



## Audit and Finance Committee

Wednesday, February 15, 2023 2:00 p.m.

UMC Trauma Building - Providence Suite 5th Floor

## **AGENDA**

**University Medical Center of Southern Nevada  
GOVERNING BOARD  
AUDIT & FINANCE COMMITTEE  
February 15, 2023 2:00 p.m.  
800 Hope Place, Las Vegas, Nevada  
UMC Trauma Building, ProVidence Suite (5<sup>th</sup> Floor)**

Notice is hereby given that a meeting of the UMC Governing Board Audit & Finance Committee has been called and will be held at the time and location indicated above, to consider the following matters:

**This meeting has been properly noticed and posted online at University Medical Center of Southern Nevada's website <http://www.umcsn.com> and at Nevada Public Notice at <https://notice.nv.gov/>, and at University Medical Center 1800 W. Charleston Blvd. Las Vegas, NV (Principal Office)**

- The main agenda is available on University Medical Center of Southern Nevada's website <http://www.umcsn.com>. For copies of agenda items and supporting back-up materials, please contact Stephanie Ceccarelli at (702) 765-7949. The Audit & Finance Committee may combine two or more agenda items for consideration.
- Items on the agenda may be taken out of order.
- The Audit & Finance Committee may remove an item from the agenda or delay discussion relating to an item at any time.

### **SECTION 1: OPENING CEREMONIES**

#### **CALL TO ORDER**

1. Public Comment

PUBLIC COMMENT. This is a period devoted to comments by the general public about items on **this** agenda. If you wish to speak to the Committee about items within its jurisdiction but not appearing on this agenda, you must wait until the "Comments by the General Public" period listed at the end of this agenda. Comments will be limited to three minutes. Please step up to the speaker's podium, clearly state your name and address and please **spell** your last name for the record. If any member of the Committee wishes to extend the length of a presentation, this will be done by the Chair or the Committee by majority vote.

2. Approval of minutes of the regular meeting of the UMC Governing Board Audit and Finance Committee meeting of January 18, 2023. *(For possible action).*
3. Approval of Agenda. *(For possible action)*

### **SECTION 2: BUSINESS ITEMS**

4. Receive the monthly financial report for January FY23; and direct staff accordingly. *(For possible action)*
5. Receive an update report from the Chief Financial Officer; and direct staff accordingly. *(For possible action)*
6. Review and recommend for ratification by the Governing Board the Amendment Number Two to Provider Services Agreement with Intermountain IPA NV, LLC f/k/a HCIP IPA

Nevada, LLC for managed care services; or take action as deemed appropriate. *(For possible action)*

7. Review and recommend for approval by the Governing Board the Amendment Number Two to Provider Agreement with P3 Health Partners-Nevada, LLC for Managed Care Services; and take action as deemed appropriate. *(For possible action)*
8. Review and recommend for approval by the Governing Board the Amendment 1 to Specimen Collection Pricing & Commitment Agreement with Becton, Dickson and Company for specimen collection tubes and related supplies; authorize the Chief Executive Officer to execute any future amendments or renewals within his delegation of authority; or take action as deemed appropriate. *(For possible action)*
9. Review and recommend for approval by the Governing Board the Service Agreement with Eaton Corporation Electrical Engineering Services & Systems for Arc Flash Analysis; or take action as deemed appropriate. *(For possible action)*
10. Review and recommend for approval by the Governing Board the Purchaser Services Agreement with Emerald Textile Services, Utah, LLC for linen management and distribution services; or take action as deemed appropriate. *(For possible action)*
11. Review and recommend for approval by the Governing Board the Software Use Agreement with Strata Decision Technology, LLC for financial planning and decision support software subscription; authorize the Chief Executive Officer to execute extensions and amendments within his yearly delegation of authority; or take action as deemed appropriate. *(For possible action)*
12. Review and recommend for approval by the Governing Board the Service Agreement with NOVA Geotechnical and Inspection Services, LLC d/b/a Universal Engineering Sciences for special inspections and material testing services; authorize the Chief Executive Officer to execute the extension option and amendments within the not-to-exceed amount of this Agreement; or take action as deemed appropriate. *(For possible action)*
13. Review and recommend for approval by the Governing Board the Agreement with the Board of Regents of the Nevada System of Higher Education on behalf of the Kirk Kerkorian School of Medicine at the University of Nevada, Las Vegas and UNLV Medicine d/b/a UNLV Health for EMR system access; authorize the Chief Executive Officer to execute any extension options and amendments; or take action as deemed appropriate. *(For possible action)*
14. Review and recommend for approval by the Governing Board the Agreements with WellSky Corporation for blood bank software; authorize the Chief Executive Officer to execute amendments within his delegation of authority; or take action as deemed appropriate. *(For possible action)*
15. Review and recommend for approval by the Governing Board the Amendments to Lease Agreement with PNC Bank, National Association for endoscopy scopes and video imaging equipment; authorize the Chief Executive Officer to execute future amendments or renewals; or take action as deemed appropriate. *(For possible action)*
16. Review and recommend for approval by the Governing Board the Agreement with ELITechGroup MDX LLC for Reagent Ordering & Service Support; authorize the Chief

Executive Officer to exercise any extension options; or take action as deemed appropriate. *(For possible action)*

17. Review and recommend for approval by the Governing Board the 340B Split Billing Services Agreement and the 340B Contract Pharmacy Services Agreement with Verity Solutions Group, Inc. for 340B administrator services; authorize the Chief Executive Officer to execute any extension options and amendments within his yearly delegation of authority; or take action as deemed appropriate. *(For possible action)*
18. Review and recommend for approval by the Governing Board the Agreement with T Evans RNFA, LLC for Contractor Services; authorize the Chief Executive Officer to exercise any extension options; or take action as deemed appropriate. *(For possible action)*
19. Review and recommend for approval by the Board of Hospital Trustees for University Medical Center of Southern Nevada, the Amendment One to Master Professional Services Agreement with Medicus Healthcare Solutions, LLC for anesthesia locum tenens and CRNA staffing services; authorize the Chief Executive Officer to execute amendments within the not-to-exceed amount of this Agreement; or take action as deemed appropriate. *(For possible action)*

### **SECTION 3: EMERGING ISSUES**

20. Identify emerging issues to be addressed by staff or by the Audit and Finance Committee at future meetings; and direct staff accordingly. *(For possible action)*

### **COMMENTS BY THE GENERAL PUBLIC**

**All comments by speakers should be relevant to the Committee's action and jurisdiction.**

UMC ADMINISTRATION KEEPS THE OFFICIAL RECORD OF ALL PROCEEDINGS OF UMC GOVERNING BOARD AUDIT & FINANCE COMMITTEE. IN ORDER TO MAINTAIN A COMPLETE AND ACCURATE RECORD OF ALL PROCEEDINGS, ANY PHOTOGRAPH, MAP, CHART, OR ANY OTHER DOCUMENT USED IN ANY PRESENTATION TO THE BOARD SHOULD BE SUBMITTED TO UMC ADMINISTRATION. IF MATERIALS ARE TO BE DISTRIBUTED TO THE COMMITTEE, PLEASE PROVIDE SUFFICIENT COPIES FOR DISTRIBUTION TO UMC ADMINISTRATION.

THE COMMITTEE MEETING ROOM IS ACCESSIBLE TO INDIVIDUALS WITH DISABILITIES. WITH TWENTY-FOUR (24) HOUR ADVANCE REQUEST, A SIGN LANGUAGE INTERPRETER MAY BE MADE AVAILABLE (PHONE: 702-765-7949).



**University Medical Center of Southern Nevada  
Governing Board Audit and Finance Committee Meeting  
January 18, 2023**

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UMC ProVidence Suite  
Trauma Building, 5<sup>th</sup> Floor  
800 Hope Place  
Las Vegas, Clark County, Nevada

The University Medical Center Governing Board Audit and Finance Committee met at the location and date above, at the hour of 2:00 p.m. The meeting was called to order at the hour of 2:03 p.m. by Chair Robyn Caspersen and the following members were present, which constituted a quorum.

**CALL TO ORDER**

**Board Members:**

**Present:**

Robyn Caspersen  
Dr. Donald Mackay  
Jeff Ellis (via webex)  
Harry Hagerty (via webex)  
Mary Lynn Palenik (via webex)

**Absent:**

Christian Haase (Excused)

**Others Present:**

Mason Van Houweling, Chief Executive Officer  
Tony Marinello, Chief Operating Officer  
Jennifer Wakem, Chief Financial Officer  
Doug Metzger, Controller  
Shana Tello, Academic and External Affairs Administrator  
Maria Sexton, Chief Information Officer  
Frederick Lippmann, Chief Medical Officer  
Christopher Jones, Executive Director of Support Services  
Susan Pitz, General Counsel  
Lia Allen, Assistant General Counsel - Contracts  
Stephanie Ceccarelli, Board Secretary

**SECTION 1. OPENING CEREMONIES**

**ITEM NO. 1 PUBLIC COMMENT**

Committee Chair Caspersen asked if there were any public comments to be heard on any item on this agenda.

Speaker(s): None

**ITEM NO. 2 Approval of minutes of the regular meeting of the UMC Governing Board Audit and Finance Committee meeting on December 7, 2022. (For possible action)**

Chair Caspersen noted a change to clarify the language in paragraph 2 on page 4.

FINAL ACTION:

A motion was made by Member Mackay that the minutes be approved as amended. Motion carried by unanimous vote.

**ITEM NO. 3 Approval of Agenda (For possible action)**

FINAL ACTION:

A motion was made by Member Mackay that the agenda be approved as amended. Motion carried by unanimous vote.

**SECTION 2. BUSINESS ITEMS**

**ITEM NO. 4 Receive the monthly financial reports for November FY23 and December FY23; and direct staff accordingly. (For possible action)**

DOCUMENTS SUBMITTED:

- November FY23 and December FY23 Financials

DISCUSSION:

Jennifer Wakem, Chief Financial Officer presented the financials for the months of November and December.

An abbreviated review of the November FY23 financials was presented. It was a busy month. Admissions were 1,974, observations were down 20% and AADC continues to be high at 662. Length of stay dropped to 6.41; hospital CMI was 1.82 and Medicare CMI was 1.94.

Due to challenges with anesthesia, inpatient surgeries were below budget 17% and outpatient surgeries were down 29%. ER visits were up 9% above budget and the ER to admit conversion rate was approximately 20%. There were 11 transplants for the month.

Quick cares were about 23% above budget and primary cares were above budget 20%. There were 667 telehealth visits for the month. Outpatient Ortho Clinics were 665 and deliveries were 12% above budget.

Mr. Van Houweling reported to the Committee that the first pancreas transplant was completed at UMC successfully this week. We can start tracking the volumes.

The income statement for November showed net patient revenue was above budget \$4 million. Other revenue was down \$300k. Overall net revenue was \$3.6 million over budget and other operating expenses were above budget \$2.3 million. Income from ops before depreciation and amortization was \$1.6 million.

Chair Caspersen asked if the total operating expense was available. Ms. Wakem stated that it would be in the December statistics.

Next, the financials for the month of December were presented.

There were 2,006 admissions, which was 5% over budget; AADC was 14% above budget. Hospital acuity was 9% below budget and Medicare CMI was 1.5% above budget. Inpatient surgeries were 2.2% below and outpatient surgeries were 25.5% below budget. ER visits remained strong; pediatric ED volume had the most significant increase for the month. There were 8 transplants for the month. ED to obs was 21% above budget.

Quick cares were about 12% above budget; Spring Valley, Enterprise and Rancho were the key drivers.

Primary cares were consistent with budget; Centennial, Peccole and Nellis were the stand outs.

Telehealth visits were up to 729 for the month and there were 658 Ortho Clinic visits. Deliveries were up 14%.

Trended stats included telehealth visits and ortho clinics. The trend was compared to 2019 statistics. There was a record number of admissions for the month as compared to the 12-month average. Observation cases have decreased. The team has set initiatives in place to properly status the patients. Outpatient surgeries were down due to challenges with the lack of anesthesia coverage. Telehealth has trended upward for the month, primarily due to marketing. Ortho clinic visits were discussed.

Inpatient payor mix trended commercial was down 2%, Medicare was up 3.25%. ED commercial was down 1.5% and Medicaid was up 1.75%. Inpatient surgical showed Medicaid up 1.85% and Medicare was down 2.35%. Outpatient surgical cases were 4.49% up in commercial and Medicare dropped 6%.

Summary income statement showed net patient revenue was up almost \$2 million above budget. Other revenue was up almost \$3.7 million. Total operating revenue was \$5.7million above budget. Expenses were \$8 million above budget. Total income from ops adding depreciation and amortization was \$1.5 million, which was short of budget almost \$2 million.

YTD income was \$10.4 million above budget. Operating expenses were \$15.6 million above budget. Total income from ops was \$12.5 million on a budget of \$17.8 million, which is \$5.3 million below budget.

Income statement trended showed supplies in December were significantly higher than November. Ms. Wakem explained that the increase in supplies is directly related to 340B revenue. The discussion continued regarding how this revenue is recorded. Education to the Board regarding the importance of the 340B program was suggested.

SWB is over budget \$4.1 million in part due to Anesthesia and Ortho. Paid FTEs was above budget 173. AEPOB is running 5.39 on a budget of 5.95.

The trended stats for SWB highlights the trend for AEPOB for the year. Overtime as a percent of productive was at 3.5%.

Expenses for the month shows supplies over budget \$3.3 million, \$3.7 million is related to 340B revenue. Purchased services was above budget 700K; there was a true-up related to a UNLV OB, an increased expense related to our contingency vendor and Epic related services. Utilities continue to be high. Other expenses are favorable.

Key financial indicators were reviewed in profitability, labor, liquidity and cash collections. Labor and profitability are in the red. Day's cash on hand is in the red at 81.9 days. There are still a significant amount of outstanding supplemental payments. Cash collections were strong for the month. Cash collections POS goal was missed due to a drop in surgeries.

Cash flow for December – \$46.1 million was received. There were no supplemental payments received for the month.

Chair Caspersen inquired what the cause of the flip was in internally designated cash. Mr. Metzger explained that cash was moved from capital operations.

The balance sheet shows a slight decrease in cash.

FINAL ACTION TAKEN:

None taken.

**ITEM NO. 5 Receive an update report from the Chief Financial Officer; and direct staff accordingly. (For possible action)**

DOCUMENTS SUBMITTED:

- None

DISCUSSION:

The public health emergency has been further extended until April. The benefits include relaxed the rules on those who qualify for Medicaid. Enrollments increased by 43%. The state may consider dropping enrollees in Medicaid beginning July 1.

340B Case update: For 2018 and 2021, UMC may be able to receive a reimbursement on 340B funds. The Court ruled that the matter will be sent back to CMS to decide how this will be addressed. A decision may not be received until 2024.

There are roughly \$200 million in outstanding supplemental payments.

A rate review is done by the State of Medicaid every year to determine whether the Medicaid reimbursement rate covers patient costs. A rate review has been done on inpatient and outpatient hospital services and it was determined that in order to cover the cost, the inpatient Medicaid rate would have to be increased by at least 114%. We will be monitoring the legislative session with this matter. The discussion continued regarding the hospital cost rates and other items, such as mental health and substance abuse that will be monitored during the legislative session.

Ms. Tello added the legislative session starts February 6<sup>th</sup>. The new Governor will review the budget and we will receive more insight after he gives his state of the state address on January 23<sup>rd</sup>.

UMC has been working with UNLV to get additional GME slots. Ms. Wakem announced that we were approved for 2.5 additional slots.

Shana Tello will be following the legislative session and will provide updates in the future.

FINAL ACTION TAKEN:

None taken

**ITEM NO. 6 Receive an update on the status of the FY23 CEO Performance goals; and direct staff accordingly. (For possible action)**

DOCUMENTS SUBMITTED:

- CEO Performance Objectives – FY23

DISCUSSION:

Ms. Wakem provided an update on the Overall performance objected. The four goals are:

1. **Exceed fiscal year budgeted income from operations plus depreciation and amortization**
  - We are currently not reaching this goal. Anesthesia is a challenge at this point. We are \$5.3 million below budget. Once surgical volumes increase, we will be in better shape.
2. **Improve labor utilization with a target of SWB per APD of \$2,156, Adjusted EPOB of 5.95.**
  - We are currently meeting this goal. Currently SWB/APD is \$2,003 and AEPOB is 5.36.

**3. Improve ALOS with a target of 5.77 days**

- We are improving this goal. Currently we are sitting at 7.02 days. The biggest impediment has been discharges. The team is looking at options to improve this metric.

**4. Complete capital spending on time and on budget for FY 20, FY21 and FY22**

- This goal is not being met. A slide showing total capital funds that have been received, allocated to projects and PO created was shown.
- There is room for improvement. There was question regarding the spend for the FY2021 capital funds.
- Chair Caspersen asked if there is a repurposing of funds that have not been spent, and also asked why we have held back on spending of funds on projects that have not yet come to fruition.
- The team stated that we are in a reconciliation process with regards to capital projects. The slide presented does not represent the work that is being done.
- Member Palenik added that the slide that she assisted with provides more of a timeline of the project and where we are in spending for multi-year projects.
- Chair Caspersen added that on time for a high cost project may very well be a multi-year project. Tracking at the high level of the slide presented doesn't show if the goal was met.
- Member Hagerty added that a multi-year project is to be spent in separate periods and not progress of the entire amount. The columns presented represent getting ready to do work, not doing work.
- Member Palenik stated that there is a difference between submitted and spend.

The Committee would like to see the detail, spend and project year and transparent spending results.

Member Hagerty noted that the goal references capital spending for FY 20, 21 and 22 not FY23. The point is to get caught up on prior year activity.

**FINAL ACTION TAKEN:**

None

**ITEM NO. 7 Review and recommend for approval by the Governing Board the Hospital Participation Agreement for Managed Care Services with Prominence HealthFirst; or take action as deemed appropriate. (For possible action)**

**DOCUMENTS SUBMITTED:**

- Hospital Participation Agreement
- Disclosure of Ownership

**DISCUSSION:**

This is a new agreement for PPO and HMO network for medically necessary healthcare services, to include Ortho and Anesthesia services. This is a revenue based agreement. The Agreement 3-year term is through December 2025 and either party may terminate the Agreement with ninety (90) days written notice to the other party.

FINAL ACTION TAKEN:

A motion was made by Member Mackay to approve and make a recommendation to the Governing Board to approve the agreement. Motion carried by unanimous vote.

**ITEM NO. 8 Review and recommend for approval by the Governing Board the First Amendment to Provider Services Agreement with Molina Healthcare of Nevada, Inc.; or take action as deemed appropriate. *(For possible action)***

DOCUMENTS SUBMITTED:

- First Amendment – Redacted
- Disclosure of Ownership

DISCUSSION:

The current agreement is being amended to add Medicare Advantage to the Provider Services Agreement.

FINAL ACTION TAKEN:

A motion was made by Member Mackay to approve and make a recommendation to the Governing Board to approve the amendment. Motion carried by unanimous vote.

**ITEM NO. 9 Review and recommend for approval by the Governing Board the Amendment to Preferred Provider Agreement with Culinary Health Fund Administrative Services, LLC; and take action as deemed appropriate. *(For possible action)***

DOCUMENTS SUBMITTED:

- Preferred Provider Agreement – First Amendment

DISCUSSION:

This amendment will add Anesthesia services.

FINAL ACTION TAKEN:

A motion was made by Member Mackay to approve and make a recommendation to the Governing Board to approve the amendment. Motion carried by unanimous vote.

**ITEM NO. 10 Review and recommend for approval by the Governing Board the Provider Agreement with Alireza Farabi, M.D., P.C. for Professional**

**Services; authorize the Chief Executive Officer to exercise any extension options; or take action as deemed appropriate. (*For possible action*)**

DOCUMENTS SUBMITTED:

- Provider Agreement
- Disclosure of Ownership

DISCUSSION:

Dr. Farabi provides infectious disease services to our patients at the Wellness Center. This is an agreement for continued services with Dr. Farabi. Fifty percent will be paid through grant funding. This is a 3-year agreement. Either party may terminate this Agreement with a 30-day written notice to the other.

FINAL ACTION TAKEN:

A motion was made by Member Mackay to approve and make a recommendation to the Governing Board to approve the agreement. Motion carried by unanimous vote.

**ITEM NO. 11 Review and recommend for ratification by the Governing Board the Professional Services Agreement for Cardiovascular Anesthesiology On-Call Coverage with Fielden, Hanson, Isaacs, Miyada, Robison, Yeh, Ltd. d/b/a USAP-Nevada; authorize the Chief Executive Officer to exercise any extension options; or take action as deemed appropriate. (*For possible action*)**

DOCUMENTS SUBMITTED:

- Professional Services Agreement

DISCUSSION:

This is a request for ratification of the new Professional Services Agreement for Group Physician On-Call Coverage to continue to provide services. The agreement needed to be signed immediately as the effective date for Services was January 1, 2023. Under the Agreement, Provider will provide 24/7 consultative, emergency and on-call cardiovascular anesthesia services to UMC patients. This is a 3-year agreement with a 90-day out clause.

It was explained to the Committee that Cardiac Anesthesia is a specialty service, provided by Cardiovascular Fellowship trained anesthesiologist.

Member Mackay added that it is a more complicated anesthesia and is high risk.

Other specialized anesthesia services are include pediatric and trauma services.

FINAL ACTION TAKEN:



A motion was made by Member Mackay to ratify and make a recommendation to the Governing Board to ratify the agreement. Motion carried by unanimous vote.

**ITEM NO. 12 Review and recommend for approval by the Governing Board the Second Amendment to Agreement for Promotion, Advertising, & Marketing Services with RR/CRR Holdings dba B&P Advertising; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- RFP Service Agreement – Second Amendment
- Disclosure of Ownership

DISCUSSION:

This is a request to extend the agreement for a month and add additional funding to close out previous agreement services.

FINAL ACTION TAKEN:

A motion was made by Member Mackay to approve and make a recommendation to the Governing Board to approve the amendment. Motion carried by unanimous vote.

**ITEM NO. 13 Review and recommend for approval by the Governing Board the Agreement for 340B Recovery Services with Cloudmed Solutions, LLC; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- Agreement – 340B Recovery Services
- Business Associate Agreement
- Disclosure of Ownership

DISCUSSION:

This is an agreement to license a proprietary platform through Cloudmed. They will provide professional services to review current claims that have been denied. This is a 3-year agreement and payment is on contingency. Termination is upon 90- days' notice.

FINAL ACTION TAKEN:

A motion was made by Member Mackay to approve and make a recommendation to the Governing Board to approve the agreement. Motion carried by unanimous vote.

**ITEM NO. 14 Review and recommend for approval by the Governing Board the First Amendment to Acknowledgement Form with Laboratory Corporation of America Holding and its Subsidiaries for reference laboratory testing service; authorize the Chief Executive Officer to execute future**

**Amendments within his delegation of authority; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- Acknowledgement Form– First Amendment
- Sourcing Letter

DISCUSSION:

This amendment will extend the agreement through 2024 and add additional funding.

FINAL ACTION TAKEN:

A motion was made by Member Mackay to approve and make a recommendation to the Governing Board to approve the amendment. Motion carried by unanimous vote.

**ITEM NO. 15 Review and recommend for approval by the Governing Board the Master Service Agreement with Encompass Studio for Architectural Design and Documentation Services; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- Architect Master Services Agreement
- Disclosure of Ownership

DISCUSSION:

This agreement will allow the vendor to provide architectural renderings for various projects in the hospital. This will expedite the ability to get a project done. This is a 2-year term and may terminate at any time with a 30-day notice.

FINAL ACTION TAKEN:

A motion was made by Member Mackay to approve and make a recommendation to the Governing Board to approve the agreement. Motion carried by unanimous vote.

**ITEM NO. 16 Review and recommend for approval by the Governing Board the Professional Service Agreement with EV&A Architects for Trauma 4 & 5 Patient Room Design; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- Service Agreement
- Disclosure of Ownership

DISCUSSION:

The vendor will provide final drawings for room design to convert the 4<sup>th</sup> and 5<sup>th</sup> floors of the Trauma building to patient care areas. Estimate to complete the project is 28 months.

FINAL ACTION TAKEN:

A motion was made by Member Mackay to approve and make a recommendation to the Governing Board to approve the agreement. Motion carried by unanimous vote.

- ITEM NO. 17 Review and recommend for approval by the Governing Board the Amendment Two to Professional Service Agreement for Architectural Design of UMC's exterior campus façade with Brad Henry Friedmutter & Associates, Ltd. d/b/a Friedmutter Group; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- Professional Service Agreement – Second Amendment

DISCUSSION:

This is a request to extend the current agreement to coincide with the façade project and covers any additional costs.

Ms. Tello added that this amendment will cover any unforeseen or unexpected events or redesign of the project or additional permitting that may be necessary.

FINAL ACTION TAKEN:

A motion was made by Member Mackay to approve and make a recommendation to the Governing Board to approve the amendment. Motion carried by unanimous vote.

- ITEM NO. 18 Review and recommend for approval by the Board of Hospital Trustees for University Medical Center of Southern Nevada, the Guaranteed Maximum Price Amendment for RFP No. 2022-02 ReVITALize UMC Façade Project with Martin-Harris Construction, LLC for construction services as the Construction Manager at Risk; authorize the Chief Executive Officer to exercise amendments and necessary change orders within the not-to-exceed amount of this Project; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- Guaranteed Maximum Price Amendment

DISCUSSION:

Last year, pre-construction services agreement and terms and conditions was approved and awarded to Martin-Harris. This amendment will be the guaranteed maximum price amendment of the project, which is required under

the CMAR project. The not to exceed amount that will need ultimate approval by the Board of Hospital Trustees.

FINAL ACTION TAKEN:

A motion was made by Member Mackay to approve and make a recommendation to the Board of Hospital Trustees for University Medical Center of Southern Nevada to approve the amendment. Motion carried by unanimous vote.

Chair Caspersen asked what other agreements will be coming before the Committee for the project. Ms. Tello informed her that she would only foresee the signage agreement.

**ITEM NO. 19 Review and recommend for award by the Governing Board the Bid No. 2022-11, West Loading Dock Remodel, to Monument Construction, the lowest responsive and responsible bidder; authorize the Chief Executive Officer to exercise any Change Orders within his delegation of authority; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- Bid Form
- Bid 2022 – Notice of Award
- Disclosure of Ownership

DISCUSSION:

In October, the bid was published and there were 5 responders. Four of the bids were rejected for various reasons. Monument construction was the lone appropriate bidder, providing all required documentation within the required deadline. The project involves remodel and expansion of the loading dock. This is a capital project and termination is at any time upon written notice.

Member Hagerty asked why Martin-Harris was not a suitable bidder.

Ms. Allen stated that they did not submit the proper documentation, as required by all bidders.

FINAL ACTION TAKEN:

A motion was made by Member Mackay to approve and make a recommendation to the Governing Board to approve the award of bid. Motion carried by unanimous vote.

**ITEM NO. 20 Review and recommend for approval by the Governing Board the First Amendment to Coding Services Agreement with Medovent Solutions; authorize the Chief Executive Officer to exercise any future Amendments within his yearly delegation of authority; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- First Amendment to Coding Services Agreement
- Disclosure of Ownership

DISCUSSION:

This amendment for coding services to increase funding through 2024 for onsite and remote services.

Ms. Wakem explained the need for the additional coders is due to volume and services for complex coding work.

FINAL ACTION TAKEN:

A motion was made by Member Mackay to approve and make a recommendation to the Governing Board to approve the amendment. Motion carried by unanimous vote.

- ITEM NO. 21 Review and recommend for approval by the Governing Board the Agreement with Steris Corporation for Surgical Lights and Equipment Booms; authorize the Chief Executive Officer to exercise any future Amendments within his delegated authority; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- Agreement
- Sourcing Letter
- Disclosure of Ownership

DISCUSSION:

This is a turnkey project. The request is to enter into a new agreement for surgical lights, equipment booms and monitors with Steris, which is an HPG vendor. Renovation and installation of equipment will be in operating room 15 and 16; this is the second phase of the project. There will be a Phase 3 in the future to do the remaining OR rooms.

FINAL ACTION TAKEN:

A motion was made by Member Mackay to approve and make a recommendation to the Governing Board to approve the agreement. Motion carried by unanimous vote.

- ITEM NO. 22 Review and recommend for approval by the Governing Board the Service Order Agreement for Network Infrastructure Equipment with Switch; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- Service Order
- Disclosure of Ownership

**DISCUSSION:**

This request is to enter into a renewal Service Order with Switch to continue services for network infrastructure hardware at the Switch location. The term is for an additional 5- years to house UMC's data.

**FINAL ACTION TAKEN:**

A motion was made by Member Mackay to approve and make a recommendation to the Governing Board to approve the agreement. Motion carried by unanimous vote.

**SECTION 3: EMERGING ISSUES**

**ITEM NO. 23 Identify emerging issues to be addressed by staff or by the Audit and Finance Committee at future meetings; and direct staff accordingly. (*For possible action*)**

Desert Springs is closing in less than 60-days. A job fair is scheduled for Thursday and Friday. The team will provide an update to the Committee in March.

At this time, Chair Caspersen asked if there were any public comment received to be heard on any items not listed on the posted agenda.

**COMMENTS BY THE GENERAL PUBLIC:**

SPEAKERS(S): None

There being no further business to come before the Committee at this time, at the hour of 3:31 pm., Chair Caspersen adjourned the meeting.

**MINUTES APPROVED:**

Minutes Prepared by: Stephanie Ceccarelli

**UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA  
GOVERNING BOARD AUDIT AND FINANCE COMMITTEE  
AGENDA ITEM**

<b>Issue:</b> <b>Monthly Financial Reports for January FY23</b>	<b>Back-up:</b>
<b>Petitioner:</b> Jennifer Wakem, Chief Financial Officer	
<b>Recommendation:</b>  <b>That the Governing Board Audit and Finance Committee receive the monthly financial report for January FY23; and direct staff accordingly. (<i>For possible action</i>)</b>	

**FISCAL IMPACT:**

None

**BACKGROUND:**

The Chief Financial Officer will present the financial report for January FY23 for the committee's review and direction.

Cleared for Agenda  
February 15, 2023

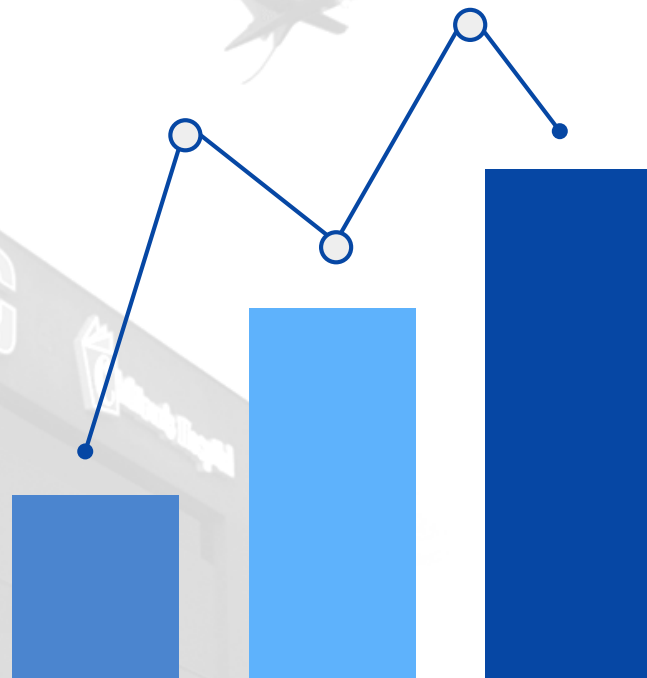
Agenda Item #

**4**



# January 2023 Financials

AFC Meeting





# KEY INDICATORS – JAN



Current Month	Actual	Budget	% Var	Prior Year	Variance	% Var
APDs	20,213	18,069	11.86%	20,361	(148)	(0.73%)
Total Admissions	1,999	1,916	4.32%	1,827	172	9.41%
Observation Cases	804	1,097	(26.71%)	1,097	(293)	(26.71%)
AADC	652	583	11.86%	657	(5)	(0.73%)
ALOS (Admits)	7.12	6.16	15.57%	7.47	(0.35)	(4.69%)
ALOS (Obs)	0.97	1.42	(31.78%)	1.42	(0.45)	(31.78%)
Hospital CMI	1.79	2.14	(16.30%)	2.07	(0.29)	(13.79%)
Medicare CMI	1.89	2.26	(16.50%)	2.20	(0.31)	(13.99%)
IP Surgery Cases	742	791	(6.15%)	754	(12)	(1.59%)
OP Surgery Cases	376	434	(13.43%)	171	205	119.88%
Transplants	16	12	33.33%	12	4	33.33%
Total ER Visits	8,991	8,967	0.27%	8,706	285	3.27%
ED to Admission	11.36%	-	-	7.37%	3.98%	-
ED to Observation	11.10%	-	-	12.86%	(1.76%)	-
ED to Adm/Obs	22.46%	-	-	20.24%	2.22%	-
Quick Cares	16,787	20,528	(18.23%)	19,473	(2,687)	(13.80%)
Primary Care	6,842	5,158	32.65%	4,831	2,011	41.63%
UMC Telehealth - QC	526	195	169.74%	27	499	1848.15%
OP Ortho Clinic	1,431	-	100.00%	-	1,431	100.00%
Deliveries	137	107	27.89%	104	33	31.73%

# TRENDING STATS



	Jan- 22	Feb- 22	Mar- 22	Apr- 22	May- 22	Jun- 22	Jul- 22	Aug- 22	Sep- 22	Oct- 22	Nov- 22	Dec- 22	Jan- 23	Jan- 19	Var
APDs	20,361	18,711	20,666	19,556	20,454	20,212	20,535	21,128	19,865	20,116	19,867	20,965	20,213	16,294	3,919
Total Admissions	1,827	1,608	1,791	1,850	1,927	1,827	1,892	1,914	1,864	1,997	1,974	2,006	1,999	2,068	(69)
Observation Cases	1,097	1,007	1,234	904	937	978	901	956	839	920	806	763	804	1,466	(662)
AADC	657	668	667	652	660	674	662	682	662	649	662	676	652	526	126
ALOS (Adm)	7.47	8.15	7.33	7.17	6.25	7.08	6.54	7.05	7.70	7.10	6.41	7.33	7.12	5.39	1.73
ALOS (Obs)	1.42	1.42	1.51	1.29	1.02	1.06	1.19	1.13	1.08	1.03	1.02	0.93	0.97	1.64	(0.67)
Hospital CMI	2.07	2.03	1.97	1.87	1.89	1.84	1.83	1.84	1.91	1.73	1.82	1.90	1.79	1.79	(0.00)
Medicare CMI	2.20	2.07	2.01	2.08	1.99	1.81	2.00	1.97	2.18	1.82	1.94	1.88	1.89	2.18	(0.29)
IP Surgery Cases	754	738	913	777	844	788	869	811	786	800	717	742	742	791	(49)
OP Surgery Cases	171	468	621	448	495	523	433	524	426	383	351	368	376	563	(187)
Transplants	12	10	15	13	14	8	16	12	12	11	11	8	16	3	13
Total ER Visits	8,706	7,936	9,764	9,432	9,898	9,091	8,994	9,728	9,183	9,844	9,875	9,764	8,991	10,027	(1,036)
ED to Admission	7.37%	8.43%	7.88%	10.61%	10.03%	9.94%	11.34%	10.27%	11.29%	11.01%	11.06%	11.61%	11.36%	7.66%	3.70%
ED to Observation	12.86%	12.55%	13.61%	10.28%	10.65%	12.00%	11.52%	11.14%	10.52%	10.66%	9.05%	9.35%	11.10%	15.45%	(4.35%)
ED to Adm/Obs	20.24%	20.98%	21.49%	20.90%	20.68%	21.94%	22.86%	21.41%	21.81%	21.67%	20.11%	20.96%	22.46%	23.10%	(0.65%)
Quick Care	19,473	12,345	16,330	16,025	17,060	15,800	14,601	17,119	15,811	16,971	20,344	20,786	16,787	18,320	(1,534)
Primary Care	4,831	5,454	6,935	5,888	5,795	5,841	5,724	6,942	6,780	6,670	6,407	5,740	6,842	5,931	911
UMC Telehealth - QC	-	-	-	-	-	-	451	335	313	450	667	729	526	-	526
OP Ortho Clinic	-	-	-	-	-	-	-	-	-	-	665	658	1,431	-	1,431
Deliveries	104	99	104	108	94	113	121	129	129	133	142	137	137	159	(22)

# Payor Mix Trend



## IP- Payor Mix 12 Mo Jan- 23

Fin Class	Jan- 22	Feb- 22	Mar- 22	Apr- 22	May- 22	Jun- 22	Jul- 22	Aug- 22	Sep- 22	Oct- 22	Nov- 22	Dec- 22	Jan- 23	12-Mo Avg	Jan to Avg Var
Commercial	16.34%	16.83%	16.34%	18.01%	17.55%	17.37%	17.08%	18.65%	17.25%	17.86%	16.03%	15.28%	16.69%	17.05%	(0.36%)
Government	3.29%	4.19%	4.37%	4.37%	5.30%	3.81%	5.19%	4.27%	4.12%	4.63%	3.26%	3.70%	3.08%	4.21%	(1.13%)
Medicaid	42.56%	44.01%	41.96%	43.39%	43.95%	45.57%	44.53%	45.23%	44.63%	43.43%	44.29%	43.28%	43.39%	43.90%	(0.51%)
Medicare	31.75%	29.46%	31.40%	30.06%	28.65%	28.56%	27.61%	26.69%	27.74%	28.96%	31.19%	32.57%	31.48%	29.55%	1.93%
Self Pay	6.06%	5.51%	5.93%	4.17%	4.55%	4.69%	5.59%	5.16%	6.26%	5.12%	5.23%	5.17%	5.36%	5.29%	0.07%

## ED- Payor Mix 12 Mo Jan- 23

Fin Class	Jan- 22	Feb- 22	Mar- 22	Apr- 22	May- 22	Jun- 22	Jul- 22	Aug- 22	Sep- 22	Oct- 22	Nov- 22	Dec- 22	Jan- 23	12-Mo Avg	Jan to Avg Var
Commercial	19.47%	19.39%	19.15%	17.69%	17.47%	17.86%	17.90%	18.02%	18.07%	17.92%	16.36%	16.66%	17.90%	18.00%	(0.10%)
Government	3.81%	4.95%	4.09%	3.93%	4.09%	4.41%	4.12%	3.99%	4.05%	4.10%	3.56%	3.67%	3.67%	4.06%	(0.39%)
Medicaid	48.98%	47.45%	49.49%	53.23%	53.94%	52.92%	53.12%	52.87%	51.20%	51.95%	54.76%	53.46%	51.71%	51.95%	(0.24%)
Medicare	14.35%	15.67%	14.49%	13.33%	12.88%	13.07%	13.82%	13.25%	13.79%	14.23%	13.53%	14.34%	14.96%	13.90%	1.06%
Self Pay	13.39%	12.54%	12.78%	11.82%	11.62%	11.74%	11.04%	11.87%	12.89%	11.80%	11.79%	11.87%	11.76%	12.10%	(0.34%)

# Payor Mix Trend



## Surg IP- Payor Mix 12 Mo Jan- 23

Surg IP	Jan- 22	Feb- 22	Mar- 22	Apr- 22	May- 22	Jun- 22	Jul- 22	Aug- 22	Sep- 22	Oct- 22	Nov- 22	Dec- 22	Jan- 23	12-Mo Avg	Jan to Avg Var
Commercial	19.55%	18.24%	19.41%	23.81%	20.73%	18.53%	21.03%	23.80%	23.41%	20.70%	20.89%	20.56%	20.16%	20.89%	(0.73%)
Government	4.76%	5.95%	6.51%	4.38%	8.41%	5.20%	7.13%	7.77%	5.09%	6.48%	5.43%	6.32%	4.44%	6.12%	(1.68%)
Medicaid	40.42%	40.41%	36.98%	34.74%	34.24%	40.36%	37.47%	35.38%	36.89%	33.92%	38.58%	38.85%	37.63%	37.35%	0.28%
Medicare	29.72%	29.32%	32.54%	32.82%	31.04%	31.09%	27.24%	27.87%	28.12%	32.79%	30.50%	28.09%	32.12%	30.10%	2.03%
Self Pay	5.55%	6.08%	4.56%	4.25%	5.58%	4.82%	7.13%	5.18%	6.49%	6.11%	4.60%	6.18%	5.65%	5.54%	0.11%

## Surg OP- Payor Mix 12 Mo Jan- 23

Surg OP	Jan- 22	Feb- 22	Mar- 22	Apr- 22	May- 22	Jun- 22	Jul- 22	Aug- 22	Sep- 22	Oct- 22	Nov- 22	Dec- 22	Jan- 23	12-Mo Avg	Jan to Avg Var
Commercial	26.74%	29.51%	30.50%	33.26%	31.52%	32.89%	34.10%	32.76%	33.80%	33.68%	28.21%	36.14%	26.06%	31.93%	(5.87%)
Government	8.72%	5.94%	6.42%	6.03%	6.87%	8.80%	6.22%	6.67%	8.22%	6.27%	5.70%	5.43%	5.85%	6.77%	(0.92%)
Medicaid	41.28%	42.04%	39.97%	37.72%	37.57%	34.98%	40.79%	36.57%	36.85%	36.81%	42.17%	32.61%	42.82%	38.28%	4.54%
Medicare	16.28%	19.75%	20.70%	20.98%	21.62%	21.99%	16.36%	21.52%	17.84%	20.37%	20.51%	21.74%	23.14%	19.97%	3.17%
Self Pay	6.98%	2.76%	2.41%	2.01%	2.42%	1.34%	2.53%	2.48%	3.29%	2.87%	3.41%	4.08%	2.13%	3.05%	(0.92%)

# SUMMARY INCOME STATEMENT – JAN



REVENUE	Actual	Budget	Variance	% Variance	
Total Gross Patient Revenue	\$359,306,878	\$335,865,649	\$23,441,229	6.98%	↑
Net Patient Revenue	\$69,348,171	\$64,234,255	\$5,113,916	7.96%	↑
Other Revenue	\$2,461,505	\$2,542,500	(\$80,995)	(3.19%)	↓
<b>Total Operating Revenue</b>	<b>\$71,809,676</b>	<b>\$66,776,755</b>	<b>\$5,032,921</b>	<b>7.54%</b>	<b>↑</b>
Net Patient Revenue as a % of Gross	19.30%	19.12%	0.18%	-	
EXPENSE	Actual	Budget	Variance	% Variance	
<b>Total Operating Expense</b>	<b>\$73,236,908</b>	<b>\$66,191,280</b>	<b>(\$7,045,628)</b>	<b>(10.64%)</b>	<b>↓</b>
INCOME FROM OPS	Actual	Budget	Variance	% Variance	
<b>Total Inc from Ops</b>	<b>(\$1,427,232)</b>	<b>\$585,475</b>	<b>(\$2,012,708)</b>	<b>(343.77%)</b>	<b>↓</b>
Add back: Depr & Amort.	\$3,231,432	\$2,946,678	(\$284,754)	(9.66%)	↓
<b>Tot Inc from Ops plus Depr &amp; Amort.</b>	<b>\$1,804,199</b>	<b>\$3,532,153</b>	<b>(\$1,727,954)</b>	<b>(48.92%)</b>	<b>↓</b>
<b>Operating Margin (w/Depr &amp; Amort.)</b>	<b>2.51%</b>	<b>5.29%</b>	<b>(2.78%)</b>	<b>-</b>	

# SUMMARY INCOME STATEMENT – YTD JAN



REVENUE	Actual	Budget	Variance	% Variance	
Total Gross Patient Revenue	\$2,524,635,586	\$2,398,738,745	\$125,896,841	5.25%	↑
Net Patient Revenue	\$458,323,092	\$447,815,630	\$10,507,462	2.35%	↑
Other Revenue	\$23,064,499	\$18,140,710	\$4,923,789	27.14%	↑
<b>Total Operating Revenue</b>	<b>\$481,387,591</b>	<b>\$465,956,340</b>	<b>\$15,431,251</b>	<b>3.31%</b>	<b>↑</b>
Net Patient Revenue as a % of Gross	18.15%	18.67%	(0.51%)	-	
EXPENSE	Actual	Budget	Variance	% Variance	
<b>Total Operating Expense</b>	<b>\$487,631,817</b>	<b>\$464,937,023</b>	<b>(\$22,694,793)</b>	<b>(4.88%)</b>	<b>↓</b>
INCOME FROM OPS	Actual	Budget	Variance	% Variance	
<b>Total Inc from Ops</b>	<b>(\$6,244,226)</b>	<b>\$1,019,316</b>	<b>(\$7,263,542)</b>	<b>(712.59%)</b>	<b>↓</b>
Add back: Depr & Amort.	\$20,542,562	\$20,267,890	(\$274,672)	(1.36%)	↓
<b>Tot Inc from Ops plus Depr &amp; Amort.</b>	<b>\$14,298,336</b>	<b>\$21,287,206</b>	<b>(\$6,988,870)</b>	<b>(32.83%)</b>	<b>↓</b>
<b>Operating Margin (w/Depr &amp; Amort.)</b>	<b>2.97%</b>	<b>4.57%</b>	<b>(1.60%)</b>	<b>-</b>	

# SUMMARY INCOME STATEMENT – TREND



REVENUE	Jan- 22	Feb- 22	Mar- 22	Apr- 22	May- 22	Jun- 22	Jul- 22	Aug- 22	Sep- 22	Oct- 22	Nov- 22	Dec- 22	Jan- 23	12-Mo Avg	Jan to Avg Var
Total Gross Patient Revenue	\$338,582	\$313,977	\$368,803	\$337,185	\$345,132	\$338,423	\$356,195	\$374,965	\$353,902	\$357,810	\$353,064	\$369,393	\$359,307	\$350,619	\$8,688
Net Patient Revenue	\$68,035	\$64,571	\$64,547	\$64,298	\$66,093	\$63,125	\$64,442	\$66,003	\$64,304	\$63,577	\$65,144	\$65,505	\$69,348	\$64,970	\$4,378
Other Revenue	\$3,468	\$4,742	\$4,836	\$2,527	\$1,321	\$2,805	\$2,516	\$2,177	\$2,581	\$4,113	\$2,099	\$7,116	\$2,462	\$3,359	(\$897)
<b>Total Operating Revenue</b>	<b>\$71,503</b>	<b>\$69,313</b>	<b>\$69,384</b>	<b>\$66,826</b>	<b>\$67,414</b>	<b>\$65,930</b>	<b>\$66,958</b>	<b>\$68,180</b>	<b>\$66,885</b>	<b>\$67,690</b>	<b>\$67,244</b>	<b>\$72,621</b>	<b>\$71,810</b>	<b>\$68,329</b>	<b>\$3,481</b>
Net Patient Revenue as a % of Gross	20.09%	20.57%	17.50%	19.07%	19.15%	18.65%	18.09%	17.60%	18.17%	17.77%	18.45%	17.73%	19.30%	18.57%	0.73%
EXPENSE	Jan- 22	Feb- 22	Mar- 22	Apr- 22	May- 22	Jun- 22	Jul- 22	Aug- 22	Sep- 22	Oct- 22	Nov- 22	Dec- 22	Jan- 23	12-Mo Avg	Jan to Avg Var
Salaries, Wages and Benefits	\$45,054	\$43,368	\$39,398	\$40,875	\$39,809	\$36,995	\$41,229	\$39,837	\$39,487	\$41,427	\$40,375	\$42,921	\$42,637	\$40,898	\$1,739
Supplies	\$10,880	\$14,728	\$14,622	\$11,243	\$11,844	\$9,479	\$11,288	\$11,569	\$12,110	\$12,085	\$12,293	\$15,052	\$13,377	\$12,266	\$1,111
Other	\$14,791	\$15,197	\$16,469	\$15,816	\$16,251	\$17,617	\$15,284	\$15,240	\$15,892	\$16,152	\$15,764	\$16,390	\$17,222	\$15,905	\$1,317
<b>Total Operating Expense</b>	<b>\$70,725</b>	<b>\$73,294</b>	<b>\$70,490</b>	<b>\$67,934</b>	<b>\$67,905</b>	<b>\$64,091</b>	<b>\$67,800</b>	<b>\$66,645</b>	<b>\$67,490</b>	<b>\$69,664</b>	<b>\$68,432</b>	<b>\$74,363</b>	<b>\$73,237</b>	<b>\$69,069</b>	<b>\$4,168</b>
INCOME FROM OPS	Jan- 22	Feb- 22	Mar- 22	Apr- 22	May- 22	Jun- 22	Jul- 22	Aug- 22	Sep- 22	Oct- 22	Nov- 22	Dec- 22	Jan- 23	12-Mo Avg	Jan to Avg Var
<b>Total Inc from Ops</b>	<b>\$778</b>	<b>(\$3,980)</b>	<b>(\$1,106)</b>	<b>(\$1,108)</b>	<b>(\$491)</b>	<b>\$1,839</b>	<b>(\$842)</b>	<b>\$1,535</b>	<b>(\$605)</b>	<b>(\$1,974)</b>	<b>(\$1,188)</b>	<b>(\$1,742)</b>	<b>(\$1,427)</b>	<b>(\$740)</b>	<b>(\$687)</b>
Add back: Depr & Amort.	\$2,119	\$2,141	\$2,714	\$2,545	\$2,245	\$2,219	\$2,781	\$2,819	\$2,802	\$2,811	\$2,811	\$3,287	\$3,231	\$2,608	\$624
<b>Tot Inc from Ops plus Depr &amp; Amort.</b>	<b>\$2,897</b>	<b>(\$1,840)</b>	<b>\$1,608</b>	<b>\$1,437</b>	<b>\$1,754</b>	<b>\$4,057</b>	<b>\$1,938</b>	<b>\$4,354</b>	<b>\$2,196</b>	<b>\$837</b>	<b>\$1,623</b>	<b>\$1,545</b>	<b>\$1,804</b>	<b>\$1,867</b>	<b>(\$63)</b>
<b>Operating Margin (w/Depr &amp; Amort.)</b>	<b>4.05%</b>	<b>(2.65%)</b>	<b>2.32%</b>	<b>2.15%</b>	<b>2.60%</b>	<b>6.15%</b>	<b>2.90%</b>	<b>6.39%</b>	<b>3.28%</b>	<b>1.24%</b>	<b>2.41%</b>	<b>2.13%</b>	<b>2.51%</b>	<b>2.73%</b>	<b>(0.22%)</b>

