1. Board meeting minutes October 27, 2020.
2. Medical Staff applications for appointments, reappointments, provisional and temporary privileges for: Sara Lary, DO, Provisional-Emergency Medicine; Mohammad Afzal, MD, Provisional-Hospitalist/Family Medicine; Lacy Fetic, MD, Provisional-Family Medicine; Patrick Woodard, MD, Provisional-Hospitalist/Internal Medicine; Lee Church, MD, Provisional-Hospitalist/Family Medicine; Mohamad Jaradat, MD, Active-Hospitalist/Internal Medicine; John Jobes, DO, Active-Emergency Medicine; Steven Miller, MD, Active-General Surgery; James Verrees, MD, Active-OBGYN; David Fielder, APRN-CNP, Allied Health-APRN/NP; Robert Johnson, PA-C, Allied Health-Physician Assistant; Andrew Conlu, MD, Active-Hospitalist/Internal Medicine; Richard Davis, MD, Active-Orthopedic Surgery; Chad Farr, DO, Active-Emergency Medicine; Liat Kaplan, MD, Consulting-Teleradiology.

### **E. FINANCIAL REPORTS**

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

1. Financial update
2. Warrants disbursed - Monthly expenditures

### **F. BUSINESS ITEMS-OTHER REPORTS**

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

1. Hospital Administration-EMS / request for approval of professional services agreement with Specialized Billing for Emergency Medical Services billing and collection / EMS Director-Administration
2. Hospital Administration / proposal to enter into revised contract with MedX AirOne to provide medical emergency flight services / CEO-Administration
3. Hospital Administration / request for approval of professional services agreement with Sapience Practice for Behavioral Health Services / Administration
4. Hospital Administration-Finance / request for approval of an IT assessment provided by Nuvodia to evaluate and recommend possible improvements to the IT systems hardware, business applications, policies, workflows, training and staffing functions / Administration
5. Hospital Administration / proposal to purchase a Human Resource Information System (HRIS) from Paycom to update and streamline personnel management, reporting and access processes and procedures / Administration

### **G. TRUSTEE COMMENTS-STAFF REPORTS**

(This period is designated for receiving reports, information, department updates, board and committee updates and proposals by the board, chief executive officer, chief financial officer, human resources director, director of nurses, and other staff upon request. No action may be taken upon a matter raised under this section until it is placed on an agenda for action.)

### **H. PUBLIC COMMENT**

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

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

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

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

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

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

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



## HUMBOLDT GENERAL HOSPITAL

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

November 24, 2020

Board of Trustees

Ref: Medical Staff Meeting

The following Medical Staff Appointment, Reappointment, and Provisional privilege files were reviewed and approved by Medical Staff on November 12, 2020:

Provisional:

- |                       |   |
|-----------------------|---|
| • Mohammad Afzal, MD  | Provisional-Hospitalist/Family Medicine   |
| • Lacy Fetic, MD      | Provisional-Family Medicine               |
| • Patrick Woodard, MD | Provisional-Hospitalist/Internal Medicine |
| • Lee Church, MD      | Provisional-Hospitalist/Family Medicine   |

Appointment:

- |                           |                                      |
|---------------------------|--------------------------------------|
| • Mohammad Jaradat, MD    | Active-Hospitalist/Internal Medicine |
| • John Jobes, DO          | Active-Emergency Medicine            |
| • Steven Miller, MD       | Active-General Surgery               |
| • James Verrees, MD       | Active-OBGYN                         |
| • David Fielder, APRN-CNP | Allied Health-APRN/NP                |
| • Robert Johnson, PA-C    | Allied Health-Physician Assistant    |

Reappointment:

- |                     |                                      |
|---------------------|--------------------------------------|
| • Andrew Conlu, MD  | Active-Hospitalist/Internal Medicine |
| • Richard Davis, MD | Active-Orthopedic Surgery            |
| • Chad Farr, DO     | Active-Emergency Medicine            |
| • Liat Kaplan, MD   | Consulting-Teleradiology             |

Below details additional information on each Medical Staff file:

- **Andrew Conlu, MD** earned his Doctor of Medicine from State University of New York at Stony Brook School of Medicine in 1989. Dr. Conlu completed his Internal Medicine residency at the State University of New York at Stony Brook Health Science Center/VA Hospital from 1989 to 1992. He is board certified in Internal Medicine through the American Board of Internal Medicine. Dr. Conlu also holds current ACLS and BLS certifications. Dr. Conlu has been working as a Hospitalist since 2007 and prior to that was working in private practice. Dr. Conlu comes to Humboldt General Hospital as a Hospitalist through RPG. He has held privileges with HGH since June of 2013.
- **Richard Davis, MD** earned his Doctor of Medicine from St. Louis University in 1987 and completed his Orthopaedic residency in 1992 at Indiana University Medical Center. Dr. Davis holds a current board certification through the American Board of Orthopaedic Surgery. Dr. Davis has worked as an Orthopedic Specialist and Surgeon in Nevada since 2005. Dr. Davis comes to Humboldt General Hospital through Synergy Surgicalists to provide coverage for Orthopedics services. He has held privileges with HGH since June of 2017.
- **Chad Farr, DO** earned his Doctor of Osteopathic Medicine from Rocky Vista University in 2015 and went on to complete his Emergency Medicine residency in 2018 at UMASS Baystate Medical Center. Dr. Farr is board certified through the American Board of Emergency



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Medicine and holds current ACLS and PALS certifications. Dr. Farr has worked as an Emergency physician in Nevada since April of 2018. He has been working with Humboldt General Hospital through Envision since December of 2018. Dr. Farr has held privileges with HGH since November of 2018.

- **Mohammad Jaradat, MD** earned his Bachelor of Medicine and Bachelor of Surgery from Jordan University of Science and Technology in 2010. Dr. Jaradat completed his internship at Princess Bassama Hospital in Jordan from 2010 to 2011. He then went on to an Internal Medicine internship at King Abdullah University Hospital in Jordan from 2011 to 2012. Dr. Jaradat earned his Educational Commission for Foreign Medical Graduates certificate in August of 2011. Dr. Jaradat completed his Internal Medicine residency at the University of Nevada, School of Medicine from 2012 to 2016. He worked as a Hospitalist with Sound Physicians Hospitalist Group since 2016 and is currently coming to HGH through RPG to provide Hospitalist coverage. Dr. Jaradat was granted provisional privileges at HGH in May 2020.
- **John Jobs, DO** earned his Doctor of Osteopathic Medicine from Touro University College of Osteopathic Medicine in 2015. He completed his Emergency Medicine residency from 2015 to 2018 at Texas Tech University of Health Sciences. Dr. Jobs holds a current board certification in Emergency Medicine through the American Board of Emergency Medicine. He also holds current ACLS and PALS certifications. Dr. Jobs has worked as an Emergency Medicine physician in Nevada since 2018. He comes to Humboldt General Hospital through Envision. Dr. Jobs has held privileges with HGH since March 2020 with provisional privileges being granted in May 2020.
- **Steven Miller, MD** earned his Doctor of Medicine from Loma Linda University Medical School in 1992. He completed his General Surgery residency through Loma Linda University in 1997. Dr. Miller completed several fellowship trainings from 2003 to 2011 including ones for Vascular training, Mini Endovascular training, and Minimally Invasive Surgery. Dr. Miller is board certified through the American Board of Surgery. Dr. Miller has worked as a Locum Tenens provider as well as in private practices since 1997. He is currently coming to Humboldt General Hospital through RPG to provide General Surgery services. Dr. Miller has held privileges with HGH since May 2020.
- **James Verrees, MD** earned his Doctor of Medicine from Uniformed Services University of the Health Sciences in 1995. He completed an internship in General Surgery from 1995 to 1996 at the National Naval Medical Center in Bethesda, MD. Dr. Verrees went on to a surgical residency from 1998 to 1999 and ultimately completed his Obstetrics and Gynecology residency at the Naval Medical Center in San Diego from 2003 to 2007. Dr. Verrees is currently board certified through the American Board of Obstetrics and Gynecology. He also holds current certifications for ACLS, BLS, and NRP. Dr. Verrees has worked as an OBGYN provider since 2007 as a staff physician and Locum Tenens provider. Dr. Verrees has held privileges with HGH since May 2020.
- **Mohammad Afzal, MD** earned his Doctor of Medicine from AUA College of Medicine in 2013. He completed his Family Medicine residency at St. Anthony Hospital from 2013 to 2016. Dr. Afzal is currently board certified through the American Board of Family Medicine and holds current ACLS and BLS certifications. Dr. Afzal has worked as a Hospitalist since 2016 in Oklahoma and Arizona. He is currently working with RPG to provide Hospitalist coverage. Dr. Afzal has not been scheduled to provide coverage at Humboldt General Hospital to date, but





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RPG requested his credentialing to provide coverage in the future. Dr. Afzal has held provisional privileges at HGH since May 2020. Due to no shifts at HGH, Dr. Afzal will need to complete another provisional period to allow charts to accumulate.

- **Liat Kaplan, MD** earned her Doctor of Medicine from Cornell University Medical College in 1998. She completed a one-year internship in Internal Medicine at Icahn SOM at Mount Sinai from 1998 to 1999 and then went on to her residency in Diagnostic Radiology at NY Presbyterian-Weill Cornell Medical Center from 1999 to 2003. Dr. Kaplan also completed a fellowship in Musculoskeletal Radiology from 2003 to 2004. Dr. Kaplan is board certified through the American Board of Radiology. She has been working as a Radiologist since 2004 with Virtual Radiologic Professionals, LLC and has been providing Humboldt General Hospital with Teleradiology services since September of 2016, when she was first granted privileges.
- **Lacy Feticc, MD** earned her Doctor of Medicine from the University of Nevada, Reno School of Medicine in 2009. She completed her residency in Family Medicine from 2009 to 2012 with the Department of Family and Community Medicine at the University of Nevada, Reno. Dr. Feticc is currently board certified in Family Medicine through the American Board of Family Medicine. Dr. Feticc has worked as an Assistant and Associate Professor with UNR since 2012. Dr. Feticc was overseeing 33 Family Medicine residents in both ambulatory and hospital settings while at UNR. She will be joining Humboldt General Hospital to oversee our residency program and will be seeing patients of her own. Dr. Feticc started October 12, 2020 with temporary privileges granted.
- **Patrick Woodard, MD** earned his Doctor of Medicine from the University of Nevada, Reno School of Medicine in 2011. He completed his Internal Medicine residency with Howard University Hospital from 2011 to 2014. In 2019, Dr. Woodard earned his Master of Health Administration from Milken Institute School of Public Health at George Washington University. Dr. Woodard is board certified through the American Board of Internal Medicine and holds current ACLS and BLS certifications. He has experience practicing as an Internal Medicine Hospitalist in Reno, NV and has a strong background in medical informatics. Dr. Woodard provided coverage for our Hospitalist services in mid-September and RPG has requested his privileges to be kept current to provide future coverage. Dr. Woodard was granted temporary privileges at HGH in September 2020.
- **Lee Church, MD** earned his Doctor of Medicine from the University of Minnesota in 2011. He completed his Family Medicine residency from 2011 to 2014 with the University of California, Davis. Dr. Church is board certified through the American Board of Family Medicine and holds current ATLS, BLS, PALS, and NRP certifications. Dr. Church is currently working with Nellis Family Medicine Residency program to evaluate and teach 25 residents and rotating med students. RPG has him scheduled to provide Hospitalist coverage beginning November 16, 2020 at Humboldt General Hospital and would like to utilize him for future coverage.
- **David Fielder, APRN-CNP** earned his Master of Science in Nursing from the University of Tennessee in 1998 specializing in Family Nurse Practitioner. David has been board certified as a Family Nurse Practitioner through the American Nurse Credentialing Center since 1999. He has years of experience working in long term care nursing facilities and has some experience working with patients receiving psychiatric treatment. David Fielder has been shadowing with Dr. Khani in Harmony Manor and Quail Corner at Humboldt General Hospital since July 27, 2020. David will begin as the full-time provider for HGH's Skilled Nursing Facility at the end of October-beginning of November.



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- **Robert Johnson, PA-C** earned his Master of Physician Assistant Studies in Family Medicine in 2002 from the University of Nebraska. Robert is board certified through the National Commission on Certification of Physician Assistants. He has been practicing since 2002 as a Physician Assistant. Robert has been with Humboldt General Hospital since 2016 providing Physician Assistant services and leadership roles for the clinics and physician services. Robert has most recently starting providing first assist services with a couple of HGH's current providers. Robert was initially granted privileges in October of 2016.

Thank You,

Jessica Villarreal  
Medical Staff Credentialing Coordinator



## October 2020 FINANCIAL NARRATIVE

- Gross patient revenue for the month of October was \$9.8M compared to budget of \$9.1M and prior year of \$10.5M.
- Inpatient revenue for the month of October was \$2.8M compared to budget of \$3.6M and prior year of \$4.5M. In reviewing stats for October, patient days were significantly higher in October 2020 than October 2019 yet gross inpatient revenue was significantly lower in October 2020. An independent Cerner certified charge services consultant is currently researching this to determine the cause of this discrepancy.
- Contractual adjustments and bad debt was \$4.1M or 41% of gross revenue compared to budget of \$4.5M or 49% of gross revenue and prior year of \$4.5M or 43% of revenue. The dip in adjustments is related to UPL funds being received in October.
- Net patient revenue for October was \$5.7M compared to budget of \$4.6M and prior year of \$6.0M. YTD net patient was \$19.1M compared to budget of \$18.4M and prior year of \$19.8M.
- October total operating revenue was \$5.8M compared to budget of \$4.7M and prior year of \$6.1M.
- Spending for the month of October was \$5.8M compared to budget of \$5.1M and prior year of \$6.5M. The increase in spending from budget is primarily driven by purchased services.
- YTD spending was \$20.9M compared to budget of \$20.2M and prior year of \$20.3M.
- Net operating gain for October was \$62.5K compared to budget loss of \$(417K) and prior year an operating loss of \$(432K). The operating gain for October is primarily a result of the UPL funds being received and greater than budgeted gross revenue. Continuing to correct issues in the revenue cycle will maximize revenue and keep the organization on a path towards a positive operating margin.
- The YTD operating loss was \$(1.6M) compared to a budgeted loss of \$(1.7M) and a prior year loss of \$(343K). The October YTD loss is primarily a result of a decrease in anticipated revenue given the volumes seen in the hospital.
- Non-operating revenue for October was \$814K compared to budget of \$458K and prior year of \$324K.
- Included in the \$814K of non-operating revenue was \$798K of Humboldt County tax revenue. October YTD non-operating revenue was \$2.4M compared to budget of \$1.8M and prior year of \$2.2M, is reasonably in line.
- The net gain for October was \$877K compared to budget income of \$41K and prior year income of \$437K.
- October YTD the net gain was \$824K compared to budgeted income of \$164K and prior YTD income of \$1.8M. Less than anticipated gross patient revenue is the primary cause for the change between current year and prior year.

<b>Humboldt General Hospital</b>																	
<b>3 Month Statistics Comparison</b>																	
		<b>Oct 19</b>	<b>Nov 19</b>	<b>Dec 19</b>	<b>Jan 20</b>	<b>Feb 20</b>	<b>Mar-20</b>	<b>Apr-20</b>	<b>May-20</b>	<b>Jun-20</b>	<b>Jul-20</b>	<b>Aug-20</b>	<b>Sep-20</b>	<b>Oct-20</b>			
Med/Surg Pt Days		189	186	159	200	199	150	178	188	208	269	207	254	310			
Pediatric Days		3	2	-	-	-	-	-	-	-	-	-	-	-			
Obstetrics Pt Days		24	24	18	36	24	21	31	29	24	45	38	35	16			
Nursery Pt Days		31	22	22	28	27	27	31	31	26	42	27	32	22			
ICU Pt Days		6	10	13	14	19	13	31	15	13	20	16	9	23			
Swing Bed Days		24	85	66	38	83	83	66	68	65	55	32	43	35			
Harmony Manor Days		1,091	965	945	1,010	927	941	891	936	959	987	995	963	932			
Quail Corner Days		201	240	248	248	232	248	240	248	240	221	186	180	186			
Admissions		-	-	-	-	-	-	-	-	41	97	94	96	93			
Labor Room Deliveries		17	14	22	22	18	17	20	19	14	22	19	20	14			
Operating Room Cases- Inpatient		118	108	91	114	98	22	17	21	24	25	28	27	27			
Operating Room Cases- Outpatient		-	-	-	-	-	48	15	19	77	66	73	78	60			
Radiology Tests- see detail below		1,531	1,229	1,107	1,350	1,282	1,147	922	977	1255	1236	1176	1182	1330			
Laboratory Tests		8,726	6,617	6,848	7,786	7,741	6,358	5,215	6,138	7,736	7334	6765	7337	7875			
Emergency Room Visits		713	731	647	701	663	666	525	515	601	579	597	615	641			
Billable Ambulance Runs		152	135	109	131	110	121	130	128	138	128	135	120	169			
RHC Visits- Total Visits		2,465	1,915	2,341	2,720	2,605	2,513	1816	1962	2241	2421	2418	2359	2507			
RHC FP1						236	211	241	225	250	311	279	259	264			
RHC FP2						236	437	286	372	239	239	204	128	91			
RHC FP3						220	166	127	233	384	270	236	265	278			
RHC FP4						-	-	-	-	-	1	-	1	57			
RHC Int Med						357	288	258	296	329	356	316	360	365			
RHC Pain Management						-	-	-	-	-	35	33	39	33			
RHC Peds						354	331	194	188	245	252	331	309	414			
RHC Podiatry						-	-	-	-	26	135	150	137	142			
RHC Res Clin						315	249	249	238	250	259	364	332	303			
RHC TH						38	38	34	37	25	33	39	34	41			
RHC WH						260	203	179	184	244	287	196	213	178			
RHC Walk In						589	590	248	189	249	243	270	282	341			
Radiology Tests by modality																	
MRI							53	34	44	46	58	32	59	68			
Mammogram							43	13	22	41	36	51	49	148			
Bone Denisty							7	1	5	13	7	10	15	17			
Computed Tomography							181	156	186	217	209	225	236	241			
General Diagnostic							634	548	507	672	666	633	584	602			
Nuclear Cardiac							14	10	10	8	13	13	12	8			
Nuclear Medicine							7	0	9	3	8	5	9	4			
Ultrasound							170	140	165	201	199	175	187	208			
Vascular Ultrasound							38	20	29	54	40	32	31	34			
							1147	922	977	1255	1236	1176	1182	1330			