# SALARY & BENEFIT EXPENSE – JAN



	Actual	Budget	Variance	% Variance	
Salaries	\$27,977,977	\$25,061,389	(\$2,916,588)	(11.64%)	↓
Benefits	\$12,425,560	\$12,108,342	(\$317,219)	(2.62%)	↓
Overtime	\$936,255	\$875,404	(\$60,851)	(6.95%)	↓
Contract Labor	\$1,297,646	\$847,614	(\$450,032)	(53.09%)	↓
<b>TOTAL</b>	<b>\$42,637,439</b>	<b>\$38,892,749</b>	<b>(\$3,744,690)</b>	<b>(9.63%)</b>	↓
Paid FTEs	3,623	3,464	(159)	(4.59%)	↓
SWB per FTE	\$11,769	\$11,228	(\$541)	(4.82%)	↓
SWB/APD	\$2,109	\$2,156	\$47	2.16%	↑
SWB % of Net	61.48%	60.55%	-	(0.93%)	↓
AEPOB	5.56	5.95	0.39	6.62%	↑



# SALARY & BENEFIT EXPENSE - TREND



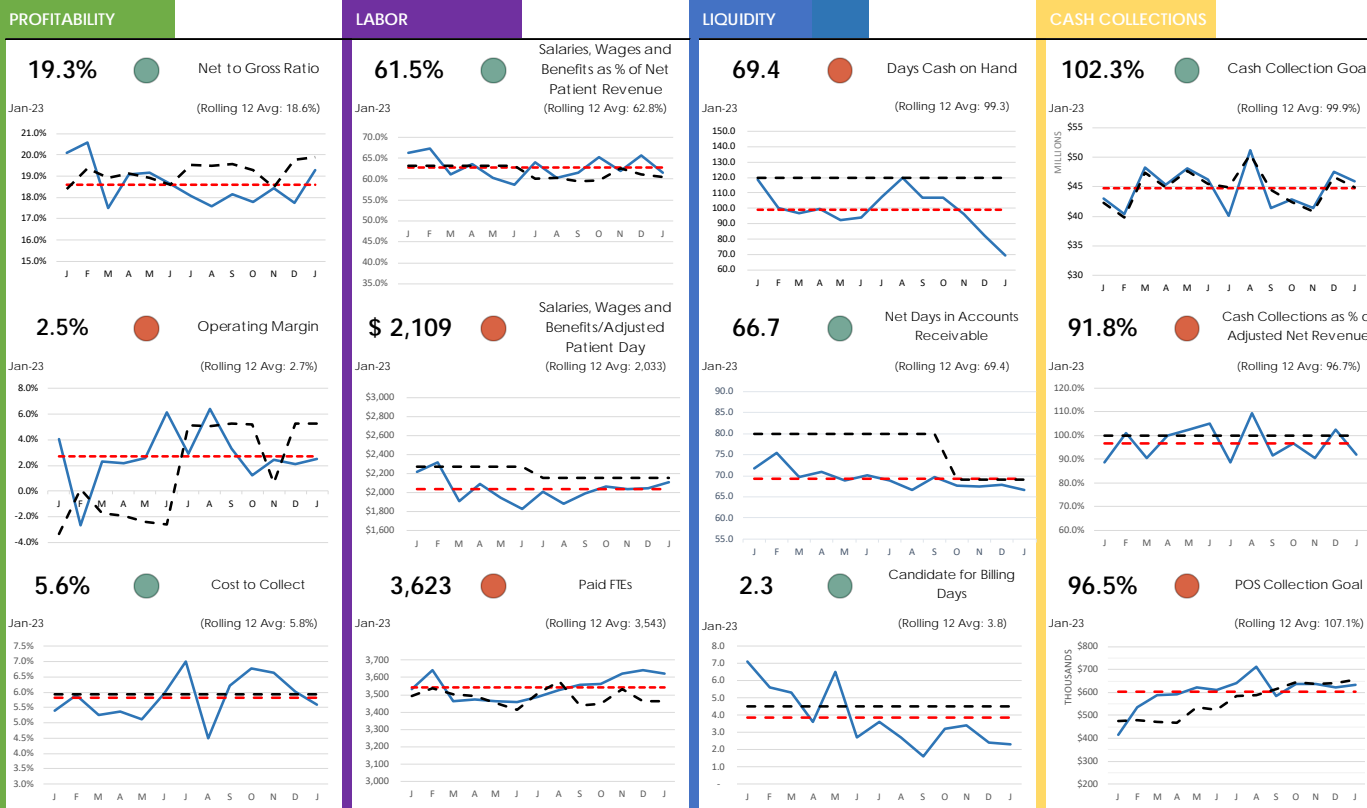
SALARY & BENEFIT EXPENSE	Jan- 22	Feb- 22	Mar- 22	Apr- 22	May- 22	Jun- 22	Jul- 22	Aug- 22	Sep- 22	Oct- 22	Nov- 22	Dec- 22	Jan- 23	12-Mo Avg	Jan to Avg Var
Salaries	\$27,177	\$27,808	\$24,801	\$25,957	\$25,994	\$23,562	\$26,230	\$26,013	\$25,194	\$27,845	\$26,358	\$28,230	\$27,978	\$26,264	(\$1,714)
Benefits	\$12,329	\$10,720	\$11,433	\$11,568	\$11,274	\$11,124	\$12,908	\$11,886	\$12,359	\$11,626	\$12,009	\$12,385	\$12,426	\$11,802	(\$624)
Overtime	\$2,592	\$1,881	\$836	\$1,405	\$1,216	\$1,183	\$1,283	\$1,106	\$1,012	\$961	\$1,128	\$1,116	\$936	\$1,310	\$374
Contract Labor	\$2,957	\$2,959	\$2,328	\$1,944	\$1,325	\$1,126	\$808	\$832	\$922	\$995	\$880	\$1,191	\$1,298	\$1,522	\$225
TOTAL	\$45,054	\$43,368	\$39,398	\$40,875	\$39,809	\$36,995	\$41,229	\$39,837	\$39,487	\$41,427	\$40,375	\$42,921	\$42,637	\$40,898	(\$1,739)
Paid FTE	3,503	3,628	3,473	3,478	3,459	3,460	3,492	3,536	3,553	3,570	3,630	3,625	3,623	3,534	(89)
SWB per FTE	\$12,863	\$11,953	\$11,343	\$11,753	\$11,507	\$10,692	\$11,808	\$11,267	\$11,114	\$11,604	\$11,121	\$11,840	\$11,769	\$11,572	(\$197)
SWB/APD	\$2,213	\$2,318	\$1,906	\$2,090	\$1,946	\$1,830	\$2,008	\$1,885	\$1,988	\$2,059	\$2,032	\$2,047	\$2,109	\$2,027	(\$82)
SWB % of Net	66.22%	67.16%	61.04%	63.57%	60.23%	58.60%	63.98%	60.36%	61.41%	65.16%	61.98%	65.52%	61.48%	62.94%	1.45%
OT % of Productive	7.34%	5.73%	4.03%	4.41%	4.10%	4.30%	4.27%	3.63%	3.25%	3.29%	3.72%	3.44%	3.15%	4.29%	1.14%
AEPOB	5.40	5.40	5.21	5.34	5.25	5.14	5.27	5.19	5.37	5.50	5.48	5.36	5.56	5.32	(0.23)

# EXPENSES – JAN



	Actual	Budget	Variance	% Variance	
Professional Fees	\$3,628,471	\$3,803,795	\$175,324	4.61%	↑
Supplies	\$13,377,441	\$11,590,137	(\$1,787,304)	(15.42%)	↓
Purchased Services	\$6,998,909	\$5,940,506	(\$1,058,403)	(17.82%)	↓
Depreciation	\$2,692,627	\$2,316,854	(\$375,773)	(16.22%)	↓
Amortization	\$538,804	\$629,824	\$91,020	14.45%	↑
Repairs & Maintenance	\$831,467	\$914,217	\$82,750	9.05%	↑
Utilities	\$697,424	\$376,365	(\$321,059)	(85.31%)	↓
Other Expenses	\$1,394,266	\$1,535,979	\$141,713	9.23%	↑
Rental	\$440,061	\$190,854	(\$249,207)	(130.57%)	↓
<b>Total Other Expenses</b>	<b>\$30,599,470</b>	<b>\$27,298,531</b>	<b>(\$3,300,938)</b>	<b>(12.09%)</b>	↓

# KEY FINANCIAL INDICATORS - JAN



Actual  
Rolling Average  
Target

# FY23 CASH FLOW



	January 2023	December 2022	November 2022	YTD of FY2023
<b>Operating Activities</b>				
Cash received from patients and payors	54,193,534	46,134,012	46,877,538	373,610,917
Cash paid to vendors	(41,220,030)	(37,688,075)	(15,314,846)	(196,815,505)
Cash paid to employees	(41,386,166)	(41,488,377)	(33,896,209)	(290,238,072)
Other operating receipts/(disbursements)	2,047,568	3,530,940	2,146,942	17,809,945
Net cash provided by/(used in) operations	(26,365,094)	(29,511,499)	(186,575)	(95,632,714)
<b>Investing Activities</b>				
Purchase of property and equipment, net	(2,925,582)	(3,043,491)	(1,265,710)	(17,710,100)
Interest received	298,662	258,665	294,271	11,996,952
Addition/(reduction) in donor-restricted cash	-	-	-	-
Addition/(reduction) in internally designated cash	33,381,432	20,069,031	(1,689,062)	50,294,872
Net cash provided by/(used in) investing activities	30,754,512	17,284,205	(2,660,502)	44,581,724
<b>Financing Activities</b>				
From/(to) Clark County	-	-	-	-
Unrestricted donations and other	-	-	-	(6,370,000)
Borrowing/(repayment) of debt	-	-	-	(226,391)
Interest paid	-	-	-	-
Other	-	-	-	-
Net cash provided by/(used in) financing activities	-	-	-	(6,596,391)
<b>Increase/(decrease) in cash</b>	<b>4,389,417</b>	<b>(12,227,294)</b>	<b>(2,847,077)</b>	<b>(57,647,381)</b>
Cash beginning of period	20,209,979	32,437,273	35,284,350	82,246,777
Cash end of period	24,599,396	20,209,979	32,437,274	24,599,396
<b>Unrestricted cash</b>	<b>24,599,396</b>	<b>20,209,979</b>	<b>32,437,274</b>	<b>24,599,396</b>
Cash restricted by donor	4,439,840	4,397,768	4,754,649	4,439,840
Internally designated cash	125,461,046	158,842,478	178,911,509	125,461,046

# FY23 BALANCE SHEET HIGHLIGHTS



	Jan 2023	Dec 2022	Nov 2022
<b>CASH</b>			
Unrestricted	\$ 24.6	\$ 20.2	\$ 32.4
Restricted by donor	4.4	4.4	4.8
Internally designated	125.5	158.8	178.9
	<u>\$ 154.5</u>	<u>\$ 183.4</u>	<u>\$ 216.1</u>
<b>NET WORKING CAPITAL</b>	\$ 232.2	\$ 197.3	\$ 182.0
<b>NET PP&amp;E</b>	\$ 198.4	\$ 197.9	\$ 197.5
<b>LONG-TERM DEBT</b>	\$ -	\$ -	\$ -
<b>NET PENSION LIABILITY</b>	\$ 313.9	\$ 313.9	\$ 313.9
<b>NET POSITION</b>	\$ (223.4)	\$ (221.7)	\$ (219.7)

**UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA  
GOVERNING BOARD AUDIT AND FINANCE COMMITTEE  
AGENDA ITEM**

<b>Issue:</b> CFO Update	<b>Back-up:</b>
<b>Petitioner:</b> Jennifer Wakem, Chief Financial Officer	
<b>Recommendation:</b>  That the Audit and Finance Committee receive an update report from the Chief Financial Officer; and direct staff accordingly. <i>(For possible action)</i>	

**FISCAL IMPACT:**

None

**BACKGROUND:**

The Chief Financial Officer will provide an update on any financial matters of interest to the Board.

Cleared for Agenda  
February 15, 2023

Agenda Item #

**5**

Agreements with a P&L Impact												
Item #	Bid/RFP# or CBE	Vendor on GPO?	Contract Name	New Contract/ Amendment/Exercise Option/Change Order	Are Terms/Conditions the Same?	This Contract Term	Out Clause	Contract Value	Capital/Maintenance and Support	Savings/Cost Increase	Requesting Department	Description/Comments
8	NRS 332.115(4)	No	Becton Dickinson and Company	New Contract	N/A	39 Months	60 days notice (quarterly commitment satisfied)	Base Agreement \$875,000 Amendment 1 \$975,000 Cumulative Estimate 1,850,000	None	\$275,000/yr	Pathology	Integrated Diagnostic Solutions Specimen Collection Pricing and Comittment Agreement Amendment 1 to extend the agreement through 2/28/24 with \$975,000 in funding to support extension.
9	NRS 332.115(1)(b)	No	Eaton Corporation Eletrical Engineering Services & Systems	New Contract	N/A	1 year	Budget Act & Fiscal Fund Out	Base Agreement \$152,121.00	None	None	Plant Operations	Arc Flash Analysis to insure UMC's electrical systems are in compliance with appropriate protections, including labeling and identifying safety protocols
10	NRS 450.525 NRS 450.530	Yes	Emerald Textiles Services, Utah, LLC	New Contract	N/A	5 Years	90 days w/o cause	Base Agreement \$13,365,000.00	None	None	EVS	new HPG agreement to replace previously awarded RFP Award to supply Linens and Linen Distributoin.
11	NRS 332.115(1)(h)	No	Strata Decision Technology, LLC	New Contract	N/A	4 Years, with One (1)-Year Option	30 days w/ cause or 6 months Buyer's Remose Guarantee	Base Agreement NTE \$2,334,642	Support Services included in the Annual Subscription Fee	Increase \$91,672 annually	Finance	Subscribe to StrataJazz and Sg2 Care Grouper software solutions to provide business decision support, advanced cost accounting, reporting and contract analytics.
12	NRS 332.115(1)(b)	No	NOVA Geotechnical and Inspection Services, LLC d/b/a Universal Engineering Sciences	New Contract	N/A	28 Months, with up to 6 Months Extension Option	30 days w/o cause	Base Agreement NTE \$700,000	Capital NTE \$700,000	N/A	Executive Office	Provide special inspections and material testing services for the UMC exterior façade and landscape renovation project.
14	NRS 332.115(4) NRS 332.115(1)(g) NRS 332.115(1)(h)	No	Wellsky Corporation	New Contract	N/A	5 Years	Budget Act & Fiscal Fund Out	Base Agreement \$1,899,729.00	None	None	Pathology	Blood Bank software tracking system to replace UMC's current system for 5 years.
15	NRS 332.115(4)	No	PNC	Amendment	Yes	33 Months	Non-Appropriation of Funds (Budget Act & Fiscal Fund Out)	Base Agreement NTE \$165,000.00 Amendment 1 NTE \$1,345,873.98 Cumulative Total NTE \$ 1,510,873.98	None	N/A	OR	Lease Agreement for new endoscopy scopes and video imaging equipment.
16	NRS 332.115(4) NRS 332.115(1)(g)	No	EliTech Group	New Contract	N/A	3 Years	15 days w/o cause	Base Agreement \$2,417,995.70	None	None	Pathology	Molecular Diagnostics Service Agreement to provide reagents to support Pathology Department
17	NRS 450.525; NRS 450.530 (Split Billing); NRS 332.115(1)(b) and NRS 332.115(1)(h)	Yes	Verity Solutions Group, Inc.	New Contract	N/A	36 months	60 days w/o cause (Contract Pharmacy Services Agreement); Budget Act/Fiscal Fund Out (Split Billing Services	\$142,776.00 (Split Billing Services Agreement); NTE \$2,400,000.00 (Contract Pharmacy Services Agreement)	None	N/A	Pharmacy	Verity will serve as UMC's new 340B third party administrator. Under the Contract Pharmacy Services Agreement, Verity will assist UMC with registering each Contract Pharmacy relationship with The Office of Pharmacy Affairs during the quarterly registration periods, identify all Matched Dispenses and track all Accumulated Dispenses based upon UMC's agreements with various contract
18	NRS 332.115(1)(b)	No	T Evans RNFA, LLC	New Contract	N/A	1 Year	15 days w/o cause	Base Agreement NTE \$1,999,988	None	None	OR	Provide, upon Hospital's option, the services of up to three (3) individual Cardiovascular Thoracic (CVT) Registered Nurse First Assist (RNFA) professionals,
19	NRS 332.115(1)(b)	No	Medicus Healthcare Solutions, LLC	Amendment	No	Extend for 7 Months	60 days w/o cause	Base Agreement NTE \$4,950,000	None	Increase NTE \$11,050,000	Various	Amendment 1 to (i) update the fee schedule, (ii) increase the NTE total budget to \$16 million, and (iii) extend the Term through December 31, 2023.

Agreements with \$0 P&L impact and/or positive P&L impact (i.e. grants)										
Item #	Bid/RFP# or CBE	Vendor on GPO?	Contract Name	New Contract/ Amendment/Exercise Option/Change Order	Are Terms/Conditions the Same?	This Contract Term	Out Clause	Estimated Revenue	Requesting Department	Description/Comments
6	NRS 332.115(1)(f)	No	HCP IPA Nevada LLC	Amendment	No	2 Years	180 w/o cause	Revenue based on Volume	Managed Care	Update to Provider Services Agreement to update name to Intermountain IPA NV, LLC and update fee schedule to include Orthopedic Services
7	NRS 332.115(1)(f)	No	P3 Health Partners-Nevada LLC	Amendment	No	5 Years	120 days w/o cause	Revenue based on Volume	Managed Care	Update to Provider Agreement to include updated language to support the Qualified Comprehensive Visits & PCP Quality Incentive Plan.
13	NRS 332.115(1)(h)	No	UNLV SOM & UNLV Health	New Contract	N/A	3 Years, with Two (1)-Year Options	45 days prior to the expiration of the Initial Service Period or any Renewal Service Period	Base Agreement Est. Annual Reimbursement \$556,985.88	IT	Grant access to UNLV to use UMC's EMR System (i.e., Epic). UNLV will reimburse UMC the annual Epic system components and applicable third party software access, hosting, outpatient encounters, maintenance and pass-through fees.



# UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA GOVERNING BOARD AUDIT AND FINANCE COMMITTEE AGENDA ITEM

<b>Issue:</b>	<b>Ratification of Amendment Number Two to Provider Services Agreement with Intermountain IPA NV, LLC f/k/a HCIP IPA Nevada, LLC</b>	<b>Back-up:</b>
<b>Petitioner:</b>	Jennifer Wakem, Chief Financial Officer	<b>Clerk Ref. #</b>
<b>Recommendation:</b>  <b>That the Governing Board Audit and Finance Committee review and recommend for ratification by the Governing Board the Amendment Number Two to Provider Services Agreement with Intermountain IPA NV, LLC f/k/a HCIP IPA Nevada, LLC for managed care services; or take action as deemed appropriate. (<i>For possible action</i>)</b>		

**FISCAL IMPACT:**

Fund Number: 5420.000  
Fund Center: 3000850000  
Description: Managed Care Services  
Bid/RFP/CBE: NRS 332.115(1)(f) – Insurance  
Term: Amendment 2 – same term  
Amount: Revenue based on volume  
Out Clause: 180 days for convenience

Fund Name: UMC Operating Fund  
Funded Pgm/Grant: N/A

**BACKGROUND:**

On December 16, 2020, the Governing Board approved the Provider Service Agreement (“Agreement”) with HCP IPA Nevada, LLC (“HCP”) to provide its members continued healthcare access to UMC, its associated Urgent Care facilities, and to adjust the Urgent Care reimbursement. The initial Agreement term is from January 1, 2021 through December 31, 2023, unless terminated for convenience with a 180-day written notice prior to any anniversary period. The First Amendment effective January 1, 2021, added a new managed care organization to Attachment D-3 of the Agreement.

This request is for ratification of the Amendment Number Two to the Agreement to change any reference of HCP to INTERMOUNTAIN IPA NV, LLC, and update the fee schedule to include payment for orthopedic services. The Amendment was entered into immediately so that UMC could take advantage of immediate billing for services as of December 1, 2022.

UMC’s Director of Managed Care has reviewed and recommends ratification of this Amendment. This Amendment has been approved as to form by UMC’s Office of General Counsel.

A Clark County business license is not required as UMC is the provider of hospital services to this insurance fund.

Cleared for Agenda  
February 15, 2023

Agenda Item #

**6**

AMENDMENT NUMBER TWO

This Second Amendment ("Amendment"), dated and effective December 1, 2022 (the "Effective Date"), is entered into by and between INTERMOUNTAIN IPA NV, LLC f/k/a HCP IPA Nevada, LLC ("Company") and University Medical Center of Southern Nevada ("Provider") originally dated January 1, 2021, as amended.

**WHEREAS**, the parties have previously executed a Provider Service Agreement effective January 1, 2021, and a First Amendment effective January 1, 2022 (collectively, the "Agreement"); and

Whereas, Company and Provider now desire to amend the Agreement.

**NOW, THEREFORE**, in consideration of the mutual promise contained herein, the parties agree to amend the Agreement as follows:

1. Any reference in the Agreement to HCP IPA Nevada, LLC means INTERMOUNTAIN IPA NV, LLC and any reference to Company shall continue to mean Company.
2. **Subsection h. Payments for Orthopedic Services (excludes spinal surgery) is added to ATTACHMENT A-2 Fee For Service Compensation** as follows:

h. Payments for Orthopedic Services (excludes spinal surgery). Notwithstanding anything to the contrary in the Agreement, payment to Provider shall be according to Fee Schedule defined herein:

Product	Company Fee Schedule
Medicare Advantage Health Plans	of CY Par MFS
Commercial HMO Plans	of CY Par MFS
Commercial POS Plans	of CY Par MFS
Commercial PPO	of CY Par MFS

For the purpose of calculating fee-for-service payment and/or encounter data information under capitation, Company shall use \_\_\_\_\_ percent (%) of Provider's billed charges in the event that a CPT and/or HCPCS code has no applicable Medicare allowable. Reimbursement for Medically Necessary medication shall be based on the Medicare ASP. Where no Medicare ASP exists, Provider shall pre-authorize use of those drugs, and shall be reimbursed at a rate of \_\_\_\_\_ percent (\_\_\_\_ %) of Provider's billed charges.

**\*\*\*The following may or may not be applicable to specialty – delete if not applicable\*\***

Notwithstanding anything in this Agreement, the following **radiology services only**\*, shall be reimbursed at \_\_\_\_\_ percent (\_\_\_\_ %) of CY Par MFS:

- All x-rays (Plain Film)

\*Excludes MRI, CT, Ultrasound, and Nuclear Medicine

3. This Amendment supersedes any terms of the Agreement (including previous amendments) in conflict with the terms herein. All other terms of the Agreement remain in full force and effect. All capitalized terms used

in this Amendment and not otherwise defined shall have the meanings set forth in the Agreement. A party's signature below denotes agreement to these terms by its authorized representative.

**IN WITNESS WHEREOF**, the parties hereto have executed and delivered this Amendment to be effective as of the Effective Date.

**PROVIDER**

**INTERMOUNTAIN IPA NV, LLC**

\_\_\_\_\_  
By

\_\_\_\_\_  
By

\_\_\_\_\_  
Name

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA  
GOVERNING BOARD AUDIT AND FINANCE COMMITTEE  
AGENDA ITEM**

<b>Issue:</b> Amendment Two to Provider Agreement with P3 Health Partners-Nevada, LLC	<b>Back-up:</b>
<b>Petitioner:</b> Jennifer Wakem, Chief Financial Officer	<b>Clerk Ref. #</b>
<b>Recommendation:</b>  <b>That the Governing Board Audit and Finance Committee review and recommend for approval by the Governing Board the Amendment Number Two to Provider Agreement with P3 Health Partners-Nevada, LLC for Managed Care Services; and take action as deemed appropriate. (<i>For possible action</i>)</b>	

**FISCAL IMPACT:**

Fund Number: 5420.000  
Fund Center: 3000850000  
Description: Managed Care Services  
Bid/RFP/CBE: NRS 332.115(1)(f) – Insurance  
Term: Amendment 2 – Same term  
Amount: Amendment 2 – Revenue based on volume  
Out Clause: 120 days w/o cause

Fund Name: UMC Operating Fund  
Funded Pgm/Grant: N/A

**BACKGROUND:**

On September 26, 2018, the Governing Board approved the Provider Agreement (“Agreement”) with P3 Health Partners-Nevada, LLC (“P3”) to provide its members healthcare access to the UMC Hospital and its associated Urgent Care facilities for three (3) years from August 22, 2018 through August 21, 2021. Addendum 1, effective June 1, 2020, extended the Agreement term for two (2) years ending August 21, 2023, and added Aetna and CareMore Medicare Advantage plans to the P3 network. Addendum 2, effective January 1, 2019, updated the following Schedules and Exhibits: (1) update Schedule 1, Services and Compensation Schedule; (2) add Schedule 1-A, Primary Care Physician Value-Based Incentive Program; (3) add Exhibit B, Medicare Advantage Group Obligations; and (4) add Exhibit C, Other Federal Laws. First Amendment, effective December 1, 2021, extending the Hospital Services Agreement term for two (2) years from August 28, 2021 through August 28, 2023 unless terminated without cause with a 120-day written notice.

This Amendment Two requests to modify the Provider Quality Incentive Program Terms to support the Qualified Comprehensive Visits & PCP Quality Incentive Plan.

Cleared for Agenda  
February 15, 2023

Agenda Item #

**7**

UMC's Director of Managed Care has reviewed and recommends approval of this Amendment. This Amendment has been approved as to form by UMC's Office of General Counsel.

A Clark County business license is not required as UMC is the provider of hospital services to this insurance fund.

## **AMENDMENT NUMBER TWO TO THE PROVIDER AGREEMENT**

This Amendment Number Two to the Provider Agreement (“Amendment”), effective as of October 1, 2022 (the “Amendment Effective Date”), is made between P3 Health Partners-Nevada, LLC on behalf of itself and its Affiliates (“Company”) and, University Medical Center of Southern Nevada dba University Medical Center; UMC; UMCSN; UMC Quick Care; UMC Primary Care (“Group”) (each a “Party” and collectively the “Parties”).

### **RECITALS**

- A. The Parties entered into that certain Provider Agreement, effective January 1, 2019 as may have been amended, whereby, among other things, Group, through its Participating Group Providers, as applicable, agreed to provide certain Covered Services on behalf of Company (the “Agreement”); terms not defined herein shall have the meanings ascribed to them in the Agreement.
- B. Company and Group desire to amend the Agreement to modify the Provider Quality Incentive Program (“PQIP”) incentive payment structure offered by Company, as described below.

### **AMENDMENTS**

Based upon the foregoing, and for good and valuable consideration, the Parties hereby agree to amend the Agreement as set forth below:

- 1. Modification of Provider Quality Incentive Program Terms. The Parties desire to modify the Value-Based Incentive Program and Comprehensive Visit compensation terms. Accordingly, the Parties hereby mutually agree to amend the Agreement as follows:
  - a. The Agreement’s Comprehensive Visit (“CV”) Program shall be modified and updated as Company’s Qualified Comprehensive Visit Program. All references to the CV Program shall be understood to mean Company’s Qualified Comprehensive Visit Program. Additionally, Section 4.0 (Qualified Comprehensive Visits) of Schedule 1 (Services and Compensation Schedule) shall be deleted in its entirety and replaced with the following Section 4.0:

#### **“Section 4.0 – Qualified Comprehensive Visits.**

Group shall be eligible to participate in the Comprehensive Visit Program. The Comprehensive Visit Program is outlined in the P3 Comprehensive Visit Program Overview Agreement. The Comprehensive Visit Program as may be amended from time to time by Company as set forth in the Comprehensive Visit Program Overview.”

- b. All references to the Value-Based Incentive Program in the Agreement shall be deleted in its entirety and replaced with the following Section 6.0 – PCP Quality Incentive Program on Schedule 1:

**“Section 6.0 – PCP Quality Incentive Program**

Group shall be eligible to participate in the Company PCP Quality Incentive Program as outlined in Company’s PCP Quality Incentive Program document as provided to Group. Copies of Company’s PCP Quality Incentive Program will also be provided to Group upon Group’s written request. Company shall have the right to modify the PCP Quality Incentive Program from time to time in accordance with the terms of the PCP Quality Incentive Program.”

2. Amendment. Except as modified herein, all other terms and conditions of the Agreement and any amendments thereto, if any, shall remain in full force and effect. If the terms of this Amendment conflict with any of the terms of the Agreement, the terms of this Amendment shall prevail.

**IN WITNESS WHEREOF**, the undersigned Parties have executed this Amendment by their duly authorized officers, intending to be legally bound hereby.

**GROUP**

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

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

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

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

**COMPANY**

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

Printed Name: Todd Lefkowitz

Title: Chief Managed Care Officer

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

## DISCLOSURE OF OWNERSHIP/PRINCIPALS

<b>Business Entity Type (Please select one)</b>						
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input checked="" type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Corporation	<input type="checkbox"/> Trust	<input type="checkbox"/> Non-Profit Organization	<input type="checkbox"/> Other
<b>Business Designation Group (Please select all that apply)</b>						
<input type="checkbox"/> MBE	<input type="checkbox"/> WBE	<input type="checkbox"/> SBE	<input type="checkbox"/> PBE	<input type="checkbox"/> VET	<input type="checkbox"/> DVET	<input type="checkbox"/> ESB
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise	Veteran Owned Business	Disabled Veteran Owned Business	Emerging Small Business
<b>Number of Clark County Nevada Residents Employed:</b>						
<b>Corporate/Business Entity Name:</b> P3 Health Partners-Nevada, LLC						
<b>(Include d.b.a., if applicable)</b>						
<b>Street Address:</b>		2370 Corporate Circle, Ste 300		<b>Website:</b> <a href="http://www.p3hp.org">www.p3hp.org</a>		
<b>City, State and Zip Code:</b>		Henderson, NV 89074		<b>POC Name:</b> Todd Lefkowitz		
				<b>Email:</b> <a href="mailto:tdefkowitz@p3hp.org">tdefkowitz@p3hp.org</a>		
<b>Telephone No:</b>		702-910-3950		<b>Fax No:</b>		
<b>Nevada Local Street Address:</b>		Same as above		<b>Website:</b>		
<b>(If different from above)</b>						
<b>City, State and Zip Code:</b>				<b>Local Fax No:</b>		
<b>Local Telephone No:</b>				<b>Local POC Name:</b>		
				<b>Email:</b>		

All entities, with the exception of publicly-traded and non-profit organizations, must list the names of individuals holding more than five percent (5%) ownership or financial interest in the business entity appearing before the Board.

Publicly-traded entities and non-profit organizations shall list all Corporate Officers and Directors in lieu of disclosing the names of individuals with ownership or financial interest. The disclosure requirement, as applied to land-use applications, extends to the applicant and the landowner(s).

Entities include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations.

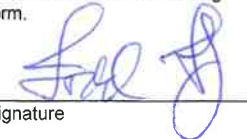
Full Name	Title	% Owned (Not required for Publicly Traded Corporations/Non-profit organizations)
P3 Health Group Holdings, LLC		100%

**This section is not required for publicly-traded corporations. Are you a publicly-traded corporation?** ☐ Yes ☒ No

- Are any individual members, partners, owners or principals, involved in the business entity, a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?  
☐ Yes ☒ No (If yes, please note that University Medical Center of Southern Nevada employee(s), or appointed/elected official(s) may not perform any work on professional service contracts, or other contracts, which are not subject to competitive bid.)

- Do any individual members, partners, owners or principals have a spouse, registered domestic partner, child, parent, in-law or brother/sister, half-brother/half-sister, grandchild, grandparent, related to a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)? Page 44 of 367  
☐ Yes ☒ No (If yes, please complete the Disclosure of Relationship form on Page 2. If no, please print N/A on Page 2.)

I certify under penalty of perjury, that all of the information provided herein is current, complete, and accurate. I also understand that the University Medical Center of Southern Nevada Governing Board will not take action on land-use approvals, contract approvals, land sales, leases or exchanges without the completed disclosure form.

 Signature	TODD LEFKOWITZ Print Name
CHIEF MANAGED CARE OFFICER Title	2/16/21 Date



**UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA  
GOVERNING BOARD AUDIT AND FINANCE COMMITTEE  
AGENDA ITEM**

<b>Issue:</b>	<b>Amendment 1 to BD Life Science Integrated Diagnostic Solutions Specimen Collection Pricing &amp; Commitment Agreement</b>	<b>Back-up:</b>
<b>Petitioner:</b>	Jennifer Wakem, Chief Financial Officer	<b>Clerk Ref. #</b>
<b>Recommendation:</b>  <b>That the Governing Board Audit and Finance Committee review and recommend for approval by the Governing Board the Amendment 1 to Specimen Collection Pricing &amp; Commitment Agreement with Becton, Dickson and Company for specimen collection tubes and related supplies; authorize the Chief Executive Officer to execute any future amendments or renewals within his delegation of authority; or take action as deemed appropriate. <i>(For possible action)</i></b>		

**FISCAL IMPACT:**

Fund Number: 5420.000	Fund Name: UMC Operating Fund
Fund Center: 3000707000	Funded Pgm/Grant: N/A
Description: Specimen Collection Tubes	
Bid/RFP/CBE: NRS 332.115(4) – Purchase of goods commonly used by a hospital	
Term: Amendment 1 – extend for one (1) year from 3/1/2023 to 2/28/2024	
Amount: Amendment 1 – additional estimated \$945,000.00	
Out Clause: 60 days’ notice if quarterly commitment satisfied; 30 days for cause	

**BACKGROUND:**

On November 17, 2021, the Governing Board approved the Integrated Diagnostic Solutions Specimen Collection Pricing & Commitment Agreement (“Agreement”) with Becton, Dickson and Company (“BD”) to provide UMC with specimen collection tubes for pathology services. The initial Agreement term is for one (1) year and three (3) months from December 1, 2021 through February 28, 2023, unless terminated with a 60-day notice for quarterly period commitment or with a 30-day notice for cause, and a potential not-to-exceed amount of \$875,000.00.

This Amendment 1 requests to extend the Agreement term through February 28, 2024, increase the funding to an additional not-to-exceed amount of \$945,000.00 to account for the extended term, and update the fee schedule. Staff also request authorization for the Hospital CEO to execute any future amendments or renewals within his delegation of authority.

UMC’s Director of Pathology has reviewed and recommends approval of this Agreement. This Agreement has been approved as to form by UMC’s Office of General Counsel.

Cleared for Agenda  
February 15, 2023

Agenda Item #

**8**

BD is not currently required to hold a Clark County business license.



**Amendment 1 to BD Life Science Integrated Diagnostic Solutions  
Specimen Collection Pricing & Commitment Agreement**

This Amendment (the “**Amendment**”), is entered into on the last date of signature (“**Amendment Effective Date**”) by and between Becton, Dickinson and Company on behalf of itself and its related legal entities, having place of business at 1 Becton Drive, Franklin Lakes, NJ 07417 (hereinafter “**BD**”), and University Medical Center of Southern Nevada, located at 1800 W Charleston Blvd., Las Vegas, NV 89102 (referred to as “**Customer**”), each as a “**Party**” and collectively as the “**Parties**”.

**WHEREAS**, BD and Customer are parties to a Pricing & Commitment Agreement with an Effective Date of December 1, 2021 (the “**Agreement**”); and

**WHEREAS**, the Parties would like to amend terms of the Agreement as described in this Amendment; and

**NOW, THEREFORE**, in consideration of the mutual promises herein and other good and valuable consideration which is acknowledged, the parties agree to add the following:

1. The Term of the Agreement shall be extended until February 28, 2024.
2. Schedule C – Pricing File is hereby deleted in its entirety and replaced with the following as of March 1, 2023.

Except as expressly amended herein, all the terms and conditions of the Agreement apply and remain unchanged. Except as expressly stated otherwise in this Amendment, capitalized terms used and not defined herein will have the meanings assigned to them in the Agreement.

**IN WITNESS WHEREOF**, the parties hereto have caused this Amendment to be duly executed with the intent to be legally bound as of the date signed by authorized representatives.

**University Medical Center of Southern Nevada**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

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

\_\_\_\_\_  
Date Signed

**Becton, Dickinson and Company**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

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

\_\_\_\_\_  
Date Signed

**Schedule C – Pricing File**

SKU	Description	UOM per Case	Price (EA)	Case Price
364989	KIT URIN CUP 16X100 8.0 CONI UA YEL	50		
366704	TUBE PLN PLC 13X75 3.0 PLBL RD/GR	1000		
363083	TUBE CIT PLH 13X75 2.7 PLBL L/BL .109	1000		
363080	Tube CIT PLH 13x75 1.8 PLBL L/BL .109	1000		
367884	TUBE LIHEP PLH 13X75 4.0 PLBL GN	1000		
367960	TUBE PST PLH 13X75 3.0 PLBL L/GN	1000		
367815	Tube PLN PLH 13X100mm 6.0ml PLBL RD	1000		
367841	TUBE K2EDTA PLH 13X75 2.0 PLBL LAV	1000		
367856	TUBE EDTA PLH 13X75 3.0 PLBL LAV	1000		
367861	TUBE EDTA PLH 13X75 4.0 PLBL LAV	1000		
367922	TUBE GLU PLH 13X75 4.0 PLBL GR	1000		
367983	Tube SST PLH 13X75mm 3.5ml PLBL Gold	1000		
367988	Tube SST PLC 16X100mm 8.5ml PLBL RD/GR	1000		
367871	TUBE NAHEP PLH 13X75 4.0 PLBL GN	1000		
367899	TUBE EDTA PLH 13X100 6.0 BLBL PNK	1000		
367812	Tube PLN PLH 13X75mm 4.0ml PLBL RD	1000		
367986	Tube SST PLH 13X100mm 5.0ml PLBL Gold	1000		
367962	TUBE PST PLH 13X100 4.5 PLBL L/GN	1000		
367820	Tube PLN PLC 16X100mm 10.0ml PLBL RD	1000		
368381	TUBE TRCE PLH 13X100 6.0 UPLBL R/BL EDTA	1000		
364953	KIT URIN TRANSTR 13X75 4.0 C&S GR	200		
364956	KIT URIN COMP 13X75 C&S 16X100 CONI UA	50		
363706	TUBE MICRO K2 EDTA LAV MAP	200		
366643	TUBE EDTA PLH 16X100 10.0 SLBL USA LAV	1000		
365985	TUBE MICRO W/MICROGARD PST MTGN	200		
364957	KIT URIN COMP 13X75 C&S 16X100 CONI UAP	50		
367925	TUBE GLU PLH 13X100 6.0 PLBL GR	1000		
367921	TUBE GLU PLH 13X75 2.0 PLBL GR	1000		
367878	TUBE NAHEP PLH 13X100 6.0 PLBL GN	1000		
365974	TUBE MICRO W/MICROGARD EDTA LAV	1000		
367886	TUBE LIHEP PLH 13X100 6.0 PLBL GN	1000		
366703	TUBE PLN PLH 13X75 3.0 PLBL CR	1000		
364951	TUBE URIN PLC 13X75 4.0 C&S GR	1000		
366408	Tube Urin PLH 13x100mm 6.0ml UA PLBL CR	1000		
367977	Tube SST PLH 13X100mm 4.0ml PLBL Gold	1000		
367842	TUBE EDTA PLH 13X75 2.0 BLBL PNK	1000		
367814	Tube PLN PLH 13X100mm 5.0ml PLBL RD	1000		
367863	TUBE EDTA PLH 13X100 6.0 PLBL LAV	1000		
367961	TUBE PST PLH 13X100 3.5 PLBL L/GN	1000		
365978	TUBE MICRO W/MICROGARD SST GLD/AMB	200		
368589	TUBE EDTA PLC 16X100 10.0 BLBL PNK	1000		
365987	TUBE MICRO W/MICROGARD PST MTGN/AMB	200		
364979	TUBE URIN PLC 16X100 10.0 UA YEL	1000		

SKU	Description	UOM per Case	Price (EA)	Case Price
364980	TUBE URIN PLC 16X100 8.0 CONI UA YEL	1000		
364966	DEVICE URIN TRANSFER STRAW	1000		
366664	TUBE LIHEP PLH 13X75 2.0 PLBL GN	1000		
367981	Tube SST PLC 13X75mm 3.5ml PLBL RD/GR	1000		
364992	TUBE URIN PLC 16X100 8.0 UAP CONI RD/YEL	1000		
364991	KIT URIN TRANSTR 16X100 8.0 CONI UA YEL	200		
365976	TUBE MICRO W/MICROGARD EXTENDER	200		
362788	TUBE PPT PLH 13X100 5.0 MLBL PWHT	1000		
365967	TUBE MICRO W/MICROGARD SST GLD	200		
364975	CUP URIN COLLECTION BULK	200		
364954	KIT URIN CUP 13X75 4.0 C&S GR	50		
367844	TUBE EDTA PLC 13X75 4.0 PLBL LAV	1000		
365963	TUBE MICRO W/MICROGARD PLN RD	200		
368774	TUBE BD VACUTAINER RST 13X100 5.0ML	1000		
367874	TUBE NAHEP PLC 16X100 10.0 PLBL GN	1000		
367855	TUBE SPC EDTA PLH 13X75 3.0 PLBL TAN SP	1000		
367987	Tube SST PLC 16X100mm 7.5ml PLBL RD/GR	1000		
368380	TUBE TRCE PLH 13X100 6.0 UPLBL R/BL PLN	1000		
368660	TUBE PLN PLC 13X100 6.0 PLBL RD	1000		
367964	TUBE PST PLC 16X100 8.0 PLBL GN/GR	1000		
365992	TUBE MICRO W/MICROGARD GLU GR	200		
365965	TUBE MICRO W/MICROGARD LIHEP GN	200		
366667	TUBE LIHEP PLC 13X75 3.0 PLBL GN	1000		
366668	Tube PLN PLC 13x75mm 3.0ml PLBL Red	1000	\$	
367587	TUBE GLU PLH 13X75 2.0 PLBL L/GR	1000		
368587	TUBE GLU PLC 13X75 4.0 PLBL GR	1000		
364990	KIT URIN TRANSTR 16X100 10.0 UA YEL	200		
364943	KIT URIN TRANSTR 16X100 8.0 UAP RD/YEL	200		
367835	TUBE EDTA PLC 13X75 3.0 PLBL LAV	1000		
367985	Tube PLUS SST 16X125mm 10.0ml PLBL CE	1000		
367989	Tube SST PLH 13X100mm 5.0ml SLBL Gold	1000		
367862	TUBE EDTA PLH 13X75 4.0 SLBLCE LAV	1000		
368056	TUBE PST PLC 13X75 3.0 PLBL GN/GR	1000		
365017	TUBE URIN PLH 16X100 8.0 UAP PLBL YEL	1000		
368661	TUBE EDTA PLC 13X100 6.0 PLBL LAV	1000		
367963	TUBE PST PLH 13X100 4.5 SLBL L/GN	1000		
364981	KIT URIN CUP PLC 16X100 10.0 UA YEL	50		
364946	KIT URIN CUP 16X100 8.0 CONI UAP RD/YEL	50		
367880	TUBE LIHEP PLC 16X100 10.0 PLBL GN	1000		
364958	Urine C&S	1000		
761165	PAX DNA IVD BLOOD COLLECTION TUBE	100		

**INSTRUCTIONS FOR COMPLETING THE  
DISCLOSURE OF OWNERSHIP/PRINCIPALS FORM**

**Purpose of the Form**

The purpose of the Disclosure of Ownership/Principals Form is to gather ownership information pertaining to the business entity for use by the University Medical Center of Southern Nevada Governing Board ("GB") in determining whether members of the GB should exclude themselves from voting on agenda items where they have, or may be perceived as having a conflict of interest, and to determine compliance with Nevada Revised Statute 281A.430, contracts in which a public officer or employee has interest is prohibited.

**General Instructions**

Completion and submission of this Form is a condition of approval or renewal of a contract or lease and/or release of monetary funding between the disclosing entity and University Medical Center of Southern Nevada. Failure to submit the requested information may result in a refusal by the GB to enter into an agreement/contract and/or release monetary funding to such disclosing entity.

**Detailed Instructions**

All sections of the Disclosure of Ownership form must be completed. If not applicable, write in N/A.

**Business Entity Type** – Indicate if the entity is an Individual, Partnership, Limited Liability Company, Corporation, Trust, Non-profit Organization, or Other. When selecting 'Other', provide a description of the legal entity.

**Non-Profit Organization (NPO)** – Any non-profit corporation, group, association, or corporation duly filed and registered as required by state law.

**Business Designation Group** – Indicate if the entity is a Minority Owned Business Enterprise (MBE), Women-Owned Business Enterprise (WBE), Small Business Enterprise (SBE), Physically-Challenged Business Enterprise (PBE), Veteran Owned Business (VET), Disabled Veteran Owned Business (DVET), or Emerging Small Business (ESB). This is needed in order to provide utilization statistics to the Legislative Council Bureau, and will be used only for such purpose.

- **Minority Owned Business Enterprise (MBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more minority persons of Black American, Hispanic American, Asian-Pacific American or Native American ethnicity.
- **Women Owned Business Enterprise (WBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more women.
- **Physically-Challenged Business Enterprise (PBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more disabled individuals pursuant to the federal Americans with Disabilities Act.
- **Small Business Enterprise (SBE):** An independent and continuing business for profit which performs a commercially useful function, is not owned and controlled by individuals designated as minority, women, or physically-challenged, and where gross annual sales does not exceed \$2,000,000.
- **Veteran Owned Business Enterprise (VET):** An independent and continuing Nevada business for profit which performs a commercially useful function and is at least 51 percent owned and controlled by one or more U.S. Veterans.
- **Disabled Veteran Owned Business Enterprise (DVET):** A Nevada business at least 51 percent owned/controlled by a disabled veteran.
- **Emerging Small Business (ESB):** Certified by the Nevada Governor's Office of Economic Development effective January, 2014. Approved into Nevada law during the 77th Legislative session as a result of AB294.

**Business Name (include d.b.a., if applicable)** – Enter the legal name of the business entity and enter the "Doing Business As" (d.b.a.) name, if applicable.

**Corporate/Business Address, Business Telephone, Business Fax, and Email** – Enter the street address, telephone and fax numbers, and email of the named business entity.

**Nevada Local Business Address, Local Business Telephone, Local Business Fax, and Email** – If business entity is out-of-state, but operates the business from a location in Nevada, enter the Nevada street address, telephone and fax numbers, point of contact and email of the local office. Please note that the local address must be an address from which the business is operating from that location. Please do not include a P.O. Box number, unless required by the U.S. Postal Service, or a business license hanging address.

**Number of Clark County Nevada Residents employed by this firm. (Do not leave blank. If none or zero, put the number 0 in the space provided.)**

**List of Owners/Officers** – Include the full name, title and percentage of ownership of each person who has ownership or financial interest in the business entity. If the business is a publicly-traded corporation or non-profit organization, list all Corporate Officers and Directors only.

**For All Contracts – (Not required for publicly-traded corporations)**

- 1) Indicate if any individual members, partners, owners or principals involved in the business entity are a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s). If yes, the following paragraph applies.

In accordance with NRS 281A.430.1, a public officer or employee shall not bid on or enter into a contract between a government agency and any private business in which he has a significant financial interest, except as provided for in subsections 2, 3, and 4.

- 2) Indicate if any individual members, partners, owners or principals involved in the business entity have a second degree of consanguinity or affinity relation to a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s) (reference form on Page 2 for definition). If **YES**, complete the Disclosure of Relationship Form.

A professional service is defined as a business entity that offers business/financial consulting, legal, physician, architect, engineer or other professional services.

**Signature and Print Name** – Requires signature of an authorized representative and the date signed.

**Disclosure of Relationship Form** – If any individual members, partners, owners or principals of the business entity is presently a University Medical Center of Southern Nevada employee, public officer or official, or has a second degree of consanguinity or affinity relationship to a University Medical Center of Southern Nevada employee, public officer or official, this section must be completed in its entirety.

## DISCLOSURE OF OWNERSHIP/PRINCIPALS

<b>Business Entity Type (Please select one)</b>						
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input type="checkbox"/> Limited Liability Company	<input checked="" type="checkbox"/> Corporation	<input type="checkbox"/> Trust	<input type="checkbox"/> Non-Profit Organization	<input type="checkbox"/> Other
<b>Business Designation Group (Please select all that apply)</b>						
<input type="checkbox"/> MBE	<input type="checkbox"/> WBE	<input type="checkbox"/> SBE	<input type="checkbox"/> PBE	<input type="checkbox"/> VET	<input type="checkbox"/> DVET	<input type="checkbox"/> ESB
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise	Veteran Owned Business	Disabled Veteran Owned Business	Emerging Small Business
<b>Number of Clark County Nevada Residents Employed: 34</b>						
<b>Corporate/Business Entity Name:</b> Becton Dickinson and Company						
<b>(Include d.b.a., if applicable)</b>						
<b>Street Address:</b>			1 Becton Drive		<b>Website:</b> www.bd.com	
<b>City, State and Zip Code:</b>			Franklin Lakes, NJ 07417-1800		<b>POC Name:</b> Customer Support	
					<b>Email:</b> customer_support@bd.com	
<b>Telephone No:</b>			844-823-5433		<b>Fax No:</b> 201-847-5334	
<b>Nevada Local Street Address:</b> (If different from above)					<b>Website:</b>	
<b>City, State and Zip Code:</b>					<b>Local Fax No:</b>	
<b>Local Telephone No:</b>					<b>Local POC Name:</b>	
					<b>Email:</b>	

All entities, with the exception of publicly-traded and non-profit organizations, must list the names of individuals holding more than five percent (5%) ownership or financial interest in the business entity appearing before the Board.

Publicly-traded entities and non-profit organizations shall list all Corporate Officers and Directors in lieu of disclosing the names of individuals with ownership or financial interest. The disclosure requirement, as applied to land-use applications, extends to the applicant and the landowner(s).

Entities include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations.

Full Name	Title	% Owned (Not required for Publicly Traded Corporations/Non-profit organizations)
Corporate info available at <a href="https://investors.bd.com/corporate-governance/management">https://investors.bd.com/corporate-governance/management</a>		

**This section is not required for publicly-traded corporations. Are you a publicly-traded corporation?** ☒ Yes ☐ No

- Are any individual members, partners, owners or principals, involved in the business entity, a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?  
☐ Yes ☐ No (If yes, please note that University Medical Center of Southern Nevada employee(s), or appointed/elected official(s) may not perform any work on professional service contracts, or other contracts, which are not subject to competitive bid.)
- Do any individual members, partners, owners or principals have a spouse, registered domestic partner, child, parent, in-law or brother/sister, half-brother/half-sister, grandchild, grandparent, related to a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?  
☐ Yes ☐ No (If yes, please complete the Disclosure of Relationship form on Page 2. If no, please print N/A on Page 2.)

I certify under penalty of perjury, that all of the information provided herein is current, complete, and accurate. I also understand that the University Medical Center of Southern Nevada Governing Board will not take action on land-use approvals, contract approvals, land sales, leases or exchanges without the completed disclosure form.

 Signature	Jeff Mattson Print Name
Associate Analyst, Operations Support Title	02/07/2023 Date

## DISCLOSURE OF RELATIONSHIP

List any disclosures below:  
(Mark N/A, if not applicable.)

NAME OF BUSINESS OWNER/PRINCIPAL	NAME OF UMC* EMPLOYEE/OFFICIAL AND JOB TITLE	RELATIONSHIP TO UMC* EMPLOYEE/OFFICIAL	UMC* EMPLOYEE'S/OFFICIAL'S DEPARTMENT
N/A	N/A	N/A	N/A

\* UMC employee means an employee of University Medical Center of Southern Nevada

"Consanguinity" is a relationship by blood. "Affinity" is a relationship by marriage.

"To the second degree of consanguinity" applies to the candidate's first and second degree of blood relatives as follows:

- Spouse – Registered Domestic Partners – Children – Parents – In-laws (first degree)
- Brothers/Sisters – Half-Brothers/Half-Sisters – Grandchildren – Grandparents – In-laws (second degree)

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**For UMC Use Only:**

If any Disclosure of Relationship is noted above, please complete the following:

☐ Yes ☐ No Is the UMC employee(s) noted above involved in the contracting/selection process for this particular agenda item?

☐ Yes ☐ No Is the UMC employee(s) noted above involved in any way with the business in performance of the contract?

Notes/Comments:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name  
Authorized Department Representative



**UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA  
GOVERNING BOARD AUDIT AND FINANCE COMMITTEE  
AGENDA ITEM**

<b>Issue:</b>	<b>Service Agreement with Eaton Corporation Electrical Engineering Services &amp; Systems</b>	<b>Back-up:</b>
<b>Petitioner:</b>	Jennifer Wakem, Chief Financial Officer	<b>Clerk Ref. #</b>
<b>Recommendation:</b>  <b>That the Governing Board Audit and Finance Committee review and recommend for approval by the Governing Board the Service Agreement with Eaton Corporation Electrical Engineering Services &amp; Systems for Arc Flash Analysis; or take action as deemed appropriate. (<i>For possible action</i>)</b>		

**FISCAL IMPACT:**

Fund Number: 5420.000	Fund Name: UMC Operating Fund
Fund Center: 3000848000	Funded Pgm/Grant: N/A
Description: Arc Flash Analysis	
Bid/RFP/CBE: NRS 332.115(1)(b) – Professional Services	
Term: 1 year from the Effective Date	
Amount: \$152,121.00	
Out Clause: Budget Act and Fiscal Fund Out	

**BACKGROUND:**

This request is to enter into a new Service Agreement (“Agreement”) for Arc Flash Analysis with Eaton Corporation Electrical Engineering Services & Systems (“Eaton”) to provide onsite data collection, arc flash hazard analysis, short-circuit study, protection device coordination, and arch flash label application for UMC. These services are required by OSHA and NFPA 70E to ensure that UMC’s electrical systems are in compliance with the appropriate protections. UMC will compensate Eaton \$152,121.00 for one (1) year from the Effective Date for its services.

UMC’s Plant Operations Director has reviewed and recommends approval of this Agreement. This Agreement has been approved as to form by UMC’s Office of General Counsel.

Eaton currently holds a Clark County business license.

Cleared for Agenda  
February 15, 2023

Agenda Item #

**9**

## Response to Request for Proposal

# UMC Hospital

Eaton Proposal Number NPSE220554  
July 18, 2022

A resulting Purchase order should be issued to Grainger and Reference Proposal #R-333229 Grainger Team at [scp\\_service@grainger.com](mailto:scp_service@grainger.com) or 855.537.2338



Presented By: **Eaton Corporation**  
**Electrical Engineering Services & Systems**  
6225 S. Valley View Blvd Suite C  
Las Vegas, NV 89118

### Contacts:

**Eaton Corporation**  
*Electrical Engineering Service & Systems*  
Power Systems Engineer:  
Gifford Jensen  
Phone: (480) 343-6371  
Email: [GiffordJensen@eaton.com](mailto:GiffordJensen@eaton.com)

**Eaton Corporation**  
*Electrical Engineering Service & Systems*  
Power Systems Engineering Manager:  
Mike Hendrickson, P.E.  
Phone: (518) 321-6038  
Email: [MichaelHendrickson@eaton.com](mailto:MichaelHendrickson@eaton.com)

Attn: Daniel Jones

**RE: Quote for Short-Circuit, Protective Device Coordination, Arc Flash Risk Assessment, Data Collection, Arc Flash Label Application for the UMC Hospital – NPSE220554**

A resulting Purchase order should be issued to Grainger and Reference Proposal #R-333229 Grainger Team at [scp\\_service@grainger.com](mailto:scp_service@grainger.com) or 855.537.2338

Grainger Rep Name: Debi Farris  
 Grainger Rep Phone: 702-540-2975  
 Grainger Rep Email: [debi.farris@grainger.com](mailto:debi.farris@grainger.com)  
 Grainger Rep CSG: 880614

Project Details are as below:

Project Title with Area: Arc Flash Analysis  
 Customer Name: UMC Hospital  
 Customer Account #: 804982759  
 Customer Street Address: 1800 W Charleston Blvd  
 Customer City: Las Vegas  
 Customer State: Nevada  
 Customer Zip: 89102  
 Customer Contact Name: Daniel Jones  
 Customer Contact Phone: 702-383-2301  
 Customer Contact Email: [Daniel.JonesJr@umcsn.com](mailto:Daniel.JonesJr@umcsn.com)

Daniel Jones:

Thank you very much for the opportunity to provide a quotation for Short-Circuit, Coordination, and Arc Flash Hazard Analysis Studies for the UMC Hospital in Las Vegas, NV.

In order to provide a complete arc flash analysis, a system model will be created using SKM Systems Analysis software. This model will represent the system from the Utility Substation down to and including all major equipment locations such as panelboards, motor control centers (MCCs), switchboards and switchgear described on the drawings listed below. Items such as variable frequency drive (VFD) cabinets, disconnect switches, control panels, etc. will not be included in the analysis unless they are illustrated on the oneline diagram. The model will include the impedance model (cables, transformers, etc.), sources of short circuit contribution (utility, source, large motors, etc.) and the tripping characteristics of the overcurrent protection.

IEEE Std 1584-2018 states that that sustainable arcs are possible but less likely in three-phase systems operating at 240V or less with an available short-circuit current less than 2000A. Because sustainable arcs are possible, Eaton will include these locations in the scope of work, as identified in the drawings / description below.

This proposal is based on provided documents including:

- Umcsline Model
- PANELS BY BUILDINGS

The arc flash analysis will be performed according to the latest IEEE 1584-2018 equations and in accordance with NFPA70E-2021 guidelines. The short circuit calculations and the clearing times of the devices will be retrieved from the system model.

For the arc flash calculations, the *worst-case* scenario is not always described by the greatest magnitude of fault current. Eaton considers multiple operating scenarios in order to provide a *worst-case* hazard calculation for each system location. The arc flash analysis will, therefore, include calculations for maximum and minimum contributions of fault current magnitude.

The Eaton Electrical Engineering Services and Systems Division (EESSD) has experienced Power System Engineers and the latest Power System Analysis Software. We will provide you with sound engineering analysis and evaluations.

## 1. SCOPE

The scope of work includes the following:

- Onsite Data Collection
- Short-Circuit Study / Coordination Study
- Arc Flash Hazard Analysis
- Study Oneline Diagrams
- System Review and Recommendations
- Optional Arc Flash Label Application
- Optional Arc Flash Training 8 Hours

See attachments for further details.

## 2. DATA GATHERING

The quoted price includes an onsite data-gathering effort consisting of (1) Eaton power system engineer to complete on site data collection on a time and expense basis. The purpose of the onsite visit will be to gather information necessary to complete the system analysis in an efficient manner.

## 3. PRICE

Prices for the analysis services described in this quotation will be as follows:

- Onsite Data Collection / Short-Circuit / Coordination Study / Arc Flash Analysis - \$
- Optional Arc Flash Label Application - \$

*\*Prices for onsite data collection and report presentation include all travel time and related expenses\**

A resulting Purchase order should be issued to Grainger and Reference Proposal #R-333229 Grainger Team at [scp\\_service@grainger.com](mailto:scp_service@grainger.com) or 855.537.2338

## 4. DELIVERY

The scheduling of work will be mutually agreed upon between UMC Hospital and Eaton Electrical Engineering Services and Systems.

## 5. TERMS AND CONDITIONS

This offer is valid for 90 days unless otherwise extended, modified, or withdrawn in writing by EESSD.

*"GRAINGER AS BILLING AGENT. By accepting this quote, Customer acknowledges and agrees that Grainger will be solely and exclusively acting as billing agent for Eaton for the project services described herein, which activities shall include the following administrative activities for Eaton: receipt of customer PO; preparation and processing of invoices; receipt of payment for the project services; and other administrative activities as agreed to by Eaton and Grainger. Customer acknowledges and agrees that Grainger will not perform any of the project services described herein, including, but not limited to, any work on site, construction, supervision, inspection, coordination, scheduling, project management or other task normally provided by a contractor. Customer further acknowledges and agrees that Eaton shall be solely and exclusively responsible for the project services and for any matters relating to or arising from the project services and the activities related thereto."*

Below is a list of clarifications:

- A- The study will only include the facilities viewed during the job walk. In the event that there are additional equipment locations that need to be included in the system analysis, the data collection and analysis services will be priced on a per-location basis.
- B- The final report will only demonstrate the worst case results for arc flash and short circuit studies
- C- A one-line diagram of the electrical distribution system will be provided to support the system evaluation and analysis only. The one-line should not be used as an "as-built" drawing, for system trouble-shooting or as an aid in maintenance switching plans and/or procedures.

- D- For onsite data collection Eaton requires the assistance of a **qualified escort** or electrician from the facility familiar with electrical system to provide access to electrical equipment, and to assist with the removal of equipment covers. Eaton will gather data as permitted by applicable safety standards including NEC, NFPA, IEEE, OSHA, etc. If equipment cannot be accessed because of unknown danger levels or because it cannot be accessed or removed from service, assumptions must be made in order to provide a complete analysis. Often, the most conservative assumptions are used in cases where there is very limited or no data available.
- E- While performing onsite data collection Eaton requires a qualified escort trained in cardiopulmonary resuscitation (CPR) on a full-time basis. If UMC Hospital is unable to provide a full time escort a second Eaton power system (or field service) engineer will be sent to assist with data collection at an additional charge.
- F- System coordination recommendations and settings will be limited to overcurrent (50 & 51) protection only.

The following are responsibilities of UMC Hospital staff during the onsite site data collection:

- Verify equipment can be opened without shutting down the equipment if required.
- Provide a knowledgeable escort or electrician trained in CPR on a full time basis per team to assist with location of equipment and removal of covers.
- Make all equipment available upon arrival of EESS personnel, including removal from service (if necessary), to permit continuous progression of work.
- Be responsible for maintaining power to vital or necessary plant equipment and processes.
- Coordinate all outages (if necessary) and perform all switching to de-energize / isolate equipment for data to be obtained for the study.
- Provide a man lift and operator, if required, to access cable or busduct for data information.
- Provide the utility contact name and phone number so that EESS can gather the necessary utility data required to complete the analysis.

## 6. BENEFITS OF BUYING FROM EATON

Although UMC Hospital certainly has choices in selecting a supplier to accomplish this work, there is no supplier choice better than Eaton. Reasons supporting this claim for your consideration include:

- Eaton is a known supplier with a proven track record within a variety of industries around the country.
- Our company has unparalleled experience in this specified work scope and engineering expertise across the continent.
- EESS is one of the largest and most experienced industrial service organizations in North America. With more than 650 highly trained professionals in 80 Engineering Services locations throughout the U.S. and Canada, EESS has complete local, national, and international capabilities to provide a full range of electrical and

mechanical equipment services. This broad range of service capabilities has established EESS as the leader in the engineering and service industry.

- Eaton is a one-stop shop for electrical systems. Eaton is strong on the customer service side where its customers can rely on the depth of knowledge and dependability of its service professionals, expert engineering services and systems group, and world-class 24x7 customer service centers

Eaton has the solutions for greater reliability, increased production, and significant cost savings. We are a single source supplier and industry leader of microprocessor-based industrial control and power distribution components. Eaton can now provide engineering service on Cutler-Hammer and all other manufacturers of electrical equipment. We offer:

- Power Quality Analysis and Products
- Power System Studies and Training
- Protection and Coordination Studies and Products
- Testing and Life Extension Services
- Installation Services
- Industrial System Services and Communication Systems
- Energy Monitoring Products and Services
- Predictive and Preventative Maintenance
- Energy Solutions and Facility Optimizations Services
- Alternative Energy Products and Services

Eaton is dedicated to providing all services in a Total Quality manner. Please email or call me if you have any questions or comments. We look forward to your favorable response.

Sincerely,

**Gifford Jensen**  
*Power Systems Engineering*  
(480) 343-6371  
GiffordJensen@eaton.com

[Attachments: Workscope Details](#)

## One-Line Diagram

A one-line diagram of the electrical distribution system will be provided to support the system evaluation and analysis only. The one-line should not be used as an “as-built” drawing, for system trouble-shooting or as an aid in maintenance switching plans and/or procedures.

The one-line diagram will show the identification and ratings of electrical equipment covered in this study, such as: transformers, cables, motors, circuit breakers, protective relays, fuses, current transformers, etc.



## Short Circuit Study

### *Background*

The best-designed electrical distribution systems will occasionally experience short circuits. Overcurrent protective devices such as fuses and circuit breakers should isolate the fault current at desired locations safely with minimal equipment damage and minimal disruption of facilities processes. Other components of the distribution system, such as transformers, cables, and disconnect switches, must be able to withstand the mechanical and thermal stresses produced by the fault current flowing through them. The magnitudes of short circuit current are determined by calculation, and electrical equipment ratings are selected based upon the calculation results.

### *Procedure*

The study input data shall include the utility short circuit contribution, resistance, and reactance components of the branch impedances, the X/R ratios, motor and generator contributions, base quantities selected, and other source impedances down to and including all equipment listed in the scope of work.

Eaton power systems engineers will calculate maximum available fault current at each significant location throughout the system. The short circuit tabulations shall include symmetrical fault currents and X/R ratios, for both momentary and interrupting conditions. For each fault location, the total duty on the bus, as well as the individual contribution from each connected branch, shall be included with its respective X/R ratio.

All short circuit calculations will be made in accordance with the latest standards adopted by the American National Standards Institute (ANSI) and the National Electrical Code (NEC). Each interrupting protective device in the scope of work will be analyzed to determine if its interrupting and momentary ratings can withstand the calculated interrupting and momentary duties. If the study reveals problem areas, the study will recommend changes to improve system performance.

### *Results*

At the conclusion of the Short Circuit Study, Eaton will submit the following for each circuit condition analyzed:

- Fault current calculation summary listing momentary and interrupting duties with their respective X/R ratios,
- Complete fault current magnitudes, including individual branch current contributions, for each bus in the electrical distribution system,
- Recommendations for replacement or retrofit of overdutied protective devices, and
- Definitions of terms and guidelines for interpretation of computer printout.

# Protective Device Coordination Study

## *Background*

A protective device coordination study determines the characteristics, ratings, and settings of overcurrent protective devices that will ensure that the minimum unfaulted load is interrupted when the protective devices isolate a fault or overload anywhere in the distribution system. At the same time, the devices and settings are selected to provide satisfactory protection against overloads on equipment and interrupt short circuits as rapidly as possible.

The coordination study evaluates current transformer ratios, protective relay characteristics and settings, fuse ratings, and low-voltage circuit breaker ratings, characteristics, and trip settings. It also provides other information pertinent to the provision of optimum protection and selectivity in coordination of devices.

## *Study Procedure*

Using SKM Systems Analysis Computer Program, Eaton power system engineers will evaluate the protective device coordination. Time-current coordination curves showing the recommended phase and ground-fault protective device time-current characteristics will be plotted. The curves will illustrate the coordination among the devices shown on the system one-line diagram.

The coordination curves will include, as a minimum, the following information:

- Appropriate NEC and ANSI protection criteria for equipment.
- Magnetizing inrush points of transformers.
- A simplified one-line diagram identifying the devices plotted.
- Short-circuit current levels used for coordination.
- Motor starting characteristics, where applicable.

## *Results*

- Detailed recommendations for new and replacement protective devices when the study determines those existing devices do not provide proper protection or coordination.
- Time-current coordination curves with the information described above,
- Tabulations of recommended protective device settings identified by location, equipment number, function number and adjustable range

## Arc Flash Hazard Analysis

### *Background*

NFPA 70E-2021, Article 110.1(H) requires that an employer developed electrical safety program includes a risk assessment procedure. This procedure is meant to be used before performing work on or near any equipment at or above 50 volts or any time work is being performed where an electrical hazard exists. This analysis presents only the results of an incident energy analysis conducted in accordance with 130.5(G). Selection of personal protective equipment (PPE) must be made based on the incident energy level that is presented in this report as part of an arc flash risk assessment to be made by the qualified person. Other components of an arc flash risk assessment including determination of whether or not an arc flash hazard exists for a given work task and the appropriate safe work practices to be employed should be completed by the qualified person performing the work. The risk of arc flash exposure when working on or near electrical equipment depends on a number of factors including the nature of the task being performed and the condition of the equipment. NFPA 70E-2021, Article 130.7(A) requires that employees use and employers provide proper PPE for the tasks being performed. NFPA 70E-2021, Table 130.5(G) provides guidance for the selection of PPE based on calculated incident energy exposure.

NFPA 70E-2021 and IEEE Std 1584-2018 provide equations and methods to calculate the arc flash boundary and incident energy at specific locations within a facility's electrical system. Any location where work may be performed on or near energized electrical conductors and circuit parts is subject to the arc flash standards. PPE used to guard against arc flash hazards should be considered the last line of defense. It is also important to note that the use of PPE is not intended to prevent all injuries from an arc flash. The goal of determining required PPE using the arc flash incident energy analysis is to identify the level of protection required to limit the injury to the onset of a second degree burn in the event of an arc flash while avoiding the use of more protection than is needed so as to minimize hazards of heat stress, reduced visibility and limited body movement.

### *Procedure*

In accordance with NFPA 70E and IEEE 1584, both SKM and ETAP Systems Analysis software provide the calculation of these values. The equations used in these calculations are based on actual test values. These tests measured the calories per square centimeter ( $\text{cal}/\text{cm}^2$ ) radiating from a simulated arcing fault. The measurements were performed at a theorized working distance of 18 inches.

The intent of the NFPA 70E and IEEE 1584 guidelines is to establish standard calculations to determine an approach boundary and incident energy exposure at the associated working distance, which are used to determine the minimum arc rating of PPE that will limit the injury to the onset of a second-degree burn to the face and the torso of the worker. An incident energy of  $1.2 \text{ cal}/\text{cm}^2$  represents the onset of a second-degree burn.

NFPA 70E-2021, Article 130.7(A), Informational Note, states that the requirements for PPE are intended to protect a person from arc flash and shock hazard. Due to the explosive effect of some arc events, physical trauma injuries could occur and the requirements of 130.7 do not address protection against this physical trauma other than the thermal effect of an arc flash.

Previous versions of NFPA 70E stated it may be necessary to place greater emphasis on establishing an electrically safe work condition when working within the limited approach boundary at locations where the incident energy exceeds 40 cal/cm<sup>2</sup>. NFPA 70E-2021 removed this note because emphasis on establishing an electrically safe work condition should be a default work procedure, not just when I.E. exceeds 40 cal/cm<sup>2</sup>.

The arc flash incident energy analysis considers each medium and low voltage system location within the scope of the work. IEEE Std 1584-2018 states that that sustainable arcs are possible but less likely in three-phase systems operating at 240V or less with an available short-circuit current less than 2000A. If requested by LUXOR, Eaton will exclude these locations. Otherwise, IEEE Std 1584-2018 equations will be used to evaluate all locations within the scope of work as previously identified. For the detailed calculations, both the SKM and ETAP Systems Analysis software determine the available fault currents for each location and the clearing time of the device protecting the same location. From these determinations, the potential incident energy is calculated for each location. Arc flash computations shall include both line and load side of main breaker calculations, where necessary.

IEEE 1584-2018 does not recommend which electrode configurations should be considered for each type of electrical equipment beyond what is listed in informative Annex C. Electrode configurations will be assigned to equipment based on internal discussion with product engineering teams within Eaton. Since electrical equipment is manufactured to specific industry standards, the determination of electrode configuration by equipment class, in most cases, applies to both new and existing electrical equipment regardless of manufacturer. Typical enclosure sizes will be used unless the proposal specifically addresses analysis of custom enclosure sizes.

The results of this study will be based on a protective device clearing time that is capped at 2 seconds. This is based on IEEE Std 1584-2018, 6.9.1, which states *"If the total protective device clearing time is longer than two seconds (2 s); consider how long a person is likely to remain in the location of the arc flash. It is likely that a person exposed to an arc flash will move away quickly if it is physically possible, and 2 s usually is a reasonable assumption for the arc duration to determine the incident energy. However, this also depends on the specific task. A worker in a bucket truck, or inside an equipment enclosure, could need more time to move away. Use engineering judgement when applying any maximum arc duration time for incident energy exposure calculations, because there may be circumstances where a person's egress may be blocked."*

### *Results*

At the conclusion of the Arc Flash Hazard Study, Eaton will submit the following for each circuit condition and work location analyzed:

- Arcing fault magnitude
- Device clearing time
- Duration of arc
- Arc flash boundary
- Working distance
- Incident energy

General recommendations for arc flash hazard reduction will also be discussed.

### *Arc Flash Labels*

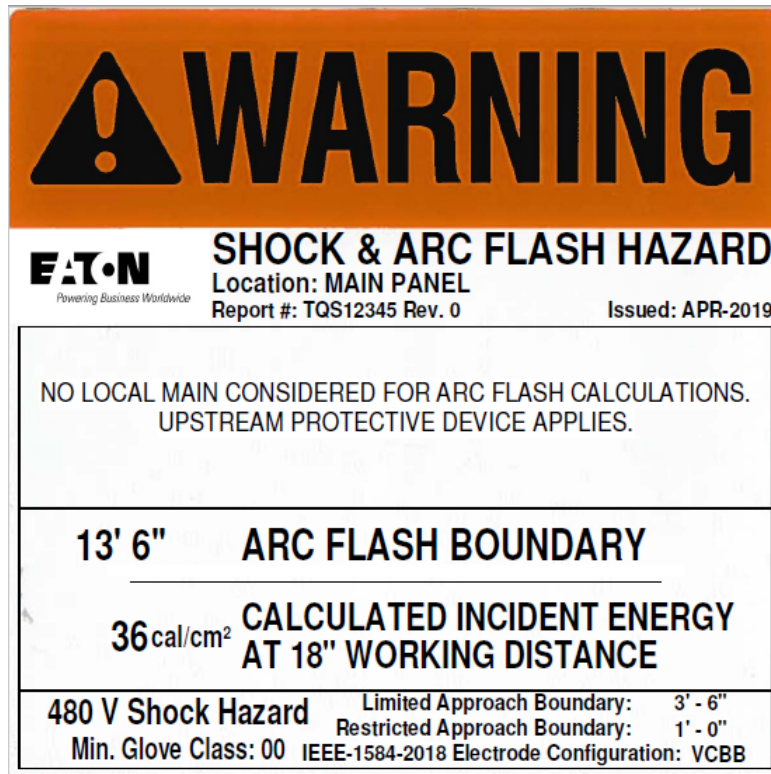
Arc flash warning labels will be provided in the following manner.

- For each low voltage panelboard, one arc flash label will be provided.
- For each motor control center, one arc flash label will be provided.
- For each low voltage switchboard, one arc flash label will be provided.
- For each low and/or medium voltage switchgear, one flash label will be provided.
- For medium voltage switches one arc flash label will be provided
- Additional labels will require advance notification in writing and an appropriate change order.

All labels will be based on recommended overcurrent device settings and will be provided after the results of the analysis have been presented to the LUXOR and after any system changes, upgrades or modifications have been incorporated in the system.

Labels will be 4 in. x 4 in. thermal transfer type label of high adhesion polyester for each work location analyzed and will be machine printed, with no field markings. The label shall have an orange header with the wording, "WARNING, SHOCK & ARC FLASH HAZARD", and shall include the following information (see example label on following page). A change order may be necessary in order to provide arc flash labels that do not match the format shown in Figure 1:

- Location designation
- Nominal voltage
- Arc flash boundary
- Incident energy
- Working distance
- Shock Boundaries
- Engineering report number, revision number and issue date.



**Figure 1: Sample 4' x 4' Arc Flash Warning Label**

## ARC-FLASH SAFETY (Optional)

### 8.0 hours

#### GENERAL INFORMATION

1. Regulations, Standards and Codes
2. Definitions: Qualified Employee and Competent Person
  - a. Qualified Person, OSHA [29 CFR 1910.399 Part 2]
  - b. Qualified Person, NFPA 70E-2018
3. Training: OSHA Standard Number 1910.332
4. Re-training Requirements: NFPA70E
5. Your Employer's Electrical Safety Program

#### WORKING SAFELY ON OR AROUND ENERGIZED ELECTRICAL EQUIPMENT

1. Understanding the Hazards Associated with Electrical Work
  - a. Electrical Shock
    - i. Severity
    - ii. Effects
    - iii. References to "High Voltage" in the OSHA Regulations
    - iv. Class Exercise
  - b. Burns Resulting From Electrical Arcs
  - c. Electrical Blast
2. Maintaining a Safe Work Area
  - a. Housekeeping
  - b. Guarding of Energized Parts
  - c. Confined or Enclosed Work Spaces
  - d. Illumination and View of Work
  - e. Ladders and Work Platforms
  - f. Working Alone
3. Emergency Training And Procedures
  - a. First Aid Training
  - b. CPR Training
  - c. Training in Electrical Emergency Procedures
  - d. Release of Victims From Contact With Exposed Energized Conductors
4. Hazardous Energy Control Program (HECP)
  - a. General Requirements of Lockout/Tagout
  - b. Lockout-Tagout Examples
5. Backfeed
  - a. Identifying Possible Backfeed Using a Single Line Diagram
  - b. Class Exercise – Using a Single-line Diagram to Determine the Isolation Devices That Should be Opened, Locked and/or Tagged
6. Lockout/Tagout Procedure
7. Re-energizing Equipment That Has Been Locked and Tagged
8. Temporarily Re-Energizing for Testing or Positioning
9. Employee Not Available To Remove Lock

## TEMPORARY GROUNDING

1. Protective Grounding Equipment
  - a. General Requirements for Protective Grounding Equipment
  - b. Determining the Appropriate Size for Portable Grounding Conductors
    - i. Example – Step 1: Determine the Magnitude of Prospective Short-Circuit Current
    - ii. Example – Step 2: Determine the Time Needed for an Upstream Protective Device to Clear the Fault Current
    - iii. Example – Step 3: Determine the Size of Grounding Conductors
  - c. Using a Ground Truck
2. Procedure for Using Temporary Grounding Conductors
  - a. Testing for the Presence of Voltage
  - b. Using Personal Protective Equipment
  - c. Attaching Grounds
  - d. Removing Grounds
  - e. Removing Temporarily for Conducting Tests
  - f. Hardware Used with Ground Sets: Grounding Clamps, Elbows and Bales
  - g. Situations Making the Use of Grounding Equipment Impractical
3. Ground-Fault Circuit-Interrupter (GFCI) Protection

## WORKING IN A SITUATION WHERE AN ARC-FLASH OR SHOCK HAZARD EXISTS

1. Electrically Safe Working Condition and Exceptions That Might Justify Working Around Live Parts
  - a. Justification for Work on Live Parts
  - b. Energized Electrical Work Permit
  - c. Job Briefing
  - d. Distinguishing Live Parts From Other Parts
    - i. Using Test Instruments
    - ii. Using a Portable Multimeter as a Test Instrument
    - iii. IEC 1010 Categories
    - iv. Test Leads and Accessories
  - e. Capacitive Charge
  - f. Approach Boundaries (Shock Prevention)
    - i. Definitions of Approach Boundaries
  - g. Minimum Approach Distance as Defined by OSHA
    - i. How to Determine the Nominal Voltage Rating of Electrical Equipment
2. Working in a Situation Where an Arc-Flash Hazard Exists
  - a. What is the Significance of the Quantity 1.2 Calories per Centimeter Squared?
  - b. Arc-Flash Boundary
  - c. Factors Affecting the Degree of an Arc-Flash Hazard
  - d. Using the Information from an Arc-Flash Warning Label
3. How Do Power Systems Engineers Determine Incident Energy and Arc-Flash Boundary?
  - a. An Example of Output from an Arc-Flash Risk Assessment
  - b. How Does an Engineer Calculate Incident Energy Value?
  - c. How Does an Engineer Calculate an Arc-Flash Boundary?
4. Classroom Exercise – Assess the Risk of an Arc-Flash



**SELECTING AND USING PERSONAL PROTECTIVE EQUIPMENT AND INSULATED TOOLS**

1. Qualified/Competent Person's Responsibilities When Using PPE
2. PPE for Electrical Work
  - a. Hardhat
  - b. Safety Glasses or Face Shield for Face and Eye Protection
  - c. Protective Footwear
  - d. Insulated Gloves/Sleeves – Ratings and Requirements
  - e. Arc Rated Clothing
3. Selecting Arc-Rated Garments and Other PPE for Arc-Flash Protection
  - a. Using the Arc Flash PPE Categories Method
  - b. Arc-Flash Hazards Not Addressed in the Arc Flash PPE Categories Method
  - c. Using the Simplified Two-Category Clothing Approach
  - d. Using Table H.3 -- Selecting Arc-Rated PPE on the Basis of an Arc-Flash Risk Assessment
4. Picture Examples of Arc-Rated Clothing and Other PPE
5. Selecting and Using Insulated Tools
  - a. Hot Sticks and Shotgun Hot Sticks
  - b. CSA CSA-Z462 Reference to Fiberglass-Reinforced Plastic Rods and Tubes
  - c. Care and Maintenance of Hot Sticks
  - d. Insulated Hand Tools

## **Domestic U.S.A. General Terms and Conditions of Sale for Distribution and Control Products and Services**

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**Terms and Conditions of Sale.** The Terms and Conditions of Sale set forth herein, and any supplements which may be attached hereto, constitute the full and final expression of the contract for the sale of products or services ("Product(s)" or "Services") by Eaton Corporation ("Seller") to the Buyer, and supersedes all prior quotations, purchase orders, correspondence or communications, whether written or oral, between the Seller and the Buyer. Notwithstanding any contrary language in the Buyer's purchase order, correspondence or other form of acknowledgment, Buyer shall be bound by these Terms and Conditions of Sale when it sends a purchase order or otherwise indicates acceptance of this contract, or when it accepts delivery from Seller of the Products or Services. THE CONTRACT FOR SALE OF THE PRODUCTS OR SERVICES IS EXPRESSLY LIMITED TO THE TERMS AND CONDITIONS OF SALE STATED HEREIN. ANY ADDITIONAL OR DIFFERENT TERMS PROPOSED BY BUYER ARE REJECTED UNLESS EXPRESSLY AGREED TO IN WRITING BY SELLER. No contract shall exist except as herein provided.

**Complete Agreement.** All Seller documents referenced in these Terms and Conditions of Sale are hereby incorporated by reference into the terms herein. No amendment or modification hereto nor any statement, representation or warranty not contained herein shall be binding on the Seller unless made in writing by an authorized representative of the Seller. Prior dealings, usage of the trade or a course of performance shall not be relevant to determine the meaning of this contract even though the accepting or acquiescing party had knowledge of the nature of the performance and opportunity for objection.

**Quotations.** A written quotation is valid for 30 days from its date unless otherwise stated in the quotation or terminated sooner by notice. Verbal quotations, unless accepted, expire the same day they are made. A complete signed order must be received by Seller within 20 calendar days of notification of award, otherwise the price and shipment will be subject to re-negotiation.

### **TERMINATION AND CANCELLATION**

**Products.** Any order may be terminated by the Buyer only by written notice and upon payment of reasonable termination charges, including all progress billings and all incurred direct manufacturing costs.

**Services.** Any order may be terminated by the Buyer only by written notice and upon payment of reasonable termination charges including all costs plus profit, not to exceed the agreed-upon value of the contract. Seller shall have the right to cancel any order at any time by written notice if Buyer breaches any of the terms hereof, becomes the subject of any proceeding under state or federal law for the relief of debtors, or otherwise becomes insolvent or bankrupt, generally does not pay its debts as they become due or makes an assignment for the benefit of creditors.

**Prices.** All prices are subject to change without notice. In the event of a price change, the effective date of the change will be the date of the new price or discount sheet, letter or telegram. All quotations made or orders accepted after the effective date will be on the new basis. For existing orders, the price of the unshipped portion of an order will be the price in effect at time of shipment.

**Price Policy – Products and Services.** When prices are quoted as firm for quoted shipment, they are firm provided the following conditions are met:

1. The order is released with complete engineering details.
2. Shipment of Products is made, and Services purchased are provided within the quoted lead time.
3. When drawings for approval are required for any Products, the drawings applicable to those Products must be returned within 30\* calendar days from the date of the original mailing of the drawings by Seller. The return drawings must be released for manufacture and shipment and must be marked "APPROVED" or "APPROVED AS NOTED." Drawing re-submittals which are required for any other reason than to correct Seller errors will not extend the 30-day period.

If the Buyer initiates or in any way causes delays in shipment, provision of Services or return of approval drawings beyond the periods stated above, the price of the Products or Services will be increased 1% per month or fraction thereof up to a maximum of 18 months from the date of the Buyer's order. For delays resulting in shipment or provision of Services beyond 18 months from the date of the Buyer's order, the price must be renegotiated.

**Price Policy – BLS.** Refer to Price Policy 25-050.

**Minimum Billing.** Orders less than \$1,000 will be assessed a shipping and handling charge of 5% of the price of the order, with a minimum charge of \$25.00 unless noted differently on Product discount sheets.

**Taxes.** The price does not include any taxes. Buyer shall be responsible for the payment of all taxes applicable to, or arising from, the transaction, the Products, its sale, value or use, or any Services performed in connection therewith regardless of the person or entity actually taxed.

### **TERMS OF PAYMENT**

**Products.** Acceptance of all orders is subject to the Buyer meeting Seller's credit requirements. Terms of payment are subject to change for failure to meet such requirements. Seller reserves the right at any time to demand full or partial payment before proceeding with a contract of sale as a result of changes in the financial condition of the Buyer. Terms of Payment are either Net 30 days from the date of invoice of each shipment or carry a cash discount based on Product type. Specific payment terms for Products are outlined in the applicable Product discount schedules.

**Services.** Terms of payment are net within 30 days from date of invoice for orders amounting to less than \$50,000.00. Terms of payment for orders exceeding \$50,000.00 shall be made according to the following:

1. Twenty percent (20%) of order value with the purchase order payable 30 days from date of invoice.

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\* 60 days for orders through contractors to allow time for their review and approval before and after transmitting them to their customers.

2. Eighty percent (80%) of order value in equal monthly payments over the performance period payable 30 days from date of invoice.

Except for work performed (i) under a firm fixed price basis or (ii) pursuant to terms of a previously priced existing contract between Seller and Buyer, invoices for work performed by Seller shall have added and noted on each invoice a charge of 3% (over and above the price of the work) which is related to Seller compliance with present and proposed environmental, health and safety regulations associated with prescribed requirements covering hazardous materials management and employee training, communications, personal protective equipment, documentation and record keeping associated therewith.

**Adequate Assurances.** If, in the judgment of Seller, the financial condition of the Buyer, at any time during the period of the contract, does not justify the terms of payment specified, Seller may require full or partial payment in advance.

**Delayed Payment.** If payments are not made in accordance with these terms, a service charge will, without prejudice to the right of Seller to immediate payment, be added in an amount equal to the lower of 1.5% per month or fraction thereof or the highest legal rate on the unpaid balance.

**Freight.** Freight policy will be listed on the Product discount sheets, or at option of Seller one of the following freight terms will be quoted.

**F.O.B. – P/S – Frt./Ppd. and Invoiced.** Products are sold F.O.B. point of shipment freight prepaid and invoiced to the Buyer.

**F.O.B. – P/S – Frt./Ppd. and Allowed.** Products sold are delivered F.O.B. point of shipment, freight prepaid and included in the price.

**F.O.B. Destination – Frt./Ppd. and Allowed.** At Buyer's option, Seller will deliver the Products F.O.B. destination freight prepaid and 2% will be added to the net price. The term "freight prepaid" means that freight charges will be prepaid to the accessible common carrier delivery point nearest the destination for shipments within the United States and Puerto Rico unless noted differently on the Product discount sheets. For any other destination, contact Seller's representative.

**Shipment and Routing.** Seller shall select the point of origin of shipment, the method of transportation, the type of carrier equipment and the routing of the shipment. If the Buyer specifies a special method of transportation, type of carrier equipment, routing or delivery requirement, Buyer shall pay all special freight and handling charges. When freight is included in the price, no allowance will be made in lieu of transportation if the Buyer accepts shipment at factory, warehouse or freight station or otherwise supplies its own transportation.

**Risk of Loss.** Risk of loss or damage to the Products shall pass to Buyer at the F.O.B. point.

**Concealed Damage.** Except in the event of F.O.B. destination shipments, Seller will not participate in any settlement of claims for concealed damage. When shipment has been made on an F.O.B. destination basis, the Buyer must unpack immediately and, if damage is discovered, must:

1. Not move the Products from the point of examination.
2. Retain shipping container and packing material.
3. Notify the carrier in writing of any apparent damage.
4. Notify Seller representative within 72 hours of delivery.
5. Send Seller a copy of the carrier's inspection report.

**Witness Tests/Customer Inspection.** Standard factory tests may be witnessed by the Buyer at Seller's factory for an additional charge calculated at the rate of \$2,500 per day (not to exceed eight (8) hours) per Product type. Buyer may final-inspect Products at the Seller's factory for \$500 per day per Product type.

Witness tests will add one (1) week to the scheduled shipping date. Seller will notify Buyer fourteen (14) calendar days prior to scheduled witness testing or inspection. In the event Buyer is unable to attend, the Parties shall mutually agree on a rescheduled date. However, Seller reserves the right to deem the witness tests waived with the right to ship and invoice Products.

**Held Orders.** For any order held, delayed or rescheduled at the request of the Buyer, Seller may, at its sole option, (1) require payment to be based on any reasonable basis, including but not limited to the contract price, and any additional expenses, or cost resulting from such a delay; (2) store Products at the sole cost and risk of loss of the Buyer; and/or (3) charge to the Buyer those prices under the applicable price policy. Payment for such price, expenses and costs, in any such event, shall be due by Buyer within thirty (30) days from date of Seller's invoice. Any order so held delayed or rescheduled beyond six (6) months will be treated as a Buyer termination.

**Drawing Approval.** Seller will design the Products in line with, in Seller's judgment, good commercial practice. If at drawing approval Buyer makes changes outside of the design as covered in their specifications, Seller will then be paid reasonable charges and allowed a commensurate delay in shipping date based on the changes made.

**Drawing Re-Submittal.** When Seller agrees to do so in its quotation, Seller shall provide Buyer with the first set of factory customer approval drawing(s) at Seller's expense. The customer approval drawing(s) will be delivered at the quoted delivery date. If Buyer requests drawing changes or additions after the initial factory customer approval drawing(s) have been submitted by Seller, the Seller, at its option, may assess Buyer drawing charges. Factory customer approval drawing changes required due to misinterpretation by Seller will be at Seller's expense. Approval drawings generated by Bid- Manager are excluded from this provision.

## **WARRANTY**

**Warranty for Products.** Seller warrants that the Products manufactured by it will conform to Seller's applicable specifications and be free from fail ure due to defects in workmanship and material for one (1) year from the date of installation of the Product or eighteen (18) months from the date of shipment of the Product, whichever occurs first.

In the event any Product fails to comply with the foregoing warranty Seller will, at its option, either (a) repair or replace the defective Product, or defective

part or component thereof, F.O.B. Seller's facility freight prepaid, or (b) credit Buyer for the purchase price of the Product. All warranty claims shall be made in writing.

Seller requires all non-conforming Products be returned at Seller's expense for evaluation unless specifically stated otherwise in writing by Seller. This warranty does not cover failure or damage due to storage, installation, operation or maintenance not in conformance with Seller's recommendations, including as set forth in these Terms and Conditions of Sale, and industry standard practice or due to accident, misuse, abuse, or negligence. This warranty does not cover breach of data or system security, including that of information technology infrastructure, computers, software, hardware, databases, electronic systems (including database management systems), and networks. This warranty does not cover reimbursement for labor, gaining access, removal, installation, temporary power or any other expenses, which may be incurred in connection with repair or replacement. This warranty does not apply to equipment not manufactured by Seller. Seller limits itself to extending the same warranty it receives from the third-party supplier, to the extent such third party permits assignment of its warranty.

**Extended Warranty for Products.** If requested by the Buyer and specifically accepted in writing by Seller, the foregoing standard warranty for Products will be extended from the date of shipment for the period and price indicated below:

- 24 months – 2% of Contract Price
- 30 months – 3% of Contract Price
- 36 months – 4% of Contract Price

**Special Warranty (In and Out) for Products.** If requested by the Buyer and specifically accepted in writing by Seller, Seller will, during the warranty period for Products, at an additional cost of 2% of the contract price, be responsible for the direct cost of:

1. Removing the Product from the installed location.
2. Transportation to the repair facility and return to the site.
3. Reinstallation on site.

The total liability of Seller for this Special Warranty for Products is limited to 50% of the contract price of the particular Product being repaired and excludes expenses for removing adjacent apparatus, walls, piping, structures, temporary service, etc.