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

FY20 MONTH		MONTH OF OCTOBER FY2021		FISCAL YEAR 2021 TO DATE		FY 2020 YTD	
PRIOR YR	BUDGET	ACTUAL	ACTUAL	BUDGET	PRIOR YR		
\$ 4,507,214	\$ 3,644,145	\$ 2,778,379	\$ 10,131,802	\$ 14,459,030	\$ 15,269,353		
5,062,947	4,293,503	5,854,886	21,444,484	17,035,510	17,738,702		
710,248	589,979	476,331	1,960,732	2,340,184	2,675,460		
278,806	642,902	668,462	2,371,937	2,550,168	1,394,196		
10,559,215	9,170,529	9,778,058	35,908,955	36,384,892	37,077,711		
(4,063,714)	38% (3,762,116)	41% (2,749,538)	39% (14,160,831)	41% (14,927,107)	40% (14,843,447)		
(476,748)	5% (779,418)	8% (1,305,563)	7% (2,641,808)	8% (3,092,532)	7% (2,444,081)		
(4,540,462)	(4,541,534)	(4,055,101)	(16,802,639)	(18,019,639)	(17,287,528)		
6,018,753	4,628,995	5,722,957	19,106,316	18,365,253	19,790,183		
48,279	37,164	121,384	220,411	147,861	177,074		
6,067,032	4,666,159	5,844,341	19,326,727	18,513,114	19,967,257		
1,701,250	2,000,504	2,015,226	7,429,305	7,936,382	6,413,236		
743,110	605,104	409,265	1,945,964	2,400,165	1,856,522		
222,320	7,920	86,542	306,575	31,425	721,748		
1,506,280	943,366	1,107,961	4,092,251	3,741,693	4,043,846		
872,738	513,206	758,535	2,434,368	2,036,269	2,289,380		
125,216	97,701	127,979	643,521	387,651	387,372		
222,199	124,474	397,179	837,898	493,880	685,868		
44,903	25,821	30,461	101,980	102,449	110,895		
60,413	54,674	48,428	173,325	216,932	203,223		
72,176	71,878	63,591	256,179	285,296	257,461		
544,916	489,122	580,426	2,321,705	1,940,710	2,169,318		
144,580	21,651	27,615	50,908	85,907	325,546		
238,490	127,571	128,587	322,306	506,370	845,684		
6,498,591	5,082,992	5,781,795	20,916,285	20,165,129	20,310,099		
(431,559)	(416,833)	62,546	(1,589,558)	(1,652,015)	(342,842)		
21,760	25,479	10,897	66,623	101,095	91,303		
301,922	430,171	798,283	2,234,427	1,706,807	2,094,056		
-	2,123	-	(11,200)	8,425	-		
-	-	-	70,928	-	-		
-	-	5,311	52,873	-	-		
323,682	457,773	814,491	2,413,651	1,816,327	2,185,359		
\$ (107,877)	\$ 40,940	\$ 877,037	\$ 824,093	\$ 164,312	\$ 1,842,517		
\$ 437,039	\$ 530,062	\$ 1,457,463	\$ 3,145,798	\$ 2,105,022	\$ 4,011,835		

FINANCIAL DASHBOARD  
HUMBOLDT GENERAL HOSPITAL  
FISCAL YEAR 2021

Key Performance Indicator (KPI)	KPI Description	KPI Calculation	Fiscal Year 2020 June 30, 2020 Unaudited	Fiscal Year to Date 2021 Oct-20 <i>YE Annualized</i>	Favorable ↑ Unfavorable ↓
EBIDA	Earnings Before Interest, Depreciation, and Amortization	Net Income + Interest + Depreciation + Amortization	2,034,051	9,437,394	↑
Current Ratio	Measures the number of times short-term obligations can be paid using short-term assets.	Current Assets ÷ Current Liabilities	8.1	12.23	↑
Average Payment Period	The number of days a company takes to pay off credit purchases.	Current Liabilities ÷ Daily Operating Expenses	36	28	↓
Days Cash on Hand	Measures the number of days an organization could operate if no cash was collected or received.	Cash ÷ ((Operating Expense - Depreciation Expense) ÷ 365)	208	210	↑
Operating Margin	Measures the control of operating expenses relative to operating revenues.	Operating Income (Loss) / Operating Revenue	(21.5%)	1.1%	↑
Days in Net Accounts Receivable	Measures the number of days that it takes an organization to collect its receivables.	Net Accounts Receivable ÷ (Net Patient Revenue for last 120 days ÷ 120)	101	103.0	↓
Salaries as % of Net Revenue	Measures the percentage of patient revenue that are labor costs.	(Salaries + Agency Salaries) ÷ Net Patient Revenue	70.0%	56.1%	↑
Supplies as % of Net Revenue	Measures the percentage of patient revenue that are supply costs.	Supplies Expense ÷ Net Patient Revenue	11.6%	13.3%	↓
Bad Debt as % of Gross Revenue	Measures the percentage of Gross Revenue that is written off as Bad Debt.	Bad Debt Expense ÷ Gross Patient Revenue	10.1%	13.4%	↓

Humboldt General Hospital  
Statement of Profit and (Loss)  
For Period Ending: 10/31/2020

	OCT 2020			FY2021		
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE
INPATIENT REVENUE	\$2,778,379	\$3,644,145	(\$865,767)	\$10,131,802	\$14,459,030	(\$4,327,228)
OUTPATIENT REVENUE	5,854,886	4,293,503	1,561,383	21,444,484	17,035,510	4,408,974
LTC	476,331	589,979	(113,648)	1,960,732	2,340,184	(379,452)
CLINIC REVENUE	668,462	642,902	25,561	2,371,937	2,550,168	(178,230)
<b>TOTAL PATIENT SERVICE REVENUE</b>	<b>9,778,058</b>	<b>9,170,529</b>	<b>607,530</b>	<b>35,908,956</b>	<b>36,384,891</b>	<b>(475,935)</b>
<b>DEDUCTIONS FROM REVENUE</b>						
CONTRACTUAL ADJUSTMENTS	(2,749,538)	(3,762,116)	1,012,579	(14,160,831)	(14,927,107)	766,276
BAD DEBT	(1,305,563)	(779,418)	(526,145)	(2,641,808)	(3,092,532)	450,724
<b>TOTAL DEDUCTIONS FROM REVENUE</b>	<b>(4,055,101)</b>	<b>(4,541,534)</b>	<b>486,433</b>	<b>(16,802,640)</b>	<b>(18,019,639)</b>	<b>1,216,999</b>
<b>NET PATIENT SERVICE REVENUE</b>	<b>5,722,957</b>	<b>4,628,994</b>	<b>1,093,963</b>	<b>19,106,316</b>	<b>18,365,252</b>	<b>741,064</b>
OTHER OPERATING REVENUE	121,384	37,164	84,220	220,411	147,861	72,550
<b>TOTAL OPERATING REVENUE</b>	<b>5,844,341</b>	<b>4,666,158</b>	<b>1,178,183</b>	<b>19,326,727</b>	<b>18,513,113</b>	<b>813,614</b>
<b>OPERATING EXPENSES</b>						
SALARIES	2,015,226	2,000,504	14,722	7,429,305	7,936,382	(507,077)
BENEFITS	409,265	605,104	(195,839)	1,945,964	2,400,165	(454,202)
CONTRACT LABOR	86,542	7,920	78,622	306,575	31,425	275,150
SUPPLIES MEDICAL	758,535	513,206	245,329	2,434,368	2,036,269	398,100
PURCHASED SERVICES	1,107,961	943,366	164,595	4,092,251	3,741,693	350,558
SUPPLIES & SMALL EQUIPMENT	127,979	97,701	30,278	643,521	387,651	255,870
REPAIRS AND MAINTENANCE	397,179	124,474	272,705	837,898	493,880	344,018
RENTS AND LEASES	30,461	25,821	4,641	101,980	102,449	(469)
INSURANCE	48,428	54,674	(6,246)	173,325	216,932	(43,607)
UTILITIES	63,591	71,878	(8,288)	256,179	285,296	(29,117)
DEPRECIATION	580,426	489,122	91,304	2,321,705	1,940,710	380,995
TRAVEL & MEALS	27,615	21,651	5,964	50,908	85,907	(34,999)
OTHER EXPENSE	128,587	127,571	1,016	322,306	506,370	(184,063)
<b>TOTAL OPERATING EXPENSES</b>	<b>5,781,797</b>	<b>5,082,993</b>	<b>698,804</b>	<b>20,916,287</b>	<b>20,165,129</b>	<b>751,157</b>
<b>NET OPERATING INCOME/(LOSS)</b>	<b>62,544</b>	<b>(416,835)</b>	<b>479,379</b>	<b>(1,589,560)</b>	<b>(1,652,016)</b>	<b>62,457</b>
<b>NON-OPERATING REVENUE &amp; EXPENSES</b>						
INTEREST INCOME	10,897	25,479	(14,582)	66,623	101,095	(34,472)
TAXES	798,283	430,171	368,112	2,234,427	1,706,807	527,620
DONATIONS	0	2,123	(2,123)	(11,200)	8,425	(19,625)
OTHER INCOME	2	0	2	8,463	0	8,463
CERNER CLEARING	5,309	0	0	(44,410)	0	(44,410)
SUBSIDIES	0	0	0	70,928	0	70,928
<b>NON-OPERATING REVENUE/(EXPENSE)</b>	<b>814,491</b>	<b>457,773</b>	<b>356,718</b>	<b>2,413,650</b>	<b>1,816,327</b>	<b>597,324</b>
<b>NET INCOME/(LOSS)</b>	<b>\$877,035</b>	<b>\$40,938</b>	<b>\$836,097</b>	<b>\$824,091</b>	<b>\$164,310</b>	<b>\$659,780</b>



## D/B/A HUMBOLDT GENERAL HOSPITAL

## OCTOBER 31, 2020

OCTOBER 31, 2020

[illegible]

# HUMBOLDT GENERAL HOSPITAL

## PRESENTATION OF CASH ACCOUNTS

OCTOBER 31, 2020 -- FISCAL YEAR 2021

ACCOUNTS FOR:	G/L ACCT. #:	LOCATION HELD:	ACCOUNT#:	BALANCES:
Cash Drawers	10010	Safe/Business Office/Clinics	Cash Drawers(12)	2,275
General Fund Checking	10000	Wells Fargo Bank	3828	3,795,373
Tax Account	10005	Wells Fargo Bank	925	16,570
Payroll Checking	10010	Wells Fargo Bank	3836	382,005
General Fund Investment	10020	Wells Fargo Bank	6671	6,156,592
Hanssen Scholarship Fund	10050	Wells Fargo Bank	7067	4,008
EMS Scholarship Fund	10055	Wells Fargo Bank	917	16,929
SNF Patient Trust	10035	Wells Fargo Bank	0021	27,996
SNF Memorial/Activity	10040	Wells Fargo Bank	9304	4,913
Investment Trust	10030	Wells Fargo Bank	6500	10,609,597
LGIP Savings	10025	NV State Treasurer	#xxxGHO	10,771,256

**HGH TOTALS: 31,787,514**

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

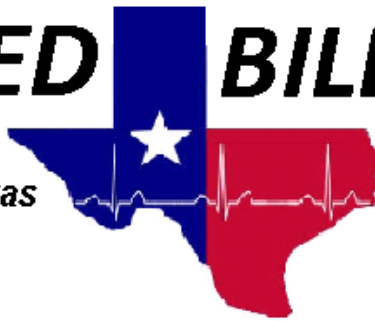
**SUBMITTED & SIGNED:**

**Cory Burnett, CFO**



# ***SPECIALIZED BILLING***

*& Collection System of Texas*



*EMS & First Responder*

***Emergency Medical Services***

***Billing & Collection***

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## ***Introduction***

Specialized Billing & Collection Systems of Texas, Inc. began operations in 1985 and re-incorporated in 1993 as K & P Associates Inc., dba Specialized Billing & Collection Systems of Texas. Since 1985, Specialized Billing has grown from providing billing services to the family owned and operated ambulance service, to providing EMS and First Responder billing services throughout the State of Texas & Missouri.

**With over 37 years of providing services to emergency medical service providers, Specialized Billing is the oldest billing service in Texas that has not merged with another company or changed ownership. Specialized Billing has the capabilities of handling any size account but does not seek to be the largest billing service in Texas, just the best.**

Our only business is the EMS and First Responder billing services. With extensive experience in all aspects of the industry, from the management of a municipal EMS & Fire service, to providing patient care in the field and hospital emergency rooms. With this knowledge, our company is able to approach any situation and reach a viable solution to your specific problem areas.

Our company takes great pride in providing the best services possible. By utilizing the latest computer hardware and software technologies available, we are able to expand our services as your needs require. We interact with your EMS & Fire personnel directly by keeping them informed of any changes in State and Federal reporting and filing requirements. With a wide array of reports and statistics we keep management and finance informed of how your service is performing.

Specialized Billing & Collection Systems of Texas is located in the northwest area of Houston, Texas. Our physical address is 14340 Torrey Chase Blvd. Suite 280 Houston, Texas 77014. With over 15,000 square feet of office space. All work is performed from this single location and all records and data are maintained at this location with restricted access. Servers and back up data are maintained at an secured off site location.

Since 1999 RescueNet by ZOLL Data has been the base of our platform, a Window's based reimbursement and collections software.

Specialized Billing has a total of eight servers. Five Window's 2008 R2 based servers and three Windows 2012 R2 based server. One is dedicated to the Billing Software side. Three servers are for the Electronic Patient Care Records (ePCR) side. The rest are for internal staff use.

The eight servers are virtualized across two physical Dell R620 servers. VMWare ESXi is the Virtualization software that allows the running of eight Virtual servers on two Dell Physical servers. Each Virtual server accesses data thru a SAS attached Dell MD3400 SAS Drive Array.

The network is protected by a ICSA Certified firewall. No outside access to the Internet is allowed by the Terminal Server users. No remote access from outside the firewall is allowed.

Data is backed up by a Backup and Disaster Recovery (BDR) server. In the event of a server failure, the failed server can be virtualized on the BDR and be running in as little as 1 hour.

Specialized Billing is a preferred partner with ZOLL Data Systems and offers to our clients ZOLL's RescueNet field data collection software. We also work together with other ePRC's.

ZOLL's RescueNet™ ePCR Suite is a powerful system is made up of a set of tools that can help you streamline data collection and reporting, increase the accuracy of the data that is collected, and ensure that each PCR contains the information that your service requires.

**Tablet PCR:** Allows you to capture, access and automate pre-hospital patient data, clinical QA and system information and improves the overall access to information. Tablet PCR has configurable screens, an easy-to-use touchscreen-friendly user interface and an open architecture interface to allow integration with other billing and CAD systems.

**WebPCR :** Provides a web-based version of TabletPCR that allows you to access incomplete calls from any computer that has access to a Web browser and your WebPCR

Server. You can easily add or edit data, generate reports, and close calls without having to use a tablet computer.

**Complete Call Rules Editor:** Allows you to build custom rules that dictate what information must be included in a PCR before it can be closed. You can build rules that range from general, such as “All calls must have a run number,” to a specific “Any call in which a minor is treated must have a parent/guardian’s signature.” The Complete Call Rules Editor can help you ensure that your medics gather and report the needed information in the field, which helps to keep PCRs from bouncing back and forth between medics and billing specialists.

**WorkFlow Editor:** Ensures that the right PCRs get to the right people at the right time.

Using the WorkFlow Editor, you can route PCRs with different types of data to different people or groups. You can also indicate where the PCR needs to go next.

In addition to the standard reports provided with RescueNet TabletPCR, you can also create custom reports using Crystal Reports’ report designer. RescueNet also captures and submits State Trauma reporting requirements

To operate the latest billing technology available is a staff and management second to none in the industry. With a President/CEO leading the way with a day-to-day hands on approach, a former fire chief of a municipal department, a former EMS Director, paramedics, and EMT’s, down to our clerical staff of well trained individuals in all aspects of the medical billing business, provides you with a staff of individuals with vast experience and knowledge to handle your account.

Specialized Billing is based in Houston and only operates within the State of Texas & Missouri. We pride ourselves in knowing our customers, the areas in which they operate, the customer base that they serve, and what is happening in their communities. By providing you the best service possible allows you to provide a better service to your customers.

*Karen P. Laake* – President/CEO

## **PROPOSAL NARARTIVE**

### **Patient Reports**

Patient reports will be received from the EMS provider in the NEMESIS format from ZOLL RescueNet ePCR electronically to Specialized Billing to be loaded in our ZOLL RescueNet Billing Software.

Specialized Billing will review the patient care report received from the EMS provider for missing information required for billing. ei, incomplete narratives, patients & medic signatures, etc. Any records that do not meet the agreed upon requirements (clean record), shall be returned to the EMS provider for correction in an agreed upon format or report indicating what information is required.

Specialized Billing will obtain, verify or correct any other missing patient or insurance information on billable records.

### **Collection Methodology**

Specialized Billing will work with the EMS provider in setting a billing policy that best fits the needs of your community and the citizens you serve. We understand the importance of maintaining a good relationship between your community and our company and that we are representing your service and must maintain a courteous and professional manor at all times with the community and the citizens.

Specialized Billing & Collection Systems of Texas maintains a toll free 1-800 number with 24-hour voicemail access. Our toll-free number is 1-800-999-2417.

Many of our staff are bi-lingual for Spanish speaking patients.

Voice mail access is available on the main number and all forty extensions.

Patients may submit insurance information or inquires to [karen@specializedbilling.net](mailto:karen@specializedbilling.net).

## Claim Submission

Specialized Billing shall prepare and submit accurate claims to Medicare, Medicaid, private insurance and any other third-party payors in the appropriate format (electronic) or other acceptable format (paper), which ever is the most efficient and provides the highest return per claim.

Patient records are reviewed for accurate charges assigned to claim.

Experienced coding personnel will review patient records for proper diagnosing and coding.

Status checks on Private Insurance Claims are performed monthly.

Denials and Appeals are expedited quickly, and any additional information that is required by insurance company to obtain payment is gathered and forwarded with appeal for consideration of payment.

## Medicare/Medicaid Policies & Procedures

Medicare and Medicaid claims are submitted accordingly within billing guidelines.

Medicare claims are submitted electronically, Medicare Railroad, which may require additional information or supporting documentation.

Medicaid claims are submitted on HCFA 1500 paper forms due to a lower denial rate.

Only those Medicare patients without secondary insurance coverage are responsible for co-payment on accounts.

Medicaid patients are not responsible for any unpaid portions of the claim.

Medicare and Medicaid claims that are denied are appealed, with additional supporting documentation obtained from hospitals, nursing homes, physicians or patients to obtain payment.

Those patients, which had no Medicare and/or Medicaid coverage at time of transport, are handle as Private Pay Accounts.

**For eligible Government Providers we also bill to the Ambulance Supplemental payment program.**

Our staff continuously reviews all patient records to insure ambulance crews are providing the proper documentation for claims submittal. Services are notified if ambulance crew's documentation is inadequate or in correct wording is being used which could cause denial of payment. Any changes in



Medicare and/or Medicaid billing policies are forwarded to services and training classes are offered at no additional charge.