**Warranty for Services.** Seller warrants that the Services performed by it hereunder will be performed in accordance with generally accepted professional standards. The Services, which do not so conform, shall be corrected by Seller upon notification in writing by the Buyer within one (1) year after completion of the Services. Unless otherwise agreed to in writing by Seller, Seller assumes no responsibility with respect to the suitability of the Buyer's, or its customer's, equipment or with respect to any latent defects in equipment not supplied by Seller. This warranty does not cover damage to Buyer's, or its customer's, equipment, components or parts resulting in whole, or in part from improper maintenance or operation (including failure to comply with Seller's recommendations) or from their deteriorated condition. Buyer will, at its cost, provide Seller with unobstructed access to the defective Services, as well as adequate free working space in the immediate vicinity of the defective Services and such facilities and systems, including, without limitation, docks, cranes and utility disconnects and connects, as may be necessary in order that Seller may perform its warranty obligations. The conducting of any tests shall be mutually agreed upon and Seller shall be notified of, and may be present at, all tests that may be made.

**Warranty for Power Systems Studies.** Seller warrants that any power systems studies performed by it will conform to generally accepted professional standards. Any portion of the study, which does not so conform, shall be corrected by Seller upon notification in writing by the Buyer within six (6) months after completion of the study. All warranty work shall be performed in a single shift straight time basis Monday through Friday. In the event that the study requires correction of warranty items on an overtime schedule, the premium portion of such overtime shall be for the Buyer's account.

**Limitation on Warranties for Products, Services and Power Systems Studies.** THE FOREGOING WARRANTIES ARE EXCLUSIVE EXCEPT FOR WARRANTY OF TITLE. SELLER DISCLAIMS ALL OTHER WARRANTIES INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. CORRECTION OF NON-CONFORMITIES IN THE MANNER AND FOR THE PERIOD OF TIME PROVIDED ABOVE SHALL CONSTITUTE SELLER'S SOLE LIABILITY AND BUYER'S EXCLUSIVE REMEDY FOR FAILURE OF SELLER TO MEET ITS WARRANTY OBLIGATIONS, WHETHER CLAIMS OF THE BUYER ARE BASED IN CONTRACT, IN TORT (INCLUDING NEGLIGENCE OR STRICT LIABILITY) OR OTHERWISE.

**Asbestos.** Federal Law requires that building or facility owners identify the presence, location and quantity of asbestos containing material (hereinafter "ACM") at work sites. Seller is not licensed to abate ACM. Accordingly, for any contract which includes the provision of Services, prior to (i) commencement of work at any site under a specific Purchase Order, (ii) a change in the work scope of any Purchase Order, the Buyer will certify that the work area associated with the Seller's scope of work includes the handling of Class II ACM, including but not limited to generator wedges and high temperature gaskets which include asbestos materials. The Buyer shall, at its expense, conduct abatement should the removal, handling, modification or reinstallation, or some or all of them, of said Class II ACM be likely to generate airborne asbestos fibers; and should such abatement affect the cost of or time of performance of the work then Seller shall be entitled to an equitable adjustment in the schedule, price and other pertinent affected provisions of the contract.

**Compliance with Nuclear Regulation.** Seller's Products are sold as commercial grade Products not intended for application in facilities or activities licensed by the United States Nuclear Regulatory Commission for atomic purposes. Further certification will be required for use of the Products in any safety-related application in any nuclear facility licensed by the U.S. Nuclear Regulatory Commission.

**Returning Products.** Authorization and shipping instructions for the return of any Products must be obtained from Seller before returning the Products. When return is occasioned due to Seller error, full credit including all transportation charges will be allowed.

**Product Notices.** Buyer shall provide the users, including its employees, and in the case of permitted resale, any subsequent purchasers of the Products with all Seller supplied Product notices, warnings, instructions, recommendations and similar materials.

**Cybersecurity.** Seller is not responsible for a breach of data or electronic system security, including, but not limited to, a system intrusion or interference, virus or malicious code attack, loss of data, data theft, unauthorized access to confidential information and/or nonpublic personal information, hacking incident or any acts of data ransom, caused by any third-party equipment, modification made to a Product other than by Seller, or

failure by Buyer to comply with Eaton Assemblies Cybersecurity Hardening Guidelines at [www.eaton.com/assemblies-security](http://www.eaton.com/assemblies-security) (the "Cybersecurity Guidelines"). Seller may revise the Cybersecurity Guidelines at any time without prior notice.

Buyer is responsible for obtaining (at Buyer's expense) assurances from third party suppliers with respect to cybersecurity for third party equipment. As a condition of use and/or resale, Buyer shall direct all users of the Products purchased to access the applicable accompanying Eaton End User License Agreement (EULA) and the Cybersecurity Guidelines, all of which are subject to change in terms and practices, at Seller's discretion, at any time.

**Force Majeure.** Seller shall not be liable for failure to perform or delay in performance due to fire, flood, strike or other labor difficulty, act of God, act of any governmental authority or of the Buyer, riot, embargo, fuel or energy shortage, car shortage, wrecks or delays in transportation, or due to any other cause beyond Seller's reasonable control (a "Force Majeure Event"). In the event of delay in performance due to any such cause, the date of delivery or time for completion will be extended by a period of time reasonably necessary to overcome the effect of such delay. Seller cannot be held liable, and Buyer shall not be entitled to any damages and/or indemnifications, in case Seller is prevented, hindered or delayed from or in performing any of its obligations resulting from the impact of the outbreak of COVID-19 or any future pandemic or epidemic for reasons not attributable to Seller. In the event that Seller ceases to perform its obligations under this Agreement due to the occurrence of a Force Majeure Event, Seller shall: (a) immediately notify Buyer in writing of such Force Majeure Event and its expected duration; and (b) take all reasonable steps to recommence performance of its obligations under this Agreement as soon as possible. In the event that any Force Majeure Event delays Seller's performance for more than sixty (60) days following notice by Seller pursuant to this Agreement, Buyer and Seller agree to meet and confer and discuss a reasonable strategy for the provision of impacted products or services.

**Liquidated Damages.** Contracts which include liquidated damage clauses for failure to meet shipping or job completion promises are not acceptable or binding on Seller, unless such clauses are specifically accepted in writing by an authorized representative of the Seller at its headquarters office.

**Patent Infringement.** Seller will defend or, at its option, settle any suit or proceeding brought against Buyer, or Buyer's customers, to the extent it is based upon a claim that any Product or part thereof, manufactured by Seller or its subsidiaries and furnished hereunder, infringes any United States patent, other than a claim of infringement based upon use of a Product or part thereof in a process, provided Seller is notified in reasonable time and given authority, information and assistance (at Seller's expense) for the defense of same; and further provided, however, that Seller shall not settle any claim unless the settlement (i) has prior approval by Buyer's appropriate governing body, (ii) unconditionally releases Buyer of all liability and (iii) does not make any admission of wrongdoing by Buyer or otherwise imposes obligations against the interest of Buyer. Seller shall pay all legal and court costs and expenses and court-assessed damages awarded therein against Buyer resulting from or incident to such suit or proceeding. In addition to the foregoing, if at any time Seller determines there is a substantial question of infringement of any United States patent, and the use of such Product is or may be enjoined, Seller may, at its option and expense: either (a) procure for Buyer the right to continue using and selling the Product; (b) replace the Product with non-infringing apparatus; (c) modify the Product so it becomes non-infringing; or (d) as a last resort, remove the Product and refund the purchase price, equitably adjusted for use and obsolescence.

In no case does Seller agree to pay any recovery based upon its Buyer's savings or profit through use of Seller's Products whether the use be special or ordinary. The foregoing states the entire liability of Seller for patent infringement.

The preceding paragraph does not apply to any claim of infringement based upon: (a) any modification made to a Product other than by Seller; (b) any design and/or specifications of Buyer to which a Product was manufactured; or (c) the use or combination of Product with other products where the Product does not itself infringe. As to the above-identified claim situations where the preceding paragraph does not apply, Buyer shall defend and hold Seller harmless in the same manner and to the extent as Seller's obligations described in the preceding paragraph. Buyer shall be responsible for obtaining (at Buyer's expense) all license rights required for Seller to be able to use software products in the possession of Buyer where such use is required in order to perform any Service for Buyer.

With respect to a Product or part thereof not manufactured by Seller or its subsidiaries, Seller will attempt to obtain for Buyer, from the supplier(s), the patent indemnification protection normally provided by the supplier(s) to customers.

**Compliance with OSHA.** Seller offers no warranty and makes no representation that its Products comply with the provisions or standards of the Occupational Safety and Health Act of 1970, or any regulation issued thereunder. In no event shall Seller be liable for any loss, damage, fines, penalty or expenses arising under said Act.

**Limitation of Liability.** THE REMEDIES OF THE BUYER SET FORTH IN THIS CONTRACT ARE EXCLUSIVE AND ARE ITS SOLE REMEDIES FOR ANY FAILURE OF SELLER TO COMPLY WITH ITS OBLIGATIONS HEREUNDER. NOTWITHSTANDING ANY PROVISION IN THIS CONTRACT TO THE CONTRARY, IN NO EVENT SHALL EITHER PARTY BE LIABLE IN CONTRACT, IN TORT (INCLUDING NEGLIGENCE OR STRICT LIABILITY) OR OTHERWISE FOR DAMAGE TO PROPERTY OR EQUIPMENT OTHER THAN PRODUCTS SOLD UNDER THIS AGREEMENT, LOSS OF PROFITS OR REVENUE, LOSS OF USE OF PRODUCTS, LOST PRODUCTION, COST OF CAPITAL, LOSS OF, DAMAGE TO, OR UNAUTHORIZED ACCESS TO DATA, BREACH OF SYSTEM SECURITY, FAILURE TO TRANSMIT OR RECEIVE DATA, BUSINESS INTERRUPTION, CLAIMS OF CUSTOMERS OF THE BUYER OR ANY SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES WHATSOEVER, REGARDLESS OF WHETHER SUCH POTENTIAL DAMAGES ARE FORESEEABLE OR IF EITHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE TOTAL CUMULATIVE LIABILITY OF SELLER ARISING FROM OR RELATED TO THIS CONTRACT WHETHER THE CLAIMS ARE BASED IN CONTRACT, IN TORT (INCLUDING NEGLIGENCE OR STRICT LIABILITY) OR OTHERWISE, SHALL NOT EXCEED THE PRICE OF THE PRODUCT OR SERVICES ON WHICH SUCH LIABILITY IS BASED.

**Distributors and Third-Party Agents.** In order to ensure that distributors and third party agents acting on behalf of Seller share Seller's commitment to doing business right, all distributors and agents shall abide by Seller's [Anticorruption Policy](#).



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**Notices.** Any notice required to be given hereunder shall be deemed to have been given when received by the party to whom it is directed by personal service, hand delivery, or certified U.S. mail, return receipt requested, at the following addresses, or such other address that a party may designate in writing:

TO BUYER: University Medical Center of Southern Nevada  
Attn: Legal Department – Contracts Division  
1800 W. Charleston Blvd.  
Las Vegas, NV 89102

TO SELLER: Eaton Corporation  
Attn: Andrew Gordon  
Director – Power Systems Engineering  
Eaton Electrical Services and Systems  
4752B West California Ave. Suite 100  
Salt Lake City, UT 84104

**PUBLIC RECORDS:** Seller acknowledges that Buyer is a public county-owned hospital which is subject to the provisions of the Nevada Public Records Act, Nevada Revised Statutes Chapter 239, as may be amended from time to time, and as such its records are public documents available to copying and inspection by the public. If Buyer receives a demand for the disclosure of any information related to the Agreement which Seller has claimed to be confidential and proprietary, Buyer will immediately notify Seller of such demand and Seller shall immediately notify Buyer of its intention to seek injunctive relief in a Nevada court for protective order. Absent a notification from seller that they will be seeking a protective order, the records will be released without any further liability by buyer.

**BUDGET ACT AND FISCAL FUND OUT:** In accordance with the Nevada Revised Statutes (NRS 354.626), the financial obligations under the Agreement between the parties shall not exceed those monies appropriated and approved by UMC for the then current fiscal year under the Local Government Budget Act. The Agreement shall terminate and UMC's obligations under it shall be extinguished at the end of any of UMC's fiscal years in which UMC's governing body fails to appropriate monies for the ensuing fiscal year sufficient for the payment of all amounts which could then become due under the Agreement. UMC agrees that this Section shall not be utilized as a subterfuge or in a discriminatory fashion as it relates to the Agreement. In the event this Section is invoked, the Agreement will expire on the 30th day of June of the then current fiscal year. Termination under this Section shall not relieve UMC of its obligations incurred through the 30th day of June of the fiscal year for which monies were appropriated.

**NON-EXCLUDED HEALTHCARE PROVIDER:** Vendor represents and warrants to UMC that neither it nor any of its affiliates (a) are excluded from participation in any federal health care program, as defined under 42 U.S.C. §1320a-7b (f), for the provision of goods or services for which payment may be made under such federal health care programs and (b) has arranged or contracted (by employment or otherwise) with any employee, contractor or agent that such party or its affiliates know or should know are excluded from participation in any federal health care program, to provide goods or services hereunder. Vendor represents and warrants to UMC that no final adverse action, as such term is defined under 42 U.S.C. §1320a-7e (g), has occurred or is pending or threatened against such Vendor or its affiliates or to their knowledge against any employee, contractor or agent engaged to provide goods or services under the Agreement. (collectively "Exclusions / Adverse Actions").

#### University Medical Center of Southern Nevada

Signature:

Name:

Title:

#### Eaton Corporation

Signature:

Name:

Title:

## DISCLOSURE OF OWNERSHIP/PRINCIPALS

<b>Business Entity Type (Please select one)</b>						
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input type="checkbox"/> Limited Liability Company	<input checked="" type="checkbox"/> Corporation	<input type="checkbox"/> Trust	<input type="checkbox"/> Non-Profit Organization	<input type="checkbox"/> Other
<b>Business Designation Group (Please select all that apply)</b>						
<input type="checkbox"/> MBE	<input type="checkbox"/> WBE	<input type="checkbox"/> SBE	<input type="checkbox"/> PBE	<input type="checkbox"/> VET	<input type="checkbox"/> DVET	<input type="checkbox"/> ESB
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise	Veteran Owned Business	Disabled Veteran Owned Business	Emerging Small Business
<b>Number of Clark County Nevada Residents Employed: Unknown</b>						
<b>Corporate/Business Entity Name:</b> W.W. Grainger, Inc.						
<b>(Include d.b.a., if applicable)</b>						
<b>Street Address:</b>		100 Grainger Parkway		<b>Website:</b> www.grainger.com		
<b>City, State and Zip Code:</b>		Lake Forest, IL 60045-5201		<b>POC Name:</b> Debi Farris		
<b>Telephone No:</b>		702-540-2975		<b>Email:</b> Debi.Farris@grainger.com		
<b>Local Telephone No:</b>		800-GRAINGER		<b>Local POC Name:</b> Debi Farris		
<b>Nevada Local Street Address:</b> (If different from above)		2401 Western Ave (Your Grainger branch)		<b>Local Fax No:</b> 319-363-8952		
<b>City, State and Zip Code:</b>		Las Vegas, NV 89102-4815		<b>Email:</b> Debi.Farris@grainger.com		

All entities, with the exception of publicly-traded and non-profit organizations, must list the names of individuals holding more than five percent (5%) ownership or financial interest in the business entity appearing before the Board.

Publicly-traded entities and non-profit organizations shall list all Corporate Officers and Directors in lieu of disclosing the names of individuals with ownership or financial interest. The disclosure requirement, as applied to land-use applications, extends to the applicant and the landowner(s).

Entities include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations.

Full Name	Title	% Owned (Not required for Publicly Traded Corporations/Non-profit organizations)
See attached WWG 2021 Annual Report		

**This section is not required for publicly-traded corporations. Are you a publicly-traded corporation?** ☒ Yes ☐ No

- Are any individual members, partners, owners or principals, involved in the business entity, a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?  
☐ Yes ☐ No (If yes, please note that University Medical Center of Southern Nevada employee(s), or appointed/elected official(s) may not perform any work on professional service contracts, or other contracts, which are not subject to competitive bid.)
- Do any individual members, partners, owners or principals have a spouse, registered domestic partner, child, parent, in-law or brother/sister, half-brother/half-sister, grandchild, grandparent, related to a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?  
☐ Yes ☐ No (If yes, please complete the Disclosure of Relationship form on Page 2. If no, please print N/A on Page 2.)

I certify under penalty of perjury, that all of the information provided herein is current, complete, and accurate. I also understand that the University Medical Center of Southern Nevada Governing Board will not take action on land-use approvals, contract approvals, land sales, leases or exchanges without the completed disclosure form.

Debi Farris  
Signature

Debi Farris  
Print Name

Account Manager  
Title

2/9/2023  
Date

**UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA  
GOVERNING BOARD AUDIT AND FINANCE COMMITTEE  
AGENDA ITEM**

<b>Issue:</b>	<b>Purchaser Services Agreement with Emerald Textile Services, LLC</b>	<b>Back-up:</b>
<b>Petitioner:</b>	Jennifer Wakem, Chief Financial Officer	<b>Clerk Ref. #</b>
<b>Recommendation:</b>  <b>That the Governing Board Audit and Finance Committee review and recommend for approval by the Governing Board the Purchaser Services Agreement with Emerald Textile Services, Utah, LLC for linen management and distribution services; or take action as deemed appropriate. (<i>For possible action</i>)</b>		

**FISCAL IMPACT:**

Fund Number: 5420.000	Fund Name: UMC Operating Fund
Fund Center: 3000846000	Funded Pgm/Grant: N/A
Description: Linen Management and Distribution Services	
Bid/RFP/CBE: NRS 450.525 & NRS 450.530 – GPO	
Term: 5 years from the Effective Date	
Amount: NTE \$2,673,000.00 per year or NTE \$13,365,000.00 for five (5) years	
Out Clause: 90 days for convenience	

**BACKGROUND:**

This request is to enter into a new Purchaser Services Agreement (“Agreement”) with Emerald Textile Services, Utah, LLC (“Emerald”) for linen management and distribution services. Emerald will provide linen rental, laundry cleaning, pick up, and delivery service to UMC and its associated Urgent Care facilities. Staff also requests authorization for the Hospital CEO to execute amendments within the not-to-exceed amount of this agreement.

UMC will compensate Emerald an estimated not-to-exceed amount of \$2,673,000.00 per year or a not-to-exceed amount of \$13,365,000.00 for five (5) years from the Effective Date. Either party may terminate this Agreement for convenience with a 90-day written notice to the other.

HealthTrust Purchasing Group (HPG) is the purchasing agent for the Group Purchasing Organization (GPO) of which UMC is a member. Pursuant to NRS 450.525 and NRS 450.530 this purchase may be made using the HealthTrust Purchasing Contract. Attached is a sworn statement from an HPG executive verifying that the pricing was obtained through a competitive bid process.

UMC’s EVS Director has reviewed and recommends approval of this Agreement. This Agreement has been approved as to form by UMC’s Office of General Counsel.

Cleared for Agenda  
February 15, 2023

Agenda Item #

**10**



Emerald currently holds a Clark County business license.

## PURCHASER SERVICES AGREEMENT

THIS PURCHASER SERVICES AGREEMENT (the “Agreement”) is made and entered into as of the date of the last signature set forth below, (the “Effective Date”) by and between UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA, a publicly owned and operated hospital created by virtue of Chapter 450 of the Nevada Statutes, herein referred to as “Purchaser” and is entered into in connection with that certain Purchasing Agreement, HPG-42852, dated February 1, 2019, and Amendment dated January 1, 2020, between HealthTrust Purchasing Group, L.P. (“HealthTrust”) and Emerald Textile Services, Utah, LLC (hereinafter “Vendor”) (“Purchasing Agreement”). The provisions of the Purchasing Agreement are incorporated into this Agreement. This Agreement shall be subject to the terms and conditions of the Purchasing Agreement, except as may otherwise be provided in this Agreement. Contrary to Section 14.3 of the Purchasing Agreement, in the event of a conflict between the terms and or pricing of the Purchasing Agreement and this Agreement, the terms of this Agreement shall control. All capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such term in the Purchasing Agreement.

WHEREAS, Vendor desires to offer linen rental, laundry cleaning and processing services and/or products to Facilities.

NOW, THEREFORE, Purchaser and Vendor hereby agree that Vendor shall provide the services (and products, if any) described herein to Facilities listed in Schedule A “Purchaser Facilities”, in accordance with the terms and conditions set forth herein.

Facility/Group Name:	University Medical Center Southern Nevada
Address:	1800 W. Charleston Blvd.
City, ST, ZIP:	Las Vegas, NV 89102
Type:	<input checked="" type="checkbox"/> Acute Care <input checked="" type="checkbox"/> Surgery Center <input checked="" type="checkbox"/> Imaging Center <input checked="" type="checkbox"/> Other
GPOID:	K5670
Contact Person & Title:	Portia Ealy, Director Environmental Services
Contact Phone:	702-765-7930
Contact Email:	portia.ealy@umcsn.com

1. Definitions:

For the purpose of this Agreement, the following terms shall have the following meanings:

“Services shall mean and refer to and all services rendered by “Vendor” in connection with the rental or laundering of linens as described in Section 2 of this Agreement.

2. Vendor’s Services.

- a. In providing the Services hereunder, Vendor shall pick up soiled Laundry and deliver clean Laundry from the locations in each Facility eligible to purchase Services on the days of the week and at the times identified in this Agreement, or upon request by a Facility.
- b. Vendor shall provide each location with bulk carts for use in collecting soiled Laundry and for delivery of clean linen, in quantities mutually agreed to by the parties. Vendor shall be responsible for all maintenance and repair for carts furnished by Vendor. Vendor shall retain ownership of all bulk laundry carts provided to Purchaser.

- c. At no additional cost to any Purchaser, Vendor shall periodically conduct educational sessions with each Purchaser's personnel for purposes of providing Laundry control and cost reduction strategies, product change information and Laundry management review processes to determine Laundry inventory levels.
  - d. Upon request from Hospital leadership, Vendor shall meet on a quarterly basis for the purpose of reviewing performance of Vendor under this Agreement and the needs of each Purchaser for Services. Purchasers may request more frequent performance reviews from Vendor as specified in Attachment C, "Performance Conditions and Quality Guidelines".
  - e. Purchaser shall use best efforts to return soiled Laundry to Vendor, free of trash, needles, sharps and other similar materials. Excessive amounts of waste and trash returned in soil linen may be subject to disposal fees. Trash may be charged at the rate of two dollars (\$2.00) per pound and bio-hazardous items such as sharps and needles will be charged at two hundred and fifty dollars (\$250) per occurrence.
3. Vendor Performance and Performance Failures. Vendor represents and warrants that soiled Laundry picked up by Vendor shall be processed and returned to the applicable Purchaser within the pick-up and delivery schedule set forth in Section 24. If Vendor is unable to provide Services within the schedule specified in this Agreement and if Vendor and Purchaser are unable to reach resolution regarding a performance failure pursuant to this Section, Purchaser shall have the right to either cancel the order, in whole or part, or to accept alternative performance dates, in addition to any other rights of that Purchaser arising under this Agreement or by law. If a competitive Laundry service must be purchased by Purchaser at a higher net cost, as a substitute for the Services not provided by Vendor within the required time period stated in Attachment C, Vendor shall reimburse Purchaser for the additional reasonable cost incurred.
4. Vendor Customer Service. Vendor shall provide customer service support staff for receipt of telephone calls, e-mails and facsimiles from Purchasers and Customer for the purpose of resolving issues related to transactions under this Agreement available for the hours stated in Section 26 to this Agreement.
5. Reports. In addition to the reporting obligations of Attachment C, Vendor shall also furnish to Hospital Leadership in an agreed-upon format any additional reports reasonably requested by Purchaser, related to Services provided to Purchasers hereunder.

Vendor shall obtain at its own cost any and all necessary consents, licenses, approvals, and permits required for the provision of Services.

Vendor Personnel who are on the site of Purchaser for the purpose of performing any of the Services, shall at all times carry identification issued by Vendor indicating that they are employees of Vendor, and such employees shall adhere to standards of conduct required of Purchaser for its own employees.

Vendor will cooperate with Purchasers in their internal Performance Improvement / Quality Assurance Programs, to the extent requested by each Purchaser and applicable to the Services provided hereunder;

6. Business Continuity Plan. Vendor represents and warrants to Purchasers that it has and shall maintain a business continuity and disaster recovery plan to enable performance of Services and/or delivery of Products upon the occurrence of any event or circumstance beyond Vendor's reasonable control, including without limitation acts of God, war or terrorist attack, pandemic, riot, fire, explosion, malware attack,

catastrophic weather event or natural disaster at its primary processing location and agrees to review such plan with Hospital leadership upon request.

7. Term of Agreement. This Agreement shall remain in effect for a term of five (5) years from the date hereof. The term and all extension terms shall collectively be referred to herein as the "Term". Solely for Purchaser's internal budgeting and approval purposes, this Agreement has an estimated annual not to exceed amount of \$2,673,000. Purchaser acknowledges and agrees that it is solely responsible for appropriating and approving funds necessary to satisfy its financial obligations hereunder.
8. Termination with Cause. In addition to any other termination rights set forth in this Agreement, Vendor and Purchaser shall each have the right to terminate this Agreement in its entirety or with respect to certain Services for Cause, which is not cured within thirty (30) days following receipt of written notice thereof specifying the Cause, Failure of Vendor to comply with the Performance Conditions and Quality Guidelines on Attachment C shall constitute a material breach of this Agreement. A termination of this Agreement shall not impair a Party's other rights and remedies under this Agreement, including the Party's right to receive money due under this Agreement.
9. Termination for Convenience. Both Parties reserve the right to terminate this Agreement in whole or in part at any time, without liability or penalty. Upon 90 (ninety) day written notice, this Agreement shall terminate immediately upon Vendor's receipt of written notice from Purchaser expressing its intent to terminate. Purchaser shall pay Vendor the portion of the compensation which has been earned under this Agreement as of the effective date of the termination, but no amount shall be allowed or paid for anticipated profit on performed or unperformed services or other work.
10. Linen Management Program and Software. Vendor will work with Purchaser to educate, assist and monitor overall linen satisfaction and usage through the program outlined in Schedule C, "Linen Management Program". Vendor will provide Linen Management System access to Purchaser's hospital. Vendor will provide appropriate training for Purchaser's employees to assist in the implementation of the ongoing use of Vendor's Linen Management System Software.
11. Inspection of Vendor Facilities. Purchaser shall have the right, during normal business hours and with reasonable advance notice, to inspect Vendor's premises, processing facilities and Laundry storage facilities utilized in providing Services.
12. Amendments. This Agreement, as executed and approved, shall not be modified except by written amendment signed by the Parties hereto expressly stating an intent to modify the terms of this Agreement.
13. Severability. If any provision of this Agreement should for any reason be held invalid, unenforceable or contrary to public policy, the remainder of the Agreement shall remain in full force and effect notwithstanding.
14. Waivers. The waiver of any provision of this Agreement or any right, power or remedy hereunder shall not be effective unless made in writing and signed by both Parties. No failure or delay by either Party in exercising any right, power or remedy with respect to any of its rights hereunder shall operate as a waiver thereof.
15. Budget Act and Fiscal Fund Out. In accordance with the Nevada Revised Statutes (NRS 354.626), the financial obligations under this Agreement between the parties shall not exceed those monies appropriated and approved by Purchaser for the then-current fiscal year under the Local

Government Budget Act. This Agreement shall terminate and Purchaser's obligations under it shall be extinguished at the end of any of Purchaser's fiscal years in which Purchaser's governing body fails to appropriate monies for the ensuing fiscal year sufficient for the payment of all amounts which could then become due under this Agreement, provided that Purchaser gives Vendor at least one hundred and twenty (120) days' prior written notice termination. Purchaser agrees that this section shall not be utilized as a subterfuge or in a discriminatory fashion as it relates to this Agreement. In the event this section is invoked, this Agreement will expire on the 30th day of June of the then-current fiscal year. Termination under this section shall not relieve Purchaser of its obligations incurred through the 30th day of June of the fiscal year for which monies were appropriated or for items delivered for which Purchaser did not give notification of termination due to loss of appropriated funds.

16. Public Records. Vendor acknowledges that Purchaser is a public, county-owned hospital which is subject to the provisions of the Nevada Public Records Act, Nevada Revised Statutes Chapter 239, as may be amended from time to time. As such, its contracts are public documents available for copying and inspection by the public. If Purchaser receives a demand for the disclosure of any information related to this Agreement that Vendor has claimed to be confidential and proprietary, such as Vendor's pricing, programs, services, business practices or procedures, Purchaser will immediately notify Vendor of such demand and Vendor shall immediately notify Purchaser of its intention to seek injunctive relief in a Nevada court for protective order. Vendor shall indemnify and defend and hold harmless Purchaser from any claims or actions, including all associated costs and attorney's fees, demanding the disclosure of Vendor document(s) in Purchaser's custody and control that Vendor's claims to be confidential and proprietary.
17. Non-Excluded Healthcare Provider Vendor represents and warrants to Purchaser that neither it nor any of its affiliates (a) are excluded from participation in any federal health care program, as defined under 42 U.S.C. §1320a-7b (f), for the provision of goods or services for which payment may be made under such federal health care programs and (b) has arranged or contracted (by employment or otherwise) with any employee, contractor or agent that such party or its affiliates know or should know are excluded from participation in any federal health care program, to provide goods or services hereunder. Vendor represents and warrants to Purchaser that no final adverse action, as such term is defined under 42 U.S.C. §1320a-7e (g), has occurred or is pending or threatened against such Vendor or its affiliates or to their knowledge against any employee, contractor or agent engaged to provide goods or services under the Agreement.
18. Notices:  
Notices under this Agreement shall all be in writing, shall be effective upon receipt and shall be sent to the designated recipients listed below by any of the following methods: (i) facsimile or e-mail with return facsimile or e-mail acknowledging receipt; (ii) United States Postal Service certified or registered mail with return receipt showing receipt; (iii) courier delivery service with proof of delivery; or (iv) Personal delivery. Either Party may change the name and address of any of its designated recipients of notices by giving notice as provided for herein.

HealthTrust's contact for notices under the Agreement:

Division Director of Contracting  
HealthTrust Purchasing Group, L.P.  
2285 Corporate Circle, Ste. 120  
Henderson, NV 89074

With a copy to:

Chief Legal Officer  
HealthTrust Purchasing Group, L.P.  
1100 Dr. Martin L. King Jr. Boulevard, Suite 1100

Nashville, TN 37203

Purchaser's contact for notices under the Agreement:

Contracts Management  
University Medical Center of Southern Nevada  
1800 West Charleston Boulevard  
Las Vegas, NV 89102

Vendor's contact for notices under the Agreement:

Chief Executive Officer  
Emerald Textile Services, LLC  
1725 Dornoch Court, Suite 101  
San Diego, CA 92154

19. Laundry Condition

Vendor is responsible for the condition of the Laundry from the time of pickup from a Purchaser until delivery back to a Purchaser. Purchaser is responsible for loss or damage to Laundry as designated in Attachment A, "Risk/Reward Program for Facilities on Rental Program" of this Agreement.

20. Extra Delivery Fee

If the hospital requires an additional delivery due to no fault of the Vendor an Extra Delivery Fee may be charged not to exceed \$350.00 per delivery if delivery originates from St. George or a fee not to exceed \$180.00 per delivery if the special delivery is made from Vendor's Las Vegas depot. If Vendor incurs unforeseen increases in the cost of performing hereunder by 10% or more, Vendor may enter into good faith negotiations with Facilities and Purchaser to increase prices. For purposes of this Agreement, "unforeseen increases" includes, but are not limited to, increases to the extent not within the control of Vendor in cost of textiles, utilities, supplies, labor, transportation, waste disposal, or other costs not within the control of the Vendor.

21. Linen Ownership

All Linen (with the exception of Customer Owned Goods [COG] items) shall at all times be and remain the property of Vendor. Ragged Linen shall remain the property of Vendor. Within thirty (30) calendar days after expiration or termination of the Term, Purchaser shall return all of Vendor's property to Vendor.

22. Lost and Found

Items of value found in the soiled linen carts shall be returned to the Facility at no additional cost to the Facility.

23. Laundry Bulk Carts

Vendor shall provide to Facility a sufficient quantity of bulk laundry carts as mutually determined between the Vendor and the Facility based upon volume of linen services required at no additional charge. All bulk laundry carts will remain the property of the Vendor and are to be used solely for the purpose of transport of clean and soiled linen. Laundry carts will be cleaned and sanitized prior to being filled with clean linen according to HLAC standards. All bulk carts are barcoded so Vendor can manage the cart inventory to ensure carts are returned from Facility. Facility agrees that trash will not be placed in bulk carts.

24. Laundry Services Delivery Schedule

**Days of the Week and Times for Pickup and Delivery of Laundry:**

Hospital facility is delivered seven (7) days per week, at a mutually agreed upon times.

Clinic facilities are delivered twice per week, at mutually agreed upon days and times.

**Designated Locations in Facility for Pickup and Delivery of Laundry:**

Delivery and pick-up will be via the loading dock or designated linen storage area.

25. Ordering Process

Vendor will assist Facility in establishing and maintaining appropriate par levels in the main linen room area. Vendor's Route Delivery Representative will place orders daily on behalf of the Facility to maintain consistent par levels.

26. Customer Service

The normal office hours at Vendor Laundry are 8am – 4pm Monday to Friday.

Office: 435-652-3076

A Customer Service Representative, fluent in English, will be assigned to each facility that will be responsible for taking calls, text and emails after hours and in case of an emergency. A full contact list will be maintained by the Customer Services Representative.

27. Payment Terms

Purchasing Invoice. Vendor Laundry invoices on a weekly basis; Net due forty-five (45) days from the latter of receipt of invoice or full performance of Service. Purchasers will receive an additional two percent (2%) off the pricing set forth in Schedule B if full payment is made to Vendor within ten (10) calendar days following the latter of the full performance of Service or receipt of invoice. If any undisputed invoice remains unpaid for forty-five (45) days after the invoice date, charges for all future Linen Rental Services shall be due and payable in full upon the delivery of the applicable linens to Purchaser (i.e. COD) until there are no past due charges to Purchaser's account. If any undisputed invoice remains unpaid for ninety (90) days, Vendor shall have the right to suspend and withhold its Linen Rental Services until there are no past due charges to Purchaser's account. Vendor's exercise of its rights under this Section 27 shall not relieve Purchaser of any of its obligations under this Agreement.

Annual Price Increases. There will be an automatic price increase to the fees and charges detailed in Schedule B, "Rental and COG and Linen Distribution Pricing", and this Agreement on each annual anniversary of the Agreement Effective Date. The price increase will be no more than two and one half percent (2.5%).

Direct Cost Increase. In the event Vendor's costs are increased during the term of the Agreement as a result of any regulations or taxes promulgated by federal, state or local government agencies, including, but not limited to, state & federal minimum wage increases and the implementation of the Patient Protection and Affordable Care Act, in excess of the annual price increase, then the actual increase in cost shall be detailed and billed to Purchaser as a separate line-item surcharge on each invoice, not to exceed one percent (1%)

- a. Invoice Errors. If an invoice does not match purchase order information, including but not limited to purchase order number, Products, prices set forth in Schedule B of this Agreement or any Purchaser-Specific Agreement and other required information, then Purchaser shall have the right to reject the invoice and request resubmission by Vendor, and the payment terms set forth in this Section 27 of this Agreement shall be tolled until an invoice with the correct purchase order information has been received by Purchaser.

*Signatures on following page*



**IN WITNESS WHEREOF**, the Parties hereby indicate their acceptance of the terms of this Agreement by the signatures of their duly authorized representatives.

Purchaser: **University Medical Center of  
Southern Nevada**

Vendor: **Emerald Textile Services, LLC**

Purchaser Signee: \_\_\_\_\_ Vendor Signee: \_\_\_\_\_

Purchaser Signee Name: Mason Van Houweling Vendor Signee Name: Andrew Kratky

Purchaser Signee Title: Chief Executive Officer Vendor Signee Title: Chief Executive Officer

Purchaser Signature Date: \_\_\_\_\_ Vendor Signature Date: \_\_\_\_\_

**HealthTrust Purchasing Group, L.P.,  
By HPG Enterprises, LLC, its general partner**

HealthTrust Signee: \_\_\_\_\_

HealthTrust Signee Name: \_\_\_\_\_

HealthTrust Signee Title: \_\_\_\_\_

HealthTrust Signature Date: \_\_\_\_\_

Schedule A  
**Purchaser Facilities**

**Acute Facility:**

University Medical Center of Southern Nevada

**Clinic Facilities:**

UMC Blue Diamond Quick Care  
UMC Centennial Hill Quick and Primary Care  
UMC Center for Transplantation  
UMC Enterprise Quick Care  
UMC Nellis Quick and Primary Care  
UMC Peccole Ranch Quick and Primary Care  
UMC Rancho Quick and Primary Care  
UMC Southern Highlands Quick and Primary Care  
UMC Spring Valley Quick and Primary Care  
UMC Summerlin Quick and Primary Care  
UMC Sunset Quick and Primary Care  
UMC Family Care Clinic  
UMC Ortho Clinic

Schedule B  
**Rental and COG and Linen Distribution Pricing**

The following standard items will be charged at a Base Rate of \$ per clean pound delivered:

**Description**  
Pillowcase, bagged  
Hospital Sheet  
Thermal Blanket  
Incontinent Pad  
IV Gown, bagged  
Bath Blanket  
Bath Towel  
Washcloth, bagged  
PJ Pant, Child, bagged  
Child Gown, bagged  
Baby Blanket  
Baby Shirt, bagged

**STANDARD SCRUB PROGRAM (SHIRT AND PANT)**

Scrub shirts and pants will be charged at the unit price of \$ and warm-up jackets will be charged at the unit price of \$. The following colors are considered standard: Misty Green, Jade Green, Ceil Blue, and Navy Blue. The following Angelstat styles are considered standard: shirt 610, pant 600, and warm-up jacket unisex style 849.

All scrubs will be picked up from one central location at each of the Purchaser Facilities. Vendor will keep Purchaser's scrub inventory separate from other customers' inventory. If labeling is required a \$ prep charge will be added per item.

To qualify for the per piece price, minimum weekly turn quantities must be maintained at all times for scrub shirts, pants and jackets in this Schedule B. All scrubs will be specific for the Purchaser Facility and Vendor will keep separate throughout Purchaser's system.

**LINEN NON-STANDARD**

<b><u>Description</u></b>	<b><u>Unit Price</u></b>
Bariatric Gown, bagged	\$
IV Bariatric Gown, bagged	\$
Isolation Gown, bagged	\$
Behavioral Gown, bagged	\$
Mothers Gown, bagged	\$
Adult PJ Pant	\$

**DUST CONTROL – NON-STANDARD**

<b><u>Description</u></b>	<b><u>Unit Price</u></b>
Mop, Wet Medium, bagged	\$
Mop, Microfiber 18”, bagged	\$
Towel, Cleaning Microfiber, bagged	\$
Cloth, Cleaning Terry, bagged	\$
Utility Towel, Blue, bagged	\$

**DIETARY – NON-STANDARD**

<b><u>Description</u></b>	<b><u>Unit Price</u></b>
Towel, Kitchen, bagged	\$
Apron, Bib	\$

**CLINICS – NON-STANDARD**

<b><u>Description</u></b>	<b><u>Unit Price</u></b>
Pillowcase	\$
Hospital Sheet	\$
Sheet, Draw Light	\$
Sheet, Fitted Knit	\$
Bath Blanket	\$
Bath Towel	\$
Washcloth	\$
Bariatric Gown	\$
Patient Gown	\$

Each Clinic delivery will be a minimum of \$

To qualify for the piece price, minimum weekly turn quantities must be maintained at all times for the items listed in this Schedule B under the headings Linen Non-Standard, Dust Control, Dietary and Clinics.

**Customer Owned Goods (COG) Items**

**COG ITEMS** – Purchaser agrees to keep Customer Owned Goods items separate from Vendor owned Linen Rental items.

<b><u>Description</u></b>	<b><u>Unit Price</u></b>
Snuggle Up	\$
Incubator Covers	\$
Sleep Sack	\$
Halo	\$
Cubicle Curtain Small (69”x92” or smaller)	\$
Cubicle Curtain Medium (5.75’ to 9’ wide)	\$
Cubicle Curtain Large (wider than 9’)	\$
Curtain Mesh	\$
Curtain Removal/Replacement	\$
Scrub Shirt	\$
Scrub Pant	\$
Warm-up Jacket	\$

## **Linen Distribution Services**

### **Staffing Requirements**

Emerald will provide the services of an Account Executive to coordinate and supervise the activities of the linen management and distribution services. The Account Executive will promptly respond and work diligently to resolve problems associated with any aspect of the services.

Customer may, at any time with written request, require Emerald to withdraw an Account Executive or any employee of Emerald from working at Customer if (1) deemed to be an immediate threat to the health or welfare of Customer's patients, staff members, visitors or to Customer's operations; (2) whose performance is unsatisfactory; (3) whose personal characteristics prevent desirable relationships within Customer; or (4) who fails to adhere to Customer's existing policies, rules and regulations. Emerald will provide distribution staff to fully support the requirements of this Agreement.

The Account Executive will report to the Associate Administrator of Operations or his/her designee. As applicable, attendance at the monthly Linen Committee meeting and participation in the Patient Wound and Skin Management Team will be required from the Account Executive, when such meeting is held. Periodic training of Customer staff and contractors on proper linen usage, will identify cost saving measures through best linen management practices and hospital policy. The training sessions may be conducted quarterly and to include all interested personnel.

### **Distribution/Linen Room Staffing Requirements**

1. Staffing, to include the number of employees and shifts scheduled, will be determined by Emerald prior to this Agreement's start date. At Customer's request, Emerald may be asked to provide coverage on a twenty-four (24) hour per day, seven (7) days a week basis. The responsibility for maintaining adequate onsite staff to maintain a sustainable level of operational capability and quality of service will be with Emerald.
2. Emerald's employees will distribute clean linen to all areas.
3. Emerald's employees will respond to all requests for linens.
4. Emerald's employees will be responsible for the daily data entry of linen usage into the linen inventory management software system. Such software system will be provided by Emerald at no cost to Customer.
5. Emerald must provide a telephone number and name of a supervisor for after hour emergencies and provide a pager or cellular phone for its employees.
6. All onsite and primary contact employees of Emerald will be fluent in English and capable of responding to verbal and written communications from Customer staff.
7. Emerald's employees will provide results of the two-step TB Skin Testing annually.
8. Emerald's employees will demonstrate exposure to or vaccination against Rubella, Rubeola and Varicella.
9. Emerald's employees will attend Customer's orientation class for non- Customer employees prior to beginning work on Customer's premises, review orientation materials and the written regulations which will govern Emerald's staff while on Customer's premises.
10. Distribution staff training will be the responsibility of Emerald.
11. Emerald will supply all vehicles and transportation to complete distribution services.

### **Distribution Staffing and Costs**

<b>Distribution and Staffing of Linen Room</b>	<b>Total Monthly Price</b>	<b>Months</b>	<b>Distribution Staffing Total Amount</b>
Total Staffing Costs (includes wages, taxes, benefits, payroll processing, retirement plans, vehicles, vehicles' costs, etc.)	\$29,196	60	\$1,751,760

**The three percent (3%) GPO Fee will not apply to Linen Distribution charges, as the Linen Distribution charges are separate and independent from the linen rental program.**

Schedule C  
**Linen Management Program**

Vendor will work with Purchaser to educate, assist and monitor overall linen satisfaction and usage, from the route delivery person to each specific department.

Vendor provides an Account Executive who will assist in the linen management process at each hospital facility. This “Virtual Employee” will work hand-in-hand with Purchaser to enhance overall service and cost management systems. Many components of the Linen Management Program may be conducted independently or with a Purchaser designee, provided Vendor’s Account Executive is given credentials and access to the patient areas.

**Linen Management Program**

1. Establish and maintain correct Par Level usage at the main linen room area. Vendor’s Route Delivery Representative will confirm with Hospital’s EVS designate and place orders daily on behalf of the Facility to maintain consistent par levels.
2. Establish and maintain correct Par Level usage at each departmental area.
3. Establish and maintain a consistent linen distribution delivery schedule.
4. Establish the best product and proper use for each linen item through Linen Committee Meetings, Linen Awareness Days, Floor Tours, and Report Cards.
5. Establish benchmarks based upon actual usage and patient census.
6. Establish linen discharge and ambulance policies.
7. Establish standard operating procedures such as bed make up policy, shelf stocking procedure, etc.
8. Track departmental distribution through Vendor’s linen management software program, Linen Helper.

**Attachment A**

**RISK/REWARD PROGRAM FOR FACILITIES ON RENTAL PROGRAM  
Loss Recovery Calculation**

A Soiled to Clean Ratio will be calculated monthly and corresponding linen replacement charges will be invoiced in the following month.

Upon request, Vendor will provide Purchaser with the current Soiled to Clean Ratio on a monthly basis.

**Soiled to Clean Ratio**

Within the first thirty days of service, Vendor will determine the Purchaser's Benchmark Soiled to Clean Ratio, using the following process:

- The soiled Linen Products returned by Purchaser will be weighed as it arrives at the Vendor plant
- All Linen Products will be kept separate from the pool of other rental linens until clean weight is measured
- All Linen Products will be cleaned and dried to be delivered to the Purchaser
- The clean, dry Linen Products will be weighed
- The soiled and clean weights will be measured for multiple days to calculate an accurate weighted average

$\text{Initial Soiled Weight Returned} / \text{Final Clean Weight Delivered} = \text{Benchmark Soiled to Clean Ratio}$

For the avoidance of doubt, the soiled weight utilized in this calculation and throughout this Exhibit will include all Linen Products returned with the soiled linen.

Once the Benchmark Soiled to Clean Ratio has been established, Vendor will weigh every cart of soiled linen picked up at the hospital and every cart of clean linen delivered to the hospital. At the end of each month Vendor will review the actual Soiled to Clean Ratio vs. the Purchaser's Benchmark Soiled to Clean Ratio.

**Excessive Losses**

If the actual Soiled to Clean Ratio falls below the established Benchmark Soiled to Clean Ratio, then the number of replacement pounds will be calculated and a linen replacement charge of \$      per lost pound will be assessed (*Linen Replacement Charge*).

*Example Calculations (for illustrative purposes only):*

Benchmark Soiled to Clean Ratio = 110%  
Clean pounds delivered = 10,000  
Expected soiled pounds returned = 11,000  
Actual soiled pounds returned = 10,950 = 109.5%  
Variance = 50 pounds

**Example Calculation:** 50 pounds lost x      = \$      Linen Replacement Charge

Vendor will inform Purchaser on a monthly basis as to the current actual Soiled to Clean Ratio and invoice for the calculated Linen Replacement Charge.

The Benchmark Soiled to Clean Ratio will be validated at least once per year or as it becomes necessary due to a material change in product mix.

**Attachment B****Fuel Adjustment Table**

Energy Adjustments. The cost of diesel fuel used in delivering linen products are among the most significant operating costs experienced by Vendor. At the same time, the cost of diesel fuel has been shown to be volatile and not easily predicted. In order to ensure that the benefits and burdens of fluctuations in the cost of fuel be shared equitably by Vendor and Purchaser, a fuel surcharge may be applied to each invoice in accordance with the matrix below if there is a significant rise in the price of diesel fuel.

<b>National Average Diesel Fuel (Dollars per gallon)</b>		<b>Diesel Fuel Component</b>
<u>At least</u>	<u>but less than</u>	<u>Surcharge</u>
<p>or over equates to an additional 0.2% increase in the Diesel Fuel Surcharge component for every 25 cent increase in the \$/gallon</p>		



**Attachment C**

**Performance Conditions and Quality Guidelines**

Vendor agrees to the following performance conditions and quality guidelines:

- A. Deliveries. A window of four (4) hours will be allowed from the scheduled delivery times set forth on the applicable exhibit. All deliveries outside this window are considered late and unsatisfactory. The delivery schedule before, during and after holidays shall be mutually agreed to by the parties.
- B. Reject Rate. The rejection rate for all Laundry delivered by Vendor (i.e., the Laundry delivered in unacceptable condition for use by a Facility) shall not exceed four percent (4%) based on number of items / pounds processed (select one).
- C. Quality and Inspection Guidelines. Quality, mending and inspection guidelines related to all Laundry delivered by Vendor under this Agreement, shall be as set forth below:
- In the event any Facility determines that any Service(s) purchased from Vendor hereunder do(es) not satisfy such Facility's standards, Facility may return such discontinued Service(s) to Vendor and Vendor shall provide such Facility a full refund for such Service(s) within thirty (30) days of its receipt of such returned Service(s).
  - Vendor will offer to Facility a rebate on unresolved issues measured quarterly. For every unresolved issue, Vendor will discount the monthly linen cost based on the mutual agreement by Vendor and the Facility between one half of one percent (0.5%) up to a maximum of five percent (5%) during the next quarter. The monthly measurement will be determined by the Facility's Issue Log. Facility will provide these logs to the Vendor on a monthly basis.
  - Vendor agrees to provide clean delivery carts at no cost to Facility, to be utilized in the delivery of clean linens, and will be maintained and serviced in accordance with the state and local guidelines for the Facility.
  - Vendor agrees to provide soiled linen carts at no cost to Facility, along with bulk carts used for soiled linen. These soiled linen carts will not be used for clean linen delivery unless they are cleaned to Joint Commission on Accreditation of Healthcare Organizations ("JCAHO") standards after every use.
- D. Extra Pick-ups and Deliveries. A reasonable number of extra pick-ups and deliveries may be made from time to time by Vendor in order to service unusual or other non- ordinary needs of a Facility. If, from time to time, Facility requests expedited service due to unusual or special needs of Facility, Vendor will make every effort to comply with such requests, provided such requests are reasonable and do not unduly hamper Vendor's

ability to service its other customers or increase costs extraordinarily or unreasonably. Vendor reserves the right to charge an additional cost for reasonable extra pick-ups and deliveries, as outlined in Section 20 of the Agreement, provided such are not required by Vendor's failure to properly provide Services as required hereunder.

- E. Vendor shall meet with Facilities for the purpose of reviewing performance of Vendor under this Agreement and the needs of each Facility for Services:

- Upon Facility's request

- F. Fill Rates. Daily primary scheduled deliveries ("Primary Scheduled Deliveries") are defined as deliveries that are standard scheduled deliveries with the Facility. For Primary Scheduled Deliveries, Vendor will guarantee a fill rate minimum of ninety-nine percent (99%). Ninety-nine percent (99%) fill rate is defined as ninety-nine percent (99%) of pieces ordered are delivered, provided that the order is placed with a Vendor's route service representative.

- Fill Rates below ninety-eight percent (98.0%) = Three percent (3%) penalty applied as a discount off that month's invoice for the Facility for each day below guarantee.

- G. Performance Reporting.

Vendor will provide monthly analysis and reporting of service utilization (adjusted) by Facility and by cost center and/or department if distributed, to include total usage in pounds and units, units price, total cost, usage per patient day ("PPD"). Reports must be provided to the respective Facility with ten (10) calendar days of receipt of census information being supplied to Vendor by Facility. Any updates and/or changes to Facility's census information will be provided on a monthly basis.

Vendor will provide the following information to each Facility monthly: Clean pounds shipped, pieces shipped, Customer scorecard, reject linen review and billing review.

Vendor agrees to conduct monthly service evaluation to patient care areas to provide ongoing utilization reports and graphs for specified units including, but not limited to, outcomes of cost reduction efforts.

### **Laundry Management Guidelines**

- Purchaser and Vendor will participate in the Linen Management Program outlined in Schedule C of this Agreement.
- Main Linen Room PAR levels will be agreed upon and maintained daily at each hospital. These PAR levels will be adjusted monthly, using the most recent twelve (12) month period.
- Departmental usage will be tracked daily. Appropriate PAR levels will be agreed upon, maintained daily and adjusted quarterly or as needed by the Purchaser.
- Linen Committee Meetings are strongly suggested and should be established per Purchaser Facility. These committees meet at least quarterly to discuss usage and conservation efforts. Vendor will assist in ongoing training for staff at Purchaser's Facilities.
- Patient census will be monitored per hospital daily. All census information will be provided by Purchaser to Vendor by the 2<sup>nd</sup> of each month. All clean poundage information will be provided to Purchaser by Vendor by the 3<sup>rd</sup> of each month.

### **Linen Quality Standards**

#### **1. Top Sheet, Contour Sheet, Bath Blankets**

- Holes
  - Isolated pin holes, no larger than a pen tip are acceptable, provided there are no more than 2 per sheet outside the patient area.
- Stains
  - Light stains, smaller than a dime are acceptable, provided no more than 2 per sheet and outside the patient area.
  - Residue stains from electrodes or any stain that looks like blood are not acceptable.
- Patches/Mending
  - No patching or mending, except for ripped hems, selvages and bindings.
- Other
  - No foreign objects, such as tape or electrodes.
  - No odors.
  - No discoloration.
  - Not too thin or worn.
  - No accordion wrinkles.
  - No rough nap.

#### **2. Spread Blanket and Thermal Blankets**

- Holes
  - No holes are acceptable.
  - Patches are acceptable up to 1 inch in size, outside the patient area and no more than 2 patches.
- Stains
  - No stains are acceptable
- Other

- May be downsized to 68"x85" for ER use.
- No foreign objects, such as tape or electrodes.
- No odors.
- No discoloration.
- Not too thin or worn.
- No accordion wrinkles.
- No rough nap.

3. Underpads

- Holes
  - No holes or tears are acceptable.
- Stains
  - Light stains, smaller than a dime are acceptable, provided no more than 2 per side.
- Patches/Mending
  - No patches on bonded underpads.
  - 3-ply underpads can have 2 patches on each side.
- Other
  - Soaker must be intact.
  - No foreign objects, such as tape or electrodes.
  - No odors.
  - No discoloration.
  - Not too thin or worn.
  - No accordion wrinkles.
  - No rough nap.

4. Pillowcase

- Holes
  - No holes or tears are acceptable.
- Stains
  - No stains are acceptable.
- Patches/Mending
  - No patching or mending is acceptable
- Other
  - No foreign objects, such as tape or electrodes.
  - No odors.
  - No discoloration.
  - Not too thin or worn.
  - No accordion wrinkles.
  - No rough nap.

5. Bath Towel, Wash Cloth, Hand Towels

- Holes
  - No holes or tears are acceptable.
  - No more than 2 strings, 1" long.
- Stains
  - Very light stains, smaller than a dime are acceptable, no more than 1.
- Patches/Mending
  - No patching or mending is acceptable.
- Other

- May be downsized to 68"x85" for ER use.
- No foreign objects, such as tape or electrodes.
- No odors.
- No discoloration.
- Not too thin or worn.
- No accordion wrinkles.
- No rough nap.

6. Gowns

- Holes
  - No holes or tears are acceptable
- Stains
  - Light stains, smaller than a dime are acceptable, provided no more than 2.
- Patches/Mending
  - No patching or mending is acceptable.
- Other
  - All ties and snaps must be on the gown.
  - No ties tied together.
  - No foreign objects, such as tape or electrodes.
  - No odors.
  - No discoloration.
  - Not too thin or worn.
  - No accordion wrinkles.

7. Infant Linen, Crib Pads, Pediatric Linen

- Holes
  - No holes or tears are acceptable.
- Stains
  - Light stains, smaller than a dime are acceptable on baby blankets, no more than 1.
  - No stains on other items.
- Patches/Mending
  - No patching or mending is acceptable.
- Other
  - All ties and snaps must be on the gown.
  - No foreign objects, such as tape or electrodes.
  - No odors.
  - No discoloration.
  - Not too thin or worn.
  - No accordion wrinkles.
  - No rough nap.

8. Scrubs, Lab coat, Pajamas

- Holes
  - Isolated pin holes, no larger than a pen tip are acceptable, provided there are no more than 2 per item.
- Stains
  - Light stains, smaller than a dime are acceptable, provide no more than 2.
- Patches/Mending
  - No mending or sewing, except to repair ripped pockets or seams.
- Other

- All ties and snaps must be on items.
- No foreign objects, such as tape or electrodes.
- No odors.
- No discoloration.
- Not too thin or worn.

9. Carts

- No graffiti or stickers are acceptable.
- No broken or damaged carts are acceptable.
- No trash or debris.
- Wheels must be functional and free of debris.
- Cart must have a barcode.
- Cart must be lined with plastic and tied on top.
- Cart liners must have no rips or tears.

### **Emergency Disaster Plan**

Contingency arrangements have been made to insure that linen service is maintained in the event of an emergency, such as power outages, fire, tornado, earthquake, flood, mechanical failure, etc., which effects Vendor's ability to operate and make deliveries.

This plan provides considerable guidance, but it is not intended to be a rigid instruction which is to be followed under each contingency. Obviously, all emergency situations will vary in intensity and duration and should be responded to accordingly.

It is expected that all laundry management and supervisory personnel will be thoroughly familiar with this plan and use it as a tool when emergency situations or potential emergency situations arise. The plan should be practiced at least twice as year as a drill to maintain familiarity. The Emergency Plan will only be implemented by the Owner or Plant Manager.

Circumstances and actions:

Natural Disaster, flooding, earthquake, hurricane etc.:

1. Notify all customers of possible delays in linen delivery.
2. Supervisor to call the Department of Public Safety to ascertain viable routes if needed.
3. Supervisor to prioritize and reroute all affected delivery vehicles
4. Place all healthcare facilities on possible linen restriction to emergency use only.
5. Contact back up laundries to assess potential assistance.
6. Service reps to call hospitals for linen allocation assessment.
7. Supervisors will call employees to communicate schedule or location changes.

Fire, explosion or mechanical breakdown and/or loss of utilities:

1. Notify all customers of possible delays in linen delivery.
2. Place all healthcare facilities on possible linen restriction to emergency use only.
3. Contact back up laundries to assess potential assistance.
4. Service reps to call hospitals for linen allocation assessment
5. Supervisors will call employees to communicate schedule or location changes.

Strike or walk-out

1. Notify all customers of possible delays in linen delivery.
2. All supervisors and management must report to the laundry immediately.
3. Contact back up laundries to assess potential assistance.
4. Contact area agencies to request temporary labor.

Vendor has reciprocal disaster agreements with other laundries in Utah and Southern Nevada to assure the continuance of furnishing linen requirements under conditions which disrupt the normal processing and delivery of linen. Designation of the backup facility to be used will depend on the nature and extent of the emergency. Linens will be processed at one or more alternate laundries. In the event Vendor Laundry acquires additional facilities in the area, those facilities will be added

as backup facilities. One or more backup facilities may be used. Upon determination that backup facilities will be necessary, soiled linen, as well as any new linen deemed necessary to handle customer needs during the emergency, will be immediately placed on trucks for transportation to backup facilities. The backup facility will also send out to the extent necessary to ensure adequate linen and to the extent clean linen is available, by truck, clean linen inventory.

Vendor has arrangements with truck rental companies whereby additional vehicles are made available in the event of emergencies. There is also an agreement with a transportation company to provide distribution services as needed.

Temporary manpower may be hired as needed to handle the additional load. Depending on circumstances, management and/or staff may be sent from other facilities, including facilities in other parts of the country, in order to assist with the emergency.

Inventory may be supplemented, as needed to meet demands, with linens from new linen inventory, or linens from other sources.

Vendor will maintain a current written emergency plan at each of the facilities complete with emergency contact information for all key personnel.

Vendor Key Personnel:

Laundry Plant		435-652-3076
Admin Assistant	Micah Simmons	435-652-3076
Customer Service	Anthony Martinez	702-578-4719

Set forth plan if primary vendor plant is unable to function.





February 8<sup>th</sup>, 2023

John Goodnow  
Contract Specialist  
University Medical Center of Southern Nevada  
1800 W. Charleston Blvd.  
Las Vegas, NV 89102

Re: Request for competitive bidding information regarding Laundry and Linen Services.

Dear Mr. Goodnow:

This letter is provided in response to the University Medical Center of Southern Nevada's ("UMC") request for information about HealthTrust Purchasing Group, L.P.'s ("HealthTrust") competitive bidding process for Laundry and Linen Services. We are pleased to provide this information to UMC in your capacity as a Participant of HealthTrust, as defined in and subject to the Participation Agreement between HealthTrust and UMC, effective August 3, 2016.

HealthTrust's bid and award process is described in its Contracting Process Policy [HT.008] available on its public website (<http://healthtrustpg.com/about-healthtrust/healthcare-code-of-ethics/>). As described in the policy, HealthTrust operates a member-driven contracting process. Advisory Boards are engaged to determine the clinical, technical, operational, conversion, business and other criteria important for each specific bid category. The boards are comprised of representatives from HealthTrust's membership who have appropriate experience, credentials/licensures, and decision-making authority within their respective health systems for the board on which they serve.

HealthTrust's requirements for specific products and services are published on its Contract Schedule on its public website. HealthTrust's requirements for vendors are outlined in its Supplier Criteria Policy [HT.010]. A listing of the minimum Supplier Criteria is also published on HealthTrust's public website, as well as an on-line form for prospective vendor submission.

The Contracting Process Policy includes criteria for the selection of contract products and services and documents and the procedures followed by HealthTrust's contracting team to select vendors for consideration. HealthTrust's Advisory Boards may provide additional requirements or other criteria that would be incorporated into the RFP (request for proposals) process, where appropriate. Vendor proposals submitted in response to RFPs are analyzed using an extensive clinical/technical review as described above, as well as a financial/operational review.



The above-described process was followed with respect to the Laundry and Linen Services category. HealthTrust issued RFPs and received proposals from identified suppliers in the Laundry and Linen Services category. A contract was executed with Emerald Textiles, Medtegrity, AlSCO, Crothall, Angelica, Aramark, Handcraft, Novo and Crown Healthcare in February of 2019. I hope this satisfies your request. Please contact me with any additional questions.

Sincerely,

Craig Dabbs

Account Director, Member Services

**UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA  
GOVERNING BOARD AUDIT AND FINANCE COMMITTEE  
AGENDA ITEM**

<b>Issue:</b>	<b>Software Use Agreement with Strata Decision Technology, LLC</b>	<b>Back-up:</b>
<b>Petitioner:</b>	Jennifer Wakem, Chief Financial Officer	<b>Clerk Ref. #</b>
<b>Recommendation:</b>  <b>That the Governing Board Audit and Finance Committee review and recommend for approval by the Governing Board the Software Use Agreement with Strata Decision Technology, LLC for financial planning and decision support software subscription; authorize the Chief Executive Officer to execute extensions and amendments within his yearly delegation of authority; or take action as deemed appropriate. (<i>For possible action</i>)</b>		

**FISCAL IMPACT:**

Fund Number: 5420.000	Fund Name: UMC Operating Fund
Fund Center: 3000851000	Funded Pgm/Grant: N/A
Description: Subscription to StrataJazz and Sg2 Care Grouper software	
CBE: NRS 332.115(1)(h) – Software	
Term: Four (4) years with One, 1-year option	
Amount: NTE \$2,334,642.00	
Out Clause: 30 days with cause or 6 months Buyer’s Remorse Guarantee	

**BACKGROUND:**

This request is to enter into a new Software Use Agreement (“Agreement”) with Strata Decision Technology, LLC (“Strata”) to subscribe to the StrataJazz and Sg2 Care Grouper software solutions (“Solutions”). These Solutions provide business decision support, advanced cost accounting, reporting, and contract analytics to improve efficiencies throughout UMC, and offer tools to make more informed and timely business decisions. UMC will compensate Strata a not-to-exceed amount of \$2,334,642.00 for four (4) years from the Agreement’s Effective Date with a one (1) year extension option. Either party may terminate this Agreement with cause with a 30-day written notice or at UMC’s option, exercise the Buyer’s Remorse Guarantee within the first six (6) months of the Term.

Staff also requests authorization for the Hospital CEO to execute extensions and amendments within his yearly delegation of authority.

UMC’s Chief Financial Officer and Assistant Controller have reviewed and recommends approval of this Agreement. This Agreement has been approved as to form by UMC’s Office of General Counsel.

Cleared for Agenda  
February 15, 2023

Agenda Item #

**11**

Strata is coordinating with the Department of Business License in obtaining a Clark County vendor registration.



## SOFTWARE USE AGREEMENT

THIS SOFTWARE USE AGREEMENT ("Agreement") is made and entered into as of the date of the last signature affixed hereto (the "Effective Date"), by and between Strata Decision Technology, LLC, an Illinois Limited Liability Company with principal offices at 200 East Randolph Street, 49<sup>th</sup> Floor, Chicago, Illinois 60601 ("Strata") and University Medical Center of Southern Nevada, a publicly owned and operated hospital created by virtue of Chapter 450 of the Nevada Revised Statutes having its principal offices at 1800 West Charleston Boulevard, Las Vegas, Nevada 89102 ("Customer").

### W I T N E S S E T H:

WHEREAS, Strata desires to grant to Customer, and Customer desires to obtain from Strata, a non-exclusive right to use the computer software and related materials described below, all on the terms and conditions set forth in this Agreement.

### A G R E E M E N T S:

NOW, THEREFORE, in consideration of the mutual covenants set forth in this Agreement and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. Definitions. As used in this Agreement, the following definitions will apply:

"Annual Consulting Days" means the annual consulting support that will be provided to Customer to be used as Customer sees fit, including, but not limited to, training (on-site or web based), process support meetings, database rollovers or additional services that are not included in the project assumptions contemplated under this Agreement. Each Annual Consulting Day equals eight (8) hours;

"Authorized User" means a party granted the right to use the Program Assets at the Facilities, including and limited to only the following: (a) Customer and its employees and authorized agents; (b) nurses, physicians and technicians or staff otherwise affiliated with Customer, including, without limitation, the medical staff members; (c) Third Party consultants and other independent contractors performing services for Customer; and (d) any governmental bodies lawfully requesting or requiring access. Notwithstanding the foregoing, the entities listed in **Exhibit D**, their respective personnel, and their respective Facilities shall at no time be deemed to be an Authorized User;

"Contract Year" means each successive 12-month period after the Effective Date of this Agreement;

"Facility" means, with respect to either party, any person or entity which such party controls. For purposes of the preceding sentence, the term "Control" means the ownership of more than fifty percent (50%) of an entity's voting securities;

"Hospital" means a healthcare provider of inpatient and other healthcare services with a single National Provider Identifier (i.e., Medicare number) without regard for sub-provider identifiers which are identified in **Exhibit B** of this Agreement;

"Input Data" means all data entered into the Programs by Customer and/or its Facilities;

"Programs" means the computer software identified in **Exhibit A** to this Agreement, which is hereby incorporated by reference and made a part of this Agreement, and also includes any subsequent upgrades provided by Strata;

"Program Assets" means the Programs and the User Documentation;



"Proprietary Assets" means the copyright, patent, trade secret and other proprietary rights of Strata included in the Program Assets, including, without limitation, Strata's Confidential Information and materials identified in Section 9.2;

"Report User" means an individual user of the Programs with a specified name with a unique Windows or network logon name or ID who has read only report viewing access to the Programs;

"System User" means an individual user of the Programs with a specified name with a unique Windows or network logon name or ID who has full access to the Programs;

"User Documentation" means the user documentation materials, including online help and PDF guides provided by Strata to Customer pursuant to the terms of this Agreement which embody, represent, describe or specify the Programs or their uses, operations or applications; and

Other defined terms are contained in the body of this Agreement.

## 2. Customer Rights Under Agreement.

2.1 In accordance with the terms of this Agreement, Strata grants to Customer, and Customer accepts from Strata, a limited, non-transferable, non-exclusive right to use the Programs (or any version thereof provided to Customer pursuant to this Agreement) via Strata's hosted application environment. Notwithstanding the foregoing, Strata acknowledges that part of Customer's business may involve operating in a shared resource and/or service bureau environment, and in connection with such business, Customer will have, subject to the requirements set forth in this Agreement, the right to use the Programs for itself and its Facilities, such right of use will include a right of access and direct use of Customer's Authorized Users.

2.2 Customer will have the right to modify the Program Assets and/or merge the same into other programs and materials to form an updated work for its own use.

2.3 Customer must obtain from Strata advance written approval, which will not be unreasonably withheld, before any changes are made to the Hospitals listed in **Exhibit B**. Customer recognizes the fees for the rights granted hereunder are based upon (a) the number of System Users for the Facilities and (b) the number of Hospitals listed in **Exhibit B**, and an increase in either may result in an increase in fees.

2.4 Customer must not access the Program Assets from any location other than Customer's Facilities and must prevent use or access of the Program Assets by anyone other than Customer or other Authorized Users. Customer acknowledges that any use of the Program Assets in violation of this Section constitutes a material breach of the terms of this Agreement. Customer and Authorized Users are permitted to access the software from remote sites, so long as such access conforms to Customer's policies for remote access to confidential information.

## 3. Term.

This Agreement will be effective on the date first written above and will be in effect through the Commitment Period outlined in Section 6.1 ("Term"), unless terminated pursuant to the express terms of this Agreement.

## 4. Delivery; Installation; Consulting Support.

4.1 Strata will provide the Program access credentials to Customer within fifteen (15) days of the Effective Date of this Agreement (the "Installation Date"). If Customer does not agree that the Programs are accessible in accordance with the System Technical Requirements set forth on **Exhibit C** located at: <http://www.stratadecision.com/TechRequirements>, it will so advise Strata in writing within thirty (30) days of the Installation Date. Strata will then take corrective action to remedy the situation.



4.2 Implementation Consulting Support: Strata shall provide implementation consulting support for the Programs in accordance with a mutually agreed upon project assumptions attached as **Exhibit F**. The corresponding fees and the billing terms for those fees are outlined in **Exhibit A** to this Agreement (excluding travel which will be billed separately as they are incurred). Additional consulting services beyond the effort outlined in the project assumptions in **Exhibit F** are not included in Strata's support duties under this Agreement, but are available to Customer to purchase via an engagement letter which will be executed by both parties.

4.3 Annual Consulting Days: Strata shall make its resources available to Customer for a specified number of ongoing Annual Consulting Days pursuant to the details outlined in **Exhibit A** to be used toward consulting engagements outside of the project assumptions. These Annual Consulting Days will be provided to Customer at no additional charge. The allotment of person-days for a given Contract Year is to be used within one (1) year, and will not carry over from year to year.

## 5. Charges.

5.1 Customer will pay Strata the fees set forth in **Exhibit A**, in accordance with the Payment Schedule set forth therein. Any and all other charges due under this Agreement will be due and payable within thirty (30) days of Customer's receipt of the applicable correct invoice.

5.2 Customer will be responsible for the payment of all applicable taxes levied or based on this Agreement or the Program Assets, including state and local privilege or excise taxes; provided that Customer will not be responsible for the payment of taxes based on the net income of Strata.

## 6. Annual Fees / Renewals / Upgrades / Tech Support.

6.1 Customer has made a commitment to use the suite of Program Assets for four (4) years from the Effective Date with an option to renew for one (1) year (i.e., the "Commitment Period"). This Agreement shall not auto renew, and renewal terms will be negotiated by the parties at the end of the Commitment Period, however, in no case will the annual subscription fees outlined in **Exhibit A** increase by more than 5% per year for any renewal after the Commitment Period. Both parties agree to either execute an amendment or a new Agreement if the subscription services will go past the Commitment Period.

6.2 Customer must pay the annual fees outlined in **Exhibit A** for continued use of the suite of Program Assets beyond the first Contract Year. In the event that Customer fails to pay the annual fees outlined in **Exhibit A**, Customer's access to the Program Assets will be terminated or suspended, and Customer must immediately cease and desist from using the suite of Program Assets.

6.3 Payment of the subscription fees outlined in **Exhibit A** entitles Customer to receive upgrades of the Programs in use that are of the same software and analytics platform, and free Technical Support for unlimited support incidents for resolving incidents where software functionality does not perform in accordance with User Documentation. Technical Support is defined to include, but not be limited to, the following: software system-related error messages, system performance issues, troubleshooting specific to system issues or error messages, and software system errors. Support personnel will assist Customer in resolving issues with the use of the Program Assets and answer related general questions. For this Technical Support, Strata's hours of operation are Monday through Friday, 7:00 a.m. to 7:00 p.m. United States Central Time.

6.3(a) Technical Support is available to Customer in the following way through the following communication:

- Telephone: 312-726-1227 and select the technical support option
- E-Mail: Send messages to [support@stratadecision.com](mailto:support@stratadecision.com)

6.3(b) Strata will enter Technical Support incident reports provided by Customer into Strata's call tracking system, and prioritize requests using the following categories:



- Category 1 – Program malfunction that prevent substantial numbers of Customer’s users from using Programs for substantially all normal functions using normal procedures.
- Category 2 – Same as Category 1, except that malfunction prevents some of Customer’s users from using some normal functions using normal procedures.
- Category 3 – All normal functions of the Programs are operational and can be productively used, but one or more functions are degraded as a result of a malfunction.
- Category 4 – Cosmetic issues and other minor issues that do not result in degraded performance or otherwise materially affect use or functionality of the Programs.

Strata will use commercially reasonable efforts to provide the following Response and Resolution times for the Categories. Response and Resolution times are measured from the time that the report is received by Strata Technical Support staff:

Category	Standard Business Hours	
	Response Time	Resolution Time
1	2 business hours	1 business day
2	4 business hours	2 business days
3	8 business hours	5 business days
4	8 business hours	15 business days

Strata will use commercially reasonable efforts to either fix or provide a workaround procedure for any material breach of functionality as described in the then current User Documentation as long as the Program Assets are used with software and operating systems that match then-current Strata technical standards. Resolution times are measured from the time a problem is reported until the time that Customer is sent a notification that a solution has been tested and verified by Strata staff, and does not include time required for Customer to verify that solution. Resolution times exclude any time waiting for completion of reasonable requests from Strata staff for testing, additional information, or completion of problem resolution procedures when those steps must be carried out by Customer’s employees or third-party product and service providers.

Strata will be in material breach pursuant to Section 10.1 of this Agreement should Customer report a software system-related error or issue which is classified as a Category 1 and Strata does not provide a fix or workaround procedure that addresses such system-related error or issues within ten (10) business days.

6.4 Except in instances where this Agreement is terminated as a direct result of Strata’s material breach, or as outlined in Sections 7.1 and 10.2, nothing in this Agreement will relieve Customer of its obligations to pay the fees outlined in **Exhibit A** for the full Commitment Period. Customer must remit to Strata the fees outlined in **Exhibit A** during the Commitment Period. Customer further understands that all fees are distinct and separate payment obligations of Customer under the terms of this Agreement, and that no refunds will be issued for an early termination of this Agreement unless such termination is a direct result of Strata’s material breach as outlined in Section 10.1. Strata will invoice Customer the subscription fees annually.

6.5 As part of the payment of the subscription fees outlined in **Exhibit A**, Strata will host one (1) production version of the Programs and provide access to the Programs to Customer’s System Users for the duration of the Commitment Period. Strata’s Hosting Service Level Agreement is attached as **Exhibit E**. Any increase in the number of System Users from what is outlined in **Exhibit A** will result in an increase in the fees set forth in **Exhibit**





**A.** Strata reserves the right to periodically archive and with Customer's written acceptance, purge all data after five (5) years.

6.6 As part of the subscription fee outlined in **Exhibit A**, Strata will provide Customer with eLearning to be used for end user training on the Programs for the duration of Customer's Commitment Period for all System Users for the Programs.

6.7 Customer has agreed to purchase a limited-use Sg2 Care Grouper from Strata in exchange for the fees outlined in **Exhibit A**. Customer understands that the use of the Sg2 Care Grouper is a limited use license and may only be used inside the Programs. The fee for using the Sg2 Care Grouper inside the Programs shall be fixed for Customer's Commitment Period. After the Commitment Period, the fees for the Sg2 Grouper are subject to change based on (a) changes in Customer's Net Patient Revenue (as defined in Definitive Healthcare's website) or (b) increases imposed by Sg2 to Strata for the use of the Sg2 Grouper (and any such increase i.e., pass-through fees to Customer, will not be more than 25% or not more than any increase Sg2 imposes on Strata). Both parties agree to either execute an amendment or a new Agreement if the license subscription will go past the Commitment Period. Customer will not reverse engineer the Sg2 Care Grouper or attempt to use to group data outside the Programs (e.g., an Enterprise Data Warehouse) in any manner. Customer will be obligated to pay Sg2 the full Sg2 Care Grouper list price should it attempt such use.

## 7. Strata Warranties.

7.1 During the Commitment Period following the Effective Date (the "Warranty Period"), Strata warrants that the Programs will operate properly when used in the manner specified in the User Documentation to be provided by Strata. The extent of Strata's obligations under the foregoing warranty will be limited to correcting or replacing defective Programs and User Documentation, so as to satisfy such warranties, provided that, if Strata fails to do so in a timely manner, at Customer's election, Customer may terminate this Agreement, and thereafter Customer will have no further obligations to make any payments under this Agreement and the parties will have no further rights or obligations under this Agreement except as set forth in Section 10.4 below. Notwithstanding anything to the contrary contained in this Agreement, the foregoing warranty will not apply to malfunctions not promptly reported by Customer during the Warranty Period or from: (a) unapproved alteration or modification of the Programs or any component thereof by Customer or others (any update provided by Strata is considered for this Section an approved alteration or modification of the Programs), or (b) use of the Programs in conjunction with software obtained from another source not indicated by Strata to be compatible with the Programs.

7.2 EXCEPT AS OTHERWISE EXPRESSLY STATED IN THIS AGREEMENT, STRATA MAKES NO EXPRESS OR IMPLIED WARRANTIES OF ANY KIND WITH RESPECT TO THE PROGRAMS, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. STRATA DOES NOT WARRANT THE RESULTS OF ANY PROGRAM OR SERVICE OR THAT ANY ERRORS IN ANY PROGRAM WILL BE CORRECTED, OR THAT THE FUNCTIONALITY CONTAINED IN THE PROGRAMS WILL MEET CUSTOMER'S REQUIREMENTS.

7.3 EXCEPT AS SET FORTH IN SECTION 8 BELOW, STRATA'S TOTAL LIABILITY, IF ANY, INCLUDING BUT NOT LIMITED TO LIABILITY ARISING OUT OF CONTRACT, TORT, BREACH OF WARRANTY, INFRINGEMENT, PERSONAL INJURY, DAMAGE TO REAL PROPERTY OR PERSONAL PROPERTY OR OTHERWISE, SHALL NOT IN ANY EVENT EXCEED THE ANNUAL SUBSCRIPTION FEES PAID BY CUSTOMER TO STRATA IN THE YEAR GIVING RISE TO THE CLAIM. STRATA WILL NOT BE LIABLE UNDER ANY CIRCUMSTANCES FOR LOSS OR INACCURACY OF DATA, LOSS OF PROFITS OR INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, THE COSTS OF ANY SUBSTITUTE PROCUREMENT) WHETHER OR NOT FORESEEABLE AND EVEN IF STRATA HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.



## 8. Indemnity.

8.1 Strata shall contribute to the settlement or defense of any claim asserted against Customer alleging that the Program Assets infringe a United States patent or copyright, up to an amount equal to the subscription fees paid by Customer per **Exhibit A**. Strata's obligation under this Paragraph is subject to Customer promptly notifying Strata in writing of such claim and giving Strata full and complete authority, information and assistance in the defense of such claim; provided, however, that Strata shall not settle any claim unless the settlement has prior approval of Customer's appropriate governing body. Strata shall have no liability or obligation to Customer with respect to any such claim if such claim is based upon: (i) modification of the Program Assets made at the request of or according to the specifications of Customer; (ii) use by Customer of the Program Assets with non-Strata software, data, or materials not indicated by Strata to be compatible with the Program Assets; or (iii) for alterations to the Program Assets not approved by Strata if such alleged infringement would not have occurred, but for Customer's use, of such non-Strata software, data, or materials in conjunction with the Program Assets. In addition, Strata shall not be responsible for the cost of any settlement of any such claim made without the prior written consent of Strata, which shall not be unreasonably withheld. In the event that any such claim of infringement is made or threatened, or injunctive relief is granted to the third-party claimant, Strata may, at its sole option, either: (a) secure the right for Customer to continue using the Program Assets, (b) substitute other software of like capability, or (c) refund to Customer an amount equal to the subscription fees paid by Customer per **Exhibit A**, whereupon Customer will discontinue its use of the Program Assets. This Paragraph sets forth the complete liability of Strata with respect to infringement of intellectual property rights.

## 9. Ownership, Confidentiality and Protection of Proprietary Information.

9.1 It is agreed and understood by Customer that the Proprietary Assets are the sole property of Strata; provided however that all Input Data, in all file formats, will be the sole and exclusive property of Customer.

9.2 During the course of this Agreement, each party and its Authorized Users will have access to the other party's "Confidential Information," which includes, without limitation, the User Documentation, information pertaining to customer lists, services, methods, processes, profits, operating procedures, and any other information disclosed pursuant to this Agreement and in confidence. Each party will, to the extent and in accordance with its policies used to protect its own Confidential Information, use commercially reasonable efforts to refrain from and prevent the use or disclosure of any such Confidential Information disclosed or obtained by it while performing its obligations under this Agreement, except where such use or disclosure is for internal purposes, is required pursuant to the governmental authority listed in **Exhibit A** or by any other governmental authority, or is required to be disclosed by law or regulation. Such commercially reasonable efforts will include, at a minimum: (a) preventing the removal of any Confidential Information from such party's premises without the other party's prior written approval which approval shall not be unreasonably withheld; (b) prohibiting the copying or distribution of any Confidential Information without the other party's prior written consent; and (c) prohibiting use of any Confidential Information for any purpose other than those contemplated by this Agreement. Notwithstanding the foregoing, each party's obligations to protect the confidentiality of any such Confidential Information will terminate if the same falls into the public domain without breach by such party of its obligations under this Agreement and such materials, but only such materials, will thereupon cease being Confidential Information. In addition, the foregoing obligations of the parties will not apply to information which is disclosed to a party by a third party with the right to do so.

Notwithstanding any provision in this Agreement to the contrary, Strata acknowledges that Customer is a public county-owned hospital which is subject to the provisions of the Nevada Public Records Act, Nevada Revised Statutes Chapter 239, as may be amended from time to time, and as such its records are public documents available to copying and inspection by the public. If Customer receives a demand for the disclosure of any information related to this Agreement which Strata has claimed to be confidential and proprietary, Customer will immediately notify Strata of such demand and Strata shall immediately notify Customer of its intention to seek injunctive relief in a Nevada court for protective order. Strata shall indemnify, defend and hold harmless Customer



from any claims or actions, including all associated costs and attorney's fees, regarding or related to any demand for the disclosure of Strata documents in Customer's custody and control in which Strata claims to be confidential and proprietary. For the avoidance of any doubt, Strata hereby acknowledges that this Agreement will be publicly posted for approval by Customer's governing body.

#### 10. Termination and Remedies.

10.1 If either party materially breaches any provision of this Agreement and fails to cure the same within thirty (30) calendar days of its receipt of written notice of such breach from the non-breaching party, then the non-breaching party may, at its sole discretion, declare this Agreement to be in default and all rights of Customer granted under this Agreement to be terminated.

10.2 **Buyer's Remorse Guarantee:** For the first six (6) months following the Effective Date, Customer has the option to terminate this Agreement for any reason and receive a full refund of any subscription fees that have been previously paid, excluding implementation and travel expenses.

10.3 Immediately following the termination of this Agreement pursuant to Section 10.1 above, Customer will cease to use the suite of Program Assets in the conduct of its business except to make an archival copy of data previously processed using the suite of Program Assets and to convert such data so that it may be processed by the software used to replace the Programs. Unless this Agreement otherwise provides, within thirty (30) calendar days of the termination of this Agreement, Customer will return to Strata all physical embodiments, at Strata's cost, of the suite of Program Assets and will continue to maintain the confidentiality thereof.

10.4 The provisions of Sections 6.4, 7.2, 7.3, 8, 9, and 10.3 will survive the termination of this Agreement.

#### 11. Data Security.

11.1 "Customer Data" means any data and information, that is stored in Strata's system or software, provided by Customer and its users to Strata, or otherwise obtained by Strata from Customer and its users in connection with this Agreement.

11.2 Strata shall not gather, retrieve or utilize Customer Data for any purpose other than as expressly authorized by this Agreement or in writing by an authorized official of Customer. Notwithstanding anything to the contrary, Customer (a) authorizes Strata to use Customer Data for use in Strata developed or integrated software enhancements, algorithms, models, or analytics products or services (collectively, "Strata Products") and (b) agrees that Strata will own all right, title, and interest in such Strata Products and any derivative works created therefrom. Strata agrees that the Strata Products offered by Strata will only utilize Customer Data and Input Data on an anonymous basis, unless so authorized by Customer in writing, thus not allowing users, other than Customer, of such data, analytics product or service to attribute such data to Customer. If Strata utilizes third-party services to de-identify any PHI within Customer Data for use in Strata Products, Strata will only do so pursuant to a valid Business Associate Agreement. Strata will not export any Customer Data outside of the United States or its territories. Notwithstanding anything to the contrary, the outputs of any Strata Products (including any results, analysis or derivative works of such outputs) contain Confidential Information of Strata and may only be used internally by Customer and may not be publicly shared or used for the benefit of a third party.

11.3 With respect to system security as it pertains to Customer and Customer Data, Strata agrees to:

- (a) segment Customer Data away from Strata's internal users, so that only authorized employees of Strata with a need to know such information can access it;



- (b) encrypt all back-up media, laptops, and similar devices that interact with and/or store Customer Data ("Devices"), and keep audit logs of such Devices to verify, in the event of the loss of a Device, that such Device was encrypted;
- (c) put into place all other external controls on Customer Data necessary to prevent such data from being obtained, viewed, altered, or otherwise accessed by unauthorized users, and to prevent its systems from being compromised or breached (i.e., electronic defenses, Access Control Lists (ACLs) on routers, firewalls, etc.);
- (d) not use or permit generic account logins for multiple persons or generic root access to its information systems; i.e., all of Strata's system administrators of information systems must have their own logins so they can be tracked and audited individually;
- (e) have adequate physical security controls in place at its data center and in all other areas or locations (physical or virtual) where Customer Data is stored or processed (i.e., voice, video, data, logs, etc.);
- (f) have company security policies documented and all of those policies implemented, and require that any subcontractors of Strata adhere to such security policies;
- (g) use adequate logical security controls to separate Customer Data from other customers' data;
- (h) encrypt data transmissions between Strata and Customer using HTTPS, VPN, Secure FTP or other mutually approved method of encryption;
- (i) permit any and all off-site storage or backups of Customer Data only in a secure storage facility that meets industry standard requirements; and
- (j) ensure that its agents, subcontractors, third party providers, and users who have access to Customer Data are bound at least as stringent as those applicable to Strata under this Agreement, with respect to data security and protection and non-use of Customer Data.

11.4 Destruction of Data Standards. Upon termination of this Agreement, Strata will destroy all identifiable Customer Data. If Strata believes it is not feasible to destroy all identifiable Customer Data, Strata will promptly notify Customer and propose a plan for safeguarding the confidentiality and security of retained identifiable Customer Data. Upon Customer's agreement that the destruction of identifiable Customer Data is infeasible and it has given its consent to Strata's plan, Strata may retain such identifiable Customer Data for a mutually agreeable period of time. For the avoidance of doubt, any Customer Data or derivatives thereof which have been de-identified or anonymized in conjunction with this Agreement and in accordance with the HIPAA rules (45 CFR 164.514), shall still be available for Strata's use beyond the termination of this Agreement and consent for further use is not required.

## 12. Data Submission.

12.1 Customer agrees to forward all data files to Strata using secure file transfer protocol (SFTP) to Strata's SFTP server. A unique SFTP account will be provided to Customer. Strata shall assume no responsibility for any data file until its receipt and unless sufficient security is maintained to protect the confidentiality and integrity of all data.

12.2 The parties will execute a mutually acceptable Business Associate Agreement ("BAA") that complies with the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"). Both parties agree that no work on StrataJazz Cost Accounting Implementation can begin until this BAA is executed by both parties.



### 13. General Provisions.

13.1 Assignment. Except as specifically provided in this Agreement, neither party may assign or delegate in whole or in part this Agreement without the other party's prior written consent, which consent shall not be unreasonably withheld; however, with written notice to the other, a party may assign the rights granted under this Agreement to any successor in interest who acquires all or substantially all of the assets of a party. The successor in interest agrees in writing to assume all obligations under this Agreement. If the successor in interest refuses to be bound by all the terms and obligations of this Agreement or if any assignment is made in breach of the terms of this Agreement, then such assignment shall be null and void, and this Agreement may be terminated.

13.2 Customer specifically recognizes that (a) Strata owns the Proprietary Assets, (b) the Proprietary Assets are of value to Strata, and (c) any unauthorized disclosure or use of the Program Assets will cause irreparable injury to Strata and that actual damages may be difficult to ascertain, and in any event, may be inadequate. Accordingly, Customer agrees that in the event of any such unauthorized disclosure or use, Strata will be entitled to injunctive relief, without bond, in addition to such other legal and equitable remedies that may be available.

13.3 Agreement and Amendments. This Agreement and the Exhibits attached hereto constitute the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements and understandings, whether written or oral, and may only be modified by a written instrument signed by both parties hereto.

13.4 Governing Law. This section has been intentionally deleted.

13.5 This Agreement will be binding upon and inure to the benefit of the parties and their permitted successors and assigns.

13.6 Severability. If any provision of this Agreement is not enforceable in whole or in part, the remaining provisions of this Agreement shall not be affected. No failure or delay in exercising any right, power or privilege under this Agreement shall operate as a waiver of it, nor shall any single or partial exercise of such right, power or privilege preclude any other or further exercise of it or the exercise of any other right, power or privilege under this Agreement.

13.7 Publicity. Neither Customer nor Strata shall cause to be published or disseminated any advertising materials, either printed or electronically transmitted which identify the other party or its facilities with respect to this Agreement without the prior written consent of the other party.

13.8 Litigation Venue. This section has been intentionally deleted.

13.9 Independent Contractor. The parties acknowledge and agree that nothing in this Agreement can be construed to create an employer/employee, agency or joint venture relationship between the parties.

13.10 Customer agrees to have at least one (1) Customer employee complete the following online surveys related to their experience with Strata: (a) one post-implementation survey and (b) semi-annual customer satisfaction surveys throughout the length of the Commitment Period.

13.11 The prices in this Agreement reflect discounts. To the extent required by 42 C.F.R. § 1001.952(h) (the Anti-Kickback Statute discount safe harbor regulations) or other applicable laws and regulations, Customer must fully and accurately reflect in cost reports or other submissions to federal healthcare programs all such discounts and, upon request by the Secretary of the U.S. Department of Health and Human Services or a state agency, must make available the information provided to Customer by Strata concerning the discounts.



13.12 Strata shall abide by the requirements of 41 CFR §§ 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals on the basis of protected veteran status or disability, and require affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans and individuals with disabilities.

13.13 Customer understands that Strata is subject to the U.S. Foreign Corrupt Practices Act of 1977 (as amended) (the "FCPA") and therefore risks serious civil and criminal penalties if Strata becomes involved in making payments in cash or in kind to foreign government officials, political candidates or political parties to obtain and maintain business. Customer acknowledges that it has reviewed and understands the FCPA as it relates to the Programs. Accordingly, Customer shall not offer, promise, or pay any money, gift or any other thing of value to any person for the purpose of influencing official governmental actions or decisions in obtaining or retaining business for Strata or take any other action which would violate the FCPA. If Customer becomes aware of any violation of the FCPA related to the Programs, Customer hereby covenants and agrees to promptly report the details of such violation to Strata.

13.14 The parties agree that they will conduct an executive level call at least once every six (6) months during the Commitment Period to discuss project goals, objectives and expectations to the organization.

13.15 Budget Act and Fiscal Fund Out. In accordance with the Nevada Revised Statutes (NRS 354.626), the financial obligations under this Agreement between the parties shall not exceed those monies appropriated and approved by Customer for the then current fiscal year under the Local Government Budget Act. This Agreement shall terminate and Customer's obligations under it shall be extinguished at the end of any of Customer's fiscal years in which Customer's governing body fails to appropriate monies for the ensuing fiscal year sufficient for the payment of all amounts which could then become due under this Agreement. Customer agrees that this Section shall not be utilized as a subterfuge or in a discriminatory fashion as it relates to this Agreement. In the event this Section is invoked, this Agreement will expire on the thirtieth (30<sup>th</sup>) day of June of the then current fiscal year. Termination under this Section shall not relieve Customer of its obligations incurred through the thirtieth (30<sup>th</sup>) day of June of the fiscal year for which monies were appropriated.

13.16 Public Funds / Non-Discrimination. Strata acknowledges that Customer has an obligation to ensure that public funds are not used to subsidize private discrimination. Strata recognizes that if they or their subcontractors are found guilty by an appropriate authority of refusing to hire or do business with an individual or company due to reasons of race, color, religion, sex, sexual orientation, gender identity or gender expression, age, disability, handicapping condition (including AIDS or AIDS related conditions), national origin, or any other class protected by law or regulation, Customer may declare Strata in breach of this Agreement, terminate this Agreement, and designate Strata as non-responsible.

13.17 Non-Exclusion. Each party represents that it is not currently under investigation or debarred by any state or federal governmental agency for Medicare or Medicaid fraud and are not currently excluded from participating in the Medicare or Medicaid programs or other government programs which are reported on the OIG or GSA lists. If an investigation of a party is initiated by any state or federal governmental agency, or it is discovered that the representations contained herein are false, the non-breaching party reserves the right to immediately terminate this Agreement.

13.18 Travel. For pre-approved on-site travel by Customer, Strata will be reimbursed for actual travel expenses including airfare, car rental, ground transportation, parking, meals and lodging. All expenses must be reasonable and supported by written receipts. Strata agrees to comply with Customer's Travel Reimbursement policy.

13.19 Notices. All notices required under this Agreement must be submitted in writing and delivered by U.S. mail (first class/postage prepaid), certified mail (return receipt requested), electronic mail with acknowledgment from recipient or by hand delivery, and directed to the appropriate party as follows:



To Customer: University Medical Center of Southern Nevada  
Attn: Legal Department  
1800 W. Charleston Blvd.  
Las Vegas, NV 89102

To Strata: Strata Decision Technology, LLC  
Attn: CFO  
200 E. Randolph St., 49<sup>th</sup> Floor  
Chicago, IL 60601

13.20 Personnel On-Site. Strata shall abide by the relevant compliance policies of Customer, including its corporate compliance program, Vendor Access Roles and Responsibilities Policy and Code of Ethics, the relevant portions of which are available to Strata upon request, and Customer's Vaccine Policy, as may be amended from time to time, and must register through Customer's vendor management/credentialing system prior to arriving on-site at any of Customer's facilities. Strata's employees, agents, subcontractors and/or designees who do not abide by Customer's policies may be barred from physical access to Customer's premises. Strata shall not be required to send any employee on-site to Customer's premises should any on-site requirement such as but not limited to vaccine policies, conflict with Strata's HR policies.

13.21 Access to Books and Records. Notwithstanding any other terms of this Agreement, Customer and Strata will make available to the Secretary, U.S. Department of Health and Human Services, the U.S. Comptroller General, and their representatives, this Agreement and all books, documents, and records necessary to certify the nature and extent of the costs of the services rendered hereunder to the full extent required by the Centers for Medicare and Medicaid Services implementing Section 952 of the Omnibus Reconciliation Act of 1980 at 42 U.S.C. Section 1395 (x)(v)(1)(I). If Strata carries out its duties under this Agreement through a subcontract worth \$10,000 or more over a 12-month period with a related organization, the subcontract will also contain an access clause to permit access by the Secretary, Comptroller General, and their representatives to the related organizations books and records.