### **Workers' Compensation Insurance Claims**

Patient's accounts with Workers' Comp Insurance are billed directly to insurance carrier.

Claims are submitted on a HCFA form 1500 using proper Workers' Comp Insurance coding by an in-house workers' compensation claims specialist.

### **Auto and Third Party Insurance Claims**

We obtain auto insurance and third-party insurance information and bill appropriately.

Patient claims involving third party or auto insurance are billed directly to insurance carrier electronically or on HCFA form 1500.

We handle all appeals and denials of claims.

### **Attorney Pay Claims**

Work directly with patients' attorneys to obtain Letters of Representation and Letters of Protection.

Handle all billing affidavits and subpoenas.

### **Private Pay Accounts**

Specialized Billing will set up payment plan for those individuals that cannot make payment in full. No interest will be charged to any account on an installment plan.

Private Pay accounts are invoiced on a monthly basis, and accounts which have become in active after 18 months will be considered delinquent. Our billing software, RescueNet, will allow private pay accounts to be invoice at a specific time each month and allows for tracking of delinquent accounts in monthly reporting.

### **Ambulance Supplemental payment program**

For governmental ambulance providers.

## Payment Controls

All patient account payments (checks, cash, money orders, credit cards or direct deposit) are made payable to the EMS provider under your Federal Tax Identification Number and those received by US mail to our office are processed daily with checks and credit statements sent to the EMS provider within five (5) days

of receipt. All payments sent directly to the service are processed within five (5) days after receiving copy of check and explanation of benefits from the service. Credit statements for these accounts and direct deposit payment are forwarded to the service with five (5) days.

Specialized Billing will invoice the EMS provider monthly for percentage of revenue received.

## State & Federal Reporting

Specialized Billing will transmit required data to the State of Texas Department of Health Services for trauma reporting.

Specialized Billing will provide any other reports requested to assist the EMS provider in any reports required or requested by State and Federal agencies.

Our company staff will handle process all billing statements, handle all billing inquires, denials and appeals, private pay accounts, and handle affidavits from attorneys on patient invoices.

**Comparable Services  
1 – 2000 Transports per Year**

<b>Year</b>	<b>Service</b>	<b># of Transports</b>	<b>Payments</b>
2010	V of LT EMS	59	\$ 55,167.07
2010	H Island EMS	83	\$ 60,956.27
2010	H County EMS	178	\$ 95,336.17
2010	TMR	339	\$ 242,930.97
2010	RH EMS	393	\$ 266,636.80
2010	JV EMS	441	\$ 260,445.79
2010	C County EMS	813	\$ 367,881.06
2010	B EMS	867	\$ 526,007.87
2010	H EMS	885	\$ 366,345.00
2010	S EMS	1026	\$ 463,680.00
2010	SL EMS	1784	\$ 869,713.00
2010	L EMS	1852	\$ 843,398.00

**Comparable Services  
1 – 2000 Calls per Year**

<b>Year</b>	<b>Payments</b>	<b># of Transports</b>	<b>Average Payment</b>
2015	\$ 336,656.00	455	\$ 769.00
2015	\$ 436,068.43	83	\$ 638.00
2015	\$ 1,139,894.91	178	\$ 781.00
2015	\$ 774,013.12	339	\$ 500.00
2015	\$ 871,951.58	393	\$ 550.00
2015	\$ 1,285,516.41	441	\$ 519.00
2015	\$ 1,665,944.16	813	\$ 659.00

## **EMS REFERENCES**

VERNON COUNTY AMBULANCE DISTRICT  
515 E WALNUT ST  
NEVADA, MO 64772  
CONTACT PERSON: DENISE HOPKINS  
417 / 667 - 5079

LEE COUNTY EMS  
1212 NORTH ORANGE  
GIDDINGS, TEXAS 78942  
CONTACT PERSON: RODNEY MERSIOVSKY  
979 / 542 - 8471

OZARK COUNTY AMBULANCE DISTRICT  
HC 1 BOX 31  
GAINESVILLE, MO 65655  
CONTACT PERSON: STACY RANEY  
417/543-1678

SOUTHLAKE HOUSTON EMS  
14418 BEAUMONT HWY  
HOUSTON, TEXAS 77049  
CONTACT PERSON: JOE FRESS  
281 / 459 – 2807

HARRIS COUNTY ESD NO 50  
16010 RIDLON  
CHANNELVIEW, TX 77530  
CONTACT PERSON JIMMY SUMBERA  
281/ 452- 5782

NORTH CHANNEL EMS  
332 FREEPORT STREET  
HOUSTON, TEXAS 77015  
CONTACT PERSON: ROLAND HOBBS  
713 / 637 – 0900

CITY OF STEPHENVILLE EMS  
298 WEST WASHINGTON  
STEPHENVILLE, TEXAS 76401  
CONTACT PERSON: JIMMY CHEW  
254 / 918 – 1210

FAITH COMMUNITY HOSPITAL EMS  
717 MAGNOLIA ST  
JACKSBORO, TEXAS 76458  
CONTACT PERSON: QUINTON REAVES  
940 /447 – 7321

**EMS PROVIDER****P O BOX 691916, HOUSTON, TX 77269****(281) 397-0397 or 1-800-999-2417****8:00 AM TO 5:00 PM MONDAY THRU FRIDAY****PATIENT NAME:**LAAKE, KAREN**PATIENT SSN:** 000-00-0000**RUN NUMBER:** 04-4086**DATE OF CALL:** 2/24/2004**FROM:**RESIDENCE

KAREN LAAKE

PO BOX 691916

HOUSTON, TX 77269

**TO:**TOMBALL REGIONAL HOSPITAL**PRIMARY PAYOR:**UNITED HEALTHCARE  
000-00-0000-01**SECONDARY PAYOR:** Bill Patient

DESCRIPTION	QUANTITY	UNIT PRICE	RECEIPT DATE	PAYMENT	AMOUNT
ALS EMERGENCY	1	925.00			925.00
MILEAGE	6	18.00			108.00
DISP GLOVES	2	2.75			5.50
DSP LINEN KIT	1	26.00			26.00
EMERGENCY RATE	1	90.00			90.00
DISPATCH FEE	1	88.00			88.00
PULSE OXIMETER	1	99.00			99.00
EKG MONITOR/INTERP	1	275.00			275.00
EKG PADS	1	44.00			44.00
BENADRYL 50mg INJ	1	8.52			8.52
NORMAL SALINE 1000ml IV	1	71.55			71.55
IV THERAPY	1	274.00			274.00
PRIVATE INSURANCE PAYM	1		6/20/2004	-420.92	
PRIVATE INSURANCE PAYM	1		7/7/2004	-195.00	

**PLEASE PAY THIS AMOUNT****1,398.65**

DETACH ALONG ABOVE LINE AND RETURN STUB WITH YOUR PAYMENT. THANK YOU.

**PATIENT NAME:**LAAKE, KAREN  
**PATIENT SSN:**000-00-0000

**TRIP NUMBER:** 04-4086  
**CURRENT DATE:** 09/10/04

**AMOUNT \$**  
**ENCLOSED:**

**REMIT TO:** EMS PROVIDER  
P O BOX 691916  
HOUSTON, TX 77269  
(281) 397-0397      **1-800-999-2417      8:00 AM TO 5:00 PM MONDAY THRU FRIDAY**

EMS PROVIDER  
P O BOX 691916  
HOUSTON, TX 77269

8:00 AM TO 5:00 PM      (281) 397-0397      800-999-2417

9/10/2004  
KAREN LAAKE  
PO BOX 691916  
HOUSTON, TX 77269

Run Number      4086

Date Of Service      2/24/2004

Origin      RESIDENCE

Destination      TOMBALL REGIONAL HOSPITAL

Reason For Transport

PATIENT  
LAAKE, KAREN

**Amount OverDue      \$1,398.65**

Dear KAREN LAAKE

Our records indicate Emergency Medical Ambulance Service was provided to you on the above date of service. Several invoices have been sent to you requesting payment. We have not received your remittance to date.

Your immediate attention is required to avoid any further collection efforts. Full payment is due no later than 30 days from the date of this letter. If your are unable to remit the full amount, contact this office immediately to determine a payment schedule.

If you should have any questions, contact our Billing Representative for further assistance.



## ***ePCR & Field Data Reports***

## ***Billing Reports***

***Ambulance Service Supplemental Payment  
Plan***

# BUSINESS ASSOCIATE AGREEMENT

**THIS BUSINESS ASSOCIATE AGREEMENT** ("Agreement") dated, \_\_\_\_\_, 2020 the "Effective Date"), is entered into by and between Humboldt General Hospital EMS & Rescue ("Covered Entity") and **Specialized Billing and Collection Systems of Texas** ("Business Associate"), each a "Party" and collectively, the "Parties."

Covered Entity and Business Associate have entered into, are entering into, or may subsequently enter into, agreements or other documented arrangements (collectively, the "Business Arrangements") pursuant to which Business Associate may provide products and/or services for Covered Entity that require Business Associate to access, create and use health information that is protected by state and/or federal law.

Pursuant to the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), the U.S. Department of Health & Human Services ("HHS") promulgated the Standards for Privacy of Individually Identifiable Health Information (the "Privacy Standards"), at 45 C.F.R. Parts 160 and 164, requiring certain individuals and entities subject to the Privacy Standards (each a "Covered Entity", or collectively, "Covered Entities") to protect the privacy of certain individually identifiable health information ("Protected Health Information" or "PHI") Pursuant to HIPAA, HHS issued the Security Standards (the "Security Standards"), at 45 C.F.R. Parts 160, 162 and 164, for the protection of electronic protected health information ("E PHI"). In order to protect the privacy and security of PHI, including E PHI, created or maintained by or on behalf of the Covered Entity, the Privacy Standards and Security Standards require a Covered Entity to enter into a "business associate agreement" with certain individuals and entities providing services for or on behalf of the Covered Entity if such services require the use or disclosure of PHI or E PHI. On February 17, 2009, the federal Health Information Technology for Economic and Clinical Health Act was signed into law (the "HITECH Act"), and the HITECH Act imposes certain privacy and security obligations on Covered Entities in addition to the obligations created by the Privacy Standards and Security Standards The HITECH Act revises many of the requirements of the Privacy Standards and Security Standards concerning the confidentiality of PHI and E PHI, including extending certain HIPAA and HITECH Act requirements directly to Business Associates. The HITECH Act requires that certain of its provisions be included in business associate agreements, and that certain requirements of the Privacy Standards be imposed contractually upon Covered Entities as well as Business Associates. The Texas Legislature has adopted certain privacy and security requirements that are more restrictive than those required by HIPAA and HITECH, and such requirements are applicable to Business Associates as "Covered Entities" as defined by Texas law; and Because Business Associate and Covered Entity desire to enter into this Business Associate Agreement, in consideration of the mutual promises set forth in this Agreement and the applicable Business Arrangements, and other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the Parties agree as follows:

**Business Associate Obligations.** Business Associate may receive from Covered Entity, or create or receive on behalf of Covered Entity, health information that is protected under applicable state and/or federal law, including without limitation, PHI and E PHI. All references to PHI herein shall be construed to include E PHI. Business Associate agrees not to use or disclose (or permit the use or disclosure of) PHI in a manner that would violate the Privacy Standards, Security Standards the HITECH Act, or Texas law, including without limitation the provisions of Texas Health and Safety Code Chapters 181 and 182 as amended by HB 300 (82<sup>nd</sup> Legislature), effective September 1, 2012, in each case including any implementing regulations as applicable (collectively referred to hereinafter as the "Confidentiality Requirements") if the PHI were used or disclosed by Covered Entity in the same manner.

## **BUSINESS ASSOCIATE AGREEMENT**

**2. Use of PHI.** Except as otherwise required by law, Business Associate shall use PHI in compliance with 45 C.F.R. § 164.504(e). Furthermore, Business Associate shall use PHI (i) solely for Covered Entity's benefit and only for the purpose of performing services for Covered Entity as such services are defined in Business Arrangements, (ii) for Data Aggregation Services (as hereinafter defined), and (iii) as necessary for the proper management and administration of the Business Associate or to carry out its legal responsibilities, provided that such uses are permitted under federal and state law. For avoidance of doubt, under no circumstances may Business Associate sell PHI in such a way as to violate Texas Health and Safety Code, Chapter 181.153, as amended by HB 300 (82nd Legislature), effective September 1, 2012, nor shall Business Associate use PHI for marketing purposes in such a manner as to violate Texas Health and Safety Code Section 181.152, or attempt to re-identify any information in violation of Texas Health and Safety Code Section 181.151, regardless of whether such action is on behalf of or permitted by the Covered Entity. To the extent not otherwise prohibited in the Business Arrangements or by applicable law, use, creation and disclosure of de-identified health information, as that term is defined in 45 CFR § 164.514, by Business Associate is permitted.

**3. Disclosure of PHI.** Subject to any limitations in this Agreement, Business Associate may disclose PHI to any third party persons or entities as necessary to perform its obligations under the Business Arrangement and as permitted or required by applicable federal or state law.

**3.1** Business Associate shall not [and shall provide that its directors, officers, employees, subcontractors, and agents, do not] disclose PHI to any other person (other than members of their respective workforce as specified in subsection 3.1(ii) below), unless disclosure is required by law or authorized by the person whose PHI is to be disclosed. Any such disclosure other than as specifically permitted in the immediately preceding sentences shall be made only if such disclosee has previously signed a written agreement that:

- (i) Binds the disclosee to the provisions of this Agreement pertaining to PHI, for the express benefit of Covered Entity, Business Associate and, if disclosee is other than Business Associate, the disclosee;
- (ii) Contains reasonable assurances from disclosee that the PHI will be held confidential as provided in this Agreement, and only disclosed as required by law for the purposes for which it was disclosed to disclosee; and
- (iii) Obligates disclosee to immediately notify Business Associate of any breaches of the confidentiality of the PHI, to the extent disclosee has obtained knowledge of such breach.

**3.2** Business Associate shall not disclose PHI to any member of its workforce and shall provide that its subcontractors and agents do not disclose PHI to any member of their respective workforces, unless Business Associate or such subcontractor or agent has advised such person of Business Associate's obligations under this Agreement, and of the consequences for such person and for Business Associate or such subcontractor or agent of violating them. Business Associate shall take and shall provide that each of its subcontractors and agents take appropriate disciplinary action against any member of its respective workforce who uses or discloses PHI in contravention of this Agreement.

**3.3** In addition to Business Associate's obligations under Section 9, Business Associate agrees to mitigate, to the extent commercially practical harmful effects that are known to Business Associate and is the result of a use or disclosure of PHI by Business Associate or Recipients in violation of this Agreement.

**4. Access to and Amendment of Protected Health Information.** Business Associate shall (i) provide access to, and permit inspection and copying of, PHI by Covered Entity; and (ii) amend PHI maintained by Business Associate as requested by Covered Entity. Any such amendments shall be made in such a way as to record the time and date of the change, if feasible, and in accordance with any subsequent requirements promulgated by

## BUSINESS ASSOCIATE AGREEMENT

the Texas Medical Board with respect to amendment of electronic medical records by HIEs. Business Associate shall respond to any request from Covered Entity for access by an individual within seven (7) days of such request and shall make any amendment requested by Covered Entity within twenty (20) days of the later of (a) such request by Covered Entity or (b) the date as of which Covered Entity has provided Business Associate with all information necessary to make such amendment. Business Associate may charge a reasonable fee based upon the Business Associate's labor costs in responding to a request for electronic information (or the fee approved by the Texas Medical Board for the production of non-electronic media copies). Business Associate shall notify Covered Entity within five (5) days of receipt of any request for access or amendment by an individual. Covered Entity shall determine whether to grant or deny any access or amendment requested by the individual. Business Associate shall have a process in place for requests for amendments and for appending such requests and statements in response to denials of such requests to the Designated Record Set, as requested by Covered Entity.

**5. Accounting of Disclosures.** Business Associate shall make available to Covered Entity in response to a request from an individual, information required for an accounting of disclosures of PHI with respect to the individual in accordance with 45 CFR § 164.528, as amended by Section 13405(c) of the HITECH Act and any related regulations or guidance issued by HHS in accordance with such provision.

**6. Records and Audit.** Business Associate shall make available to the United States Department of Health and Human Services or its agents, its internal practices, books, and records relating to the use and disclosure of PHI received from, created, or received by Business Associate on behalf of Covered Entity for the purpose of determining Covered Entity's compliance with the Confidentiality Requirements or the requirements of any other health oversight agency, in a time and manner designated by the Secretary.

**7. Implementation of Security Standards; Notice of Security Incidents.** Business Associate will use appropriate safeguards to prevent the use or disclosure of PHI other than as expressly permitted under this Agreement. Business Associate will implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of the PHI that it creates, receives, maintains or transmits on behalf of Covered Entity. Business Associate acknowledges that the HITECH Act requires Business Associate to comply with 45 C.F.R. §§164.308, 164.310, 164.312 and 164.316 as if Business Associate were a Covered Entity, and Business Associate agrees to comply with these provisions of the Security Standards and all additional security provisions of the HITECH Act. Furthermore, to the extent feasible, Business Associate will use commercially reasonable efforts to secure PHI through technology safeguards that render such PHI unusable, unreadable and indecipherable to individuals unauthorized to acquire or otherwise have access to such PHI in accordance with HHS Guidance published at 74 Federal Register 19006 (April 17, 2009), or such later regulations or guidance promulgated by HHS or issued by the National Institute for Standards and Technology ("NIST") concerning the protection of identifiable data such as PHI. Lastly, Business Associate will promptly report to Covered Entity any successful Security Incident of which it becomes aware. At the request of Covered Entity, Business Associate shall identify: the date of the Security Incident, the scope of the Security Incident, the Business Associate's response to the Security Incident and the identification of the party responsible for causing the Security Incident, if known.

### **8. Data Breach Notification and Mitigation.**

**8.1 HIPAA Data Breach Notification and Mitigation.** Business Associate agrees to implement reasonable systems for the discovery and prompt reporting to Covered Entity of any "breach" of "unsecured PHI" as those terms are defined by 45 C.F.R. § 164.402. Specifically, a breach is an unauthorized acquisition,

## BUSINESS ASSOCIATE AGREEMENT

access, use or disclosure of unsecured PHI, including ePHI, which compromises the security or privacy of the PHI/ePHI. A breach compromises the security or privacy of PHI/ePHI if it poses a significant risk of financial, reputational, or other harm to the individual whose PHI/ePHI was compromised (hereinafter a “HIPAA Breach”). The parties acknowledge and agree that 45 C.F.R. § 164.404, as described below in this Section 8.1, governs the determination of the date of discovery of a HIPAA Breach. In addition to the foregoing and notwithstanding anything to the contrary herein, Business Associate will also comply with applicable state law, including without limitation, Section 521 Texas Business and Commerce Code, as amended by HB 300 (82nd Legislature), or such other laws or regulations as may later be amended or adopted. In the event of any conflict between this Section 8.1, the Confidentiality Requirements, Section 521 of the Texas Business and Commerce Code, and any other later amended or adopted laws or regulations, the most stringent requirements shall govern.