If any service under this Agreement is in furtherance of a U.S. Government contract or subcontract or is otherwise subject to the provisions of the Equal Opportunity Clause as promulgated by Section 202 of Executive Order 11246, dated September 24, 1965, or to 41 C.F.R. 60-250 (requiring affirmative action to employ certain handicapped veterans), or to 41 C.F.R. 60-741 (requiring affirmative action to employ certain handicapped individuals) or to any other federal law, rule or regulation applicable to Customer or its Facilities as U.S. Government contractors or subcontractors (including but not limited to any applicable Section of 48 C.F.R. Chapter 1), the contract provisions required therein are hereby incorporated by reference. Strata also agrees to comply with all applicable local, state and federal laws and executive orders and regulations that are applicable to Customer and Facilities as U.S. Government contractors or subcontractors.

13.22 Force Majeure. Neither party shall be in default of this Agreement or be liable for any delay or failure in performance resulting directly or indirectly from any cause beyond its reasonable control; provided however, that either party who fails because of force majeure to perform its obligations hereunder shall, upon the cessation of the force majeure, take all reasonable steps within its power to resume compliance under this Agreement with the least possible delay.

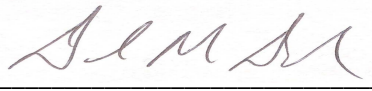
[Signature page to follow]





IN WITNESS WHEREOF, the parties have executed this Agreement on the dates listed below to be effective as of the Effective Date. The undersigned each individually represents that he or she is duly authorized to execute this Agreement.

STRATA DECISION TECHNOLOGY, LLC:

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

*Authorized Signature*

Name: Dan Dunham

Title: CFO

Date: February 9, 2023

CUSTOMER:

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA

By: \_\_\_\_\_  
*Authorized Signature*

Name: Mason Van Houweling

Title: Chief Executive Officer

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





**EXHIBIT A  
SCOPE OF SERVICES AND FEES**

Programs:

StrataJazz Operating Budgeting & Management Reporting for 300 System Users  
 StrataJazz Long Range Planning & Rolling Forecasting for 50 System Users  
 StrataJazz Productivity Reporting for 300 System Users  
 StrataJazz Cost Accounting for 50 System Users  
 StrataJazz Contract Analytics for 50 System Users  
 Sg2 Care Grouper

Fee Summary:

	Year 1	Year 2	Year 3	Year 4	Optional Year
Description	Billed upon the Effective Date	Due 1 year after the Effective Date	Due 2 years after the Effective Date	Due 3 years after the Effective Date	Due 4 years after the Effective Date
<b>Total</b>	<b>\$1,042,274</b>	<b>\$315,592</b>	<b>\$315,592</b>	<b>\$315,592</b>	<b>\$315,592</b>

Travel Fees:

Travel expenses shall not exceed **\$30,000.00** for the Term of this Agreement.

Implementation Fees:

The Implementation Fee outlined in this **Exhibit A** represents a fixed fee implementation. Any additional consulting services required for services that are part of the project assumptions attached as **Exhibit F** will be provided at no additional charge. Additional consulting services for services not included in the project assumptions are not included as part of this Agreement. Should Customer need additional consulting services for implementation work that causes an unreasonable delay in the implementation, caused by Customer (including changes in project scope), Strata reserves the right to bill Customer, at a reasonable cost, for the extra consulting services without the prior written approval from Customer up to the amount(s) shown in the column labeled "Pre-Approved Services" listed below. Strata must seek written approval for any purchase of any services beyond the Pre-Approved Services for each Added Program set forth below.

<u>Description</u>	<u>Pre-Approved Services</u>
Operating Budgeting & Management Reporting	\$14,001
Long Range Planning & Rolling Forecasting	\$5,522
Productivity Reporting	\$5,324



Cost Accounting	\$12,818
Contract Analytics	\$10,648
Data Integration	\$16,762
Project Management	\$7,494

Annual Consulting Days:

Customer is entitled to the following consulting days on an annual basis by Program:

<u>Description</u>	<u>Number of Days</u>
Operating Budgeting & Management Reporting	5 Days
Long Range Planning & Rolling Forecasting	1 Day
Productivity Reporting	1 Day
Cost Accounting	8 Days
Contract Analytics	4 Days

Billing Information:

Implementation and Subscription Fees will be due and payable on the dates shown in the Fee Summary Table above.

Strata will invoice Customer the subscription fees annually, payment is Net 30.

Charges for travel expenses will be invoiced as they are incurred, payment is Net 30.

**Customer's sales tax exemption information:**

Customer agrees to send Strata their tax exemption certificate within fifteen (15) days following execution of this Agreement.

Strata will send invoices related to this Agreement to the following address:

University Medical Center of Southern Nevada  
Attn: Accounts Payable  
1800 W. Charleston Blvd.  
Las Vegas, NV 89102



**EXHIBIT B  
HOSPITALS**

Hospitals:

University Medical Center of Southern Nevada  
1800 W. Charleston Boulevard, Las Vegas, Nevada 89102



**EXHIBIT C**  
**STRATAJAZZ TECHNICAL REQUIREMENTS**

Please see: <http://www.stratadecision.com/TechRequirements> for the latest StrataJazz Technical Requirements.



**EXHIBIT D  
EXCLUDED ENTITIES**

The following entities, their respective personnel, and their respective parents, subsidiaries, and affiliates shall at no time be deemed to be an Authorized User:

- 1) Adaptive Insights, Inc.
- 2) Attainia, Inc.
- 3) Avant-Garde Health
- 4) Chartis Group
- 5) Change Healthcare
- 6) Cognos, Inc., a subsidiary of IBM, Inc.
- 7) CostFlex Systems, Inc.
- 8) Craneware, Inc.
- 9) Harris Healthcare
- 10) Health Catalyst, LLC
- 11) Kaufman Hall, Inc./Axiom/Kreg Information Systems
- 12) Kronos, Inc.
- 13) Lawson Software, Inc.
- 14) McKesson Corporation
- 15) MedAssets, Inc.
- 16) MedAnalytics
- 17) Medical Information Technology, Inc. (Meditech)
- 18) Med-Metrix, LLC
- 19) MD Buyline, Inc.
- 20) Microsoft, Inc.
- 21) nThrive
- 22) Oracle Corp.
- 23) Organizational Intelligence (OI Health)
- 24) Pamplona Capital Management, LLP
- 25) Parallon
- 26) Premier, Inc. / Healthcare Insights, LLC
- 27) PMMC
- 28) SAP AG
- 29) Syntellis
- 30) VFA, Inc.
- 31) Vizient, Inc.
- 32) Workday, Inc.
- 33) Any person or entity that Strata subsequently designates and Customer approves in writing, which approval shall not be unreasonably withheld or delayed



**EXHIBIT E**  
**STRATA TECHNOLOGY HOSTING SERVICE LEVEL AGREEMENT**

Business Hours

Strata's servers are available 24 hours a day, 7 days a week, 365 days a year excluding scheduled downtime for maintenance. The standard business week for Strata is defined as Monday through Friday, 7:00 a.m. – 7:00 p.m. United States Central Time, excluding national holidays.

Scheduled Maintenance & Software Upgrades

Scheduled maintenance shall mean any maintenance in the Strata data center at which Customer's data is located (a) of which Customer is notified at least 24 hours in advance, or (b) that is performed during the standard maintenance window of Tuesday from 8:00 pm to 12:00 am US Central Time (this time is subject to change with advance written notice). Notice of scheduled maintenance will be provided to Customer's account contact(s) via email or phone.

As part of the Hosting Service, Strata shall install, at no additional cost, any Updates to the Software, including code changes, which are developed or published by Strata and which Customer is entitled to receive under Customer's Software Use Agreement.

Network Uptime

Strata's network experience over the last twelve (12) months has been the following: network uptime has been approximately 99.8% during Strata business hours excluding scheduled maintenance. Downtime is defined as a period of time or a percentage of a timespan that the hosted application is offline or not functioning as a result of failure of software, servers, or network systems controlled and maintained by Strata (such as a crash or malfunction). Downtime does not include times when the system is unavailable for Scheduled Maintenance, provided that Strata announces the scheduled maintenance period at least 24 hours in advance. Downtime does not include times when the hosted application is unavailable due to circumstances or conditions that arise on systems or networks controlled and maintained by Customer or third parties, including widespread Internet failures.

Network uptime includes functioning of all Strata network infrastructure, including routers, switches and cabling, but does not include applications or services running on Customer's servers nor does it include general Internet outages beyond Strata's ISP's local points of presence. Network downtime exists when (a) Customer's server is unable to transmit and receive data due to a problem with the Strata network infrastructure; (b) Strata determines in its reasonable commercial judgment that a network outage does indeed exist; and (c) Customer has opened a support incident with Strata's Customer Support. Network downtime is measured from the time a support incident is opened by Customer to the time the network outage is resolved.

Hardware Guarantee

Strata represents the operability of all hardware components and will replace at no cost to Customer any failed components. Hardware replacement for critical failures will begin upon identification of the problem. Hardware replacement for non-critical failures may be delayed until a Scheduled Maintenance period, at Strata's sole discretion.



**EXHIBIT F  
PROJECT ASSUMPTIONS**

**DATA INTEGRATION**

	Data Source Systems:	
	General Ledger:	1 source for GL summary, MR detail - SAP
	Payroll:	1 source - SAP
	Statistics:	2 sources stats - charge driven and manual stat file
	OB Physician Data:	1 source
	Time & Attendance:	1 source - Kronos
	Hospital Billing:	1 source - Epic
	Professional Billing:	1 source - Epic
	Home Health:	Out of scope
	Hospice:	Out of scope
	SNF:	Out of scope
	Pharmacy Acquisition Cost System:	1 source - Epic
	Supply Acquisition System:	1 source - Epic
	Surgical Time Stamp System:	1 source - Epic OpTime
	ADT System:	Out of Scope
	Will there be imports for more than 2 years of history (2 prior year actuals, Year to date actuals, and current year budget where applicable)?	Yes, 2019 and forward

Strata will configure an automated Data Integration Interface for historic data from the source systems listed above in one (1) file format per data specifications provided.

Strata will configure Data Integration to meet the following requirements:

- a) Each data file will contain the required fields as defined in the data specifications document.
- b) Data queries from source systems should be created by Customer to allow for automated extraction and transfer.
- c) Historical Data is defined as 2019 and forward years of history (2019 and forward prior year actuals, Year to date actuals, and current year budget where applicable), unless otherwise noted.
- d) Source systems are assumed to remain the same unless previously noted. Please refer to the chart above for details.
- e) Each data file, within a Data Set, is assumed to be in the same format for all entities, unless otherwise noted.
- f) Data files are reconciled in three (3) phases:
  - i. By Customer after extraction from the source of the extract to the source system.
  - ii. By Strata after import into StrataJazz® utilizing reports provided by Customer.
  - iii. By Customer after import into StrataJazz® utilizing reports provided by Customer.
- g) Customer iterations on file extraction are completed within a mutually agreed upon timeline and with no more than three (3) file iterations prior to file format finalization milestone with one (1) full historical reimport prior to the historical sign-off (could delay the overall project) (Reimports after historical data sign-off will incur additional fees subject to Customer's written acceptance).
- h) Source system conversions are not in scope. If a conversion is necessary, Strata will work with your IT team to determine the impact to your implementation as it relates to budget and timelines.



The following is considered out of scope:

- a) Data outside of the data specifications guidelines provided.
- b) Data field request changes after data requirements finalization may be considered out of scope and will require a change request.
- c) A different Chart of Accounts and/or different file formats per entity is out of scope.
- d) Changing file extract formats after the sample extract has been finalized and database configurations have been built.
- e) Historical data prior to 2019.
- f) The manual deletion/manipulation of data sets once imported (files need to be adjusted).

#### **PROJECT MANAGEMENT**

Strata will provide a work plan for the Strata scope, designed per the scope discussed, electronically for each project at the onset of the platform implementation as well as throughout the project via weekly status updates (changes to Strata standard work plan may be considered out of scope).

Strata will conduct weekly Technical Meetings: One (1) hour call per week for the duration of each project as established by the initially agreed upon work plan(s)

Strata will manage and deliver the following for the duration of the project for Strata responsibilities and resources as established by the initially agreed upon work plan:

- a) Strata Project Work Plan Maintenance
- b) Scope and Statement of Work Management
- c) Change Request Documentation and Approval Process
- d) Coordination of Strata efforts across solutions
- e) Collaboration on Monthly Steering Committee Meetings (creation of additional presentations and status reports outside of standard weekly status report is out of scope)
- f) Strata Executive Sponsor calls
- g) Strata defined support for overall training and adoption planning for each solution
- h) Risk management and mitigation support

#### **TRAINING & POST GO-LIVE SUPPORT**

Strata will provide a set of standard Train-the-Trainer materials to equip the Customer Administrator to facilitate End User Trainings. Depending on solution, Strata can conduct the following:

- a) On-site/Remote Admin Training
- b) On-site/Remote Maintenance & Validation Training
- c) On-Site/Remote "Train-the-Trainer" Training
- d) On-Site/Remote End User Training (subject to specific solution scoping)

Strata will provide up to four (4) weeks of post-go live support from the implementation consultants.

#### **OPERATING BUDGETING**

1.	Will Employee Level Budgeting of FTE's and wage rate be implemented?	No
2.	Will Service line model be implemented? (charge code approach to volume and charge budgeting)	Yes
3.	Will the Reimbursement model be implemented? (centrally budget contractuals and net reimbursement by patient type, care setting, and payor group for selected entities)	Yes
4.	Will Physician Budgeting be implemented? (budget volumes, revenue,	Yes





	contractuals, compensation, and benefits by provider within each department)	
5.	For how many sites does the client want Strata to run end user training?	One (1)

Strata will configure a Departmental Budget Template:

- a) Strata will implement a current year projection (based off Strata pre-defined projection methodologies) and 12-month budget modelling (based off a variety of pre-defined budget and spread methodologies) for each department within the organization to produce an Income Statement and Statistics Operating Budget, based on account and job code (for staffing) level detail.
- b) Strata will configure staffing and salaries budget at a job code, and/or job code/pay type level.
  - i. The system provides the ability to budget both fixed and variable FTE's in a given department.
  - ii. Ability to use Productivity standards can be utilized to drive the budget.
  - iii. Ability to project and budget benefits at a department and account level based on % salaries, \$ per FTE or override methodology.

### STRATEGIC PLANNING

1.	Will there be a Service line approach?	Yes
2.	Will physician (by specialty) forecasting be implemented?	Yes
3.	For how many sites does the client want Strata to run end user training? (above Project Team)	None; will utilize "Train the Trainer" approach

Strata will configure one (1) set of Strata Standard Long Range Financial Planning templates:

- a) Three (3) to ten (10) year forecasting (based off a variety of pre-defined forecast methodologies) for each entity within the organization to produce an Income Statement, Balance Sheet, Cash Flow, Statement of Changes in Net Assets and Statistics and Ratios forecast, based on account rollup, patient type and payor class (for patient volume and revenue) and job code group (for staffing) level detail.

Strata will configure one (1) set of Strata Standard Rolling Forecast templates:

- a) Twelve (12) to eighteen (18) month forecasting (based off a variety of pre-defined forecast methodologies) for each entity within the organization to produce an Income Statement and Statistics and Ratios forecast, based on account rollup, patient type and payor class (for patient volume and revenue) and job code group (for staffing) level detail.

Strata standard templates will be configured to Customer requirements per available StrataJazz® functionality.

### MANAGEMENT REPORTING

1.	Will MR be Implemented after Operating Budgeting?	Yes
2.	Will Monthly Balance Sheet and Cash Flow be implemented?	Yes
3.	Will system generated statistics be implemented? (this requires Decision Support to be implemented)	Yes
4.	Will metrics be consolidated or unique to each entity? If unique, how many distinct entities will there be?	Consolidated
5.	For how many sites does the client want Strata to run end user training?	One (1)

Strata will configure a selected predefined system-wide target source (including Fixed Budget or Prior Year Actuals) to measure, track, and evaluate performance. Strata will configure metric favorability based on Customer specifications. Strata will configure a primary statistic for each department to drive target and flex calculations.



## PRODUCTIVITY REPORTING

1.	Will both daily and bi-weekly productivity be implemented?	Daily and Biweekly
2.	Is there a need to accommodate more than one pay cycle?	No
3.	Will security assignments differ from Operating Budgeting?	No
4.	For how many sites does the client want Strata to run end user training?	None; will utilize "Train the Trainer" approach

Strata will configure a selected predefined system-wide target source (including Fixed Budget or Prior Year Actuals) to measure, track, and evaluate performance.

## DECISION SUPPORT – COST ACCOUNTING

1.	Will the organization implement both Hospital and Professional Billing Cost Accounting?	Yes
2.	Will the organization need to perform RVU studies? (list the number of revenue-generating departments)	No
3.	Implementation of both Hospital Cost Accounting and Professional Billing Cost Accounting at the same time?	Yes

Strata will configure prior and current fiscal year cost models based on go-live fiscal year for scoped sites of care areas purchased (ex. Hospital, Physician, Home Health, etc.):

- a) Additional fiscal years can be configured, but will require a change request.

Strata will configure up to five (5) lump sum or GL dollar allocation amounts using the Allocation Manager tool, to targeted patient populations based on Customer's data model and requirements using a StrataJazz® defined patient population and spread driver. Strata will configure up to five (5) activity codes and cost allocations configuration to supplement charge master detail based on Customer's data model and requirements. Strata will configure up to ten (10) base or readmission patient populations based on Customer's data model and requirements. Strata will configure two (2) Customer defined service lines based on Customer data model and StrataJazz® standard functionality.

## DECISION SUPPORT – CONTRACT ANALYTICS

1.	Will the organization implement both Hospital Billing and Professional Billing Contract Analytics?	Yes
2.	Implementation of Cost Accounting and Contract Analytics at the same time?	Yes
3.	Number of Contracts set up in the system (Default: 7 Hospital Billing & 7 Professional Billing)?	Implement the default

Strata will configure up to seven (7) StrataJazz® contract models defined by a unique set of contracts terms, conditions, and rates for scoped sites of care purchased (ex. Hospital, Physician, Home Health, etc.). If Professional Billing is being implemented, there will be an additional seven (7) models configured for the applicable contracts.

Strata will assist Customer validation on the fourteen (14) StrataJazz® contract models configured targeting between 3-10% variance of historical expected payment or actual payment:

- a) Variance targets will be defined as a part of requirements gathering.
- b) Validation assistance on additional contracts built outside of configuration scope is not included and may result in a change request.

## **Business Associate Agreement**

This Agreement is made effective the 22<sup>nd</sup> of February, 2023, by and between **University Medical Center of Southern Nevada** (hereinafter referred to as "Covered Entity"), a county hospital duly organized pursuant to Chapter 450 of the Nevada Revised Statutes, with its principal place of business at 1800 West Charleston Boulevard, Las Vegas, Nevada, 89102, and **Strata Decision Technology, LLC**, hereinafter referred to as "Business Associate", (individually, a "Party" and collectively, the "Parties").

### **WITNESSETH:**

WHEREAS, Sections 261 through 264 of the federal Health Insurance Portability and Accountability Act of 1996, Public Law 104-191, known as "the Administrative Simplification provisions," direct the Department of Health and Human Services to develop standards to protect the security, confidentiality and integrity of health information; and

WHEREAS, pursuant to the Administrative Simplification provisions, the Secretary of Health and Human Services issued regulations modifying 45 CFR Parts 160 and 164 (the "HIPAA Rules"); and

WHEREAS, the American Recovery and Reinvestment Act of 2009 (Pub. L. 111-5), pursuant to Title XIII of Division A and Title IV of Division B, called the "Health Information Technology for Economic and Clinical Health" ("HITECH") Act, as well as the Genetic Information Nondiscrimination Act of 2008 ("GINA," Pub. L. 110-233), provide for modifications to the HIPAA Rules; and

WHEREAS, the Secretary, U.S. Department of Health and Human Services, published modifications to 45 CFR Parts 160 and 164 under HITECH and GINA, and other modifications on January 25, 2013, the "Final Rule," and

WHEREAS, the Parties wish to enter into or have entered into an arrangement whereby Business Associate will provide certain services to Covered Entity, and, pursuant to such arrangement, Business Associate may be considered a "Business Associate" of Covered Entity as defined in the HIPAA Rules (the agreement evidencing such arrangement is entitled "Underlying Agreement"); and

WHEREAS, Business Associate will have access to Protected Health Information (as defined below) in fulfilling its responsibilities under such arrangement.

THEREFORE, in consideration of the Parties' continuing obligations under the Underlying Agreement, compliance with the HIPAA Rules, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound, the Parties agree to the provisions of this Agreement in order to address the requirements of the HIPAA Rules and to protect the interests of both Parties.

### **I. DEFINITIONS**

"HIPAA Rules" means the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164.

"Protected Health Information" means individually identifiable health information created, received, maintained, or transmitted in any medium, including, without limitation, all information, data, documentation, and materials, including without limitation, demographic, medical and financial information, that relates to the past, present, or future physical or mental health or condition of an

individual; the provision of health care to an individual; or the past, present, or future payment for the provision of health care to an individual; and 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. "Protected Health Information" includes without limitation "Electronic Protected Health Information" as defined below.

"Electronic Protected Health Information" means Protected Health Information which is transmitted by Electronic Media (as defined in the HIPAA Rules) or maintained in Electronic Media.

The following terms used in this Agreement shall have the same meaning as defined in the HIPAA Rules: Administrative Safeguards, Breach, Business Associate, Business Associate Agreement, Covered Entity, Individually Identifiable Health Information, Minimum Necessary, Physical Safeguards, Security Incident, and Technical Safeguards.

## II. ACKNOWLEDGMENTS

Business Associate and Covered Entity acknowledge and agree that in the event of an inconsistency between the provisions of this Agreement and mandatory provisions of the HIPAA Rules, the HIPAA Rules shall control. Where provisions of this Agreement are different than those mandated in the HIPAA Rules, but are nonetheless permitted by the HIPAA Rules, the provisions of this Agreement shall control.

Business Associate acknowledges and agrees that all Protected Health Information that is disclosed or made available in any form (including paper, oral, audio recording or electronic media) by Covered Entity to Business Associate or is created or received by Business Associate on Covered Entity's behalf shall be subject to this Agreement.

Business Associate has read, acknowledges, and agrees that the Secretary, U.S. Department of Health and Human Services, published modifications to 45 CFR Parts 160 and 164 under HITECH and GINA, and other modifications on January 25, 2013, the "Final Rule," and the Final Rule significantly impacted and expanded Business Associates' requirements to adhere to the HIPAA Rules.

## III. USE AND DISCLOSURE OF PROTECTED HEALTH INFORMATION

(a) Business Associate agrees that all uses and disclosures of Protected Health information shall be subject to the limits set forth in 45 CFR 164.514 regarding Minimum Necessary requirements and limited data sets.

(b) Business Associate agrees to use or disclose Protected Health Information solely:

(i) For meeting its business obligations as set forth in any agreements between the Parties evidencing their business relationship; or

(ii) as required by applicable law, rule or regulation, or by accrediting or credentialing organization to whom Covered Entity is required to disclose such information or as otherwise permitted under this Agreement or the Underlying Agreement (if consistent with this Agreement and the HIPAA Rules).

(c) Where Business Associate is permitted to use Subcontractors that create, receive, maintain, or transmit Protected Health Information; Business Associate agrees to execute a "Business Associate Agreement" with Subcontractor as defined in the HIPAA Rules that includes the same covenants for using and disclosing, safeguarding, auditing, and otherwise

administering Protected Health Information as outlined in Sections I through VII of this Agreement (45 CFR 164.314).

(d) Business Associate will acquire written authorization in the form of an update or amendment to this Agreement and Underlying Agreement prior to:

(i) Directly or indirectly receiving any remuneration for the sale or exchange of any Protected Health Information; or

(ii) Utilizing Protected Health Information for any activity that might be deemed "Marketing" under the HIPAA rules.

#### IV. SAFEGUARDING PROTECTED HEALTH INFORMATION

(a) Business Associate agrees:

(i) To implement appropriate safeguards and internal controls to prevent the use or disclosure of Protected Health Information other than as permitted in this Agreement or by the HIPAA Rules.

(ii) To implement "Administrative Safeguards," "Physical Safeguards," and "Technical Safeguards" as defined in the HIPAA Rules to protect and secure the confidentiality, integrity, and availability of Electronic Protected Health Information (45 CFR 164.308, 164.310, 164.312). Business Associate shall document policies and procedures for safeguarding Electronic Protected Health Information in accordance with 45 CFR 164.316.

(iii) To notify Covered Entity of any successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system ("Security Incident") upon discovery of the Security Incident. Notwithstanding the foregoing, this Agreement serves as Business Associate's notice to Covered Entity that attempted but unsuccessful Security Incidents, such as pings and other broadcast attacks on Business Associate's firewall, port scans, unsuccessful log-on attempts, denials of service and any combination of the above, regularly occur and that no further notice will be made by Business Associate unless there has been a successful Security Incident.

(b) When an impermissible acquisition, access, use, or disclosure of Protected Health Information ("Breach") occurs, Business Associate agrees:

(i) To notify Covered Entity's Chief Privacy Officer within five (5) business days upon discovery of the Breach, and

(ii) Within 15 business days of the discovery of the Breach, provide Covered Entity with all required content of notification in accordance with 45 CFR 164.410 and 45 CFR 164.404, and

(iii) To fully cooperate with Covered Entity's analysis and final determination on whether to notify affected individuals, media, or Secretary of the U.S. Department of Health and Human Services, and

- (iv) To pay all costs associated with the notification of affected individuals and costs associated with mitigating potential harmful effects to affected individuals.

V. RIGHT TO AUDIT

(a) Business Associate agrees:

- (i) To provide Covered Entity, following at least ten (10) business days' advance notice to Business Associate, with timely and appropriate access to records, electronic records, HIPAA assessment questionnaires provided by Covered Entity, personnel, or facilities sufficient for Covered Entity to gain reasonable assurance that Business Associate is in compliance with the HIPAA Rules and the provisions of this Agreement.
- (ii) That in accordance with the HIPAA Rules, the Secretary of the U.S. Department of Health and Human Services has the right to review, audit, or investigate Business Associate's records, electronic records, facilities, systems, and practices related to safeguarding, use, and disclosure of Protected Health Information to ensure Covered Entity's or Business Associate's compliance with the HIPAA Rules.

VI. COVERED ENTITY REQUESTS AND ACCOUNTING FOR DISCLOSURES

(a) At the Covered Entity's Request, Business Associate agrees:

- (i) To comply with any requests for restrictions on certain disclosures of Protected Health Information pursuant to Section 164.522 of the HIPAA Rules to which Covered Entity has agreed and of which Business Associate is notified by Covered Entity.
- (ii) To make available Protected Health Information to the extent and in the manner required by Section 164.524 of the HIPAA Rules. If Business Associate maintains Protected Health Information electronically, it agrees to make such Protected Health Information electronically available to the Covered Entity.
- (iii) To make Protected Health Information available for amendment and incorporate any amendments to Protected Health Information in accordance with the requirements of Section 164.526 of the HIPAA Rules.
- (iv) To account for disclosures of Protected Health Information and make an accounting of such disclosures available to Covered Entity as required by Section 164.528 of the HIPAA Rules. Business Associate shall provide any accounting required within 15 business days of request from Covered Entity.

VII. TERMINATION

Notwithstanding anything in this Agreement to the contrary, Covered Entity shall have the right to terminate this Agreement and the Underlying Agreement immediately if Covered Entity determines that Business Associate has violated any material term of this Agreement. If Covered Entity reasonably believes that Business Associate will violate a material term of this Agreement and, where practicable, Covered Entity gives written notice to Business Associate of such belief within a reasonable time after forming such belief, and Business Associate fails to provide adequate written assurances to Covered Entity that it will not breach the cited term of this Agreement within a reasonable period of time given

the specific circumstances, but in any event, before the threatened breach is to occur, then Covered Entity shall have the right to terminate this Agreement and the Underlying Agreement immediately.

At termination of this Agreement, the Underlying Agreement (or any similar documentation of the business relationship of the Parties), or upon request of Covered Entity, whichever occurs first, if feasible, Business Associate will return or destroy all Protected Health Information received from or created or received by Business Associate on behalf of Covered Entity that Business Associate still maintains in any form, provide a written certification to Covered Entity that such information has been returned or destroyed, and retain no copies of such information, or if such return or destruction is not feasible, Business Associate will extend the protections of this Agreement to the information and limit further uses and disclosures to those purposes that make the return or destruction of the information not feasible.

#### VIII. MISCELLANEOUS

Except as expressly stated herein or the HIPAA Rules, the Parties to this Agreement do not intend to create any rights in any third parties. The obligations of Business Associate under this Section shall survive the expiration, termination, or cancellation of this Agreement, the Underlying Agreement and/or the business relationship of the Parties, and shall continue to bind Business Associate, its agents, employees, contractors, successors, and assigns as set forth herein.

This Agreement may be amended or modified only in a writing signed by the Parties. No Party may assign its respective rights and obligations under this Agreement without the prior written consent of the other Party. None of the provisions of this Agreement are intended to create, nor will they be deemed to create any relationship between the Parties other than that of independent parties contracting with each other solely for the purposes of effecting the provisions of this Agreement and any other agreements between the Parties evidencing their business relationship. This Agreement will be governed by the laws of the State of Nevada. No change, waiver or discharge of any liability or obligation hereunder on any one or more occasions shall be deemed a waiver of performance of any continuing or other obligation, or shall prohibit enforcement of any obligation, on any other occasion.

In the event that any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the provisions of this Agreement will remain in full force and effect. In addition, in the event a Party believes in good faith that any provision of this Agreement fails to comply with the HIPAA Rules, such Party shall notify the other Party in writing. For a period of up to thirty days, the Parties shall address in good faith such concern and amend the terms of this Agreement, if necessary to bring it into compliance. If, after such thirty-day period, the Agreement fails to comply with the HIPAA Rules, then either Party has the right to terminate upon written notice to the other Party.

[Signature page to follow]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year written above.


COVERED ENTITY:

By: \_\_\_\_\_  
Mason Van Houweling

Title: CEO

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

BUSINESS ASSOCIATE:

By:  \_\_\_\_\_  
Dan Dunham

Title: CFO

Date: 1/30/2023



## DISCLOSURE OF OWNERSHIP/PRINCIPALS

<b>Business Entity Type (Please select one)</b>						
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input checked="" type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Corporation	<input type="checkbox"/> Trust	<input type="checkbox"/> Non-Profit Organization	<input type="checkbox"/> Other
<b>Business Designation Group (Please select all that apply) N/A</b>						
<input type="checkbox"/> MBE	<input type="checkbox"/> WBE	<input type="checkbox"/> SBE	<input type="checkbox"/> PBE	<input type="checkbox"/> VET	<input type="checkbox"/> DVET	<input type="checkbox"/> ESB
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise	Veteran Owned Business	Disabled Veteran Owned Business	Emerging Small Business
<b>Number of Clark County Nevada Residents Employed: 0</b>						
<b>Corporate/Business Entity Name:</b> Strata Decision Technology, LLC						
<b>(Include d.b.a., if applicable)</b>						
<b>Street Address:</b>		200 East Randolph Street, 49 <sup>th</sup> Floor		<b>Website:</b> www.stratadecision.com		
<b>City, State and Zip Code:</b>		Chicago, Illinois 60601		<b>POC Name:</b> Dean Barbella		
				<b>Email:</b> dbarbella@stratadecision.com		
<b>Telephone No:</b>		(415) 846-8805		<b>Fax No:</b> (312) 726-2947		
<b>Nevada Local Street Address:</b>		N/A		<b>Website:</b> N/A		
<b>(If different from above)</b>						
<b>City, State and Zip Code:</b>		N/A		<b>Local Fax No:</b> N/A		
<b>Local Telephone No:</b>		N/A		<b>Local POC Name:</b> N/A		
				<b>Email:</b> N/A		

All entities, with the exception of publicly-traded and non-profit organizations, must list the names of individuals holding more than five percent (5%) ownership or financial interest in the business entity appearing before the Board.

Publicly-traded entities and non-profit organizations shall list all Corporate Officers and Directors in lieu of disclosing the names of individuals with ownership or financial interest. The disclosure requirement, as applied to land-use applications, extends to the applicant and the landowner(s).

Entities include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations.

Full Name	Title	% Owned (Not required for Publicly Traded Corporations/Non-profit organizations)
Strata Decision Technology, LLC is a wholly owned subsidiary of Roper Technologies, Inc., which is a publicly held corporation.	N/A	100%

**This section is not required for publicly-traded corporations. Are you a publicly-traded corporation?** ☐ Yes ☒ No

- Are any individual members, partners, owners or principals, involved in the business entity, a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?  
☐ Yes ☒ No (If yes, please note that University Medical Center of Southern Nevada employee(s), or appointed/elected official(s) may not perform any work on professional service contracts, or other contracts, which are not subject to competitive bid.)
- Do any individual members, partners, owners or principals have a spouse, registered domestic partner, child, parent, in-law or brother/sister, half-brother/half-sister, grandchild, grandparent, related to a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?  
☐ Yes ☒ No (If yes, please complete the Disclosure of Relationship form on Page 2. If no, please print N/A on Page 2.)

I certify under penalty of perjury, that all of the information provided herein is current, complete, and accurate. I also understand that the University Medical Center of Southern Nevada Governing Board will not take action on land-use approvals, contract approvals, land sales, leases or exchanges without the completed disclosure form.



Dan Dunham

Signature

Print Name

CFO

January 30, 2023

## **Strata Decision Technology**

### **Leadership**

John Martino  
Chief Executive Officer

Dan Dunham  
Chief Financial Officer

Heidi Farrell  
SVP, People Operations

Joel Gerber  
Vice President, Product Management

John Gragg  
SVP and Executive Director, EPSi Solutions and Services

Liz Kirk  
SVP, Market Intelligence & Analysis

Steve Lefar  
Chief Strategy Officer

Martin Luethi, PhD  
Chief Technology Officer

Jennifer Rauworth  
SVP, Client Services

Ryan Self  
Vice President, Advisory Services

Frank Stevens  
Chief Growth Officer

**UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA  
GOVERNING BOARD AUDIT AND FINANCE COMMITTEE  
AGENDA ITEM**

<b>Issue:</b>	<b>Service Agreement for Special Inspections and Material Testing Services with NOVA Geotechnical and Inspection Services, LLC d/b/a Universal Engineering Sciences</b>	<b>Back-up:</b>
<b>Petitioner:</b>	Jennifer Wakem, Chief Financial Officer	<b>Clerk Ref. #</b>
<b>Recommendation:</b>  <b>That the Governing Board Audit and Finance Committee review and recommend for approval by the Governing Board the Service Agreement with NOVA Geotechnical and Inspection Services, LLC d/b/a Universal Engineering Sciences for special inspections and material testing services; authorize the Chief Executive Officer to execute the extension option and amendments within the not-to-exceed amount of this Agreement; or take action as deemed appropriate. (<i>For possible action</i>)</b>		

**FISCAL IMPACT:**

Fund Number: 5430.011                                      Fund Name: Clark County Capital Equipment Transfer  
Fund Center: 3000999901                                      Funded Pgm/Grant: N/A  
Description: Special Inspections and Material Testing Services for Exterior Façade and Landscape Renovation Project  
Bid/RFP/CBE: NRS 332.115(1)(b) – Professional Services  
Term: 02/22/2023 to 06/30/2025 with the option to extend for up to six (6) months  
Amount: NTE \$700,000.00  
Out Clause: 30 days for convenience

**BACKGROUND:**

This request is to enter into a new Agreement for Special Inspections and Material Testing Services (“Agreement”) with Universal Engineering Sciences (“UES”) to provide onsite field density testing, observations, and inspections of soils and structural materials for UMC’s exterior façade and landscape renovation project. UMC will compensate UES a not-to-exceed amount of \$700,000.00 for the Agreement Term from February 22, 2023 through June 30, 2025, with the option to extend for up to six (6) months. Staff also requests authorization for the Hospital CEO to execute the extension option and amendments within the not-to-exceed amount of this Agreement if deemed beneficial to UMC. UMC may terminate this Agreement for convenience with a 30-day written notice.

UMC’s Academic & External Affairs Administrator has reviewed and recommends approval of this Agreement. This Agreement has been approved as to form by UMC’s Office of General Counsel.

UES currently holds a Clark County business license.

Cleared for Agenda  
February 15, 2023

Agenda Item #

**12**

**UNIVERSITY MEDICAL CENTER  
OF SOUTHERN NEVADA**

**SERVICE AGREEMENT FOR  
SPECIAL INSPECTIONS AND MATERIAL TESTING SERVICES**

**NOVA GEOTECHNICAL AND INSPECTION SERVICES, LLC D/B/A  
UNIVERSAL ENGINEERING SCIENCES**

**NAME OF COMPANY**

James Bristow, P.E., Managing Partner

**DESIGNATED CONTACT, NAME AND TITLE**  
(Please type or print)

4480 W. Hacienda Ave., Ste. 104  
Las Vegas, NV 89118

**ADDRESS OF COMPANY**  
**INCLUDING CITY, STATE AND ZIP CODE**

(702) 591-3761

**(AREA CODE) AND TELEPHONE NUMBER**

N/A

**(AREA CODE) AND FAX NUMBER**

[JBristow@universalengineering.com](mailto:JBristow@universalengineering.com)

**E-MAIL ADDRESS**

## **SERVICE AGREEMENT FOR SPECIAL INSPECTIONS AND MATERIAL TESTING SERVICES (UMC EXTERIOR FAÇADE AND LANDSCAPE RENOVATION)**

This Service Agreement (the "Agreement") is made and entered into this 22<sup>nd</sup> day of February 2023 ("Effective Date"), by and between UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA, a publicly owned and operated hospital created by virtue of Chapter 450 of the Nevada Revised Statutes (hereinafter referred to as "HOSPITAL"), and NOVA GEOTECHNICAL AND INSPECTION SERVICES, LLC D/B/A UNIVERSAL ENGINEERING SCIENCES (hereinafter referred to as "COMPANY"), to provide special inspections and material testing services for the UMC exterior façade and landscape renovation project (hereinafter referred to as "PROJECT").

### **WITNESSETH:**

WHEREAS, COMPANY has the personnel and resources necessary to accomplish the PROJECT within the required schedule and budget allowance, as further described herein; and

WHEREAS, COMPANY has the required licenses and/or authorizations pursuant to all federal, State of Nevada and local laws in order to conduct business relative to this Agreement.

NOW, THEREFORE, HOSPITAL and COMPANY agree as follows:

### **SECTION I: TERM OF AGREEMENT**

HOSPITAL agrees to retain COMPANY for the period from the Effective Date and continuing through June 30, 2025 ("Initial Term"). At the end of the Initial Term, HOSPITAL has the option to extend this Agreement for up to six (6) months (the "Extension Term") upon written notice to COMPANY. The Initial Term and Extension Term shall collectively be referred to herein as the "Term." During this period, COMPANY agrees to provide services as required by HOSPITAL within the scope of this Agreement.

### **SECTION II: COMPENSATION AND TERMS OF PAYMENT**

#### **A. Compensation**

HOSPITAL agrees to pay COMPANY for the performance of services described in the Fee Schedule (**Exhibit B**) for the not-to-exceed amount of **\$700,000** for the Term of this Agreement. It is expressly understood that the entire Scope of Work defined in **Exhibit A** must be completed by COMPANY and it shall be COMPANY's responsibility to ensure that hours and tasks are properly budgeted so the entire PROJECT is completed for the said fee.

#### **B. Terms of Payments**

1. Payment of monthly invoices will be made within sixty (60) calendar days after receipt of an accurate invoice that has been reviewed and approved by HOSPITAL.
2. HOSPITAL, at its discretion, may not approve or issue payment on invoices if COMPANY fails to provide the following information required on each invoice:
  - a. The title of the PROJECT as stated in **Exhibit A**, Scope of Work, itemized description of products delivered or services rendered and amount due, Purchase Order Number, Invoice Date, Invoice Period, Invoice Number, and the Payment Remittance Address.
  - b. Any expenses not defined in **Exhibit A**, Scope of Work, will not be paid without prior written authorization by HOSPITAL.
  - c. HOSPITAL's representative shall notify COMPANY in writing within fourteen (14) calendar days of any disputed amount included on the invoice. COMPANY must submit a new invoice for the undisputed amount which will be paid in accordance with paragraph B.1 above. Upon mutual resolution of the disputed amount, COMPANY will submit a new invoice for the agreed amount and payment will be made in accordance with paragraph B.1 above.
3. HOSPITAL shall not provide payment on any invoice COMPANY submits after six (6) months from the date COMPANY performs services, provides deliverables, and/or meets milestones, as agreed upon in **Exhibit A**, Scope of Work.
4. Invoices shall be submitted to: University Medical Center of Southern Nevada, Attn: Accounts Payable, 1800 W. Charleston Blvd., Las Vegas, NV 89102.

**C. HOSPITAL's Fiscal Limitations**

1. The content of this Section shall apply to the entire Agreement and shall take precedence over any conflicting terms and conditions, and shall limit HOSPITAL's financial responsibility as indicated in Sections 2 and 3 below.
2. In accordance with the Nevada Revised Statutes (NRS 354.626), the financial obligations under this Agreement between the parties shall not exceed those monies appropriated and approved by HOSPITAL for the then current fiscal year under the Local Government Budget Act. This Agreement shall terminate and HOSPITAL's obligations under it shall be extinguished at the end of any of HOSPITAL's fiscal years in which HOSPITAL's governing body fails to appropriate monies for the ensuing fiscal year sufficient for the payment of all amounts which could then become due under this Agreement. HOSPITAL agrees that this Section shall not be utilized as a subterfuge or in a discriminatory fashion as it relates to this Agreement. In the event this Section is invoked, this Agreement will expire on the thirtieth (30<sup>th</sup>) day of June of the then current fiscal year. Termination under this Section shall not relieve HOSPITAL of its obligations incurred through the thirtieth (30<sup>th</sup>) day of June of the fiscal year for which monies were appropriated.
3. HOSPITAL's total liability for all charges for services which may become due under this Agreement is limited to the total maximum expenditure(s) authorized in HOSPITAL's purchase order(s) to COMPANY.

**SECTION III: SCOPE OF WORK**

Services to be performed by COMPANY for the PROJECT shall consist of the work described in the Scope of Work as set forth in **Exhibit A** of this Agreement, attached hereto.

**SECTION IV: CHANGES TO SCOPE OF WORK**

- A. HOSPITAL may at any time, by written order, make changes within the general scope of this Agreement and in the services or work to be performed. If such changes cause an increase or decrease in COMPANY's cost or time required for performance of any services under this Agreement, an equitable adjustment limited to an amount within current unencumbered budgeted appropriations for the PROJECT shall be made and this Agreement shall be modified in writing accordingly.
- B. No services for which an additional compensation will be charged by COMPANY shall be furnished without the written authorization of HOSPITAL.

**SECTION V: RESPONSIBILITY OF COMPANY**

- A. It is understood that in the performance of the services herein provided for, COMPANY shall be, and is, an independent contractor, and is not an agent, representative or employee of HOSPITAL and shall furnish such services in its own manner and method except as required by this Agreement. Further, COMPANY has and shall retain the right to exercise full control over the employment, direction, compensation and discharge of all persons employed by COMPANY in the performance of the services hereunder. COMPANY shall be solely responsible for, and shall indemnify, defend and hold HOSPITAL harmless from all matters relating to the payment of its employees, including compliance with social security, withholding and all other wages, salaries, benefits, taxes, demands, and regulations of any nature whatsoever.
- B. COMPANY shall appoint a Manager, upon written acceptance by HOSPITAL, who will manage the performance of services. All of the services specified by this Agreement shall be performed by the Manager, or by COMPANY's associates and employees under the personal supervision of the Manager. Should the Manager, or any employee of COMPANY be unable to complete his or her responsibility for any reason, COMPANY must obtain written approval by HOSPITAL prior to replacing him or her with another equally qualified person. If COMPANY fails to make a required replacement within thirty (30) days, HOSPITAL may terminate this Agreement for default.
- C. COMPANY agrees that its officers and employees will cooperate with HOSPITAL in the performance of services under this Agreement and will be available for consultation with HOSPITAL at such reasonable times with advance notice as to not conflict with their other responsibilities.
- D. COMPANY shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all services furnished by COMPANY, its subcontractors and its and their principals, officers, employees and agents under this Agreement. In performing the specified services, COMPANY shall follow practices consistent with generally accepted professional and technical

standards.

- E. It shall be the duty of COMPANY to assure that all services of its effort are technically sound and in conformance with all pertinent federal, state and local statutes, codes, ordinances, resolutions and other regulations. If applicable, COMPANY will not produce a work product which violates or infringes on any copyright or patent rights. COMPANY shall, without additional compensation, correct or revise any errors or omissions in its services:
  - 1. Permitted or required approval by HOSPITAL of any products or services furnished by COMPANY shall not in any way relieve COMPANY of responsibility for the professional and technical accuracy and adequacy of its work.
  - 2. HOSPITAL's review, approval, acceptance, or payment for any of COMPANY's services herein shall not be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement, and COMPANY shall be and remain liable in accordance with the terms of this Agreement and applicable law for all damages to HOSPITAL caused by COMPANY's performance or failure to perform under this Agreement.
- F. All materials, information, and documents, whether finished, unfinished, drafted, developed, prepared, completed, or acquired by COMPANY for HOSPITAL relating to the services to be performed hereunder and not otherwise used or useful in connection with services previously rendered, or services to be rendered, by COMPANY to parties other than HOSPITAL shall become the property of HOSPITAL and shall be delivered to HOSPITAL's representative upon completion or termination of this Agreement, whichever comes first. COMPANY shall not be liable for damages, claims, and losses arising out of any reuse of any work products on any other project conducted by HOSPITAL. HOSPITAL shall have the right to reproduce all documentation supplied pursuant to this Agreement.
- G. The services shall be performed in a manner consistent with the level of care and skill ordinarily exercised by members of COMPANY's profession currently practicing under similar conditions and in the same locality as the PROJECT. Data, interpretations and recommendations by COMPANY will be based solely on information discovered by, or made available to, COMPANY during the course of the engagement. In connection with such information, HOSPITAL recognizes that subsurface conditions may vary from those observed at locations where borings, surveys, or explorations are made, and that site conditions may change over time. COMPANY shall not be responsible for the use or interpretation of such information by non-parties to this Agreement.
- H. Personnel On-Site. COMPANY shall abide by the relevant compliance policies of HOSPITAL, including its corporate compliance program, Vendor Access Roles and Responsibilities Policy, Contracted/Non-Employee Requirements Policy and Code of Ethics, the relevant portions of which are available to COMPANY upon request, and HOSPITAL's Vaccine Policy, as may be amended from time to time, and must register through HOSPITAL's vendor management/credentialing system prior to arriving on-site at any of HOSPITAL's facilities. COMPANY's employees, agents, subcontractors and/or designees who do not abide by HOSPITAL's policies may be barred from physical access to HOSPITAL's premises.
- I. The rights and remedies of HOSPITAL provided for under this Section are in addition to any other rights and remedies provided by law or under other Sections of this Agreement.

#### **SECTION VI: SUBCONTRACTS**

- A. Services specified by this Agreement shall not be subcontracted by COMPANY, without prior written approval of HOSPITAL.
- B. Approval by HOSPITAL of COMPANY's request to subcontract, or acceptance of, or payment for, subcontracted work by HOSPITAL shall not in any way relieve COMPANY of responsibility for the professional and technical accuracy and adequacy of the work. COMPANY shall be and remain liable for all damages to HOSPITAL caused by negligent performance or non-performance of work under this Agreement by COMPANY's subcontractor or its sub-subcontractor.
- C. The compensation due under Section II shall not be affected by HOSPITAL's approval of COMPANY's request to subcontract.

#### **SECTION VII: RESPONSIBILITY OF HOSPITAL**

- A. HOSPITAL agrees that its officers and employees will cooperate with COMPANY in the performance of services under this Agreement and will be available for consultation with COMPANY at such reasonable times with advance notice as to not conflict with their other responsibilities.
- B. The services performed by COMPANY under this Agreement shall be subject to review for compliance with the terms of this Agreement by HOSPITAL's representative, **Shana Tello, Executive Office**, telephone number **(702) 383-3842** or their designee. HOSPITAL's

representative may delegate any or all of his responsibilities under this Agreement to appropriate staff members, and shall so inform COMPANY by written notice before the effective date of each such delegation.

- C. HOSPITAL shall assist COMPANY in obtaining data on documents from public officers or agencies, and from private citizens and/or business firms, whenever such material is necessary for the completion of the services specified by this Agreement.
- D. COMPANY will not be responsible for accuracy of information or data supplied by HOSPITAL or other sources to the extent such information or data would be relied upon by a reasonably prudent COMPANY.

#### **SECTION VIII: TIME SCHEDULE**

- A. Time is of the essence of this Agreement.
- B. If COMPANY's performance of services is delayed or if COMPANY's sequence of tasks is changed, COMPANY shall notify HOSPITAL's representative in writing of the reasons for the delay and prepare a revised schedule for performance of services. The revised schedule is subject to HOSPITAL's written approval.

#### **SECTION IX: TERMINATION**

##### **A. Termination**

##### **1. Termination for Cause**

This Agreement may be terminated in whole or in part by either party in the event of substantial failure or default of the other party to fulfill its obligations under this Agreement through no fault of the terminating party; but only after the other party is given:

- a. Not less than fourteen (14) calendar days written notice of intent to terminate; and
- b. An opportunity for consultation with the terminating party prior to termination, and an opportunity to remedy or cure the default within fourteen (14) calendar days. If, after the fourteen (14) day calendar period (or such other time frame as agreed to by the parties) the breaching party does not remedy or cure such default, the non-breaching party may then terminate this Agreement effective immediately thereafter.

##### **2. Termination for Convenience**

- a. This Agreement may be terminated in whole or in part by HOSPITAL for its convenience; but only after COMPANY is given not less than thirty (30) calendar days written notice of intent to terminate; and
- b. If termination is for HOSPITAL's convenience, HOSPITAL shall pay COMPANY that portion of the compensation which has been earned as of the effective date of termination but no amount shall be allowed for anticipated profit on performed or unperformed services or other work.

##### **3. Effect of Termination**

- a. If termination for substantial failure or default is effected by HOSPITAL, HOSPITAL will pay COMPANY that portion of the compensation which has been earned as of the effective date of termination but:
  - i. No amount shall be allowed for anticipated profit on performed or unperformed services or other work; and
  - ii. Any payment due to COMPANY at the time of termination may be adjusted to the extent of any additional costs occasioned to HOSPITAL by reason of COMPANY's default.
- b. Upon receipt or delivery by COMPANY of a termination notice, COMPANY shall promptly discontinue all services affected (unless the notice directs otherwise) and deliver or otherwise make available to HOSPITAL's representative, copies of all deliverables as provided in Section V paragraph F.
- c. If after termination for failure of COMPANY to fulfill contractual obligations it is determined that COMPANY has not so failed, the termination shall be deemed to have been effected for the convenience of HOSPITAL.
- d. Upon termination, HOSPITAL may take over the work and prosecute the same to completion by agreement with another party or otherwise. In the event COMPANY shall cease conducting business, HOSPITAL shall have the right to make an unsolicited offer of employment to any employees of COMPANY assigned to the performance of this Agreement.

- 4. The rights and remedies of HOSPITAL and COMPANY provided in this Section are in addition to any other rights and remedies provided by law or under this Agreement.



5. Neither party shall be considered in default in the performance of its obligations hereunder, nor any of them, to the extent that performance of such obligations, nor any of them, is prevented or delayed by any cause, existing or future, which is beyond the reasonable control of such party. Delays arising from the actions or inactions of one or more of COMPANY's principals, officers, employees, agents, subcontractors, vendors or suppliers are expressly recognized to be within COMPANY's control.

#### **SECTION X: INSURANCE**

COMPANY shall obtain and maintain the insurance coverage required in **Exhibit C** incorporated herein by this reference. COMPANY shall comply with the terms and conditions set forth in **Exhibit C** and shall include the cost of the insurance coverage in their prices.

#### **SECTION XI: NOTICES**

Any notice required to be given hereunder shall be deemed to have been given when received by the party to whom it is directed by personal service, hand delivery, certified U.S. mail, return receipt requested, or email, at the following addresses:

TO HOSPITAL:                      University Medical Center of Southern Nevada  
Attn: Legal  
1800 W. Charleston Blvd.  
Las Vegas, NV 89102

TO COMPANY:                      Universal Engineering Sciences  
Attn: James Bristow, P.E., Managing Partner  
4480 W. Hacienda Ave., Ste. 104  
Las Vegas, NV 89118

#### **SECTION XII: MISCELLANEOUS**

A. **Amendments**

No modifications or amendments to this Agreement shall be valid or enforceable unless mutually agreed to in writing by the parties.

B. **Independent Contractor**

COMPANY acknowledges that COMPANY and any subcontractors, agents or employees employed by COMPANY shall not, under any circumstances, be considered employees of HOSPITAL, and that they shall not be entitled to any of the benefits or rights afforded to employees of HOSPITAL, including, but not limited to, sick leave, vacation leave, holiday pay, Public Employees Retirement System benefits, or health, life, dental, long-term disability or workers' compensation insurance benefits. HOSPITAL will not provide or pay for any liability or medical insurance, retirement contributions or any other benefits for or on behalf of COMPANY or any of its officers, employees or other agents.

C. **Immigration Reform and Control Act**

In accordance with the Immigration Reform and Control Act of 1986, COMPANY agrees that it will not employ unauthorized aliens in the performance of this Agreement.

D. **Public Funds / Non-Discrimination**

COMPANY acknowledges that HOSPITAL has an obligation to ensure that public funds are not used to subsidize private discrimination. COMPANY recognizes that if they or their subcontractors are found guilty by an appropriate authority of refusing to hire or do business with an individual or company due to reasons of race, color, religion, sex, sexual orientation, gender identity or gender expression, age, disability, handicapping condition (including AIDS or AIDS related conditions), national origin, or any other class protected by law or regulation, HOSPITAL may declare COMPANY in breach of this Agreement, terminate this Agreement, and designate COMPANY as non-responsible.

E. **Assignment**

Any attempt by COMPANY to assign or otherwise transfer any interest in this Agreement without the prior written consent of HOSPITAL shall be void.

F. Indemnity

COMPANY does hereby agree to indemnify and hold harmless HOSPITAL and the employees and officers of HOSPITAL from any liabilities, damages, losses, claims, actions or proceedings, including reasonable attorneys' fees and costs, that are caused by the negligence, errors, omissions, recklessness or intentional misconduct of COMPANY or the employees or contractors of COMPANY in the performance of this Agreement.

G. Governing Law / Venue

Nevada law shall govern the interpretation and enforcement of this Agreement with Clark County, Nevada as the exclusive venue of any action or proceeding related to or arising out of this Agreement.

H. Covenant Against Contingent Fees

COMPANY warrants that no person or selling agency has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide permanent employees. For breach or violation of this warranty, HOSPITAL shall have the right to annul this Agreement without liability or in its discretion to deduct from the Agreement price or consideration or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.

I. Gratuities

1. HOSPITAL may, by written notice to COMPANY, terminate this Agreement if it is found after notice and hearing by HOSPITAL that gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by COMPANY or any agent or representative of COMPANY to any officer or employee of HOSPITAL with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending or making of any determinations with respect to the performance of this Agreement.
2. In the event this Agreement is terminated as provided in paragraph 1 hereof, HOSPITAL shall be entitled:
  - a. to pursue the same remedies against COMPANY as it could pursue in the event of a breach of this Agreement by COMPANY; and
  - b. as a penalty in addition to any other damages to which it may be entitled by law, to exemplary damages in an amount (as determined by HOSPITAL) which shall be not less than three (3) nor more than ten (10) times the costs incurred by COMPANY in providing any such gratuities to any such officer or employee.
3. The rights and remedies of HOSPITAL provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

J. Audits

The performance of this Agreement by COMPANY is subject to review by HOSPITAL to ensure Agreement compliance. COMPANY agrees to provide HOSPITAL any and all information requested that relates to the performance of this Agreement. All request for information will be in writing to COMPANY. Time is of the essence during the audit process. Failure to provide the information requested within the timeline provided in the written information request may be considered a material breach of Agreement and be cause for suspension and/or termination of this Agreement.

K. Covenant

COMPANY covenants that it presently has no interest and that it will not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. COMPANY further covenants, to its knowledge and ability, that in the performance of said services no person having any such interest shall be employed.

L. Confidential Treatment of Information

COMPANY shall preserve in strict confidence any information obtained, assembled or prepared in connection with the performance of this Agreement.

M. ADA Requirements

All work performed or services rendered by COMPANY shall comply with the Americans with Disabilities Act standards adopted by Clark County. All facilities built prior to January 26, 1992 must comply with the Uniform Federal Accessibility Standards; and all facilities completed after January 26, 1992 must comply with the Americans with Disabilities Act Accessibility Guidelines.

N. Public Records

COMPANY acknowledges that HOSPITAL is a public county-owned hospital which is subject to the provisions of the Nevada Public Records Act, Nevada Revised Statutes Chapter 239, as may be amended from time to time, and as such its records are public documents available to copying and inspection by the public. If HOSPITAL receives a demand for the disclosure of any information related to this Agreement which COMPANY has claimed to be confidential and proprietary, HOSPITAL will immediately notify COMPANY of such demand and COMPANY shall immediately notify HOSPITAL of its intention to seek injunctive relief in a Nevada court for protective order. COMPANY shall indemnify, defend and hold harmless HOSPITAL from any claims or actions, including all associated costs and attorney's fees, regarding or related to any demand for the disclosure of COMPANY documents in HOSPITAL's custody and control in which COMPANY claims to be confidential and proprietary.

O. Publicity

Neither HOSPITAL nor COMPANY shall cause to be published or disseminated any advertising materials, either printed or electronically transmitted which identify the other party or its facilities with respect to this Agreement without the prior written consent of the other party.

P. Clark County Business License / Registration

Prior to award of this Agreement, other than for the supply of goods being shipped directly to a HOSPITAL facility, COMPANY may be required to obtain a Clark County business license or register annually as a limited vendor business with the Clark County Business License Department.

1. Clark County Business License is Required if:

- a. A business is physically located in unincorporated Clark County, Nevada.
- b. The work to be performed is located in unincorporated Clark County, Nevada.

2. Register as a Limited Vendor Business Registration if:

- a. A business is physically located outside of unincorporated Clark County, Nevada
- b. A business is physically located outside the state of Nevada.

The Clark County Department of Business License can answer any questions concerning determination of which requirement is applicable to your company. It is located at the Clark County Government Center, 500 South Grand Central Parkway, 3<sup>rd</sup> Floor, Las Vegas, NV or you can reach them via telephone at (702) 455-4252 or toll free at (800) 328-4813.

You may also obtain information online regarding Clark County Business Licenses by visiting the website at [www.clarkcountynv.gov](http://www.clarkcountynv.gov), go to "Business License Department" ([https://www.clarkcountynv.gov/business/doing\\_business\\_with\\_clark\\_county/index.php](https://www.clarkcountynv.gov/business/doing_business_with_clark_county/index.php)).

Q. Site Access and Conditions

HOSPITAL shall secure all necessary site related approvals, permits, licenses, and consents necessary to commence and complete the PROJECT and will execute any necessary site access agreement. COMPANY shall not be responsible for the supervision or health and safety precautions for any parties, including HOSPITAL, HOSPITAL's contractors, subcontractors, or other parties present at the site. HOSPITAL shall provide the location and/or arrange for the marking of private utilities and subterranean structures. COMPANY shall take reasonable precautions to avoid damage or injury to subterranean structures or utilities. COMPANY shall not be responsible for damage to subterranean structures or utilities that are not called to COMPANY's attention, are not correctly marked, including by a utility locate service, or are incorrectly shown on the plans furnished to COMPANY. COMPANY will take reasonable precautions to reduce damage to the site when performing the services; however, HOSPITAL accepts that invasive services such as drilling or sampling may damage or alter the site. Site restoration is not provided unless requested by HOSPITAL in writing. HOSPITAL shall identify a designated representative authorized to act and make decisions on a timely basis on HOSPITAL's behalf with respect to the PROJECT.

R. Cooperation and Project Understanding

To the extent requested by COMPANY, HOSPITAL will make available to COMPANY all information in its possession regarding existing and proposed conditions at the site. COMPANY is entitled to rely upon the accuracy and completeness of the information given by HOSPITAL. Such information shall include, but not be limited to, plot plans, topographic surveys, hydrographic data, and previous soil data, including borings, field and laboratory tests and written reports. HOSPITAL shall immediately transmit to COMPANY any new

information concerning site condition which becomes available, and any change in plans or specifications concerning the PROJECT to the extent such information may affect COMPANY's performance of the services. HOSPITAL agrees, upon twenty-four (24) hours oral or written notice, to provide a representative at the job site to supervise and coordinate the services. COMPANY shall not be liable for any inaccurate or incorrect advice, judgment or decision which is based on any inaccurate information furnished by HOSPITAL.

S. Sample Disposal

Unless other arrangements are made, COMPANY will dispose of all soil and rock samples remaining at the time of report completion. Further storage or transfer of samples can be arranged at HOSPITAL's prior written request, subject to a reasonable charge by COMPANY. HOSPITAL acknowledges that contaminated drill cuttings, sample spoils, wash water, and other materials may be produced as a result of encountering hazardous materials at the site. In such event, COMPANY shall properly contain, label, and store such materials on-site, and HOSPITAL shall be responsible for its proper transportation and disposal. HOSPITAL recognizes that COMPANY is working as a bailee and at no time assumes title to waste samples or any responsibility as generators of said waste or samples.

T. Construction Monitoring

COMPANY is engaged by HOSPITAL to provide a site representative for the purpose of monitoring specific portions of any construction work, as set forth in this Agreement. In connection with construction monitoring, COMPANY will report observations and professional opinions to HOSPITAL. COMPANY shall report to HOSPITAL any observed work which, in COMPANY's opinion, does not conform to plans and specifications. COMPANY shall have no authority to reject or terminate the work of any agent or contractor of HOSPITAL. No action, statements, or communications of COMPANY, or COMPANY's site representative, can be construed as modifying any agreement between HOSPITAL and others. COMPANY's presence on the PROJECT site in no way guarantees the completion or quality of the performance of the work of any party retained by HOSPITAL to provide construction related services and COMPANY's performance of testing and observation services shall not relieve any party in any way from its responsibility for defects discovered in its work, or create a warranty or guarantee.

Neither the professional activities of COMPANY, nor the presence of COMPANY or its employees, representatives, or subcontractors on the PROJECT site, shall be construed to impose upon COMPANY any responsibility for methods of work performance, superintendence, sequencing of construction, or safety conditions at the PROJECT site. HOSPITAL acknowledges that HOSPITAL or its general contractor is solely responsible for job site safety, and warrants and agrees that such responsibility shall be made evident in any PROJECT HOSPITAL's agreement with the general contractor.

This Agreement contains the full, final, and complete expression of all agreements between HOSPITAL and COMPANY with respect to the subject matter of this Agreement and shall supersede all prior or contemporaneous agreements between HOSPITAL and COMPANY, whether oral or written.

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be executed and delivered on the dates below to be effective as of the Effective Date.

HOSPITAL:

UNIVERSITY MEDICAL CENTER OF  
SOUTHERN NEVADA

By: \_\_\_\_\_  
MASON VAN HOUWELING  
Chief Executive Officer

DATE

COMPANY:

NOVA GEOTECHNICAL AND INSPECTION SERVICES, LLC  
D/B/A UNIVERSAL ENGINEERING SCIENCES

By: 137  
JAMES BRISTOW, P.E.  
Managing Partner

1-31-2023  
DATE

**EXHIBIT A**  
**SPECIAL INSPECTIONS AND MATERIAL TESTING SERVICES**  
**(UMC EXTERIOR FAÇADE AND LANDSCAPE RENOVATION)**  
**SCOPE OF WORK**

Universal Engineering Sciences (UES) will provide special inspections and materials testing services for the referenced PROJECT.

**UES's preparation for this proposal is based on the following:**

- The PROJECT will be subject to the City of Las Vegas Building Department jurisdiction.
- Review of geotechnical report prepared by Converse Consultants, dated August 26, 2022.
- Review of structural plans prepared by John A. Martin and Associates, dated July 14, 2022.
- Review of architectural plans prepared by Friedmutter Group, dated March 21, 2022.
- Review of civil plans prepared by Lochsa Engineering, dated September 10, 2021.
- No construction schedule was provided, however, construction dates for each phase have been provided on overall site map provided by Grand Canyon Development Partner, undated.
  - o Per dates provided in overall map, it is anticipated that the PROJECT will start sometime in March 2023 and end on June 30, 2025 for an approximate total of 27 months.
  - o For estimating purposes, work week will consist of 8 hours per day, Monday to Friday (40-hour work week). Overtime, premium time (earlier than 6:00 am and/or later than 4:00 pm), weekend and holidays should be considered out of scope of proposed work.
- Review of the Quality Assurance Agency (QAA)/Special Inspections Agreement produced by the City of Las Vegas Building Department. We understand that special inspections will include Items G (grading/soils), C (reinforced concrete), M (structural masonry), S (structural steel), F (spray applied fireproofing), E (EIFS), Y (fire-stopping/fire caulking), and X (special cases such as epoxy and mechanical anchors).
- For estimating purposes, assumptions have been made for time required for rough site grading, miscellaneous site earthwork and on-site utility installation.
- It is assumed that a Clark County/City of Las Vegas-approved steel fabricator will be used; this alleviates the requirement for shop fabrication inspections by UES.
- Exclusions from this proposal are architectural items or features and non-structural elements unless otherwise noted in the scope of services.
- UES recommends a pre-construction meeting to go over inspection requirements and procedures.

**PROJECT DESCRIPTION**

The PROJECT will consist of improvements of exterior face improvements to Buildings A, B, C, D, E, F, G, H, J, L and parking lot improvements P1 & P2.

**SCOPE OF GRADING/SOILS SERVICES**

**On-Site Improvements**

- Perform field density testing and observations during utility backfill operations.
- Perform field density testing for subgrade, curb, gutter and sidewalks.

**SCOPE OF STRUCTURAL MATERIALS SERVICES**

The following inspections and testing will be provided by an inspector(s)/technician(s) certified by the American Concrete Institute (ACI), International Code Council (ICC), and/or the American Welding Society (AWS) and in accordance with the requirements of Chapter 17 of the applicable International Building Code, Governing Agency Technical Guidelines, and PROJECT plans and specifications.

- **Reinforced-Concrete Inspection.** Provide periodic inspection of reinforcing steel installation and continuous inspection during concrete placement. A total of five 4-inch by 8-inch representative test specimens will be cast every 150 cubic yards and/or every day for testing of compressive strength. Strength testing will be as follows unless noted otherwise by plans, specification, or HOSPITAL requirements:

- 1 cylinder at 7 days, 3 at 28 days and 1 will be held for 56 days provided the 28 day breaks did not meet strength requirements.

Normal concrete pours will consist of one ICC inspector unless a pump is used, which requires an ACI technician to supplement the inspector. Supplemental inspectors/technicians may be required during periods of peak construction activity. Contractor (i.e., Martin-Harris Construction, LLC) is responsible for storage of the concrete cylinder samples, secured from damage and protected from hot and cold weather to comply with the requirements of ACI-305R, ACI-305.1-6 and ACI-306R. **The Contractor shall provide 24 hour 7 days a week access to all concrete cylinders for pick-ups.**

- **Structural Masonry Inspection (Level B).** Provide periodic inspection of constructed concrete masonry units (CMU), masonry reinforcing steel, and grout spaces. Provide continuous inspection during grouting and construction of masonry prisms. Contractor is responsible for constructing prisms while a certified special inspector is present and storage of prisms in a vertical position and sealed in a plastic bag. Three masonry prism samples are required every 5,000 square feet of placed CMU. Masonry prisms will be tested for compressive strength. Supplemental masonry inspectors/technicians may be required during periods of peak construction activity.
- **Structural Steel Inspection.** Provide inspection for steel member materials, size and shape, spacing and connections. Provide fabrication and testing of high-strength grout samples for compressive strength as required. Provide non-destructive testing as required, which may include ultrasonic, magnetic particle, dye penetrant and radiography techniques as required for welded connections, alterations, and Skidmore Wilhelm testing for high-strength bolts. Full time welding inspections are based on Complete Joint Penetration welds or fillet welds greater than 5/16 inch in size. Part time welding inspections are based on fillet welds 5/16 inch or less in size. Part time field welding inspections are based on structural design only and does not account for errors of size, spacing and quality of steel connections that may result in a full time welding inspection.
- **Exterior Insulation Finish System (EIFS).** Provide inspections for substrate, expanded polystyrene insulation (EPS) board, base and finish coat of EIFS system. Inspector will check the name of manufacturer, type of material and connections used, method of application of substrate, EPS board, mesh and base coat. Inspector will check for liquid content for dry mix material, mesh overlays and coverage on surfaces and record weather conditions during the inspection times only. UES will not sample or test any materials for any product used for this application.
- **Fire-Resistant Penetrations and Joints.** Provide inspection of Fire-Resistant Penetrations and Joints. Verification that installed condition conforms to the approved system, which includes penetrations through fire rated assemblies and floors. Every penetration shall be inspected to verify conformance with approved plans and specifications. Inspections will be required to confirm that annular space width, sleeve material/clearances, packing material, and fire caulking thickness/material comply with the approved system. Contractor shall provide a set of contract documents that identifies each penetration and the approved system for that penetration.
- **Epoxy and Mechanical Anchor Inspection.** Provide continuous inspection during the placement of epoxy for bolts, all thread rods, and reinforcing steel, as well as during installation of mechanical anchors such as wedge- and screw-types.
- **Spray Applied Fireproofing.** Provide periodic inspections for fireproofing applied to structural steel members. Substrate inspection shall be done prior to application of fireproofing. Thickness tests will be taken at 25% of all sprayed beams and columns. One density test and cohesion/adhesion will be taken from one column, one beam, one floor joist and one deck (each type of structural member) for every 2,500 square feet of building per floor.

- **PROJECT Management.** A project manager will be assigned to review the daily activity of inspectors/technicians, monitor the budget for special inspection services, and oversee the preparation of the final report(s) if required. All field and laboratory tests will be reviewed prior to submittal.
- **Final Reports.** Final summary report(s) will be prepared for each permit as required by the governing jurisdiction. The final report(s) will include the daily inspection reports, field tests, and a summary of the laboratory tests performed and documentation of corrective action in response to non-compliant reports. Final reports will be reviewed by a State of Nevada Registered Professional Civil Engineer and wet stamped and signed by the registered engineer.

#### **DISPATCH**

UES will be providing the above scope of services on an on-call basis. These services will only be performed for projects that are scheduled through the dispatch department. Dispatch hours are from 7:00 am till 4:00 pm, Monday thru Friday and should be scheduled at least 48-hours in advance of required inspection/testing. Scheduling can be done by phone at **702-873-3478** or via email at **[LVDDispatch@UniversalEngineering.com](mailto:LVDDispatch@UniversalEngineering.com)**. **At no time will dispatch be scheduled by voicemail or through field inspectors/technicians.**

It is HOSPITAL's or their representative's responsibility to schedule all required inspections/testing. If work is done or covered up without inspections/testing services being done, UES cannot be responsible for governing agency acceptance of the work. The governing agency may require special testing or removal of un-inspected/tested work.

## **EXHIBIT B COST OF SERVICES**

**COMPANY's services will be billed on a time-and-materials basis. Inspectors will check in upon arrival to the site and hourly billing will be based on time spent at the project site, and time to complete associated paperwork. Detailed invoices will be submitted on a monthly basis with hours or units multiplied by the unit fees from UES' 2023 standard fee schedule.**

Based on the information provided, our proposed estimate (within confines of defined scope), is outlined as follows:

**(1) Senior Special Inspector, (1) Special Inspector/Tester, Quality Assurance Lab Testing (soils samples and compressive strength samples), Project Management and Final Reports**

HOSPITAL agrees to pay COMPANY for the performance of services described in the Scope of Work (**Exhibit A**) for the not-to-exceed amount of **\$700,000** for the Term of this Agreement.



## EXHIBIT C INSURANCE REQUIREMENTS

TO ENSURE COMPLIANCE WITH THIS AGREEMENT DOCUMENT, COMPANY SHOULD FORWARD THE FOLLOWING INSURANCE CLAUSE AND SAMPLE INSURANCE FORM TO THEIR INSURANCE AGENT PRIOR TO PROPOSAL SUBMITTAL.

- A. **Format/Time:** COMPANY shall provide HOSPITAL with Certificates of Insurance, per the sample format (page B-3), for coverage as listed below, and endorsements affecting coverage required by this Agreement within **ten (10) business days** after the award by HOSPITAL. All policy certificates and endorsements shall be signed by a person authorized by that insurer and who is licensed by the State of Nevada in accordance with NRS 680A.300. All required aggregate limits shall be disclosed and amounts entered on the Certificate of Insurance, and shall be maintained for the duration of this Agreement and any renewal periods.
- B. **Best Key Rating:** HOSPITAL requires insurance carriers to maintain during the Agreement term, a Best Key Rating of A.VII or higher, which shall be fully disclosed and entered on the Certificate of Insurance.
- C. **HOSPITAL Coverage:** HOSPITAL, its officers and employees must be expressly covered as additional insured's except on Workers' Compensation. COMPANY's insurance shall be primary with respect to HOSPITAL, its officers and employees.
- D. **Endorsement/Cancellation:** COMPANY's general liability and automobile liability insurance policy shall be endorsed to recognize specifically COMPANY's contractual obligation of additional insured to HOSPITAL and must note that HOSPITAL will be given thirty (30) calendar days advance notice by certified mail "return receipt requested" of any policy changes, cancellations, or any erosion of insurance limits. Either a copy of the additional insured endorsement, or a copy of the policy language that gives HOSPITAL automatic additional insured status must be attached to any certificate of insurance.
- E. **Deductibles:** All deductibles and self-insured retentions shall be fully disclosed in the Certificates of Insurance and may not exceed \$25,000.
- F. **Aggregate Limits:** If aggregate limits are imposed on bodily injury and property damage, then the amount of such limits must not be less than \$2,000,000.
- G. **Commercial General Liability:** Subject to Paragraph F of this Exhibit, COMPANY shall maintain limits of no less than \$1,000,000 combined single limit per occurrence for bodily injury (including death), personal injury and property damages. Commercial general liability coverage shall be on a "per occurrence" basis only, not "claims made," and be provided either on a Commercial General Liability or a Broad Form Comprehensive General Liability (including a Broad Form CGL endorsement) insurance form. Policies must contain a primary and non-contributory clause and must contain a waiver of subrogation endorsement.
- H. **Automobile Liability:** Subject to Paragraph F of this Exhibit, COMPANY shall maintain limits of no less than \$1,000,000 combined single limit per occurrence for bodily injury and property damage to include, but not be limited to, coverage against all insurance claims for injuries to persons or damages to property which may arise from services rendered by COMPANY and **any auto** used for the performance of services under this Agreement.
- I. **Professional Liability:** COMPANY shall maintain limits of no less than \$1,000,000 aggregate. If the professional liability insurance provided is on a Claims Made Form, then the insurance coverage required must continue for a period of two (2) years beyond the completion or termination of this Agreement. Any retroactive date must coincide with or predate the beginning of this and may not be advanced without the consent of HOSPITAL.
- J. **Workers' Compensation:** COMPANY shall obtain and maintain for the duration of this Agreement, a work certificate and/or a certificate issued by an insurer qualified to underwrite workers' compensation insurance in the State of Nevada, in accordance with Nevada Revised Statutes Chapters 616A-616D.
- K. **Failure To Maintain Coverage:** If COMPANY fails to maintain any of the insurance coverage required herein, HOSPITAL may withhold payment, order COMPANY to stop the work, declare COMPANY in breach, suspend or terminate this Agreement, assess liquidated damages as defined herein, or may purchase replacement insurance or pay premiums due on existing policies. HOSPITAL may collect any replacement insurance costs or premium payments made from COMPANY or deduct the amount paid from any sums due to COMPANY under this Agreement.
- L. **Additional Insurance:** COMPANY is encouraged to purchase any such additional insurance as it deems necessary.
- M. **Damages:** COMPANY is required to remedy all injuries to persons and damage or loss to any property of HOSPITAL, caused in whole or in part by COMPANY, their subcontractors or anyone employed, directed or supervised by COMPANY.
- N. **Cost:** COMPANY shall pay all associated costs for the specified insurance. The cost shall be included in the price(s).
- O. **Insurance Submittal Address:** All Insurance Certificates requested shall be sent to University Medical Center, Attention: Legal. See the Submittal Requirements Clause in the Agreement for the appropriate mailing address.
- P. **Insurance Form Instructions:** The following information **must** be filled in by COMPANY's Insurance Company representative:
  - 1. Insurance Broker's name, complete address, phone and fax numbers.
  - 2. COMPANY's name, complete address, phone and fax numbers.
  - 3. Insurance Company's Best Key Rating

4. Commercial General Liability (Per Occurrence)
  - (A) Policy Number
  - (B) Policy Effective Date
  - (C) Policy Expiration Date
  - (D) Each Occurrence (\$1,000,000)
  - (E) Damage to Rented Premises (\$50,000)
  - (F) Medical Expenses (\$5,000)
  - (G) Personal & Advertising Injury (\$1,000,000)
  - (H) General Aggregate (\$2,000,000)
  - (I) Products - Completed Operations Aggregate (\$2,000,000)
5. Automobile Liability (Any Auto)
  - (J) Policy Number
  - (K) Policy Effective Date
  - (L) Policy Expiration Date
  - (M) Combined Single Limit (\$1,000,000)
6. Worker's Compensation
7. Professional Liability
  - (N) Policy Number
  - (O) Policy Effective Date
  - (P) Policy Expiration Date
  - (Q) Aggregate (\$1,000,000)
8. Description: CBE Number and Name of Agreement (must be identified on the initial insurance form and each renewal form).
9. Certificate Holder:

University Medical Center of Southern Nevada  
c/o Legal Department  
1800 W. Charleston Blvd.  
Las Vegas, Nevada 89102
10. Appointed Agent Signature to include license number and issuing state.



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
2/8/2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Greyling Ins. Brokerage/EPIC 3780 Mansell Road Suite 370 Alpharetta GA 30022	<b>CONTACT NAME:</b> Carly Underwood	<b>FAX (A/C. No.):</b> 770.670.5324	
	<b>PHONE (A/C. No. Ext.):</b> 770.670.5324	<b>E-MAIL ADDRESS:</b> uescerts@greyling.com	
<b>INSURED</b> Nova Geotechnical And Inspection Services, LLC 4480 W Hacienda Ave Suite 104 Las Vegas NV 89118	<b>INSURER(S) AFFORDING COVERAGE</b>		<b>NAIC #</b>
	<b>INSURER A:</b> Arch Insurance Company		11150
	<b>INSURER B:</b> Evanston Ins Co		35378
	<b>INSURER C:</b> LANDMARK AMER INS CO		33138
	<b>INSURER D:</b> StarStone Specialty Insurance Company		44776
	<b>INSURER E:</b> Endurance American Specialty Insurance Company		41718
<b>INSURER F:</b>			

**COVERAGES** **CERTIFICATE NUMBER:** 1523008618 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Contractual Liab GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:	Y	Y	ZAGLB9255700	1/1/2023	5/1/2023	EACH OCCURRENCE \$2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$1,000,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$4,000,000 PRODUCTS - COMP/OP AGG \$4,000,000 Employee Benefits \$1,000,000
A E	<input checked="" type="checkbox"/> <b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY	Y	Y	ZACAT9289700 EXT30030240900	1/1/2023 1/1/2023	5/1/2023 5/1/2023	COMBINED SINGLE LIMIT (Ea accident) \$2,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Excess Auto \$2,000,000
B C	<input checked="" type="checkbox"/> <b>UMBRELLA LIAB</b> <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 0	Y	Y	MKL2EUE101545 LHA100521	1/1/2023 1/1/2023	5/1/2023 5/1/2023	EACH OCCURRENCE \$7,000,000 AGGREGATE \$7,000,000 \$
A	<input checked="" type="checkbox"/> <b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y	N/A	ZAWCI9995400	1/1/2023	5/1/2023	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000
D B	<input type="checkbox"/> Excess GL <input type="checkbox"/> Professional Liab <input type="checkbox"/> Incl. Pollution Liab			77102C232ALI MKLV7PL0005710	1/1/2023 2/1/2023	1/1/2024 5/1/2024	Per Occ./Aggregate 4,000,000 Per Claim/Aggregate 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Re: UMC Exterior Façade and Landscape Renovation Special Inspections and Material Testing Services.  
University Medical Center of Southern Nevada is named as an Additional Insured on the above referenced liability policies with the exception of workers compensation & professional liability where required by written contract. The above referenced liability policies with the exception of workers compensation and professional liability are primary & non-contributory where required by written contract. Waiver of Subrogation is applicable where required by written contract & allowed by law. Should any of the above described policies be cancelled by the issuing insurer before the expiration date thereof, we will endeavor to provide 30 days' written notice (except 10 days for nonpayment of premium) to the Certificate Holder.

## CERTIFICATE HOLDER

## CANCELLATION

University Medical Center of Southern Nevada  
c/o Legal Department  
Attn: Kristine Sy  
1800 W. Charleston Blvd.  
Las Vegas NV 89102

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

*Gregory Downs*

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Policy Number  
ZAGLB9255700

SCHEDULE OF NAMED INSURED(S)

**ARCH INSURANCE COMPANY**

Named Insured   OBSIDIAN GROUP HOLDINGS, LLC

Effective Date: 01-01-23  
12:01 A.M., Standard Time

Agent Name   EDGEWOOD PARTNERS INSURANCE CENTER

Agent No.   34911

FAIC-SKLBUS-CPD   (cont.)

THE NAMED INSURED ON FORM FAIC-SKLBUS-CPD IS AMENDED TO READ:

OBSIDIAN GROUP HOLDINGS, LLC  
UNIVERSAL ENGINEERING SCIENCES  
HOLDINGS, INC.  
UNIVERSAL ENGINEERING SCIENCES  
MIDCO, INC.  
OBSIDIAN GROUP ACQUISITIONS,  
INC.  
UNIVERSAL ENGINEERING  
SCIENCES, LLC  
F/K/A UNIVERSAL ENGINEERING  
SCIENCES, INC.  
CENTURION CONSULTANTS  
HOLDINGS, INC.  
CENTURION CONSULTANTS, LLC  
ARIES CONSULTANTS, LLC  
MCGINLEY & ASSOCIATES, INC.  
GEOTEK ENGINEERING COMPANY,  
INC.  
GFA INTERNATIONAL, INC. DBA  
UNIVERSAL ENGINEERING SCIENCES  
UNIVERSAL ENGINEERING  
INSPECTIONS, LLC  
NOVA GEOTECHNICAL AND  
INSPECTION SERVICES, LLC  
NOVA GEOTECHNICAL AND  
INSPECTION SERVICES - NORTHERN  
NEVADA LLC  
NOVA GEOTECHNICAL AND  
INSPECTION SERVICES - SO CAL  
(A CALIFORNIA CORPORATION)  
CONTOUR ENGINEERING, LLC  
IQC SOUTHWEST LLC  
RIVER CITY GEOPROFESSIONALS,  
INC.  
DBA WALLACE-KUHL & ASSOCIATES  
QUALITY CONTROL CONSULTANTS,  
INC.  
CONSTRUCTION TESTING AND  
ENGINEERING, INC.  
CONSTRUCTION TESTING AND  
ENGINEERING, SOUTH, INC.

Policy Number  
ZAGLB9255700

SCHEDULE OF NAMED INSURED(S)

**ARCH INSURANCE COMPANY**

Named Insured    OBSIDIAN GROUP HOLDINGS, LLC

Effective Date: 01-01-23  
12:01 A.M., Standard Time

Agent Name    EDGEWOOD PARTNERS INSURANCE CENTER

Agent No.    34911

FAIC-SKLBUS-CPD    (cont.)

THE NAMED INSURED ON FORM FAIC-SKLBUS-CPD IS AMENDED TO READ:

QC SOUTHWEST, INC.  
SUMMIT ENGINEERING, LABORATORY  
& TESTING, INC.  
F/K/A SUMMIT ENGINEERING,  
LABORATORY & TESTING, P.C.  
F/K/A SUMMIT ELT, INC.  
GEOSERVICES, LLC  
GEOTECHNOLOGY, LLC  
GEOTECHNOLOGY EQUIPMENT, LLC  
GEOTECHNOLOGY EXPLORATION, LLC  
GEOTECHNOLOGY LIVING, LLC  
GPR TESTING AND INSPECTION LLC  
ALPHA TESTING, LLC  
AUSTIN ATI HOLDINGS INC  
GSI ENGINEERING LLC  
SPEEDIE & ASSOCIATES, LLC  
ROCK ENGINEERING AND TESTING  
LABORATORY, LLC  
DAN BROWN AND ASSOCIATES, PC

Policy Number

ZAWCI9995400

SCHEDULE OF NAMED INSURED(S)

ARCH INSURANCE COMPANY

Named Insured **OBSIDIAN GROUP HOLDINGS, LLC**

Effective Date: **01-01-2023**

12:01 A.M., Standard Time

Agent Name **EDGEWOOD PARTNERS INSURANCE CENTER**

Agent No. **34911**

WC 00 00 01 A (cont.)

THE NAMED INSURED ON FORM WC 00 00 01 A IS AMENDED TO READ:

OBSIDIAN GROUP HOLDINGS, LLC  
OBSIDIAN GROUP ACQUISITIONS,  
INC.  
UNIVERSAL ENGINEERING  
SCIENCES, LLC  
F/K/A UNIVERSAL ENGINEERING  
SCIENCES, INC.  
CENTURION CONSULTANTS  
HOLDINGS, INC.  
CENTURION CONSULTANTS, LLC  
ARIES CONSULTANTS, LLC  
MCGINLEY & ASSOCIATES, INC.  
GEOTEK ENGINEERING COMPANY,  
INC.  
GFA INTERNATIONAL, INC.  
DBA UNIVERSAL ENGINEERING  
SCIENCES  
UNIVERSAL ENGINEERING  
INSPECTIONS, LLC  
NOVA GEOTECHNICAL AND  
INSPECTION SERVICES, LLC  
NOVA GEOTECHNICAL AND  
INSPECTION SERVICES - NORTHERN  
NEVADA LLC  
NOVA GEOTECHNICAL AND  
INSPECTION SERVICES - SO CAL  
(A CALIFORNIA CORPORATION)  
CONTOUR ENGINEERING, LLC  
IQC SOUTHWEST LLC  
RIVER CITY GEOPROFESSIONALS,  
INC.  
DBA WALLACE-KUHL & ASSOCIATES  
QUALITY CONTROL CONSULTANTS,  
INC.  
CONSTRUCTION TESTING AND  
ENGINEERING, INC.  
CONSTRUCTION TESTING AND  
ENGINEERING, SOUTH, INC.  
QC SOUTHWEST, INC.  
SUMMIT ENGINEERING, LABORATORY  
& TESTING, INC.

Policy Number

ZAWCI9995400

**SCHEDULE OF NAMED INSURED(S)**

**ARCH INSURANCE COMPANY**

Named Insured **OBSIDIAN GROUP HOLDINGS, LLC**

Effective Date: **01-01-2023**

12:01 A.M., Standard Time

Agent Name **EDGEWOOD PARTNERS INSURANCE CENTER**

Agent No. **34911**

**WC 00 00 01 A (cont.)**

**THE NAMED INSURED ON FORM WC 00 00 01 A IS AMENDED TO READ:**

**F/K/A SUMMIT ENGINEERING,  
LABORATORY & TESTING, P.C.  
F/K/A SUMMIT ELT, INC.  
GEOSERVICES, LLC  
GEOTECHNOLOGY, LLC  
GEOTECHNOLOGY EQUIPMENT, LLC  
GEOTECHNOLOGY EXPLORATION, LLC**

**GEOTECHNOLOGY LIVING, LLC  
GPR TESTING AND INSPECTION LLC  
GSI ENGINEERING LLC  
SPEEDIE & ASSOCIATES, LLC  
ROCK ENGINEERING AND TESTING  
LABORATORY, LLC  
DAN BROWN AND ASSOCIATES, PC**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED – DESIGNATED PERSON OR ORGANIZATION**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM  
BUSINESS AUTO COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM

**SCHEDULE**

**Name of Person(s) or Organization(s):**  
BY WRITTEN CONTRACT OR AGREEMENT

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

Under **Covered Autos Liability Coverage**, the **Who is An Insured** provision is amended to include as an "insured" the person(s) or organization(s) named in the Schedule above, but only with respect to their legal liability for your acts or omissions or acts or omissions of any person for whom **Covered Auto Liability Coverage** is afforded under this policy.

All other terms and conditions of this Policy remain unchanged.

Endorsement Number:

Policy Number: ZACAT9289700

Named Insured: OBSIDIAN GROUP HOLDINGS, LLC

This endorsement is effective on the inception date of this Policy unless otherwise stated herein:

Endorsement Effective Date: 1/1/2023



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## PRIMARY AND NONCONTRIBUTORY – OTHER INSURANCE CONDITION

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM  
BUSINESS AUTO COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

- A. The following is added to the **Other Insurance** Condition in the Business Auto Coverage Form and the **Other Insurance – Primary And Excess Insurance Provisions** in the Motor Carrier Coverage Form and supersedes any provision to the contrary:

This Coverage Form's Covered Autos Liability Coverage is primary to and will not seek contribution from any other insurance available to an "insured" under your policy provided that:

1. Such "insured" is a Named Insured under such other insurance; and
2. You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to such "insured".

- B. The following is added to the **Other Insurance** Condition in the Auto Dealers Coverage Form and supersedes any provision to the contrary:

This Coverage Form's Covered Autos Liability Coverage and General Liability Coverages are primary to and will not seek contribution from any other insurance available to an "insured" under your policy provided that:

1. Such "insured" is a Named Insured under such other insurance; and
2. You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to such "insured".

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US (WAIVER OF SUBROGATION)**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM  
BUSINESS AUTO COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

**Named Insured:** OBSIDIAN GROUP HOLDINGS, LLC

**Endorsement Effective Date:** 01/01/2023

### **SCHEDULE**

**Name(s) Of Person(s) Or Organization(s):**

ANY PERSON OR ORGANIZATION WHERE WAIVER OF OUR RIGHT TO RECOVER  
IS PERMITTED BY LAW AND IS REQUIRED BY WRITTEN CONTRACT PROVIDED  
SUCH CONTRACT WAS EXECUTED PRIOR TO THE LOSS.

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**The Transfer Of Rights Of Recovery Against Others  
To Us** condition does not apply to the person(s) or  
organization(s) shown in the Schedule, but only to  
the extent that subrogation is waived prior to the  
"accident" or the "loss" under a contract with that  
person or organization.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED – OWNERS, LESSEES OR  
CONTRACTORS – SCHEDULED PERSON OR  
ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

<b>Name Of Additional Insured Person(s) Or Organization(s)</b>	<b>Location(s) Of Covered Operations</b>
WHERE REQUIRED BY WRITTEN CONTRACT, PRIOR TO KNOWN LOSS.	ALL PROJECTS
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

**A. Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

**B.** With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

**C.** With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable limits of insurance;

whichever is less.

This endorsement shall not increase the applicable limits of insurance.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

### **SCHEDULE**

<b>Name Of Additional Insured Person(s) Or Organization(s)</b>	<b>Location And Description Of Completed Operations</b>
WHERE REQUIRED BY WRITTEN CONTRACT, PRIOR TO KNOWN LOSS.	ALL PROJECTS
PERFORMANCE OF OPERATIONS AT ANY LOCATION ON BEHALF OF SUCH PERSON(S) OR ORGANIZATION(S), PRIOR TO LOSS.	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

**A. Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the Schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

**B. With respect to the insurance afforded to these additional insureds, the following is added to Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
  2. Available under the applicable limits of insurance;
- whichever is less.

This endorsement shall not increase the applicable limits of insurance.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**PRIMARY AND NONCONTRIBUTORY –  
OTHER INSURANCE CONDITION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

The following is added to the **Other Insurance** Condition and supersedes any provision to the contrary:

**Primary And Noncontributory Insurance**

This insurance is primary to and will not seek contribution from any other insurance available to an additional insured under your policy provided that:

- (1) The additional insured is a Named Insured under such other insurance; and

- (2) You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to the additional insured.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US (WAIVER OF SUBROGATION)**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
ELECTRONIC DATA LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART DESIGNATED SITES  
POLLUTION LIABILITY LIMITED COVERAGE PART DESIGNATED SITES  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY DESIGNATED TANKS

### **SCHEDULE**

**Name Of Person(s) Or Organization(s):**

ANY PERSON OR ORGANIZATION WHERE WAIVER OF OUR RIGHT TO RECOVER IS  
PERMITTED BY LAW AND IS REQUIRED BY WRITTEN CONTRACT PROVIDED SUCH  
CONTRACT WAS EXECUTED PRIOR TO THE LOSS.

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**The following is added to Paragraph 8. Transfer Of  
Rights Of Recovery Against Others To Us of  
Section IV – Conditions:**

We waive any right of recovery against the person(s)  
or organization(s) shown in the Schedule above  
because of payments we make under this Coverage  
Part. Such waiver by us applies only to the extent that  
the insured has waived its right of recovery against  
such person(s) or organization(s) prior to loss. This  
endorsement applies only to the person(s) or  
organization(s) shown in the Schedule above.



**WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT**

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

Schedule

ANY PERSON OR ORGANIZATION WHERE WAIVER OF OUR RIGHT TO RECOVER IS PERMITTED BY LAW AND IS REQUIRED BY WRITTEN CONTRACT PROVIDED SUCH CONTRACT WAS EXECUTED PRIOR TO DATE OF LOSS.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective 01/01/2023  
Insured OBSIDIAN GROUP HOLDINGS, LLC

Policy No. ZAWCI9995400

Endorsement No.  
Premium

Insurance Company ARCH INSURANCE CO

Countersigned by \_\_\_\_\_

WC 00 03 13  
(Ed. 4-84)

## WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT - CALIFORNIA

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule.

The additional premium for this endorsement shall be 2 % of the California workers' compensation premium otherwise due on such remuneration.

### SCHEDULE

**PERSON OR ORGANIZATION****JOB DESCRIPTION**

ANY PERSON OR ORGANIZATION WHERE  
WAIVER OF OUR RIGHT TO RECOVER IS  
PERMITTED BY LAW AND IS REQUIRED BY  
WRITTEN CONTRACT PROVIDED SUCH  
CONTRACT WAS EXECUTED PRIOR TO DATE  
OF LOSS.

ALL JOBS UNDER CONTRACT.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.  
(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective 01-01-23      Policy No. ZAWCI9995400

Endorsement No.

Insured OBSIDIAN GROUP HOLDINGS, LLC

Premium \$ INCL.