**8.2 Discovery of Breach.** Business Associate will, following the discovery of a HIPAA Breach, notify Covered Entity without unreasonable delay and in no event later than the earlier of the maximum of time allowable under applicable law or three (3) business days after Business Associate discovers such HIPAA Breach, unless Business Associate is prevented from doing so by 45 C.F.R. §164.412 concerning law enforcement investigations. For purposes of reporting a HIPAA Breach to Covered Entity, the discovery of a HIPAA Breach shall occur as of the first day on which such HIPAA Breach is known to the Business Associate or, by exercising reasonable diligence, would have been known to the Business Associate. Business Associate will be considered to have had knowledge of a HIPAA Breach if the HIPAA Breach is known, or by exercising reasonable diligence would have been known, to any person (other than the person committing the HIPAA Breach) who is an employee, officer or other agent of the Business Associate.

**8.3 Reporting a Breach.** Without unreasonable delay and no later than the earlier of the maximum of time allowable under applicable law or five (5) business days following a HIPAA Breach, Business Associate shall provide Covered Entity with sufficient information to permit Covered Entity to comply with the HIPAA Breach notification requirements set forth at 45 C.F.R. § 164.400 *et seq.* Specifically, if the following information is known to (or can be reasonably obtained by) the Business Associate, Business Associate will provide Covered Entity with:

- (i)** contact information for individuals who were or who may have been impacted by the HIPAA Breach (e.g., first and last name, mailing address, street address, phone number, email address);
- (ii)** a brief description of the circumstances of the HIPAA Breach, including the date of the HIPAA Breach and date of discovery;
- (iii)** a description of the types of unsecured PHI involved in the HIPAA Breach (e.g., names, social security number, date of birth, addressees), account numbers of any type, disability codes, diagnostic and/or billing codes and similar information); **(iv)** a brief description of what the Business Associate has done or is doing to investigate the HIPAA Breach, mitigate harm to the individual impacted by the HIPAA Breach, and protect against future HIPAA Breaches; and **(v)** appoint a liaison and provide contact information for same so that Covered Entity may ask questions or learn additional information concerning the HIPAA Breach.



## BUSINESS ASSOCIATE AGREEMENT

Following a HIPAA Breach, Business Associate will have a continuing duty to inform Covered Entity of new information learned by Business Associate regarding the HIPAA Breach, including but not limited to the information described in items (i) through (v), above.

### 9. Termination.

**9.1** This Agreement shall commence on the Effective Date.

**(i)** This Agreement shall be for a five (5) year period commencing on the effective date unless terminated as provided for herein.

**9.2** Upon the termination of the applicable Business Arrangement, either Party may terminate this Agreement by providing written notice to the other Party.

**9.3** Upon termination of this Agreement for any reason, Business Associate agrees:

**(i)** to return to Covered Entity or to destroy all PHI received from Covered Entity or otherwise through the performance of services for Covered Entity, that is in the possession or control of Business Associate or its agents. Business Associate agrees that all paper, film, or other hard copy media shall be shredded or destroyed such that it may not be reconstructed, and EPHI shall be purged or destroyed concurrent with NIST Guidelines for media sanitization at <http://www.csrc.nist.gov/>; or

**(ii)** in the case of PHI which is not feasible to “return or destroy,” to extend the protections of this Agreement to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such PHI. Business Associate further agrees to comply with other applicable state or federal law, which may require a specific period of retention, education, or other treatment of such PHI.

### 10. Miscellaneous.

**10.1** Notice. All notices, requests, demands and other communications required or permitted to be given or made under this Agreement shall be in writing, shall be effective upon receipt or attempted delivery, and shall be sent by (i) personal delivery; (ii) certified or registered United States mail, return receipt requested; (iii) overnight delivery service with proof of delivery; or (iv) facsimile with return facsimile acknowledging receipt. Notices shall be sent to the addresses below. Neither party shall refuse delivery of any notice hereunder.

**Covered Entity:**

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

**Business Associate:**

Specialized Billing and Collection Systems of Texas  
P.O. Box 691363  
Houston, TX. 77269

**10.2** Waiver. No provision of this Agreement or any breach thereof shall be deemed waived unless such waiver is in writing and signed by the Party claimed to have waived such provision or breach. No waiver of a breach shall constitute a waiver of or excuse any different or subsequent breach.

## BUSINESS ASSOCIATE AGREEMENT

**10.3 Assignment.** Neither Party may assign (whether by operation or law or otherwise) any of its rights or delegate or subcontract any of its obligations under this Agreement without the prior written consent of the other Party. Notwithstanding the foregoing, Covered Entity shall have the right to assign its rights and obligations hereunder to any entity that is an affiliate or successor of Covered Entity, without the prior approval of Business Associate.

**10.4 Severability.** Any provision of this Agreement that is determined to be invalid or unenforceable will be ineffective to the extent of such determination without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such remaining provisions.

**10.5 Entire Agreement.** This Agreement constitutes the complete agreement between Business Associate and Covered Entity relating to the matters specified in this Agreement, and supersedes all prior representations or agreements, whether oral or written, with respect to such matters. In the event of any conflict between the terms of this Agreement and the terms of the Business Arrangements or any such later agreement(s), the terms of this Agreement shall control unless the terms of such Business Arrangements are more strict with respect to PHI and comply with the Confidentiality Requirements, or the parties specifically otherwise agree in writing. No oral modification or waiver of any of the provisions of this Agreement shall be binding on either Party; provided, however, that upon the enactment of any law, regulation, court decision or relevant government publication and/or interpretive guidance or policy that the Covered Entity believes in good faith will adversely

impact the use or disclosure of PHI under this Agreement, Covered Entity may amend the Agreement to comply with such law, regulation, court decision or government publication, guidance or policy by delivering a written amendment to Business Associate which shall be effective thirty (30) days after receipt. No obligation on either Party to enter into any transaction is to be implied from the execution or delivery of this Agreement. This Agreement is for the benefit of, and shall be binding upon the parties, their affiliates and respective successors and assigns. No third party shall be considered a third-party beneficiary under this Agreement, nor shall any third party have any rights as a result of this Agreement.

**10.6 Governing Law.** This Agreement shall be governed by and interpreted in accordance with the laws of the state of Texas. Venue for any dispute relating to this Agreement shall be in Travis County, Texas.

**10.7 Nature of Agreement; Independent Contractor.** Nothing in this Agreement shall be construed to create (i) a partnership, joint venture or other joint business relationship between the parties or any of their affiliates, or (ii) a relationship of employer and employee between the parties. Business Associate is an independent contractor, and not an agent of Covered Entity. This Agreement does not express or imply any commitment to purchase or sell goods or services.

**10.8 Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document. In making proof of this Agreement, it shall not be necessary to produce or account for more than one such counterpart executed by the party against whom enforcement of this Agreement is sought. Signatures to this Agreement transmitted by facsimile transmission, by electronic mail in portable document format (".pdf") form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same force and effect as physical execution and delivery of the paper document bearing the original signature.

### **10.9 Definitions.**

For the purposes of this Agreement, the following definitions shall apply:

**"Business Associate"** shall have the meaning given to the term "Associate" under the Privacy Rule, including, but not limited to, 45 CFR Section 160.103.

# BUSINESS ASSOCIATE AGREEMENT

**“Covered Entity”** shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 CFR Section 160.103.

**“Data Aggregation Services”** shall mean the combining of PHI or EPHI by Business Associate with the PHI or EPHI received by Business Associate in its capacity as a business associate of another covered entity, to permit data analyses that relate to the health care operations of, payment to, and treatment of patients by the respective covered entities.

**“Electronic Protected Health Information”** or **“EPHI”** shall have the meaning given to such term under the HIPAA Rule, including but not limited to 45 CFR Parts 160, 162, and **164, and under HITECH.**

**“Privacy Rule”** shall mean the HIPAA Regulation that is codified at 45 C.F.R. Parts 160, 162 and 164.

**“Security Rule”** shall mean the HIPAA regulation that is codified at 45 C.F.R. Part 164.

**“Protected Health Information”** or **“PHI”** means any information, whether oral or recorded in any form or medium: (i) that relates to the past, present, or future physical or mental condition of an individual; the THSA– Model Business Associate Agreement Page 10 provision of health care to an individual; or the past, present, or future payment for the provision of health care to an individual; and (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual, and shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 CFR Section 164.501. [45 CFR §§160.103 and 164.501.

## **The Health Information Technology for Economic and Clinical Health**

**(“HITECH”)** Act shall mean Division A, Title XIII of the American Recovery and Reinvestment Act of 2009 (Pub. L. 111-5). The U.S. Department of Health and Human Services (“HHS”) interim final rule at 74 Fed. Reg. 42,740 implements the security breach notice provisions of HITECH.

Any other capitalized term not otherwise defined in this Section 13.10 or this Agreement shall have the meanings set forth in the Privacy Standards, Security Standards or the HITECH Act, as applicable.

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### COVERED ENTITY:

\_\_\_\_\_

By: \_\_\_\_\_

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

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

### BUSINESS ASSOCIATE:

 \_\_\_\_\_

By: Karen Laake

Title: President-CEO

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

**AMBULANCE (EMS) BILLING and RELATED PROFESSIONAL SERVICES  
AGREEMENT BETWEEN**

Humboldt General Hospital EMS & Rescue

**AND**

**K&P ASSOCIATES INC. dba SPECIALIZED BILLING  
& COLLECTION SYSTEMS OF TEXAS**

**THIS AGREEMENT**, hereinafter "AGREEMENT", made and entered into the \_\_\_\_ day of \_\_\_\_\_, 2020 by and between Humboldt General Hospital EMS & Rescue, hereinafter "PROVIDER", and Specialized Billing & Collection Systems of Texas, hereinafter "CONTRACTOR".

**SUBJECT:**

During the term of this agreement, CONTRACTOR shall be exclusively responsible for the billing and collection of all charges and fees relating to the emergency medical services provided by PROVIDER. These will include, but not be limited to, all charges and fees to be made to private insurers, Medicare, Medicaid, any other governmental agencies, individual patients and their responsible parties, (collectively, "Payors").

**TERM:**

This AGREEMENT shall be effective for a three (3) year period, commencing \_\_\_\_\_, 2020 through \_\_\_\_\_, unless terminated as provided for herein. This AGREEMENT shall renew for two (2) periods of one (1) additional year each at the end of the initial term unless terminated as provided for herein. All terms and conditions of this AGREEMENT shall remain in full force and effect during any renewal term unless this AGREEMENT is amended in writing.

**COMPENSATION AND METHOD OF PAYMENT:**

The CONTRACTOR shall be paid by PROVIDER a monthly amount representing fees for the services provided as follows:

- A. (7.0%) percent of all funds collected by CONTRACTOR on behalf of services provided by PROVIDER.

All payments and explanation of benefits for claims submitted by CONTRACTOR on behalf of PROVIDER shall be made payable to PROVIDER and mailed to P.O. Box 691363 Houston, Texas 77269-1363.

CONTRACTOR shall mail all benefit checks, with account statements, to PROVIDER within five (5) business days. CONTRACTOR shall not be responsible for personal checks made by patients or paid on their behalf.

CONTRACTOR shall not hold, retain any interest in or cash any benefit payment, nor shall CONTRACTOR have any control over or right to withdraw any funds from PROVIDER'S bank account.

If the PROVIDER requires all funds received be deposited into a Lock-box service, the PROVIDER shall assume all cost associated. An accounting of funds deposited into the PROVIDER'S Lock-box shall be forwarded to CONTRACTOR weekly, together with any related statements regarding payments or denials.

CONTRACTOR shall submit monthly invoices representing fees for the services provided to the PROVIDER. The PROVIDER shall issue a check for the amount invoiced, less any disputed amounts, within thirty (30) days of receipt. Any disputes shall be made in writing to CONTRACTOR within fifteen (15) days of the date of the disputed item or amount is received by PROVIDER, otherwise

CONTRACTOR'S invoice shall be deemed accurate and correct. CONTRACTOR shall respond to any such notice of dispute within fifteen (15) days of receipt. Any past due amounts which are not the subject of a good faith notice of dispute shall accrue interest at the rate of twelve percent (12%) per annum.

#### **INDEPENDENT CONTRACTOR:**

The CONTRACTOR is an independent contractor and is not an employee or agent of the PROVIDER with the following exceptions:

To the extent as necessary to fulfill its billing services under the AGREEMENT, the CONTRACTOR is authorized to sign on behalf of the PROVIDER, in an administrative capacity, for the purpose of establishing billing accounts with patient insurers. The CONTRACTOR has no authority to sign any document that imposes any additional liability on the PROVIDER.

CONTRACTOR shall retain full control over those who are in the employ of CONTRACTOR or may be direct agents of CONTRACTOR, including the employment, direction, compensation, discipline and discharge of all persons assisting in the performance of this AGREEMENT. CONTRACTOR shall be responsible for all matters relating to payment of its employees, including Social Security, withholding tax and all other laws and regulations that govern such matters.

#### **INDEMNIFICATION:**

CONTRACTOR shall indemnify PROVIDER for, and hold PROVIDER harmless from, claims against made against PROVIDER by any person or entity as the direct result of CONTRACTOR'S negligent acts or omissions in CONTRACTOR'S performance UNDER THIS AGREEMENT.

This indemnification agreement does not and will not be applicable to any claim of adjustment, recoupment, or request for reimbursement made by any insurance company or any serving agency for Medicare or Medicaid that may be made as the result of audits or claims made as provided by those companies' rules and policies or government regulations or laws, except any adjustments or claims for reimbursement as are shown to be made as the direct result of CONTRACTOR error.

CONTRACTOR is not, in any way, to be held as, nor is it to be found it is acting as, an insurer of PROVIDER, in any nature, whether in form or substance, under this clause or this agreement.

**INSURANCE:**

CONTRACTOR shall procure and maintain for the duration of the AGREEMENT, the following insurance coverage:

1. Workers' Compensations Insurance in compliance with the applicable state and federal laws.
2. General Liability Insurance in an amount no less than \$1,000,000.00 per occurrence.
3. Coverage for business interruption, destruction of data processing equipment and media, liabilities affecting accounts receivables, contracts and independent contractors and, valuable documents in an amount no less than \$100,000.00 aggregate.
4. Liability coverage for all vehicles whether owned, hired or used in the amount of \$500,000.00.

CONTRACTOR shall furnish the PROVIDER with certificates of insurance prior to commencement of contract.

**CONFIDENTIALITY:**

The terms and conditions of this AGREEMENT are confidential and neither party shall release any of the terms hereof to any third party without prior written consent of the other party, except to the extent necessary to comply with the law, a valid court order, or a valid order or requirement of governmental agency. Notwithstanding the foregoing, either party may, without the prior written consent of the other party, disclose the existence of a contractual relationship between both parties.

CONTRACTOR has developed and owns equipment, computer hardware and software as well as billing data, profiles, statistics, fees and codes for its billing and claims processing. Such data and information as well as the processing systems and related functions are the property and trade secrets of CONTRACTOR and PROVIDER shall not release any such information relating to CONTRACTOR'S billing and claims processing data.

The terms of this contract are also confidential, and PROVIDER shall not release any of the terms hereof to any person or entity without the prior written consent of CONTRACTOR, unless otherwise required to be released by law or Court Order. Should PROVIDER receive any request for any such information, PROVIDER shall immediately advise CONTRACTOR of such request, the date thereof and the person or entity requesting same.

All files and records received by CONTRACTOR for claim processing as well as the billing records shall remain in the possession of CONTRACTOR during the term of this agreement and for an additional period of six (6) years after date of service and termination, unless otherwise agreed to in writing by and between the Parties.

**PROTECTED HEALTH INFORMATION:**

It is recognized by both parties that data submitted to CONTRACTOR by PROVIDER and its authorized users will include "Protected Health Information" as that term is defined in HIPAA regulations at 45 CFR § 164.501. "CONTRACTOR" agrees to comply with applicable provisions of HIPAA as more fully set forth in the attached Business Associate Agreement.

CONTRACTOR represents that its software, databases, servers and communication protocols and procedures, when properly utilized by both parties in accordance with this Agreement, meet the security standards established by HIPAA for the protection of Protected Health Information.

**TERMINATION:**

During the term of this AGREEMENT the CONTRACTOR and/or PROVIDER may terminate this AGREEMENT, without cause, after first giving ninety (90) days prior written notice.

This provision does not limit or restrict the right of either party to cancel this AGREEMENT for cause or to enforce this AGREEMENT as may be provided or founded upon the common laws or the statutory laws of contract established under the laws of the State of Texas. For cases of default, either party shall be given at least thirty (30) days written notice to cure any alleged default prior to cancellation for cause.

Upon termination of this AGREEMENT, with or without cause, by either Party, CONTRACTOR shall be entitled to it's fees for continued processing of any and all outstanding claims and billings as may then be in the hands of CONTRACTOR that are pending, but unpaid, at the time of the effective date of cancellation of this agreement. PROVIDER shall be obligated to pay the agreed fees for these services as set forth in this AGREEMENT.

**VENUE:**

All questions pertaining to the validity and interpretations of this AGREEMENT shall be determined in accordance with the laws of Texas. CONTRACTOR'S principal place of business is in Harris County, Texas. Venue for any legal action by either Party against the other concerning this AGREEMENT shall be in Harris County, Texas.

**DATA MANAGEMENT - DATA ENTRY - RECORDS & REPORTS:****OWNERSHIP OF DATA:**

All data entered by PROVIDER shall be considered property of the CONTRACTOR and shall be kept confidential by CONTRACTOR. PROVIDER shall keep copies of all transactions, patient data and reports in its permanent records.

PROVIDER acknowledges and agrees and understands each report represents a particular moment in time and it may not be accurate with respect to the financial picture as a whole. The underlying data may be subject to modification or correction from time to time, which may change the results of the report or its interpretation. The data represented in the report represents only a limited portion of all data available, which constantly remains fluid, regarding the PROVIDER'S cumulative data.

**ASSIGNMENT OF AGREEMENT:**

The CONTRACTOR shall not sell, transfer, assign or otherwise disclose the terms of this AGREEMENT or any part or work provided, or of its right, title or interest therein, unless otherwise provided in the AGREEMENT, without prior written consent by the PROVIDER.

**NOTICES:**

Any notice given, or required to be given, under this AGREEMENT shall be in writing and shall be addressed to the Parties hereto at the addresses set out below. Any such notices shall be deemed as effective notice when actually shown to have been received by the other Party. Certified Mail with Return Receipt will suffice for this purpose.

**SEVERABILITY:**

Should any part, term or provision of this AGREEMENT be decided by the courts to be illegal or in conflict with any law of Texas, the validity of the remaining portions or provisions shall not be affected thereby.

**ADDENDUMS:**

The parties may agree to modify the terms and conditions of this Agreement, and it may be modified by Addendum mutually agreed to and referencing this original Agreement and signed by both Parties and dated.

**EFFECTIVE DATE:**

This AGREEMENT shall be effective the \_\_\_\_\_ day of \_\_\_\_\_, 2020 and is agreed to by and between the Parties in their respective capacities as shown by their signatures below.

**Agent for CONTRACTOR:**

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

Printed Name: Karen Laake

Title: CEO

Address: PO Box 691363

City: Houston

State, Zip: Texas 77269-1363

Phone #: 281-397-0397 or 800-999-2417

**Agent for PROVIDER:**

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

Printed Name: Tim Powers

Title: Chief Executive Officer

Address: 118 E Haskell Street

City: Winnemucca

State, Zip: Nevada 89445

Phone #: 1-775-623-5222 x1125



**PROFESSIONAL SERVICES AGREEMENT**  
**(BEHAVIORAL HEALTH SERVICES)**

This Professional Services Agreement (the "Agreement") is effective \_\_\_\_\_, 2020 between Humboldt General Hospital ("Hospital") and Sapience Practice ("Group").

**BACKGROUND**

1. Hospital is a hospital district organized and operated pursuant to Nevada law. Hospital provides health care services in Winnemucca, Nevada, and the surrounding communities ("the Community"). Hospital operates a general acute-care hospital, associated clinics, and long-term care ("LTC") facility in the Community. Hospital and its clinics and LTC facility are collectively referred to as "Hospital".
2. Hospital seeks to ensure that behavioral health medical services are provided to its patients by contracting with Group to provide such services, through its qualified physicians and other healthcare practitioners (collectively "Practitioners", as defined below), as an independent contractor of Hospital on the terms and conditions set forth in this Agreement.
3. Group agrees to provide such services to and on behalf of Hospital on the terms and conditions set forth in this Agreement.

**AGREEMENT**

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

1. **NATURE OF RELATIONSHIP.** Group agrees to render the Services (as defined below) as an independent contractor of Hospital. Hospital shall neither have nor exercise control or direction over the professional medical judgment, manner or methods by which Group or its Practitioners perform the Services except that the Services shall be provided in a manner consistent with the requirements of this Agreement to facilitate proper patient care and compliance with applicable laws, regulations, and accreditation standards applicable to Hospital. Nothing in this Agreement shall be deemed to create an employment, partnership, joint venture, agency, or any other relationship between Hospital and Group or its Practitioners except that of independent contractors. In performing Services, Group and its Practitioners shall not be acting as agents, partners, or employees of Hospital, and Hospital shall not be liable for the acts or omissions of Group or its Practitioners. Group shall not have authority to bind Hospital to any agreement nor incur any liability or obligation on behalf of Hospital without Hospital's express authorization. Group and its Practitioners shall not represent themselves as agents of Hospital and, as requested by Hospital, shall disclose to patients or others that Group and its Practitioners are independent contractors, and that Hospital shall not be liable for the acts or omissions of Group or its Practitioners.
2. **COMMENCEMENT DATE.** Commencing January 4, 2021 ("Commencement Date"), Group shall provide the Services required by this Agreement; provided that Group shall provide the onboard meeting services identified in Attachment 1 in December 2020.
3. **GROUP PRACTITIONERS.**
  - 3.1 **Approval.** Group shall provide the Services through qualified physicians, psychologists, and other licensed health care practitioners who are members, employees or contractors of Group (collectively "Practitioners"); provided, however, that Group shall not utilize any Practitioner to provide Services under this Agreement unless Hospital has approved the use of such Practitioner. Hospital may withdraw its approval of any Practitioner at any time for good cause as determined by Hospital, in which case Group shall not utilize such Practitioner to provide Services. References to "Group" shall also apply

to Practitioners performing Services if and to the extent the Services or obligation is to be carried out through Group Practitioners.

**3.2 Agreement by Practitioners.** Group shall ensure that any and all Practitioners utilized by Group to provide Services agree to and comply with the terms of this Agreement, including but not limited to the terms relating to Medical Staff Membership and Privileges, Records, Qualifications, and Performance Standards. If requested by Hospital, Group shall ensure that all Practitioners performing Services execute a separate document confirming their agreement to comply with relevant terms of this Agreement.

**3.3 Qualifications.** All Practitioners utilized by Group to provide Services pursuant to this Agreement shall at all times satisfy the following qualifications ("Qualifications"):

(a) Physicians shall maintain a valid and unrestricted license to practice medicine in the State of Nevada, and such other licenses or authorizations as reasonably required to enable the physician to provide the Services contemplated by this Agreement consistent with the requirements of applicable law.

(b) Non-physician Practitioners (including psychologists, nurse practitioners, physician assistants or other Practitioners approved by Hospital) shall maintain a valid and unrestricted license to practice as a healthcare practitioner in the State of Nevada. If and to the extent required by applicable law, such Practitioners shall continuously practice under the supervision of a group physician who shall be responsible for the Practitioner's Services. The Practitioner shall have such other licenses, certifications and authorizations, and satisfy such other requirements as reasonably required to enable the Practitioner to provide the Services assigned to her/him consistent with the requirements of applicable law and the standard of care.

(c) Maintain a federal DEA certification and applicable Nevada registrations as necessary to allow the Practitioner to prescribe controlled substances in Nevada.

(d) Unless waived by Hospital, each physician utilized by Group to provide Services shall be board certified or board eligible in psychiatry.

(e) If permitted under Hospital's medical staff bylaws, be a member of Hospital's medical staff with clinical privileges necessary to perform the Services required by this Agreement.

(f) Be authorized to participate in Medicare, Medicaid, and any other federal, state or local government health care program or private payor program required by Hospital.

(g) Have professional liability insurance providing coverage for his or her performance of Services in such amounts and on such terms as provided in Section 4.4, below.

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

(i) Have and maintain the current training, competency, and ability to provide the Services required by this Agreement.

Group shall not utilize a Practitioner to provide Services if the Practitioner fails to satisfy the Qualifications. Group shall immediately notify Hospital in writing if any Practitioner ceases to satisfy the Qualifications.

**3.4 Medical Staff Membership and Privileges.** All Practitioners shall be subject to Hospital's credentialing and privileging process and standards. Nothing in this Agreement shall be construed to grant to Practitioners medical staff membership or privileges or entitle Practitioners to such

membership or privileges. Unless otherwise waived by Hospital, a Practitioner's medical staff membership and/or privileges to provide Services at Hospital shall automatically terminate upon or after the occurrence of any of the following, in which case the Practitioner shall not be entitled to the fair hearing process or rights otherwise afforded in Hospital's medical staff bylaws or applicable rules or policies applicable to the termination of medical staff membership or privileges:

(a) If the Practitioner ceases to be a member, employee or subcontractor of Group, the Practitioner's clinical privileges at Hospital shall automatically terminate or be restricted to the extent that such privileges conflict with this Agreement.

(b) If this Agreement is terminated and Hospital contracts with another group to provide behavioral health Services at Hospital, the Practitioner's medical staff membership and privileges shall automatically terminate or be restricted to the extent that such privileges conflict with the contract with the other group.

#### **4. GROUP OBLIGATIONS.**

**4.1 Group Services.** Commencing on the Commencement Date, Group shall provide clinical behavioral health services described in Attachment 1 ("Services") through approved Practitioners that are reasonably and commonly within the scope of services provided by physicians or other health care practitioners specializing in behavioral health consistent with their licensure, training and privileges.

**4.2 Schedule.** Group shall provide Services according to a reasonable schedule as set forth in Attachment 1. The parties may modify the schedule by mutual agreement based on the needs of Hospital and its patients.

**4.3 Location(s) for Services.** Group shall provide the Services at Hospital, Hospital's affiliated clinics and LTC facility, and such other locations as reasonably assigned by Hospital and agreed by Group from time to time. If and to the extent agreed by the parties, Group may provide the Services through effective telehealth as set forth in Attachment 1 or as otherwise agreed by the parties. Hospital shall have reasonable discretion to consolidate and relocate practices operated by Hospital. For telehealth Services, each party shall be responsible for providing equipment necessary to render its portion of the telehealth services, except that Hospital shall provide Group with access to a "Go to Meetings" or other appropriate telehealth platform for use in rendering telehealth services per this Agreement.

**4.4 Insurance.** Group shall, at its own expense, obtain and at all times maintain (i) professional liability insurance covering Group and its Practitioners in the performance of Services pursuant to this Agreement, with coverage in an amount of at least \$1,000,000 per occurrence or \$3,000,000 annual aggregate, or such greater amount as required by medical staff bylaws or policies; and (ii) workers compensation insurance covering Practitioners while performing Services; provided that for contractors rendering Services on behalf of Group, such contractors will provide proof of workers compensation insurance to the Group. The insurance provided by this Section shall be issued in a form and by a carrier acceptable to Hospital. Upon Hospital's request, Group shall provide proof of such insurance to Hospital.

**4.5 Representations and Warranties.** Group represents and warrants that, as of the Commencement Date and at all times during the term of the Agreement, Group and its Practitioners satisfy the following representations and warranties ("Representations and Warranties"), the violation of which shall constitute a material breach of this Agreement:

(a) Neither Group nor any Practitioner is or has ever been excluded or barred from participating in federal healthcare programs, including Medicare or Medicaid.

(b) All Practitioners utilized by Group to provide the Services satisfy the Qualifications set forth in Section 3, above, as applicable to their licensure.

(c) Neither Group nor any Practitioner is subject to any contractual or other obligation that would prevent or interfere with their ability to contract with Hospital, perform the Services required by this Agreement, or subject Hospital to liability due to Group's or the Practitioner's performance of Services pursuant to this Agreement.

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

(e) Group and its Practitioners have truthfully and fully responded to all questions asked by Hospital, and they will truthfully and fully respond to all questions and requests for information sought by Hospital, during Hospital's credentialing process.

(f) Group shall immediately notify Hospital if Group or any Practitioner fails to fully satisfy any of the Qualifications or Representations and Warranties, or if Group or any Practitioner is or becomes the subject of any investigation, inquiry, allegation or claim by any governmental agency, professional society, healthcare facility, or healthcare payer, or if any claims or allegations are asserted against Group or any Practitioner by any entity relating to their professional conduct or competence. Failure to immediately notify Hospital shall be cause for immediate termination pursuant to Section 10.3, below.

**4.6 Performance Standards.** Group and its Practitioners shall comply with the following standards in providing Services under this Agreement ("Performance Standards"):

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

(b) Use their best effort and skill for the interest, benefit and advantage of Hospital and its patients while scheduled to and performing Services pursuant to this Agreement.

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

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

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

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

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

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

(i) Assist Hospital in the efficient and effective day-to-day management of Hospital and its behavioral health programs as reasonably requested by Hospital.

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

(k) Cooperate with and support Hospital's efforts to maintain a good relationship with the Community and promote Hospital's behavioral health programs.

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

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

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

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

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

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

**4.11 Media.** Hospital and Group may engage in reasonable and accurate media relations related to the provision of behavioral health services and the relationship between Hospital and the Group.

**4.12 Use of Information.** Group authorizes Hospital to use its and any Practitioner's image name, business address, professional credentials, and similar information in Hospital's operations, including but not limited to Hospital's public relations or marketing activities.

**4.13 Use of Hospital Practitioners and Equipment.** Group agrees that Group and its Practitioners will use Hospital personnel, property, and resources solely to perform Services pursuant to this Agreement. They will not use Hospital personnel, property, or resources for their personal business or for any other purpose outside the scope of this Agreement.

## **5. COMPENSATION.**

**5.1 Compensation.** In exchange for Group's Services, Hospital shall compensate Group as set forth in Attachment 1. Group shall be solely responsible for compensating Practitioners, and Practitioners shall have no claim against Hospital for Services provided pursuant to this Agreement. The compensation specified in Attachment 1 shall fully compensate Group for all of its Services rendered pursuant to this Agreement (including but not limited to attendance at meetings, participation in quality assurance activities related to the Services, etc.), and Group shall not be entitled to additional compensation for such Services unless expressly agreed in writing by Hospital.

**5.2 Records of Services.** Group shall complete and submit such documentation as Hospital shall reasonably require to verify the performance of Services provided by Group pursuant to the terms of this Agreement. Group shall maintain and submit the records on a monthly basis, or as otherwise reasonably agreed by the parties.

**5.3 Time of Payment.** Unless otherwise agreed by the parties, Hospital shall pay Group monthly following receipt of records reasonably required by Hospital to verify Group's Services rendered during the prior calendar month. Hospital will make such payments to the Group within two (2) weeks following the receipt by the Hospital of such records.

**5.4 No Employee Benefits; Taxes.** Neither Group nor any of its Practitioners shall have any claim under this Agreement against Hospital for workers' compensation, unemployment compensation, vacation pay, sick leave, retirement benefits, Social Security benefits, disability insurance benefits, unemployment insurance benefits, or any other benefits offered by Hospital to its employees. Hospital shall not withhold on behalf of Group or any Practitioner any sums for income tax, unemployment insurance, Social Security, or any other purposes. All such withholdings or obligations, including the purchase of workers compensation insurance, shall be the sole responsibility of Group. Group shall indemnify, defend, and hold harmless Hospital from any and all loss or liability, if any, arising under this Section if Group or any Practitioner is alleged or determined to be the agent or an employee of Hospital for any purpose, or for any failure by Group to fulfill obligations related to withholdings, workers compensation insurance, or similar items.

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

## **6. PROFESSIONAL FEES**

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

**6.2 Assignment and Power of Attorney.** Group and its Practitioners shall accept the assignment of benefits for all Services rendered to patients who are beneficiaries under Medicare, Medicaid, or any other third-party payment program designated by Hospital. Group and its Practitioners hereby assign and reassign to Hospital the exclusive right to bill and receive payment from patients, third party payers, and other third parties for Services pursuant to this Agreement. Group and its Practitioners hereby appoint Hospital as their agent and grant Hospital their power of attorney to bill on their behalf for all Services; to obtain provider numbers on their behalf; and to execute, deliver or endorse checks, applications for payment, insurance claim forms or other documents reasonably necessary for Hospital to secure payment for Services. This power of attorney is coupled with an interest, is irrevocable and shall survive expiration or termination of this Agreement. This assignment and reassignment is intended and shall be interpreted to comply with the requirements of Medicare and any other relevant third-party payment programs. Group and its Practitioners shall execute any additional documents reasonably required by Hospital to accomplish the intent of this Section.

**7. TERM.** The term of this Agreement shall be two (2) years from the Commencement Date subject to earlier termination as provided in this Agreement. The Agreement shall automatically renew for successive one-year terms unless one party provides notice to the other party at least ninety (90) days prior to the end of the effective term.

## **8. TERMINATION.**

**8.1 Termination Without Cause.** Either party may terminate this Agreement without cause at any time upon ninety (90) days prior written notice to the other party.

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

**8.3 Immediate Termination.** Hospital may terminate the Agreement immediately and without prior notice upon or after the occurrence of any of the following; provided, however, that Hospital shall not terminate the Agreement if the conduct otherwise giving rise to termination was taken by a Practitioner and Group may cures the negative effects of such conduct by excluding the Practitioner from providing Services:

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

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

(c) Group or any Practitioner commits, is charged with, pleads no contest to, or is convicted of a felony or a crime of moral turpitude, or engages in any other conduct in violation of any law or

regulation involving moral turpitude or relevant to the performance of Services, payment or reimbursement for Services, or operation of Hospital.

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

(e) Any Practitioner uses alcohol, any drug, or otherwise abuses any substance, any of which materially impairs the ability of the Practitioner to effectively perform Services under this Agreement or which endangers the Practitioner the Practitioner's patient or other person. Group shall cause that its Practitioners consent to Fitness of Duty examination and testing for use of alcohol or controlled substances upon Hospital's request consistent with Hospital's drug and alcohol testing policies.

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

(g) Group or any Practitioner engages in any other activity that would justify immediate termination under Hospital's compliance program.

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

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

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

(c) Group's right to receive compensation shall immediately cease upon termination and Group shall be entitled to receive only those amounts earned or accrued up to the date of termination. Group shall not be entitled to receive any compensation following the effective date of termination other than those accrued prior to the effective date of termination.

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

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



**10. GOVERNMENT ACCESS TO BOOKS AND RECORDS.** To the extent required by law, Group agrees to maintain and make available, upon request, to the Secretary of Health and Human Services this Agreement and all books, documents and records relating to Group's Services provided pursuant this Agreement, for a period of four (4) years after the furnishing of services pursuant hereto. If Group provides the Services through a subcontract with a value in excess of \$10,000, Group shall cause that the subcontractor shall maintain and provide records as required by this Section.

**11. CONFIDENTIALITY.**

**11.1 This Agreement.** To the extent allowed by law, the terms of this Agreement are confidential and neither Group nor any Practitioner shall disclose its terms to any individual or entity without the express written consent of Hospital, except that it may be disclosed to Group Practitioners and Group's legal, accounting, or similar professional advisors for the purposes of obtaining professional advice or rendering Services.

**11.2 Other Confidential Information.** Group and Practitioners recognize and acknowledge that certain information created, obtained, maintained, or accessed during the term of the Agreement is confidential and/or proprietary and is protected by applicable law and regulations, including but not limited to confidential information concerning Hospital's patients, personnel, medical staff members, contractors, credentialing or peer review activities, quality assurance activities, risk management, litigation, business operations, strategic plans, finances, pricing strategies, trade secrets, etc. ("Confidential Information"). Neither Group nor its Practitioners shall, during or after the term of the Agreement, use or disclose Hospital's Confidential Information without Hospital's written consent except (i) in the course of performing their duties under this Agreement; or (ii) if required by law to disclose such Confidential Information, provided that Group shall first notify Hospital of the required disclosure and give Hospital the opportunity to intervene and preserve the confidentiality of Confidential Information.

**11.3 HIPAA.** The parties understand and agree that Group is providing services as part of an organized health care arrangement and, therefore, no business associate agreement is needed between the parties under the Health Insurance Portability and Accountability Act and its implementing regulations ("HIPAA privacy and security rules"). If and to the extent that either party determines that a business associate agreement is required, Group shall execute such an agreement in such form as Hospital shall approve.

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

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

If to Group: Sapience Practice  
Attn: Managing Partner  
834 Willow Street  
Reno, NV 89502

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

**13. ASSIGNMENT OF RIGHTS AND DUTIES.** Hospital may assign all of its rights and duties under this Agreement without recourse to any affiliate or to any entity that purchases all or substantially all of the operating assets of Hospital, provided that any such assignment shall not abrogate any compensation of

Group. Group may not assign his/her rights or duties herein without the prior written consent of Hospital. Any such assignment by Group without the prior written consent of Hospital shall be null and void.

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

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

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

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

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

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

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

**21. SURVIVAL.** The provisions of this Agreement that are intended to survive the termination of this Agreement shall survive the termination of the Agreement, including but not limited to Sections 4.10, 8.4, 9-11, 14-18, and Section 3.3 of Attachment 1.

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

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

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

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

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

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

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

GROUP:      Name: \_\_\_\_\_

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

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

HOSPITAL:      Name: \_\_\_\_\_

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

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

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

## **ATTACHMENT 1:**

### **SERVICES**

Commencing on the Commencement Date, Group shall provide clinical behavioral health services as described in this Attachment 1, including but not limited to evaluating, diagnosing, and treating patients with mental, emotional, and behavioral disorders using psychiatric evaluations; developing treatment plans; prescribing medication; evaluating treatment results; and consulting with other Hospital staff or practitioners concerning patients. In addition to such clinical services, Group shall also perform administrative and other duties related to Group's clinical services and Hospital's operations as reasonably requested by Hospital or required by medical staff bylaws, rules, or policies, including but not limited to participation in Hospital's quality assurance, credentialing, peer review, strategic planning, education, community relations, compliance, and other activities related to Hospitals' behavioral health services program. The services provided by Group pursuant to this Agreement are collectively referred to as "Services".

#### **1. ACUTE AND EMERGENCY DEPARTMENT TELEHEALTH SERVICES.**

**1.1 Services.** Group shall make available a qualified psychiatrist to respond to Hospital calls for consultation concerning Hospital's acute care and emergency department patients needing Services. The psychiatrist shall be available at 9:00 a.m. on Monday through Friday to receive and respond to such calls. In addition, the psychiatrist shall be reasonably available at other times during normal business hours, Monday through Friday, to respond to such calls. When contacted by Hospital, the psychiatrist, psychologist, and social worker shall respond to such calls within thirty (30) minutes absent extraordinary circumstances.

**1.2 Compensation.** As compensation for such telehealth consultation Services, Hospital shall pay to Group compensation in the amount of (i) Two Hundred Forty-Eight Dollars (\$248) per hour that the psychiatrist or psychiatric advanced nurse practitioner provides telehealth consultation Services; and (ii) One-Hundred Seventy-Five Dollars (\$175) per hour that the, and psychologist and social worker provides the telehealth consultation Services per this Section 1. Group shall bill the time in increments of ten (10) minutes.

#### **2. LONG TERM CARE SERVICES.**

**2.1 LTC Onsite Services.** Group shall provide the following Services to Hospital's LTC patients as requested by Hospital:

(a) During the first three (3) calendar months following the Commencement Date, Group shall provide the following services at Hospital's long-term care facility:

(i) Unless otherwise agreed by the parties, Group shall assign at least two (2) qualified psychologists to evaluate and treat Hospital's LTC patients onsite at Hospital's long-term facility, with each psychologist providing the onsite Services at least two (2) days per calendar month (for a total of four psychologist days onsite per month).

(ii) Unless otherwise agreed by the parties, Group shall assign at least one (1) qualified psychiatrist to evaluate and treat Hospital's LTC patients onsite at Hospital's long-term facility at least (1) one day every calendar month.

(b) After the first three (3) calendar months following the Commencement Date, Group shall provide the following services at Hospital's long-term care facility:

(i) Unless otherwise agreed by the parties, Group shall assign at least one (1) qualified psychologist to evaluate and treat Hospital's LTC patients onsite at Hospital's long-term facility at least two (2) days per calendar month (for a total of two psychologist days onsite per month).

(ii) Unless otherwise agreed by the parties, Group shall assign at least one (1) qualified psychiatrist to evaluate and treat Hospital's LTC patients onsite at Hospital's long-term facility at least (1) one day every other calendar month.

(c) During the onsite visits, the assigned Practitioners shall provide an annual billable dementia screen to each patient of the LTC facility as requested by Hospital.

(d) Group shall render the onsite LTC Services according to a reasonable schedule established by the parties. While onsite, Hospital shall cooperate with Group in scheduling patients for onsite Services. Once scheduled, Group should not cancel or alter the schedule for onsite Services without Hospital's approval absent an emergency.

**2.2 LTC Consulting Services.** In addition to the onsite Services at the LTC facility, Group shall be available to provide consultation on Hospital's long term facility patients for up to five (5) hours per calendar month as requested by Hospital. Such consultation Services may be provided either via telehealth or during Practitioners' onsite visits to Hospital as requested by Hospital. To the extent practicable, Hospital shall submit requests for consultation through Hospital's electronic medical records system. The requests shall be triaged by a Group psychologist to determine whether a Group psychologist or psychiatrist should respond. To the extent reasonably possible, the appropriate Practitioner shall respond to the request for consultation within four (4) hours.

**2.3 Compensation.** As compensation for LTC Services, Hospital shall pay to Group the following compensation:

(a) For onsite LTC Services (including onsite consulting Services), Hospital shall pay to Group the amount of One Hundred Seventy-Five Dollars (\$175) per hour that the Group psychologist renders the onsite Services, and the amount of Two Hundred Forty-Eight Dollars (\$248) per hour that the Group psychiatrist renders the onsite Services. Hospital shall be responsible for reimbursing Group at half of the professional rate per hour of travel to and from Reno, Nevada if such travel is approved in advance by Hospital.

(b) For consulting LTC Services that are performed via telehealth, Hospital shall pay to Group the amount of One Hundred Seventy-Five Dollars (\$175) per hour that the Group psychologist actually renders the consultation Services, and the amount of Two Hundred Forty-Eight Dollars (\$248) per hour that the Group psychiatrist actually renders the consulting Services.

(c) Group shall bill the time in increments of ten (10) minutes.

### **3. OUTPATIENT AND INPATIENT BEHAVIORAL HEALTH SERVICES.**

**3.1 Services.** Group shall make available a qualified psychiatrist, psychologist, or other licensed behavioral health provider as described below to deliver behavioral health services including psychotherapy, medication management, psychological testing, and consultation to adult, adolescent, and child inpatients out patients of Hospital as requested by Hospital. Unless otherwise agreed by the parties, the Practitioners shall be available and render such Services during normal business hours of 8:00 a.m. to 5:00 p.m. on Monday through Friday on such days as agreed by the parties.

(a) After one calendar month following the Commencement Date, Group shall provide the following Services at or to patients of Hospital's inpatient and outpatient facilities:

(i) Unless otherwise agreed by the parties, Group shall assign at least one (1) qualified psychologist to evaluate and treat Hospital's patients (including outpatient and inpatient) onsite at Hospital's facilities. The assigned psychologist will provide the onsite Services at least two (2) days per calendar month according to a schedule mutually agreed by the parties.

(ii) Unless otherwise agreed by the parties, Group shall assign at least one (1) qualified psychologist to evaluate and treat Hospital's adult patients by telehealth in Hospital's outpatient facility at least (10) ten days every calendar month according to a reasonable schedule mutually agreed by the parties.

(iii) Unless otherwise agreed by the parties Group shall assign at least one (1) qualified psychiatrist or psychiatric advanced nurse practitioner to evaluate and treat Hospital's adult patients by telehealth in Hospital's outpatient facility at least (2) two days each calendar month according to a reasonable schedule mutually agreed by the parties.

(iv) Unless otherwise agreed by the parties, Group shall assign at least one (1) qualified psychologist to evaluate and treat Hospital's child and adolescent patients by telehealth in Hospital's outpatient facility at least (1) one day every calendar month according to a reasonable schedule mutually agreed by the parties.

(v) Unless otherwise agreed by the parties, Group shall assign at least one (1) qualified child and adolescent psychiatrist or child and adolescent psychiatric advanced nurse practitioner to evaluate and treat Hospital's child and adolescent patients by telehealth in Hospital's outpatient facility at least (2) two days every calendar month according to a reasonable schedule mutually agreed by the parties.

**3.2 Compensation.** As compensation for Services provided pursuant to this Section 3, Hospital shall pay to Group the following compensation:

(a) For onsite Services provided pursuant to this Section 3 (including onsite consulting Services), Hospital shall pay to Group the amount of (i) One Hundred Seventy-Five Dollars (\$175) per hour that the Group psychologist renders the onsite Services, and (ii) Two Hundred Forty-Eight Dollars (\$248) per hour that the Group psychiatrist renders the onsite Services, and (iii) Three Hundred Dollars (\$300) per hour that the Group child and adolescent psychiatrist or child and adolescent psychiatric advanced nurse practitioner renders the onsite Services. Hospital shall be responsible for reimbursing Group for travel time approved by Hospital in advance at half of the professional rate per hour of travel to and from Reno, Nevada.

(b) For consulting Services that are performed via telehealth, Hospital shall pay to Group the amount of (i) One Hundred Seventy-Five Dollars (\$175) per hour that the Group psychologist renders the telehealth Services, (ii) Two Hundred Forty-Eight Dollars (\$248) per hour that the Group psychiatrist renders telehealth Services, and (iii) Three Hundred Dollars (\$300) per hour that the Group child and adolescent psychiatrist or child and adolescent psychiatric advanced nurse practitioner renders the onsite Services.

(c) Group shall bill the time in increments of ten (10) minutes. Hospital shall only be required pay for (i) time that the Practitioners are engaged in direct patient care, and (ii) time for travel that Hospital has approved in advance.

#### **4. BEHAVIORAL HEALTH LEADERSHIP.**

**4.1 Services.** Group shall make available a qualified psychiatrist and psychologist in order to provide for leadership of behavioral health services at the Hospital if and to the extent requested by Hospital as follows

(a) A Group psychologist (Behavioral Health Director) to provide leadership for implementation of behavioral health programs, including but not limited to the process of scheduling appointments, reviewing policies and procedures, consultation in endeavors to expand behavioral health services and the development of a crisis intervention center, and other services as reasonably requested by Hospital.

(b) A group psychiatrist (Psychiatric Medical Director) to provide medical leadership for implementation of behavioral health programs, including but not limited to the process of scheduling appointments, reviewing policies and procedures, consultation in endeavors to expand behavioral health services, and other services as reasonably requested by Hospital.

(c) Hospital shall have the right to approve of the Practitioners assigned as the Behavioral Health Director and Psychiatric Medical Director. Hospital shall have the right to withdraw its approval of either Director at anytime for good cause as determined by Hospital, in which case Group shall assign a different Practitioner subject to Hospital's approval.

(d) Hospital shall have the right to terminate the Behavioral Health Leadership Services required by this Section 4 at anytime with or without cause.

**4.2 Compensation.** As compensation for Services rendered per this Section 4, Hospital shall pay to Group the following compensation:

(a) For the Services of the Behavioral Health Director, Hospital will compensate Group in the amount of One Hundred Seventy-Five Dollars (\$175) per hour spent in providing such Service pursuant to this Section 4; provided, however that the Behavioral Health Director shall not provide such Services for more than seventeen (17) hours per calendar month without Hospital's prior approval. Hospital shall not be responsible for the Director's time spent in excess of 17 hours unless such time was approved by Hospital in advance.

(b) For the Services of the Psychiatric Medical Director, Hospital will compensate Group in the amount of Two Hundred Forty-Eight Dollars (\$248) per hour spent in providing such Service pursuant to this Section 4; provided, however that the Psychiatric Medical Director shall not provide such Services for more than seven (7) hours per calendar month without Hospital's prior approval. Hospital shall not be responsible for the Director's time spent in excess of 7 hours unless such time was approved by Hospital in advance.

(c) The parties do not anticipate the need for additional travel for the Directors; instead, the parties anticipate that the Directors may perform their Director duties remotely or while onsite performing other Services specified in other Sections of this Attachment; accordingly, Hospital shall not pay for the Director's travel for Services performed pursuant to this Section 4 unless Hospital expressly approves such travel for such Services in advance in writing. If and only to the extent such travel for Director Services is approved in advance by Hospital, Hospital shall compensate Group for travel of such Directors to and from Reno, Nevada, at the applicable rate specified in in Section 4.2(a) and (b). Hospital shall not be required to pay for travel pursuant to this Section 4 if Hospital is already paying for travel for Services pursuant to another Section of this Attachment.

(d) Group shall bill the time in increments of ten (10) minutes.

## **5. INITIAL ONBOARDING MEETINGS.**

**5.1 Onboarding Orientation.** At the commencement of this Agreement and thereafter for new Practitioners approved by Hospital, Group Practitioners shall participate in an initial orientation program addressing issues relevant to the Services required by this Agreement as determined by the parties, including but not limited to Hospital policies and procedures, use of Hospital's electronic medical records system, etc. The parties anticipate that the training program will last two (2) business days, but the actual time may vary based on the needs of the parties and the Practitioners.

**5.2 Compensation.** In exchange for the Practitioners' participation in the onsite orientation program, Hospital will compensate Group the amount of Three Thousand Dollars (\$3000) per calendar day for each Practitioner who participates in the full program. The \$3000 per calendar day per Practitioner payment shall cover all compensation owed by Hospital to Group, and Group shall not be

**Commented [KS1]:** Robert, it looks like Sapience wants \$3000 per day per Practitioner participating in the training, i.e., \$6000 per Practitioner for the 2-day program. Is that what you intended?

entitled to additional cost for travel time, lodging, etc. If the parties determine that the orientation may be provided remotely, the parties will negotiate a reduced rate for the orientation program.

**5.3 Repayment.** If during the first year following the Commencement Date either Group should terminate this Agreement without cause pursuant to Section 8.1 or Hospital should terminate this Agreement for cause pursuant to Sections 8.2 or 8.3, then Group shall repay a prorated portion of the onboarding orientation compensation specified in Section 5.2 based on the time that Group performed the Services as set forth in the following formula: amount of repayment = [(number of days from the effective date of termination to the first anniversary of the Commencement Date / 365) x the amount that Hospital paid pursuant to Section 5.2, above. Unless otherwise agreed by the parties, the repayment shall be due within ten (10) business days following the effective date of termination, after which the unpaid repayment amount shall accrue interest at the rate of eighteen percent (18%) per annum. Group hereby authorizes Hospital to withhold and offset any repayment amounts due Hospital from any amounts that Hospital owes to Group.



**ATTACHMENT 2:**

**HOSPITAL PROVIDED SERVICES**

**1. PHYSICAL SPACE.**

**1.1** Hospital will provide office space for onsite delivery of services.

**1.2** Hospital will provide acceptable telehealth equipment at Hospital's facilities as reasonably necessary to permit the provision of telehealth Services as contemplated by this Agreement.

**2. SUPPORT STAFF.** Hospital will assign a Hospital employee or contractor to serve as a Behavioral Health Coordinator and who will regularly interface with the Behavioral Health Director on matters such as scheduling and data collection. The selection of the Behavioral Health Coordinator will have input from the Behavioral Health Director and Psychiatric Medical Director; however, Hospital shall have the right and authority to make all decisions concerning the Behavioral Health Coordinator.

**3. TRAINING.** Hospital will provide training for Group Practitioners on Hospital's electronic medical record. The parties contemplate that the training will take approximately five (5) hours, but the actual time may vary. Hospital reserves the right to contract with Group to provide electronic medical records training if Hospital is unable to provide the service in a timely manner or otherwise elects to use Group's training.



**NUVODIA**  
Technology taking you further

**Humboldt General Hospital**  
Technology Assessment  
November 2, 2020



# LETTER OF SUBMITTAL

Wednesday, November 2nd, 2020

Humboldt General Hospital  
ATTN: Cory Burnett  
118 E Haskell Street  
Winnemucca, Nevada 89445  
755-623-5222  
burnettc@hghospital.org

Dear Cory,

We appreciate the opportunity to submit our qualifications to partner with Humboldt General Hospital providing strategic consulting and assessment services. Nuvodia has a unique perspective and specific domain knowledge within your industry that can be leveraged well in this engagement. We are confident that the Humboldt General Hospital will find the services offered in Nuvodia's attached proposal to reflect our understanding of both immediate technology needs and long-term goals.

Please find the following in the attached proposal:

- Nuvodia's Story and Service Offerings
- Introduction of the Team for this Project
- Project Plan Overview and Investment
- Other Nuvodia Services

We look forward to discussing our proposal in detail at your request. Nuvodia values your business and is committed to working with you throughout this process.

Sincerely,

Chris Patrick  
CEO

509-688-6342 (office)  
509-838-3584 (fax)  
cpatrick@nuvodia.com

Nuvodia, LLC  
HQ: 2818 N Sullivan Rd  
Suite 120

## WHY NUVODIA?

### **At Nuvodia, we believe it's our job to help our clients achieve excellence.**

When you engage with Nuvodia, you'll discover a company that's grounded by decades of experience and energized by vision, knowledge, expertise and passion. You'll meet people who love what they do and demonstrate it through the quality of their work and dedication to each customer's success. We want our customers and their employees to spend their valuable time solving business problems and opportunities to their fullest.

Nuvodia employs senior staff in three distinct areas of information technology. Business Systems, IT engineering, and Managed Support Services. We have a full suite of services focused on project analysis and delivery and are excited about the prospect of leveraging our team for this opportunity. Our team is deep and experienced. We employ individuals all with extensive technology backgrounds and significant experience in the field of Business Analysis and Project Management. For more than a decade, Nuvodia has staffed full time Project Managers and Business Analysts, knowing that the success and failure of large IT initiatives can often be attributed to the analysis and planning of the projects as well as the marshalling of all of the resources and stakeholders involved. We have grown our practice to over 65 team members across a full spectrum of IT disciplines including, networking, security, system administration, and applications (both clinical and business).

### **Nuvodia IT Service Offerings.**

Service is the heart of our company and we've built a robust offering that rivals any other IT services company in the Pacific Northwest. Below is a summarized list of our service offerings that are relevant in this response.

### GET THE WHOLE PACKAGE



TECHNOLOGY

---



PEOPLE

---



INDUSTRY  
KNOWLEDGE

---



SUPPORT

## ABOUT NUVODIA

Nuvodia is a technology services organization that creates, manages, secures and supports mission-critical IT environments.

We provide IT Solutions to organizations across the U.S. in healthcare, government, business, utilities, education and many other sectors. Our decades of information technology experience across industries have given us a unique perspective and unrivaled breadth of expertise. Yes, we know technology. But more important, we understand how to use it in creative, results-oriented ways to help organizations be more responsive, efficient, productive and profitable.

At Nuvodia, you will find strategists, problem solvers and visionaries; developers and programmers; technologists and technicians; engineers and designers; business analysts, project managers, planners and leaders. Together, we form an all-star team of IT specialists who have the knowledge, experience and passion to help our clients achieve excellence.

Today, Nuvodia is a group of 70 individuals head quartered in Spokane, Washington with branch locations in Seattle, WA and St. Louis, MO. We serve over 250 clients today throughout the United States and are proud of the depth and quality of the services we provide to better enable our clients.

Our clients attribute our success to our approach in the following areas:

**Technology.** Nuvodia's comprehensive information technology solutions are built with the very latest tools, technologies and technical expertise. We leverage our longstanding partnerships with leaders like Cisco, Fortinet, Amazon, Microsoft, HP, Dell, Philips and many others to offer clients enterprise-level solutions that are scalable, reliable and affordable.

**People.** Our clients benefit from the highest level of IT knowledge and experience. You will find innovators and leaders, strategists and project managers, developers and programmers, technologists and business analysts, engineers and designers – all working together to provide the best possible IT solutions for your organization.

**Industry Knowledge.** Nuvodia's decades of information technology experience across industries have given us a unique perspective and unrivaled breadth of expertise.

**Service.** Nuvodia puts service delivery at the forefront of our culture. We recognize our success is inextricably linked to the quality of our work and our ability to deliver for our clients. Exceptional service creates long-term trusted partnerships and mutual success.

SOLUTIONS  
TO MEET  
YOUR NEEDS.

STRATEGY TO  
MAXIMIZE YOUR  
INVESTMENT.

ANALYSIS,  
ORGANIZATION AND  
EXECUTION.



[nuvodia.com](http://nuvodia.com)

# MANAGEMENT PROPOSAL

A) **IT Technology Assessment** – Nuvodia will review Humboldt General Hospitals technology environment as it compares to accepted best practices. Nuvodia will pay special attention to its overall reliability, scalability, ease of management and security. Nuvodia follows a standard process whereby we document and analyze the existing hardware and software configuration. The IT Technology Assessment will cover:

- Scan and document all systems using automated scanning tool.
- Review and analyze results of systems scan to look for best practices, gaps in systems and areas of improvement as related to:
  - Physical Configuration
  - Logical Configuration
  - Access Rights
  - Connectivity
  - Performance
  - Operating Systems
  - Virtualization
- Create Network Diagram to show system dependencies and document recommendations.
- Review Policies and Procedures:
  - Access Policies
  - Backup Procedures
  - Business Continuity
  - Disaster Recovery
  - Security
  - Change Management
- Interview Network, Systems and Help Desk staff

B) **Clinical Applications Assessment** - Nuvodia will review Humboldt General Hospital's key clinical applications, support methodology, and HIPAA Compliance. The Clinical Applications Assessment will cover:

- 1 Day of observation of key clinical application use and real world application workflow
- High-Level review of HIPAA Program
- Document current Clinical Applications and interfaces
  - Cerner EHR
  - Carestream PACS
  - Medhost HMS
- Interview Clinical Applications support team about process, change management, enhancement requests, and issues with current systems.
- Training Methodology review
- Support Methodology
  - Support process methodology
  - Support accountability matrix

# MANAGEMENT PROPOSAL

- C) **Business Strategy Assessment** – Nuvodia will engage with executive leadership to understand Humboldt General Hospital's views on how technology should be utilized, current business imperatives, immediate goals, and long-term plans for the business. Humboldt General Hospital leadership should plan to spend 1 business day engaging with Nuvodia in person/remote. Through executive team interviews, the Business Strategy Assessment will work to assess the executive perspective on the effectiveness of IT in the following areas:
- Executive View of IT Role and Process
  - Strategic vs. Tactical Technology
  - IT Solutions Current and Future
  - Unaddressed Technology Needs and Concerns
  - IT Scalability Alignment with Business Growth Strategy
  - Business Continuity and Disaster Recovery
  - Security Concerns and Risk Management
- D) **IT Staffing Assessment** – through a mix of interviews and surveys Nuvodia will work to gauge the effectiveness of the IT department by querying both the organization as a whole and the individual members. The IT Staffing and Organization Structure Assessment will cover:
- Organization Structure Review
  - Job Description Review
  - Staff Interviews
  - If Desired, Survey of Hospital Staff to solicit feedback
- E) **Final Report Delivery** – Upon completion of the assessment, Nuvodia will provide their findings in a report that documents current state, identifies the level of alignment with best practices and prioritizes recommendations for Humboldt General Hospital to consider. In addition to the report delivery, Nuvodia will conduct a 1-2 hour remote presentation of the findings, allowing for real-time discussions of the findings.

# COST PROPOSAL

## Humboldt General Hospital Investment

This is a Fixed Bid project. Time and Material rates apply for any out of scope services requested at the time of the assessment that are not part of this SOW. Customer will be invoiced 50% upon execution of this agreement and 50% upon delivery of the final report.

DESCRIPTION	INVESTMENT
IT TECHNOLOGY ASSESSMENT	\$7,000
CLINICAL APPLICATIONS ASSESSMENT	\$5,500
IT STAFFING ASSESSMENT	\$5,500
BUSINESS STRATEGY ASSESSMENT	\$7,500
PRESENTATION PREPARATION AND DELIVERY	\$3,000
<b>TOTAL</b>	<b>\$28,500</b>

The amounts above are estimates and do not include travel, expenses, or applicable taxes. Travel time is billed at half of the regular hourly rate. All associated travel related expenses paid by NUVODIA will be passed onto Client without markup. Invoices are prepared monthly and are due upon receipt. Expenses will be itemized and billed on a monthly basis along with the regular monthly billing. Expenses will also incur the same net due and finance charge terms as regular invoice items.

### PROJECT APPROVAL: Humboldt General Hospital Technology Assessment

This Statement of Work is made between Nuvodia LLC, 801 S Stevens, Spokane, WA 99204 and Humboldt General Hospital, 118 E Haskell Street Winnemucca, NV 89445 as of the date written below. When mutually executed, this Work Order is made part of and is governed by the terms and conditions of the Master Professional Services Agreement dated April 11, 2017 ("Agreement") between Nuvodia and customer. If this Statement of Work contains terms or conditions inconsistent with the Agreement, the Statement of Work terms and conditions shall prevail.

#### Humboldt General Hospital:

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

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

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

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

#### Nuvodia:

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

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

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

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



## **HRIS Cost Comparison and Request for Approval for Human Resource Information System**

The objective of the Human Resource Information System (HRIS) is to streamline processes and procedures surrounding recruitment- including automatic posting on various job boards with one click, onboarding, compliance training, electronic personnel file management, performance evaluations, payroll, various mandatory payroll/tax/finance reporting, integration with our MultiView general ledger, termination of employment, tracking licenses and certifications, benefits administration, scheduling, time and attendance, Family and Medical Leave tracking, ACA reporting and employee self-serve portal- to name a few. In addition, the system will minimize access to information through a single sign-on credential.

Our current processes and procedures are paper-based, labor intensive, and prone to error due to various data entry points. The lack of electronic access to pre-employment documents creates additional follow up and requires HR staff to spend a significant amount of time guiding the new hires through the task of filling out documents.

The automation of the aforementioned processes will also allow integration of pre-recorded video tours of our facility, messages from the CEO and other key staff members, provide a history of where HGH started and what the mission, vision and values are- a great tool for recruiting and a resource that can be accessed at any point in time after employment.

Our current platform, Optimum, is extremely limited in its functionality, outdated, and no longer supported for upgrades or technical support. It was obtained by another entity (Kronos) who has expressed no desire to do anything further with said platform and instead encouraged us to look at their offerings as a replacement. Given the lack of potential for Optimum, it was determined that if we were to look at options with Kronos, we should do our due diligence and consider other vendors as well.

One of the many setbacks with Optimum is that it is not cloud-based, meaning employees cannot access any of their time card entries or pay stubs, nor request PTO outside of the HGH server environment. In addition, there is no self-serve portal for the employees to update their address or other pertinent personal information. These requests end up being sent via email or verbally, neither of which is reliable or efficient.

A committee consisting of staff representing a variety of end users with different needs was assembled as follows:

Cory Burnett – representing the needs for Payroll budgeting and finance reporting

Kim Plummer – representing the needs for integration with existing general ledger software

Johnathen Bidlake-Prichard – representing the needs for scheduling, timekeeping, tracking training and certifications for EMS

Rachel Lara – representing the scheduling and timekeeping needs of the clinics

Lori Zarate – representing the timekeeping, payroll processing, and reporting requirements for Payroll

Melissa Lopez – representing the Nevada PERS reporting and reconciliation of deductions/contributions to pension plan, recruitment and onboarding functions, employee status/pay change forms, benefits enrollment and electronic employee record repository

Laura Shea – representing the need for more efficient employee surveys, communication and updates to important announcements pertaining to the organization in a more timely (and user friendly) manner, and additional means of enhancing our brand.

Mike Bell – representing the needs of IT in tracking HGH-issued equipment/inventory, understanding the needs of the vendor from IT in implementing the system

Tony Blake – as HR consultant for HGH, assisted in all aspects of the process from vetting vendors to verifying references; instrumental in ensuring all the HR and Payroll needs would be met now and into the future by selected vendor.

Tina Wilson – representing the needs associated with policy management for HGH

Lisa Andre – representing the needs currently being met by Ninth Brain in tracking compliance training, licensing compliance and incident reporting

Duane Grannis – representing the needs of our facility management team in timekeeping, scheduling, and inventory control

Dianelis Almendares – creation of system requirements necessary to meet HGH needs, preliminary vetting of vendors for initial HR review, creation of committee to provide a vast representation of organization needs from the system, facilitating all meetings and interactions between vendors, HR staff and subsequent committee, information gathering and disbursement, final presentation of results/recommendation

*Various vendors were selected based on preliminary search and vetted via demo by HR staff prior to recommending best offerings for committee demonstration. These included:*

- ADP
- Arcoro
- GoCo
- Kronos
- Paycom
- Paylocity
- Paycor
- Rippling

Initial review by HR staff eliminated those who did not meet the primary objectives of the search: ease in use/functionality, integration with other systems already in existence (e.g. general ledger, Employee Navigator for benefits), or did not provide one or more of the various sought after components (e.g. recruitment, onboarding, performance evaluations, learning management system, leave management system, time and attendance, payroll OR some of the components would have to be “patched in” with other vendor options). The following were selected for demonstration to the selected committee and include the initial feedback:

- ADP: Although ADP was put through for demonstration to the committee, it was determined during that demonstration that all of their components (with the exception of payroll) were not proprietary (they were white labeled and integrated by other vendors). This means that any

agreement with ADP renders us at the mercy of the other vendors providing any necessary support or upgrades to meet our needs into the future).

- Paylocity: This platform was well received by the committee due to its “modern” set up- very similar to the popular social media platforms (easy to navigate/seamless). The references provided were not fruitful or otherwise very vague, causing concern over their ability to venture into mid-size business or the intricacies of the healthcare industry needs.
- Paycom: Paycom was also very well received by the committee for similar reasons as Paylocity- very user-friendly and easy to navigate within and between modules. In addition, the services provided by the sales team were above par. They arranged one-on-one sessions to address the needs and concerns of the various committee members, provided near-immediate solutions to their concerns and remained proactive throughout the entire process. The references provided were verified and very positive.
- Paycor: Much like Paylocity and Paycom, Paycor has a good platform that is relatively easy to navigate. However, much concern was raised about their locations being in the Eastern and Central time zones and the impact that could have on our organization when in need of technical or customer support. In addition, the demonstration to the committee was lackluster in illustrating the various capabilities.

*After all demonstrations were held for the committee, a survey was sent to the participants wherein they ranked all vendors and provided feedback on the pros and cons for each system. This ranked the vendors as follows:*

1. Paycom
2. Paylocity
3. Paycor
4. ADP

Lastly, the two top vendors (Paycom and Paylocity) were requested to provide additional references and a formal quote for their respective system. References were contacted and clarification on the content of their quotes were sought from each vendor. The attached comparison demonstrates the findings and includes the cost breakdown to better ascertain what they offer for the price. Please note that Paycom’s original concept on their quote was to provide employees with the capability of clocking in/clocking out from their devices, which omitted the cost of physical time clocks/kiosks from their quote as included in this packet. However, upon presentation to the board, this cost will be provided (given time restraints on this submittal). As noted on the breakdown, Paycom is highly motivated to apply credits towards to cost of implementation as necessary to further close in any gaps in pricing with their competitor, so that a lower cost potential exists.

Given the information provided, I would like to request that the board consider approval of creating an agreement with Paycom by which they provide the HRIS platform so direly needed to optimize accessibility and processes for Human Resources, Payroll, Finance, hiring managers, supervisors and our general staff.

	PAYLOCITY	PAYCOM	
<b><u>BASELINE ASSUMPTIONS</u></b>			
Number of Employees	340	340	normalized the Paycom quote to 340 from 300
Number of Annual Payroll Runs	26	26	
Number of Annual State/Local Tax Reports	1	1	all included
<b><u>ONE-TIME FEES</u></b>			
Full Bundle (HR & Payroll) Implementation	\$ 6,120		
Custom PERS Report	\$ 350	no extra costs	
Enterprise Time Implementation	\$ 6,800		
4 Proximity Kiosks	\$ 12,060		
<b>TOTAL</b>	<b>\$ 25,330</b>	<b>\$ 9,000</b>	Paycom seems willing to "refine" the numbers down a bit...
<b><u>ANNUAL RECURRING FEES</u></b>			
Full Bundle Costs	\$ 85,440	\$ 92,251	Paycom's # includes time & attendance AND LMS
Enterprise Time	\$ 10,730		
TimeClock Maintenance (Years 2-on)	\$ 2,412		
Year-End Fees (W2s & 1099s)	\$ 2,340	\$ 2,438	
<b>ANNUAL TOTAL</b>	<b>\$ 100,922</b>	<b>\$ 94,689</b>	
<b>MONTHLY TOTAL</b>	<b>\$ 8,410</b>	<b>\$ 7,891</b>	
<b><u>ONE-TIME "CREDITS"</u></b>			
1st Year TimeClock Maintenance	\$ (2,412)		
<b><u>FIVE-YEAR COST</u></b>	<b>\$ 527,530</b>	<b>\$ 482,443</b>	assumes no growth in # of paychecks
	<b><u>PAYLOCITY</u></b>	<b><u>PAYCOM</u></b>	
<b>Bi-Weekly Payroll Processing:</b>			
GL Interface	Y	Y	
Signed and Sealed Checks	Y	Y	
Direct Deposit	Y	Y	
New Hire Reporting	Y	Y	Paycom calls is WOTCs (work opportunity tax credits)
Garnishments		Y	
Unlimited Product Training	Y	Y	Paycom will do what it takes on training
Report Writer (Ad Hoc Reporting)	Y	Y	
Comprehensive Report Library	Y	Y	
Analytics	Y	Y	
Payroll Proration/Retro-Pay	Y	Y	
Employee Action Forms	Y	Y	
Time Off Accruals	Y	Y	
Online Quarterly Reports & W2 Access	Y	Y	
Digital Benefits Administration	Y	Y	
Tax Filing - Bi-Weekly	Y	Y	
<b>HR Bundle:</b>			
Full HRIS	Y	Y	
Position Seat Management		Y	
Scheduling Platform		Y	
Reporting	Y	Y	
PTO Management	Y	Y	
Notifications	Y	Y	
Unlimited Document Storage	Y	Y	
Self-Service Portal (ESS & MSS)	Y	Y	does Paylocity offer spanish versions?
Peer-to-Peer Recognition	Y	Y	
Community / Social Comm Tool	Y	Y	
Mobile Access	Y	Y	
Performance	Y	Y	
Onboarding	Y	Y	
Recruiting	Y	Y	
Background Check Integration		Y	Background checks and drug tests are extra costs
Expense	Y		Paycom did not include Expense Management in their quote
Compensation	Y	Y	
Surveys	Y	Y	
LMS	Y	Y	
Compliance	Y	Y	
Enhanced ACA Filings		Y	
<b>Enterprise Time:</b>			
Usage	Y	Y	
Monthly Maintenance	Y	Y	
<b>CONTRACT TERMS</b>			
	Not tied down, no contracts or termination fees	Not tied down, no contracts or termination fees	



Alicia J. Wogan

**From:** Kevin Fulfer <kevin.fulfer@paycomonline.com>  
**Sent:** Wednesday, November 4, 2020 8:25 AM  
**To:** Melissa Lopez; Lori Zarate; Kim Plummer; Tim Powers; tony@strategicimpactgroup.net; Danelis Almendares; Tina Wilson; Laura Shea; Mike Bell  
**Subject:** HGH Current VS Future Environment - Visualized!

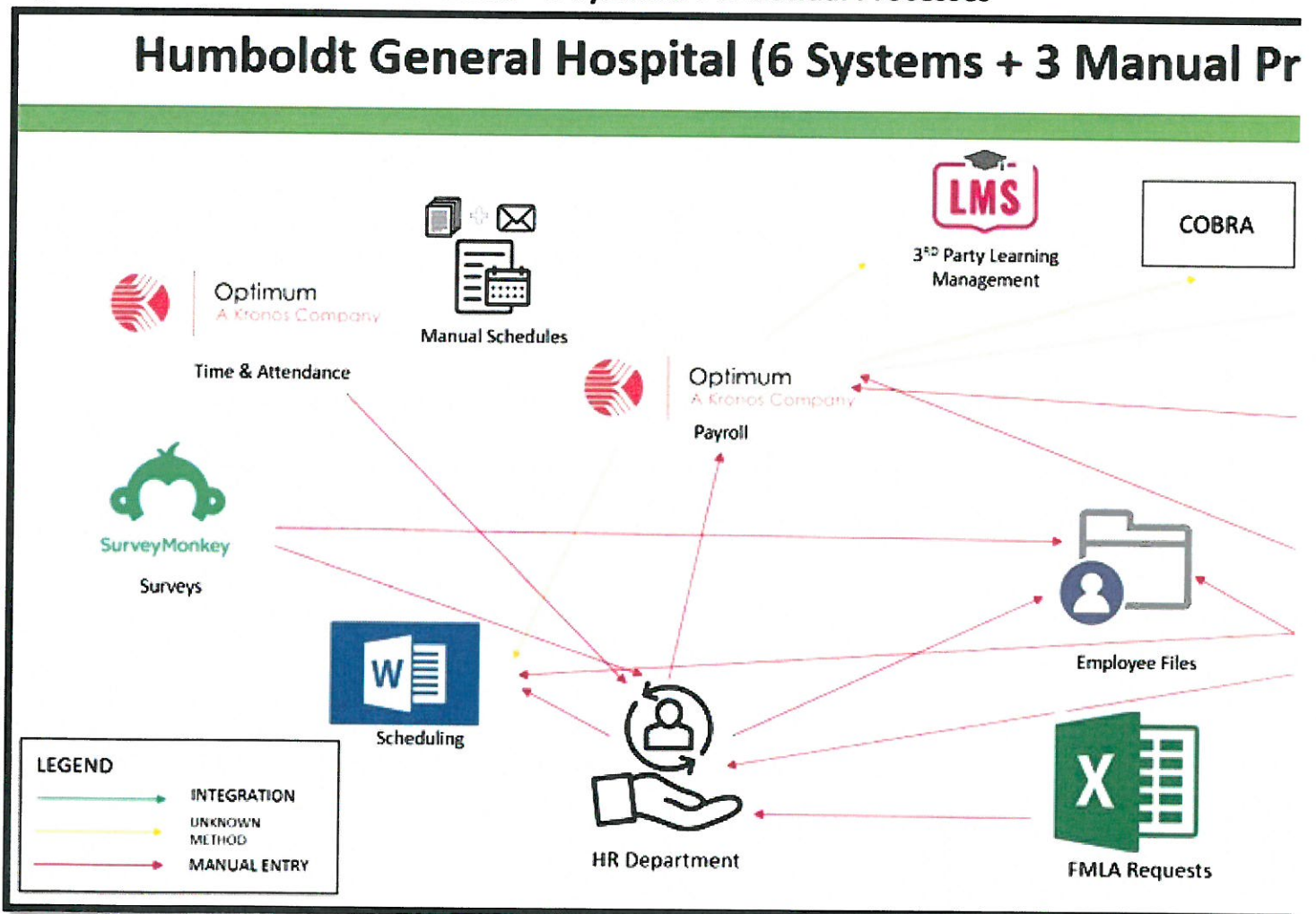
Hey Team,

Thank you all again for your time over the last few weeks between our System Overview and personalized workshops! Based off our conversations so far I went ahead and visually mapped out HGH's current internal environment for both the administrative staff and employees below.

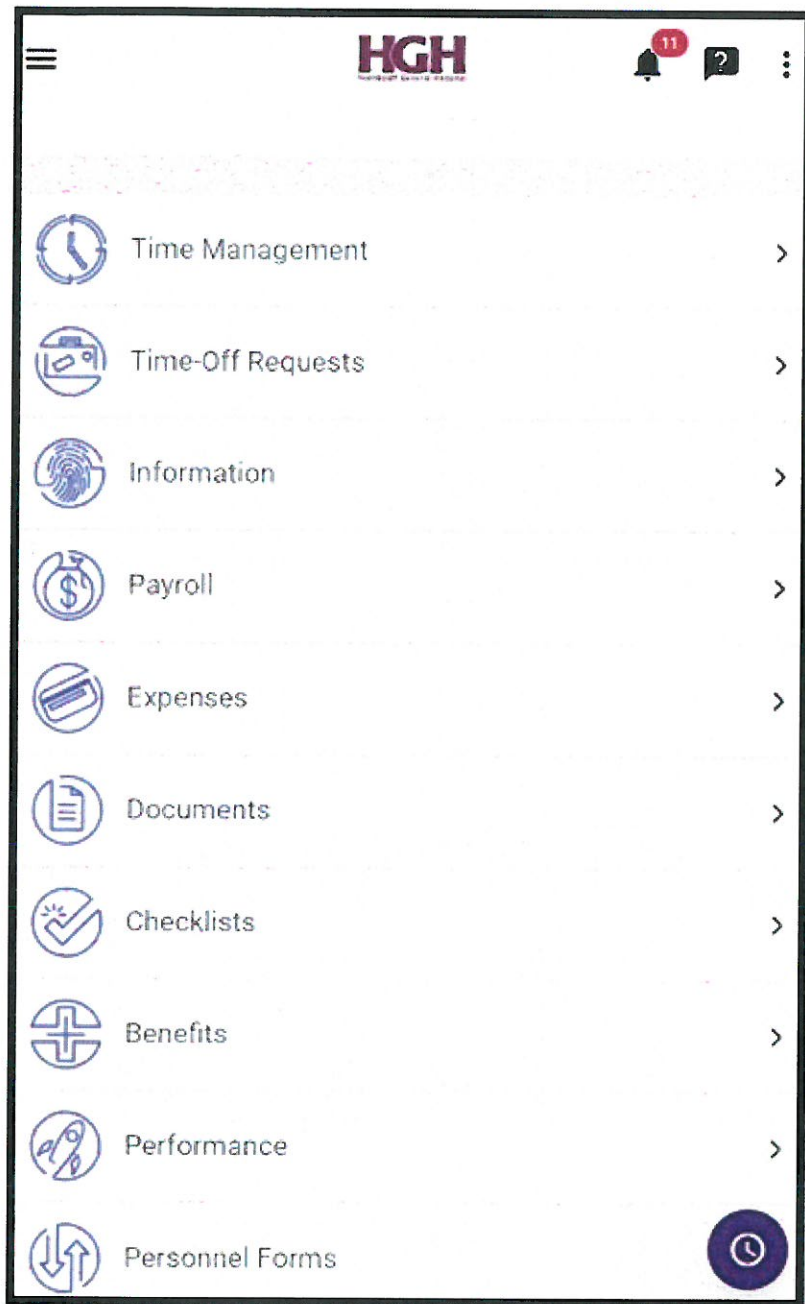
The reason for this exercise is to A) identify the largest areas of opportunity for our software to drive operational impact B) clearly identify which systems can be consolidated into Paycom's proprietary 1 stop platform.

Again Paycom's strategy is to significantly reduce administrative burden, increase operational scalability through an easy and intuitive 1 stop shop platform!

### Digital Version Current Environment – 6 Systems + 3 Manual Processes

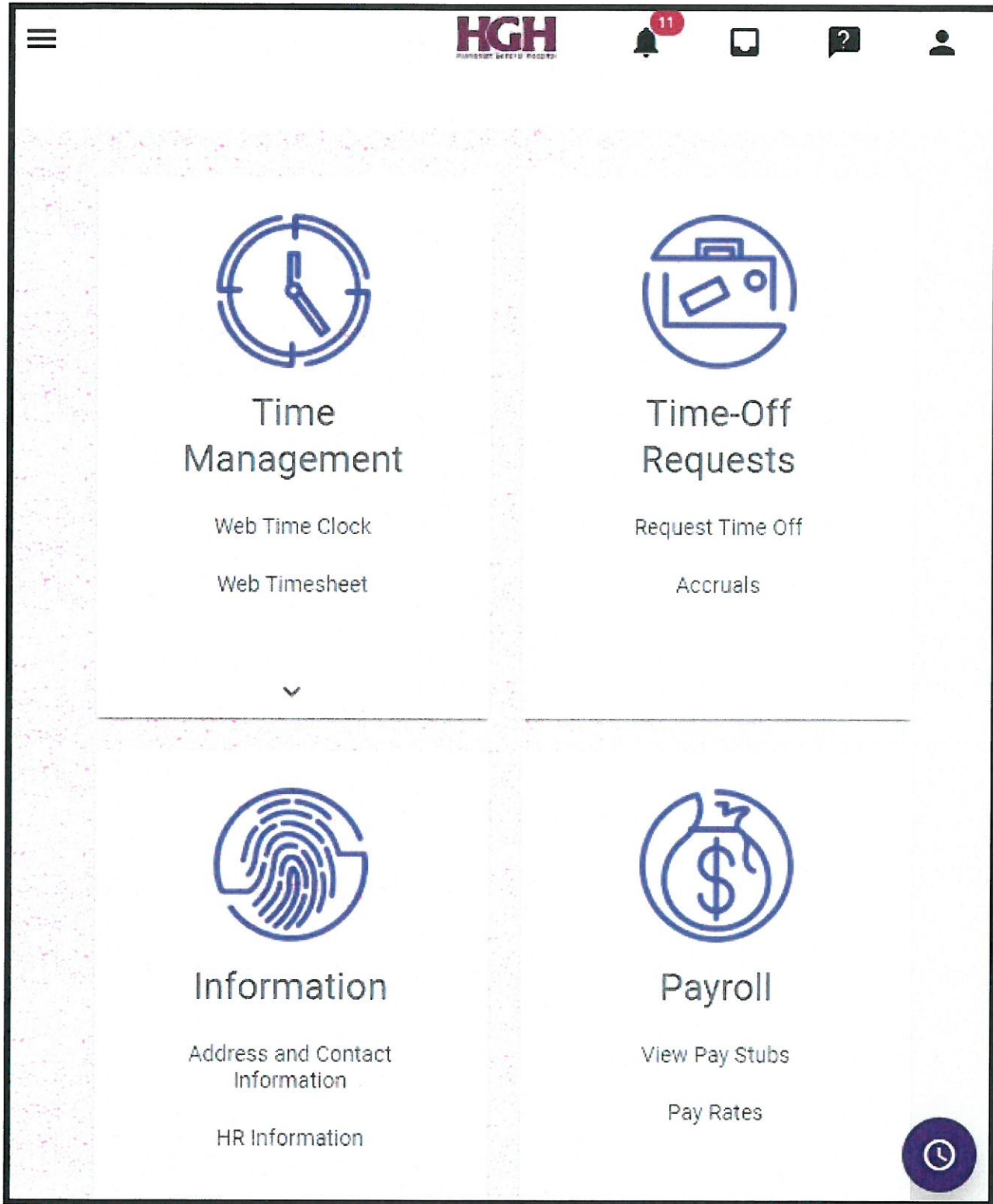


[illegible]



**Future Environment – 1 Proprietary & Customizable System (iPad)**





Best,

**Kevin Fulfer | Sacramento Representative**

621 Capitol Mall Suite 1450 | Sacramento, CA 95814

(C) 916-303-3723

[Rock Your HR](#)





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## Alicia J. Wogan

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**From:** Kevin Fulfer <kevin.fulfer@paycomonline.com>  
**Sent:** Tuesday, November 10, 2020 11:22 AM  
**To:** Danelis Almendares; Tony Blake  
**Cc:** Joe Covarrubias  
**Subject:** Paycom Software & HGH - Proposal & Economics!

Hey Team,

As promised, please see the pricing breakdown of your proposal below! I have also received your quote for the addition of our Learning Management System that is **bolded at the bottom of your package**.

**To note, the final pricing discount to the one time implementation is a conversation Joe and I will be having with our Regional VP once confirmed that Paycom is the partner of choice!**

PS: We definitely want this pricing discussion to be a collaborative conversation. Please let us know your thoughts and if you have any questions on the product set below!

### **Paycom Software & Humboldt General Hospital – Economics**

#### **Package #1: Bi-Weekly Frequency @ 300 Employees**

- Payroll
- Time & Attendance
- PTO Request Suite
- Digital Benefits Administration Suite
- Schedule Exchange Platform
- Electronic Onboarding
- Electronic Document Management
- Applicant Tracking Suite & Recruiter Dashboard
- Performance Management & Discussion Forms
- Social & Communication Tool – Ask Here Messaging Suite
- Employee Self Service App (Spanish Version Included)
- Manager Self Service App (Spanish Version Included)
- Organization Chart & Position Seat Management\* (“Position Control”)
- 300+ Ad Hoc Reports & Custom Report Writer
- Customizable Analytics Dashboard
- Background Checks & Full Garnishments
- Enhanced ACA Filings

#### **Billing Breakdown:**

Base Fee / Per Check: \$144.70/\$7.76

Example Calculation: (\$144.70) + (\$7.76 x 300 employees) = **\$2,472.70**

Per Payroll Amount: **\$2,472.70**

One Time Implementation Conversation: \$9,000.63 – TBD!

#### **Addition of LMS to Proposal:**

**New Per Check (No Base Change): \$10.01**

**New Per Payroll: \$3,147.70**

**Tax Filings:**

**W2: \$6.95 per W2**

**1 Time Filing Fee: \$75.00**

**1095: \$6.95 per W2**

**1 Time Filing Fee: \$75.00**

**Kevin Fulfer | Sacramento Representative**

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November 8, 2020

To Whom It May Concern:

I work for the non-profit Saint John's Program for Real Change which is a women's shelter that is also a wraparound program providing mental health and support services, on the job training and career education. I oversee the Career Education department as well as Human Resources which requires me to use Paycom for recruiting, onboarding, employment status changes and employment verifications.

When the Finance Director, Pam Horan, and I decided to look at other HRIS systems, we wanted something completely different from Paylocity. Pam struggled to pull the reports she needed and had to manually create them. We both struggled with customer service because they never had any answers to our questions and would rarely follow-up with a satisfactory answer. There were also quite a few financial errors including withholding the SUI tax which resulted in a \$15,000.00 overpayment and it took 8 months to recover from EDD because of repeated mistakes with the amendments from Paylocity. Paylocity also taxed 403b deductions incorrectly. Pam and I met with Kevin who presented Paycom to us and every task and requirement we asked for, he was able to show how Paycom had the capability. The system seemed very user friendly and easy to navigate which was also a priority. We were both very impressed from the start.

Since we rolled out Paycom, we have been extremely happy with all the different capabilities that exist in the system. With Paylocity, we had to call customer service if we needed to make changes to tasks, checklists, reports and options on drop down boxes. With Paycom, we can make those changes ourselves which is much more convenient. I also appreciate all the standards and rules that come with Paycom so it reduces our liability and we're not missing important state requirements.

The best part of our Paycom transition was working with Jenna Bassler and Taylor Boehm. From the beginning of the set-up, Jenna had scheduled several meetings with us to make sure we were covering everything from start to finish. She also worked with us to set up training sessions with the employees and attended each one even the 5:30am meeting for our graveyard staff. Anytime we had questions for Jenna and Taylor, they immediately knew the answers because they know everything about Paycom. Paylocity did not do any of this during start-up and very obviously did not have the proficiencies we needed. I was impressed going through this HRIS change for the first time in my career and Pam was also impressed even having gone through this type of transition a few times.

In conclusion, I would highly recommend Paycom to anyone looking for more resources and support from their HRIS system. Regardless of the type or size, Paycom has all the expertise needed for any business.

A handwritten signature in blue ink, appearing to read "J. Boseman".

Jenny Boseman

Career Education & HR Director

916-465-8901

[jboseman@saintjohnsprogram.org](mailto:jboseman@saintjohnsprogram.org)

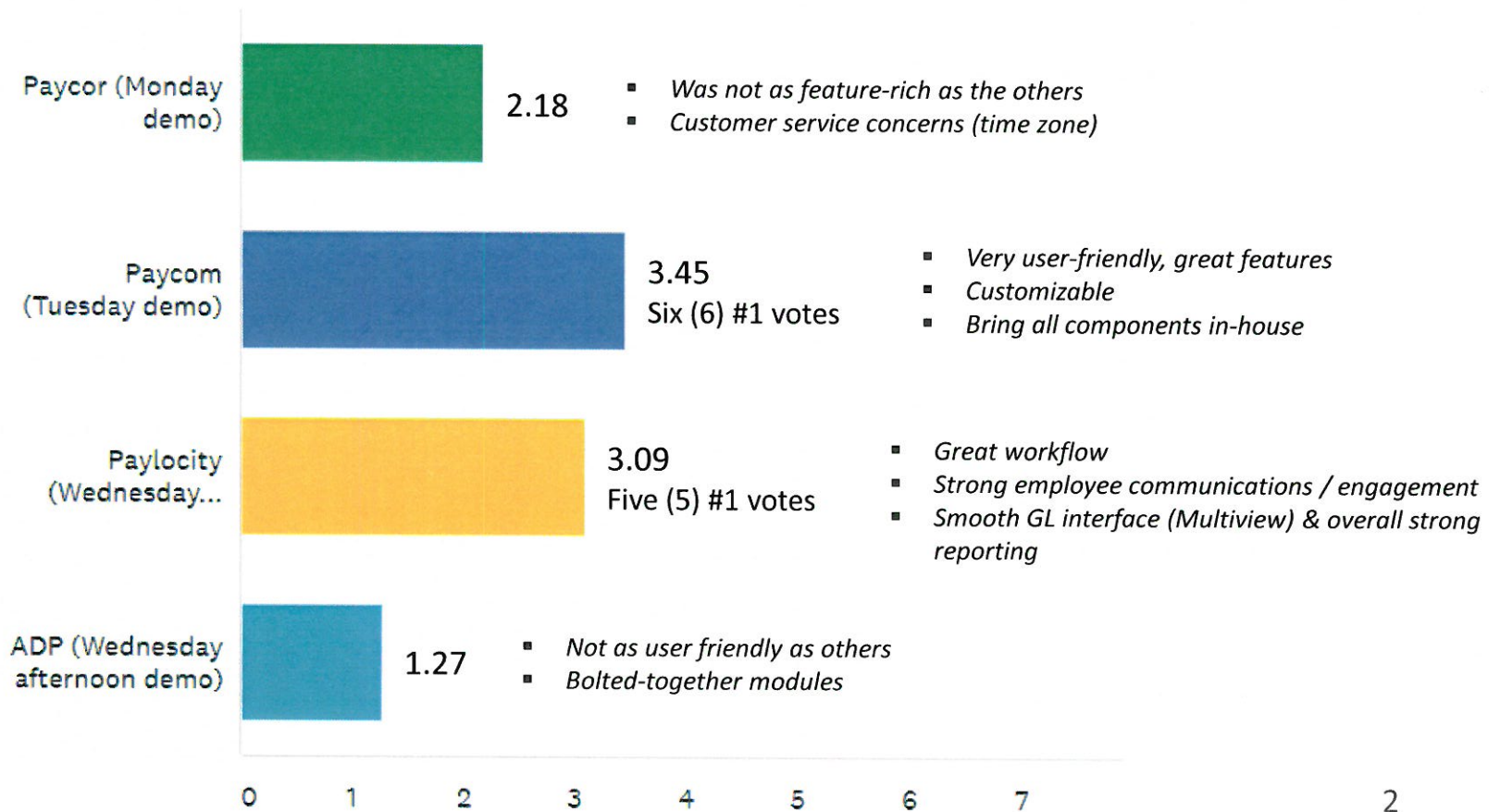
# HR & Payroll System Survey Results

November 4, 2020



# Please rank the systems in order of your preference:

Answered: 11   Skipped: 0



# What are the top 3-5 features you would like to see in a new HR & Payroll system?

- **Eliminate/reduce PAPER**
- Electronic Employee Files
- **User Friendly for Employees, Managers & Applicants**
- Facilitate great new employee Onboarding
- Employee communication / social tool
- **Employee self-service** capabilities
- Manager self-service capabilities
  - Easy access to employee information
- **Fluent workflow / automation**
- **Flexible / custom reporting**
- **Mobile device compatible**
- Smooth data transfer between programs (e.g., GL)
- Ease of Integration
  - With website
  - With other platforms (e.g., policy management)
- Single Sign On
- Cloud-based
- **Time & attendance**
  - Ability to clock in / out remotely
  - Push notifications when action is needed
  - Ability to track contracted provider hours
- **Learning system capabilities** / ability to deliver training (e.g., compliance) and host learning modules
- Track licenses & certifications (expiration notification)
- Ability for handbook & policy sign-off
- **Payroll features**
  - Easy retro calculations & handling
  - Detailed reports
  - **Capable PERS handling**/State reporting
- Asset tracking
- Provide multiple custom fields at the employee-level
- Position control
- Incident tracking & closure
- Customer Support (esp. across time zones)
- Costs (implementation and recurring)