Insurance Company ARCH INSURANCE COMPANY

Countersigned By \_\_\_\_\_

DATE OF ISSUE:

## DISCLOSURE OF OWNERSHIP/PRINCIPALS

<b>Business Entity Type (Please select one)</b>						
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input checked="" type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Corporation	<input type="checkbox"/> Trust	<input type="checkbox"/> Non-Profit Organization	<input type="checkbox"/> Other
<b>Business Designation Group (Please select all that apply)</b>						
<input type="checkbox"/> MBE	<input type="checkbox"/> WBE	<input type="checkbox"/> SBE	<input type="checkbox"/> PBE	<input type="checkbox"/> VET	<input type="checkbox"/> DVET	<input type="checkbox"/> ESB
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise	Veteran Owned Business	Disabled Veteran Owned Business	Emerging Small Business
<b>Number of Clark County Nevada Residents Employed: 170</b>						
<b>Corporate/Business Entity Name:</b>		NOVA Geotechnical and Inspection Services LLC				
<b>(Include d.b.a., if applicable)</b>		dba Universal Engineering Sciences				
<b>Street Address:</b>		4480 West Hacienda Ave. Suite		<b>Website:</b> www.teamues.com		
<b>City, State and Zip Code:</b>		Las Vegas, NV 89118		<b>POC Name:</b> James Bristow <b>Email:</b> jbristow@teamues.com		
<b>Telephone No:</b>		702-873-3478		<b>Fax No:</b>		
<b>Nevada Local Street Address:</b>		4480 W. Hacienda Avenue, Suite 104		<b>Website:</b> www.teamues.com		
<b>(If different from above)</b>						
<b>City, State and Zip Code:</b>		Las Vegas, NV 89118		<b>Local Fax No:</b> 702-873-2199		
<b>Local Telephone No:</b>		702-873-3478		<b>Local POC Name:</b> James Bristow <b>Email:</b> jbristow@teamues.com		

All entities, with the exception of publicly-traded and non-profit organizations, must list the names of individuals holding more than five percent (5%) ownership or financial interest in the business entity appearing before the Board.

Publicly-traded entities and non-profit organizations shall list all Corporate Officers and Directors in lieu of disclosing the names of individuals with ownership or financial interest. The disclosure requirement, as applied to land-use applications, extends to the applicant and the landowner(s).

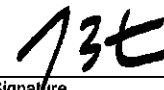
Entities include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations.

Full Name	Title	% Owned (Not required for Publicly Traded Corporations/Non-profit organizations)
Obsidian Group Holdings, Inc.		100%

**This section is not required for publicly-traded corporations. Are you a publicly-traded corporation?** ☐ Yes ☒ No

- Are any individual members, partners, owners or principals, involved in the business entity, a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?  
☐ Yes ☒ No (If yes, please note that University Medical Center of Southern Nevada employee(s), or appointed/elected official(s) may not perform any work on professional service contracts, or other contracts, which are not subject to competitive bid.)
- Do any individual members, partners, owners or principals have a spouse, registered domestic partner, child, parent, in-law or brother/sister, half-brother/half-sister, grandchild, grandparent, related to a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?  
☐ Yes ☒ No (If yes, please complete the Disclosure of Relationship form on Page 2. If no, please print N/A on Page 2.)

I certify under penalty of perjury, that all of the information provided herein is current, complete, and accurate. I also understand that the University Medical Center of Southern Nevada Governing Board will not take action on land-use approvals, contract approvals, land sales, leases or exchanges without the completed disclosure form.

 _____ Signature _____ Managing Partner _____ Title	James Bristow _____ Print Name 2-1-2023 _____ Date
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# UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA GOVERNING BOARD AUDIT AND FINANCE COMMITTEE AGENDA ITEM

<b>Issue:</b> <b>EMR System Access Agreement with the Kirk Kerkorian School of Medicine at the University of Nevada, Las Vegas and UNLV Medicine d/b/a UNLV Health</b>	<b>Back-up:</b>
<b>Petitioner:</b> Jennifer Wakem, Chief Financial Officer	<b>Clerk Ref. #</b>
<b>Recommendation:</b>  <b>That the Governing Board Audit and Finance Committee review and recommend for approval by the Governing Board the Agreement with the Board of Regents of the Nevada System of Higher Education on behalf of the Kirk Kerkorian School of Medicine at the University of Nevada, Las Vegas and UNLV Medicine d/b/a UNLV Health for EMR system access; authorize the Chief Executive Officer to execute any extension options and amendments; or take action as deemed appropriate. <i>(For possible action)</i></b>	

**FISCAL IMPACT:**

Fund Number: 5420.000

Fund Center: 3000999902

Description: EMR System Access

Bid/RFP/CBE: NRS 332.115(1)(h) – Software

Term: 6/1/2022 to 5/31/2025 with two, 1-year options

Amount: UNLV will reimburse UMC the following fees:

Fund Name: UMC Operating Fund

Funded Pgm/Grant: N/A

Monthly Access Fee (Fixed):

\$32,393.14 per month or \$388,717.68 per year

Monthly Fee Based on Outpatient Encounters (Variable):

Estimated \$14,022.35 per month or \$168,268.20 per year

Estimated Annual Total Reimbursement to UMC (subject to pass-through fee adjustments by UMC):

**Estimated \$556,985.88 per year**

Out Clause: 45 days prior to the expiration of the Initial Service Period or any Renewal Service Period

Cleared for Agenda  
February 15, 2023

Agenda Item #

**13**

**BACKGROUND:**

Since June 2017, UMC has had an agreement with UNLV to grant the latter with access and use of UMC's electronic medical system, Epic, when caring for its ambulatory patients.

This request is to enter into a new agreement with UNLV for their continued EMR system access where UMC will provide Epic access and use, third party software use as applicable to UNLV, consulting and training services as contracted by both parties, and maintenance and support to a maximum of 450 UNLV authorized users. UNLV will reimburse UMC an annual estimated fee of \$556,985.88 based on usage, applicable Epic module access, hosting, outpatient encounters, maintenance and pass-through fees which are subject to adjustments, at any time, upon third-party increases.

The Agreement term is from June 1, 2022 through May 31, 2025 with the option to renew for two, 1-year periods. Either party may terminate this Agreement with at least a 45-day notice prior to the expiration of the renewal period. Staff also requests authorization for the Hospital CEO to execute any extension options and amendments at his discretion if deemed beneficial to UMC.

UMC's Chief Information Officer has reviewed and recommends approval of this Agreement. This Agreement has been approved as to form by UMC's Office of General Counsel.

The Department of Business License has determined that UNLV is not required to obtain a Clark County business license nor a vendor registration since UNLV is part of the Nevada System of Higher Education, which is an entity of the State of Nevada.

## **EMR SYSTEM ACCESS AGREEMENT**

This EMR System Access Agreement (“Agreement”) is made and entered into by and between University Medical Center of Southern Nevada (“UMCSN”), the Board of Regents of the Nevada System of Higher Education (“NSHE”), on behalf of the Kirk Kerkorian School of Medicine at the University of Nevada, Las Vegas (“UNLV SOM”), and UNLV Medicine d.b.a UNLV Health (“UNLV Health”) with the intent it be effective as of the 1st day of June, 2022 (“Effective Date”). UNLV Health and UNLV SOM shall collectively be referred to as “Entities”. “UMCSN”, “UNLV SOM” and “UNLV Health” may individually be referred to as a “Party” and collectively as the “Parties”).

### **RECITALS**

- A. UMCSN is a publicly owned and operated hospital created by virtue of Chapter 450 of Nevada Revised Statutes whose mission is to serve the community by providing patient-centered care in a fiscally responsible and learning focused environment;
- B. UNLV SOM is working to develop a world-class center for education, patient care, and research that prepares Nevada’s doctors with the most innovative and technologically advanced forms of medical training, while serving the healthcare needs of a diverse rural and urban population;
- C. UNLV Health is a Nevada non-profit corporation that serves as the faculty practice plan supporting UNLV SOM by providing the billing, payment, administrative and management services, specifically designated as “Treatment, Payment or Operations,” for the UNLV SOM clinical operations. Entities have entered into a First Amended and Restated Operating Agreement, dated June 15, 2020
- D. UMCSN, UNLV Health and UNLV SOM have affiliated to further their respective missions with the development of an Academic Health Center and further recognize the enormous benefit to patients when medical providers have access to the EMR System (as defined below) when caring for patients; and
- E. In order to realize this benefit for their patients, Entities desire to obtain the right to access and use the EMR System, and, in order to better serve the health needs of their community, UMCSN desires to provide such access, subject to the terms and conditions of this Agreement.

### **AGREEMENT**

NOW, THEREFORE, in consideration of the foregoing Recitals (which are hereby incorporated herein) and the mutual covenants and agreements set forth herein, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

## 1. Definitions.

- 1.1 Ambulatory Visits: Ambulatory Visits are calculated based on each face-to-face encounter, or other encounter that substitutes for a face-to-face encounter as technology develops, between a Medical Provider (as defined in Section 3.2) and a patient that results in the Medical Provider entering information into the EMR System at a UNLV Health facility/clinic (a “UNLV Health Clinic”); provided however multiple encounters with Medical Providers in the same scheduled appointment at a UNLV Health Clinic will count as one Ambulatory Visit.
- 1.2 Priority 1 Error: A priority 1 error is a problem or a series of problems that leaves the system or material program functionality unusable or severely impacts normal processing.
- 1.3 Priority 2 Error: A priority 2 error means a problem or a series of problems in the system which causes serious disruption of a major business function and which cannot be temporarily solved by a workaround.
- 1.4 Reasonable Efforts: For any Priority 1 Errors UMCSN will respond to UNLV SOM or UNLV Health, as applicable, within 4 hours of receiving call. For Priority 2 Errors UMCSN will respond to UNLV SOM or UNLV Health, as applicable, within 24 hours during normal business hours and 48 hours during weekends and holidays.
- 1.5 Service Period: The Service Period shall be equal to the term of this Agreement (as set forth in Section 7.1). During this period, any additional support or training needs by UNLV SOM or UNLV Health, as applicable, shall, upon request, be provided by UMCSN as Additional Services (as defined in Section 3.4) based upon the nature of the Additional Services requested and a rate consistent with those rates set forth on **Exhibit A**.
- 1.6 Super User(s): This category of UNLV SOM or UNLV Health employee and/or contractors is intended to provide services at a UNLV Health Clinic(s) after having undergone the training set forth in the Project Plan as provided by UMCSN and after such contractors having completed any requirements of Epic Systems Corporation (hereinafter referred to as “Epic”) related to confidentiality and non-disclosure obligations. Such Super Users are expected to demonstrate additional expertise obtained during such learning process. Once fully trained by UMCSN, the Super User will have additional responsibilities and access in order to function as a first line trainer and support for the Authorized Users (as defined in Section 3.2); however final approval of administrator or privileged access to the EMR System is at the sole discretion of UMCSN, which shall not be unreasonably withheld.
- 1.7 Entities User Data: The electronic data inputted into the EMR System by Authorized Users, to include ePHI, medical, demographic, billing and insurance information and associated financial records.

2. **EMR System.** In order to better meet its mission to serve the public and its patients, UMCSN has invested in an electronic medical record system from Epic and certain related components as further described on **Exhibit A** (the “EMR System”). UMCSN has also obtained the right to offer to Entities the use of the EMR System. The items and services provided under this Agreement do not include hardware, software with functionality other than listed in **Exhibit A** (Section III), or staffing of Entities office(s), and may not be used primarily to conduct personal business or business unrelated to Entities.

3. **Provision of EMR System.**

- 3.1 **Training.** UMCSN shall provide training materials and train-the-trainer services to credentialed trainers of Entities’ staff to provide training to Authorized Users (*after receipt of appropriate approval of such Authorized Users from Epic*) regarding use of the EMR System. UMCSN may provide access to UMCSN training facilities if desired at mutually agreed upon times. In addition to live, in-person training, UMCSN agrees to provide any available on-line or digital training protocols or presentations and/or ambulatory training programs, which are determined by UMCSN to be appropriate learning tools. UNLV Health will be responsible for providing staff to become credentialed trainers and completing the credentialed training process. These staff members may be the same individuals as identified to be Super Users.

- 3.2 **Grant of Access to EMR System.** Subject to the terms and conditions of this Agreement, UMCSN hereby grants to Entities nontransferable and non-exclusive access to the EMR System to permit no more than the maximum number of medical providers (each a “Medical Provider”) set forth in **Exhibit A** and their office administrators and other authorized support staff (collectively “Authorized Users”), to electronically access and use the EMR System for storing, processing, documenting and displaying medical records and other information, images and content related to the provision of healthcare to patients of such Medical Providers. This grant of access will include as Authorized Users, those individuals involved in the treatment, payment or operations for Entities. The number of Authorized Users accessing the EMR System concurrently may not exceed the maximum number of Authorized Users listed on **Exhibit A**. Any desired increase or decrease to the maximum number of Authorized Users as described on Exhibit A shall be done pursuant to Section II of Exhibit A. The selection and/or modification of Authorized Users, and the implementation and maintenance of security relating to access to the EMR System at UNLV Health Clinics shall be the sole responsibility of UMCSN with input as required from Entities.

- 3.3 **Maintenance.** UMCSN shall provide the following maintenance and support services (the “Maintenance and Support Services”) to Entities:

- a. *Technical Support.* UMCSN shall make available to Entities telephone and email access to UMCSN’s technical support staff (“Technical Support”) to answer questions and/or assist in resolving problems regarding the general use of the EMR System.



- b. *Error Correction.* UMCSN shall use best efforts, to correct or provide a workaround for any reproducible Priority 1 Error or Priority 2 Error that causes the EMR System to (i) fail to operate, (ii) generate error messages or (iii) generate errors in automatic data creation or calculations, provided such error is reported to UMCSN by UNLVSOM or UNLV Health in a writing that describes such error in detail. UMCSN shall have no obligation to provide corrections or workarounds if the error is caused in whole or in part by persons other than UMCSN, including without limitation, Entities' network service provider, or the error is caused in whole or in part by Entities' use of the EMR System in association with operating environments and platforms other than those specified by UMCSN.
  - c. *System Availability.* Except in the event of emergencies as reasonably determined by UMCSN, the downtime as described in this Sub-section 3.3(c) shall be scheduled with seventy-two (72) hour advance notice (to include attempted direct telephone contact and follow-up email) to both the UNLVSOM's Chief Information Officer and UNLV Health's Executive Director of Business Operations and the related maintenance services shall be performed outside of the regular business hours of UNLV Health Clinics (i.e., M-F 8am-5pm).
  - d. *System Updates.* UMCSN shall make available to Entities, without cost, any updates, upgrades and enhancements to the EMR System as may be made generally available by Epic during the term of this Agreement. Except in the event of emergencies as reasonably determined by UMCSN, any downtime of the EMR System associated with such updates, upgrades and enhancements described in this sub-section 3.3(d) shall be scheduled with seventy-two (72) hour advance notice (to include attempted direct telephonic contact and follow up email) to both the UNLVSOM's Chief Information Officer and UNLV Health's Executive Director of Business Operations, and the related updates, upgrades and enhancements shall be performed outside of the regular business hours of UNLV Health Clinics (i.e., M-F 8am-5pm).
  - e. *Service Level Credits.* The Parties agree that to the extent there is downtime of the EMR System that is reimbursed by the EMR System licensor, UMCSN will provide Entities with their prorated share of any such service level credits. Payments shall occur within thirty (30) day of receipt by UMCSN of the service level credits.
- 3.4 Changes to EMR System. UMCSN may, from time to time, change the components and functionality of the EMR System, provided however, UMCSN shall notify Entities in advance with direct telephone contact and at least fourteen (14) days' written notice to both the UNLVSOM's Chief Information Officer and UNLV Health's Executive Director of Business Operations of such changes if they will materially impact Entities use of the EMR System. In the event that any such changes materially and adversely impact UNLVSOM or UNLV Health's use of the EMR System, and if UMCSN cannot reasonably mitigate the impact, then the Parties will meet to discuss options for resolution. If the Parties are unable to resolve the issue, UNLVSOM or UNLV Health may terminate this Agreement consist with Section 7.1 through Section 7.5. In the event of such termination under this Section

3.4, UNLV SOM/UNLV Health shall have the right to receive a refund of any unearned portion of prepaid or advance monies.

#### **4. Entities Obligations.**

- 4.1 Third Party Components. Entities agree that in order to ensure that the EMR System will perform satisfactorily, proper connectivity and hardware must be in place. Entities acknowledge and agree that the hardware, software, network access and other components specified under the heading Necessary Third Party Components on **Exhibit A** (the “Necessary Third Party Components”) are necessary in order for Entities to access and use the EMR System and must be obtained separately by Entities. Entities agree that the Necessary Third Party Components are not the subject of this Agreement, and UMCSN shall not be responsible for the procurement, installation or maintenance of the Necessary Third Party Components, and UMCSN makes no representations or warranties regarding the Necessary Third Party Components whatsoever. Any fees for the Necessary Third Party Components shall be borne by Entities and paid directly to the vendors of the Necessary Third Party Components, unless otherwise agreed to in writing by the Parties. No additional Third Party Components will be installed in or interfaced to the EMR System without UMCSN’s prior written approval, which shall not be unreasonably withheld.
- 4.2 Staffing Resources. Entities will be required to provide two (2) full-time dedicated team members with a clinical background to participate in the design and build of specialties unique to Entities. Entities will be required to provide one (1) full-time dedicated team member for the Resolute module. Entities will also provide one (1) full-time dedicated team member to focus on infrastructure improvements.
- 4.3 Use of the EMR System. Entities are responsible for all use of the EMR System by Authorized Users, including all those individuals involved in treatment, payment or operations through UNLV Health, while using their user IDs and passwords assigned to or chosen by Entities. Entities shall use the EMR System in accordance with any network security policies (the “Security Policies”) issued by UMCSN from time to time. UMCSN agrees to provide Entities with sufficient notice of these Security Policies and requirements, with such adequate time to respond and implement these changes, as may be necessary. Entities agree to use the EMR System in compliance with UMCSN’s established workflows. If Entities fail to comply with this Section 4.3, UMCSN reserves the right to terminate access to the EMR System. If Entities desire to amend a workflow or create a new workflow, all submissions must be through the account manager or other authorized designated UMCSN personnel, and may only be implemented upon the prior approval of UMCSN. Entities understand and acknowledge that the EMR System is for the purpose of creating an integrated community patient medical record. All financial data and patient scheduling data for Entities will be accessible solely to Entities personnel; however, all patient medical data will be accessible to all authorized users of the EMR System.
- 4.4 Compliance with Laws. Entities shall not use or permit the EMR System to be used (i) in violation of any applicable export laws and regulations (including without limitation any U.S. export laws and regulations); (ii) in violation of any applicable national, state or local

laws or regulations, including without limitation any laws governing access to the EMR System or governing Entities use of patient medical records and other information and materials uploaded to the EMR System by Authorized Users; or (iii) in ways that infringe the rights of others, or interfere with other users of the EMR System or other networks. All Parties shall at all times comply with the provisions of the Nevada law, as applicable, including but not limited to any laws related to patient privacy.

4.5 Restrictions. Entities shall not, nor shall it permit Authorized Users to, disassemble, decompile, reverse engineer, copy, modify, create or add interfaces to, transcribe, store, translate, sell, lease, authorize third parties to access, or otherwise transfer or distribute any of the EMR System, the user documentation provided with the EMR System (the “Documentation”) or any of the software applications used to provide the EMR System, in whole or in part, except as expressly permitted under this Agreement. Entities shall not use the EMR System for the benefit of third parties or in a “service bureau” capacity. Entities shall not attempt to interface the EMR System with any non-UMCSN third party system without the express written consent of UMCSN in its discretion.

## 5. **Ownership.**

5.1 EMR System. Except for the express rights granted to Entities under this Agreement, all right, title and interest to the EMR System, the software applications used to provide the EMR System, the Documentation and any other information, software or materials provided to Entities by UMCSN under this Agreement, including all intellectual property rights therein, shall at all times remain solely with UMCSN and/or its licensors and vendors. Entities shall reproduce all copyright and trademark notices appearing on all copies of the Documentation.

5.2 Third-Party Software. If UMCSN licenses any third-party software on Entities behalf, should it be necessary, Entities shall execute any required third-party license agreements prior to delivery or installation of the third-party software. If UMCSN installs third-party software at Entities request and acceptance of license terms is affected electronically, Entities authorize UMCSN to accept the third-party license terms on Entities behalf.

5.3 Entities User Data. As between Entities and UMCSN, all rights titles and interest in and to the Entities User Data shall at all times remain solely with Entities and shall only be used by UMCSN to the extent necessary to provide the services as set forth under this Agreement.

## 6. **License and Support Services Fees.**

6.1 Ongoing Annual Fees. Entities will pay UMCSN a monthly fee for licensing, maintenance, subscription and support services as set forth on **Exhibit A**. Once per calendar year, UMCSN will review Entities’ business volume and Medical Provider count and shall adjust the fees accordingly.

6.2 Optional Modules, Interfaces and Customizations. In addition to core system components as detailed on Exhibit A, Entities may have the option or may request acquiring EPIC and/or third party additional modules, interfaces or specialized customizations in support of operations with implementation to be completed by UMCSN in a timely manner. Implementation requests by Entities for new Epic modules, interfaces to/from Epic, or additional capabilities/functionality within the EMR System must be contracted through UMCSN. Requests will be submitted in writing to the UMC Director of EHR Services and will be reviewed by UMCSN, UNLV Health and Epic to determine feasibility, level of effort, cost, and other impacts. Approved requests will be evaluated and prioritized in compliance with UMCSN's EHR Governance Program. UMCSN reserves the right to deny any request that could negatively impact UMCSN's operational, clinical or financial viability. UMCSN retains and will exercise final approval of any and all changes to or within the EMR System environment. Entities will be responsible for implementation costs, if applicable, to be calculated using the number of annual outpatient encounters consumed by Entities against the total number of outpatient encounters included in UMCSN's contract with Epic. Additionally, the new Epic modules, interfaces or additional capabilities/functionality may result in an increase in monthly expense to Entities which may require a written amendment to this Agreement.

6.3 No Payment for Referrals. Neither the fees charged to Entities under this agreement nor Entities eligibility to enter into this Agreement were determined in a manner that takes into account the volume or value of referrals or other business generated between the Parties. Except as otherwise set forth in Exhibit A, all undisputed invoices shall be due and payable within thirty (30) days of receipt.

6.4 Late Payments. All undisputed payments not made within thirty (30) days after they become due shall be subject to late charges of one and one-half percent (1.5%) per month, not to exceed five percent (5%) per annum. In addition to any other remedies that may be available, UMCSN may suspend access to the EMR System in the event that payment remains outstanding for more than fifteen (15) days after written notification to the Entities.

## **7. Term; Termination.**

7.1 Term; Renewal. This Agreement shall be effective as of the Effective Date and shall continue, unless earlier terminated as provided herein, for a period of three (3) years. This Agreement may be renewed by mutual written agreement of the Parties for two (2) additional terms of one (1) year each (each a "Renewal Service Period"), unless either Party, by notice in writing given at least forty-five (45) days prior to the expiration of the Initial Service Period or any Renewal Service Period, advises the other Party of its desire to terminate as provided in this Agreement.

7.2 Termination by A Party. Any Party may terminate this Agreement (i) in the event another Party commits a material breach of this Agreement and such breach continues for a period of thirty (30) days following written notice of such breach; or (ii) immediately if another Party makes any assignment of assets or business for the benefit of creditors, or a trustee or receiver is appointed to conduct its business or affairs, or it is adjudged in any legal

proceeding to be in either voluntary or involuntary bankruptcy. If Entities should terminate this Agreement without cause then Entities shall have the obligation to reimburse UMCSN for any out-of-pocket advances or costs advanced by UMCSN on Entities behalf and which Entities have not repaid, subject, however, to UMCSN's obligation to mitigate its loss through alternate uses of the services for which such advances were made or costs incurred.

7.3 Termination by UMCSN. UMCSN may terminate the access granted to any component of the EMR System in the event that any license or other agreement under which UMCSN acquires rights to such component expires or terminates, in which event UMCSN shall refund to Entities any prepaid fees attributable to such component for the terminated portion of the Service Period in which such termination occurs.

7.4 Data Transition upon Termination. Upon receiving written notice from UNLVSOM or UNLV Health or Entities, which shall be delivered within ninety (90) days of an effective termination date, UMCSN will (i) provide UNLVSOM or UNLV Health or Entities, as applicable, with a tape(s) or disk(s) (or other such data access processes) containing files with a copy of all of that Party(s) User Data. Alternatively, UNLVSOM or UNLV Health (or Entities) shall be provided archived access in a text-based or other available format, such as a MySQL database export, a set of CSV files or another machine readable format agreed to by that Party(s) in writing. Any necessary informational archiving or extracting of information shall be granted for such time as is necessary (but in no event longer than 180 days) for UNLVSOM, UNLV Health or any third party vendor to complete the work requiring such access to this data. The costs arising out of this Section 7.4 shall be considered to be Additional Services and will be consistent with the UMC EHR Services Consulting rates set forth on Exhibit A.

7.5 Effect of Termination. Upon expiration or termination of this Agreement (i) all rights granted under this Agreement shall terminate, (ii) all Parties shall return all copies of the other Parties Confidential Information, and (iii) Entities shall promptly return all hardware, software and other materials provided by UMCSN under this Agreement. Termination shall not affect obligations that accrued prior to the effective date of termination. The obligations of the Parties under Sections 4, 6.4, 8, 9, 10, 11, 12 and 13 shall survive any expiration or termination of this Agreement.

## 8. **Warranties.**

8.1 By UMCSN. UMCSN represents and warrants to Entities that: (i) UMCSN has the full right, power and authority to enter into this Agreement, including all applicable licenses to license the software, services, and EMR System; (ii) it shall perform all services in a professional and workmanlike manner; (iii) the eligibility of Entities for the provision of the EMR System has not been determined in a manner that directly takes into account the volume or value of referrals or other business generated between the Parties; and (iv) neither it nor any person acting on its behalf has taken action to limit or restrict the use, compatibility, or interoperability of the EMR System.

8.2 By Entities. Entities represent and warrant to UMCSN that: (i) Entities have the full right, power and authority to enter into this Agreement; (ii) the Entities data will not infringe or violate the rights of any third party including, but not limited to, intellectual property rights; will not be abusive; will not be defamatory or obscene; and will not violate any applicable law; (iii) all Medical Providers in UNLV Health's medical practice who currently are and for new additional Providers, if appropriate, shall remain as members of UMCSN's active medical staff throughout the term of this Agreement; (iv) Entities have not made and will not make the provision of the services provided to it under this Agreement a condition of continuing to utilize the health facilities and services offered by UMCSN; (v) the EMR System will be used for no purpose prohibited by the laws or ordinances of the United States or the State of Nevada as now in force or hereinafter enacted; and (vi) the services provided to Entities under this Agreement are not technically or functionally equivalent to items and services that Entities already possesses or has obtained.

8.3 DISCLAIMER. THE WARRANTIES STATED IN THIS SECTION 8 ARE THE ONLY WARRANTIES MADE BY THE PARTIES. THE PARTIES EXPRESSLY DISCLAIM ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF TITLE, MERCHANTABILITY, ACCURACY AND FITNESS FOR A PARTICULAR PURPOSE. UMCSN DOES NOT WARRANT THAT ENTITIES USE OF THE EMR SYSTEM SHALL BE UNINTERRUPTED OR ERROR-FREE. NO REPRESENTATION OR STATEMENT SHALL BE BINDING UPON UMCSN AS A WARRANTY OR OTHERWISE UNLESS EXPRESSLY CONTAINED IN THIS AGREEMENT.

#### **9. Disclaimer and Limitation of Liability.**

IN NO EVENT SHALL ANY PARTY BE LIABLE FOR ANY LOST OR ANTICIPATED PROFITS, OR ANY INCIDENTAL, EXEMPLARY, SPECIAL, RELIANCE, CONSEQUENTIAL OR PUNITIVE DAMAGES, REGARDLESS OF WHETHER ANY PARTY WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. UMCSN'S ENTIRE LIABILITY TO ENTITIES FOR DAMAGES UNDER OR RELATED TO THIS AGREEMENT, WHETHER BASED IN CONTRACT, TORT OR OTHERWISE, SHALL NOT EXCEED THE AMOUNT ACTUALLY PAID TO UMCSN UNDER THIS AGREEMENT. ENTITIES ENTIRE LIABILITY TO UMCSN FOR DAMAGES UNDER OR RELATED TO THIS AGREEMENT, WHETHER BASED IN CONTRACT, TORT OR OTHERWISE, SHALL NOT EXCEED THE AMOUNT ACTUALLY DUE AND OWING TO UMCSN UNDER THIS AGREEMENT AT THE TIME OF THE OCCURRENCE GIVING RISE TO SUCH CLAIM.

#### **10. Privileges and Immunities Not Waived.**

Notwithstanding any other provision of this Agreement, it is acknowledged by and between the Parties that (1) NSHE is a constitutional entity of the State of Nevada, and (2) UMCSN is a county hospital organized pursuant to Chapter 450 of the Nevada Revised Statutes. Nothing contained in this Agreement shall be construed as a waiver or relinquishment by any Party of

any right to claim any exemption, privilege or immunity provided to that Party by law (including Nevada Revised Statutes Chapter 41), including without limitation, any right to terminate (1) this Agreement or (2) any agreement between the Parties contemplated by this Agreement in the event any funding authority fails to appropriate funds to enable the Party to fulfill its obligations under such agreements.

#### **11. Medical Records Obligations/HIPAA Business Associate Agreement.**

The Parties agree to be bound by the terms and conditions of the Business Associate Agreement attached hereto as **Exhibit B** (the “Business Associate Agreement”). It is additionally agreed and established that, UMCSN is not nor shall ever be considered the “Custodian of Records” for any Entities generated records. Any need, obligation or request to produce Entities generated medical records shall rest with Entities, whether legally requested or otherwise and Entities shall designate an employed individual to be recognized as the Custodian of Records. It is additionally agreed that all responsibilities for adherence to HIPAA or HITECH record reproduction timeframes and responsibilities related to Entities records only, shall rest and be the responsibility solely of Entities. UMCSN shall have sole responsibility for all legal and functional issues associated with UMCSN medical records.

#### **12. Confidentiality.**

12.1 Confidentiality. Except as otherwise provided in the Business Associate Agreement, each Party shall retain in confidence and shall not, without the prior written consent of the other Party(s) (the “Disclosing Party”), disclose in any manner or use, except in performance of its obligations or enjoyment of its rights under this Agreement, any information disclosed to a Party (the “Receiving Party”) by the Disclosing Party and either marked at the time of disclosure as being confidential or identified in writing by the Disclosing Party within thirty (30) days of disclosure to the Receiving Party as being confidential (“Confidential Information”). The EMR System and the Documentation shall be deemed Confidential Information of UMCSN, regardless of how marked or identified. This section shall impose no obligation upon the Receiving Party with respect to any information that: (i) is publicly available at the time received by Receiving Party; (ii) becomes publicly available other than by breach of the Receiving Party’s obligations hereunder; (iii) is known to the Receiving Party prior to receipt from the Disclosing Party; (iv) is received by Receiving Party from a third party if such third party has the right to make such disclosure; (v) is independently developed by the Receiving Party without use of Confidential Information; or (vi) is required to be disclosed by law.

Notwithstanding the preceding, the Parties acknowledge and agree that UMCSN is a public county-owned hospital and UNLV SOM is a constitutionally created entity of the State of Nevada, and both entities are subject to the provisions of the Nevada Public Records Act, Nevada Revised Statutes Chapter 239, and as such, both Parties’ respective contracts are public documents available to copying and inspection by the public. If any Party receives a demand for the disclosure of any information related to this Agreement which the non-disclosing Party has claimed to be confidential and proprietary, the disclosing Party shall immediately notify the non-disclosing Party of such demand and

the non-disclosing Party shall immediately notify the Disclosing Party of its intention to seek any appropriate remedy, including but not limited to relief in a Nevada court proceeding.

- 12.2 Proprietary Financial Data. Without Entities express consent, UMCSN shall not access any of Entities proprietary financial information that may be present within the EMR System database by virtue of Entities implementation of the EMR System. UMCSN shall implement reasonable protections within the EMR System to prevent such access. Nothing herein shall restrict UMCSN from accessing patient health information that will be available to users of the EMR System. UMCSN additionally agrees that a method through which Entities or any other entity or group engaged by UNLV SOM, UNLV Health, or Entities to obtain financial information for billing and operational purposes will be guaranteed a method through which such data can be collected or extracted in usable form. Such access and or ability to extract data will be included in the costs of implementing this Agreement, as further described in Exhibit A.

### 13. Covenants of Entities.

- 13.1 Access to EMR System. UMCSN, or its delegate, will be permitted at any reasonable time, to enter into or upon and go through and view the EMR System.
- 13.2 Surrender Upon Termination. Possession of the EMR System will be surrendered promptly at the termination or expiration of this Agreement, provided however, Entities data shall be transitioned to Entities as set forth in Section 7.4.
- 13.3 Third-party Agreements. Entities bear the sole responsibility for the negotiation of any agreement(s) with vendors. UMCSN has not provided, nor offered to provide, legal advice with respect to any such agreement(s).

### 14. General.

- 14.1 Independent Contractors. Except as otherwise provided in this Agreement as to the relationship between UNLV SOM and UNLV Health, the relationship between the Parties shall be that of independent contractors. Nothing in this Agreement shall create, or be deemed to imply the creation of, any partnership, joint venture or other relationship. No Party shall have the authority to incur any obligation, contractual or otherwise, in the name or on behalf of any other Party.
- 14.2 Entire Agreement; Conflicting Terms; Amendment. This Agreement, including any exhibits or appendices hereto, constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior and contemporaneous communications. This Agreement covers all of the electronic health records items and services furnished by UMCSN to Entities. In the event of a conflict between the terms contained in the body of this Agreement and the terms contained in any exhibit or appendices hereto, the terms contained in the body of this Agreement shall control, except that with respect to any conflict between the terms of this Agreement and the



Business Associate Agreement, the terms of the Business Associate Agreement shall control. This Agreement may be modified only by a written agreement dated subsequent to the Effective Date and signed on behalf of the Parties by their respective duly authorized representatives.

- 14.3 Compliance with Law/Severability. In the event that a Party becomes aware in the future that this arrangement does not comport with the requirements of the federal Stark Law or the federal anti-kickback laws or other applicable law, that Party shall promptly inform the other Parties of this occurrence and all Parties shall meet promptly and endeavor in good faith to take such action as is legally warranted to restore this Agreement to compliance with the law. If the Parties are unable to agree within fifteen (15) days (or such lesser time if required by law) to such amendment(s) to this Agreement as will render the offending provision(s) of this Agreement compliant with law, or if a court of competent jurisdiction or other appropriate legal agency or authority determines that any provision of this Agreement is invalid, illegal or unenforceable, that provision(s) of the Agreement shall be deemed stricken from the Agreement and the remainder of the Agreement shall remain in full force and effect.
- 14.4 Limitation on Actions. Any cause of action by Entities against UMCSN or by UMCSN against Entities with respect to this Agreement must be commenced within one (1) year after the accrual thereof or it shall be barred.
- 14.5 No Waiver. No waiver of any breach of any provisions of this Agreement shall constitute a waiver of any prior, concurrent or subsequent breach of the same or any other provisions hereof or thereof, and no waiver shall be effective unless made in writing and signed by the duly authorized representative of the Party to be charged.
- 14.6 Notices. All notices that any Party may give to another Party pursuant to this Agreement shall be in writing and shall be hand delivered or sent by registered or certified mail postage prepaid, return receipt requested, or by overnight courier service, postage prepaid, (i) if to UNLV SOM, to the UNLV SOM Contact set forth in Exhibit A with a mandatory copy to Director of Purchasing and Contracts, University of Nevada, Las Vegas, 4505 S. Maryland Parkway, Las Vegas, Nevada 89154-1033, (ii) if to UMCSN, to 1800 W. Charleston Blvd., Las Vegas, Nevada 89102, to the attention of the CEO and the General Counsel, (iii) if to UNLV Health, 3016 W Charleston Blvd., Las Vegas, Nevada 89102, to the attention of the CEO and President or (iv) to such other address as the receiving Party shall designate by written notice given in accordance with this section.
- 14.7 Assignment; Subcontractors. This Agreement may not be assigned or otherwise transferred by any Party without the prior written consent of the other Parties. Any assignment which is not in accordance with this Section will be void. Notwithstanding anything herein to the contrary, UMCSN may subcontract with other parties for the provision of the EMR System or any of its obligations hereunder. Notwithstanding anything herein to the contrary, any assignment necessary for Entities to subcontract or outsource performance of Entities internal functions to a third party is permitted,

including but not limited to services of UNLV Health and/or its subcontractor for billing purposes.

- 14.8 Counterparts. This Agreement may be executed in counterparts which, when taken together, shall constitute one and the same instrument.
- 14.9 Force Majeure. No Party shall be liable hereunder by reason of any failure or delay in the performance of its obligations hereunder (except for the payment of money) on account of strikes, shortages, riots, insurrection, fires, flood, storm, explosions, acts of God, war, terrorism, governmental action, pandemics, labor conditions, earthquakes, material shortages, or any other cause (whether or not similar to any of the foregoing) beyond the reasonable control of such Party (each a “Force Majeure Event”). Upon the occurrence of a Force Majeure Event, the non-performing Party will be excused from any further performance of its obligations effected by the Force Majeure Event for so long as the Force Majeure Event continues and such Party continues to use commercially reasonable efforts to recommence performance.
- 14.10 Governing Law and Forum. This Agreement and all claims related to it, its execution or the performance of the Parties under it, shall be construed and governed in all respects according to the laws of the State of Nevada, without regard to the conflict of law provisions thereof. Any dispute arising hereunder which cannot be informally resolved shall be brought solely and exclusively in the federal or state courts sitting in Clark County in the State of Nevada, and each Party hereby consents to the sole and exclusive jurisdiction and venue of such courts with regard to such actions.
- 14.11 Budget Act and Fiscal Fund Out. In accordance with the Nevada Revised Statutes (NRS 354.626), the financial obligations under this Agreement between the parties shall not exceed those monies appropriated and approved by UMCSN and UNLVSOM for the then current fiscal year under the Local Government Budget Act. This Agreement shall terminate and UMCSN's and UNLVSOM's obligations under it shall be extinguished at the end of any of UMCSN's and UNLVSOM's fiscal years in which UMCSN's or UNLVSOM's governing body fails to appropriate monies for the ensuing fiscal year sufficient for the payment of all amounts which could then become due under this Agreement. UMCSN and UNLVSOM agree that this section shall not be utilized as a subterfuge or in a discriminatory fashion as it relates to this Agreement. In the event this section is invoked, this Agreement will expire on the 30th day of June of the current fiscal year. Termination under this section shall not relieve UMCSN or UNLVSOM, as applicable, of its obligations incurred through the 30th day of June of the fiscal year for which monies were appropriated.

[Signature page to follow]

IN WITNESS WHEREOF, the Parties hereto, each acting with proper authority, have executed this Agreement as of the dates set forth below.

**UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA**

By: \_\_\_\_\_  
Mason Van Houweling  
Chief Executive Officer

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

**THE BOARD OF REGENTS OF THE NEVADA SYSTEM OF HIGHER EDUCATION,  
ON BEHALF OF THE UNIVERSITY OF NEVADA, LAS VEGAS**

Recommend:

By: \_\_\_\_\_  
Marc Kahn, M.D.  
Dean, Kirk Kerkorian School of Medicine

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

By: \_\_\_\_\_  
Chris L. Heavey  
Executive Vice President and Provost

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

By: \_\_\_\_\_  
Keith E. Whitfield  
President, University of Nevada, Las Vegas

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

Approved as to Legal Form:

By: \_\_\_\_\_  
Elda Luna Sidhu  
General Counsel, University of Nevada, Las Vegas

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

Approved:

By: \_\_\_\_\_  
Dale A.R. Erquiaga, Acting Chancellor

**UNLV HEALTH**

Approved By:

By: \_\_\_\_\_  
Joann Strobbe, President and CEO, UNLV Health

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

## **EMR SYSTEM ACCESS AGREEMENT**

### **EXHIBIT A**

#### **I. CLIENT CONTACT INFORMATION (subject to change with written notice)**

##### **ENTITIES Contacts**

###### **Primary General Contact (UNLV Health)**

Name: Joann Strobbe, CEO

Phone: 702-780-2147

E-Mail: joann.strobbe@unlv.edu

###### **Primary General Contact (UNLV SOM)**

Name: Alison Netski

Phone: 702-780-2147

E-Mail: [alison.netski@unlv.edu](mailto:alison.netski@unlv.edu)

###### **Billing Contact (FOR ENTITIES)**

Name: Veronica Lynch, Patient Financial Services Director

Phone: (505) 670-5119

E-Mail: veronica.lynch@unlv.edu

###### **Technical Contact (UNLV SOM)**

Name: Wonda Riner, MBA, Director of Information Technology

Phone: (702) 895-4212

E-Mail: wonda.riner@unlv.edu

###### **Technical Contact (UNLV Med)**

Name: Thomas Strahler, Executive Director of Business Operations

Phone: (702) 596-6960

E-Mail: thomas.strahler@unlv.edu

###### **UMC: Primary General Contact**

Name: Maria Sexton

Address: 1800 W. Charleston Blvd. Las Vegas, NV 89102

Phone: 702-671-6579

E-Mail: Maria.Sexton@umcsn.com

###### **UMC: Technical Contact**

Name: Kim Owen-Parker

Address: 1800 W. Charleston Blvd. Las Vegas, NV 89102

Phone: 702-765-7934

E-Mail: Kim.Owen-Parker@umcsn.com

## **II. MAXIMUM NUMBER OF AUTHORIZED USERS**

Total Maximum Number of Authorized Users permitted to access the EMR System:  
450 (with 200 concurrent users at any one time)

Entities may, at any time during the term of this Agreement, increase the maximum number of Authorized Users permitted to access the EMR System by providing prior written notice to UMCSN and paying to UMCSN the then-applicable fees in accordance with UMCSN's then-current pricing methodology.

## **III. NECESSARY THIRD-PARTY COMPONENTS**

Entities are responsible for procuring the following Necessary Third-Party Components to ensure that the software will perform at appropriate speeds to be satisfactory to the end users and optimal for patient care.

- All computers will be required to meet minimal Epic specifications
- All monitors used by clinical staff must be upgraded to 22" or larger

The following is an overview of the hardware requirements that Entities must have in place at all locations that would use the type of hardware in question. All hardware must meet Epic and third party specifications as provided by UMCSN.

- Computers
- Monitors (22" or larger)
- Printers
- Credit card swipers
- Scanners
- E-signature pads, when implemented
- Kiosks, when implemented
- Tablets
- Mobile Devices

In addition, Entities will be required to establish connectivity to the UMCSN network at acceptable speeds to create an optimal Epic end-user experience.

## **IV. ADMINISTRATIVE AND OTHER EXPENSES**

### *A. Increases Due to Third-Party Increases:*

UMCSN shall be entitled at any time with prior written notice to pass through to Entities and UMCSN's other clients on an equitable basis (i) any volume-based usage fees associated with updates, upgrades or improvements to the EMR System, (ii) any increases in communications tariffs related to the EMR Services, including, without limitation, government imposed access fees, service provider imposed fees, and (iii)

any increases in fees resulting from changes in regulation or statute, or other similar fees assessed against UMCSN.

## V. FEE SCHEDULE

### Epic Community Connect Partner Fee Schedule

#### UNLV Health

<b>Use of Epic modules listed below</b> <i>See Page 2 for cost breakdown details</i>	<b>\$1,094.62</b>	<b>Monthly</b>	<b>Fixed</b>
<ul style="list-style-type: none"> <li>• Cadence Enterprise Scheduling</li> <li>• Resolute Professional Billing and Patient Accounting</li> <li>• Ambulatory</li> <li>• Grand Central ADT (Includes Prelude)</li> </ul>			
<b>Epic Hosting Services</b>	<b>\$27,183.00</b>	<b>Monthly</b>	<b>Fixed</b>
<b>Epic Infrastructure System</b> <i>See Page 2 for cost breakdown details</i>	<b>\$4,115.52</b>	<b>Monthly</b>	<b>Fixed</b>
<ul style="list-style-type: none"> <li>• InterSystems</li> <li>• InterSystems IRIS</li> </ul>			
<b>Outpatient Encounters*</b>	<b>\$1.07 per Encounter</b>	<b>Monthly</b>	<b>Variable</b>
<b>UMC EHR Services Consulting</b>	<b>\$80.00 per Hour</b>	<b>Ad Hoc</b>	<b>Variable</b>
<b>UMC Administrative Fees**</b>	<b>2%</b>	<b>Ad Hoc</b>	<b>Variable</b>

\*Monthly cost will be calculated based on number of encounters, as defined in Section 1.1 of the Agreement, in the month multiplied by per Encounter rate.

\*\*Any contract or other agreement for Epic services to which UNLV Medicine enters into as the sole entity, UMC will assess an administrative fee to cover processing time and resources.

### Monthly Fixed Fee Details

Module/Service	Used By		Monthly Cost to UMC	Percentage of Module Cost to Total Cost	Fixed or Variable	Amount Owed by UNLV Health
	UMC	UNLV				
Cadence Enterprise Scheduling	X	X	\$4,869	2.13%	F	\$51.85
Resolute Professional Billing and Patient Accounting	X	X	\$5,950	2.60%	F	\$77.43
EpicCare Ambulatory Electronic Health Record	X	X	\$18,293	8.00%	F	\$731.93
OpTime Operating Room Management System	X		\$7,624	3.34%	F	
Grand Central ADT	X	X	\$10,330	4.52%	F	\$233.40
Resolute Hospital Billing and Patient Accounting	X		\$13,696	5.99%	F	
Cupid Cardiology	X		\$3,778	1.65%	F	
Stork Obstetrics	X		\$1,621	0.71%	F	
EpicCare Link	X		\$4,287	1.88%	F	
Secure Chat	X		\$1,234	0.54%	F	
Radiant Radiology	X		\$5,524	2.42%	F	
Phoenix Transplant	X		\$2,349	1.03%	F	
EpicCare Inpatient Clinical System	X		\$84,632	37.02%	F	
Cogito Analytics	X		\$8,655	3.79%	F	
Blood Product Administration Module	X		\$354	0.15%	F	
KB Systems SQL	X		\$525	0.23%	F	
Business Objects XI 4.2 Premium	X		\$1,481	0.65%	F	
Intersystems - Non Production License	X	X	\$730	0.32%	F	\$1.17
Standard Interfaces and Data Connectors	X	X	\$10,611	4.64%	F	\$246.27
InterSystems IRIS - Production	X		\$42,053	18.40%	F	\$3,868.08
Epic Hosting	X	X	\$181,220		F	\$27,183
						<b>\$32,393.14</b>

[Remainder of page left intentionally blank]



## **EXHIBIT B**

### **BUSINESS ASSOCIATE AGREEMENT**

**THIS BUSINESS ASSOCIATE AGREEMENT** (the “Agreement”) is effective this 1st day of June, 2022 (“Effective Date”) by and between UNLV Health and Kirk Kerkorian School of Medicine at the University of Nevada, Las Vegas (“Covered Entities”), and University Medical Center of Southern Nevada (“Business Associate”).

### **RECITALS**

**WHEREAS**, Covered Entities and Business Associate are parties to an agreement (the “Underlying Agreement” as defined below), pursuant to which Business Associate provides certain services to Entities and, in connection with those services, Covered Entities discloses to Business Associate certain individually identifiable protected health information (“PHI” as defined below) that is subject to protection under the Health Insurance Portability and Accountability Act of 1996, as amended and supplemented from time to time (“HIPAA”) and the Health Information Technology for Economic and Clinical Health (“HITECH”) Act; and

**WHEREAS**, the parties desire to comply with the HIPAA and HITECH Act Rules for the privacy and security of PHI of patients of Covered Entities.

**NOW THEREFORE**, for and in consideration of the recitals above and the mutual covenants and conditions herein contained, Covered Entities and Business Associate enter into this Agreement to provide a full statement of their respective responsibilities.

### **ARTICLE 1**

#### **DEFINITIONS**

1.1 **Generally**. Unless otherwise provided herein, capitalized terms shall have the same meaning as set forth in the HIPAA regulations, 45 C.F.R. parts 160 and 164.

1.2 **Business Associate**. “Business Associate” shall mean University Medical Center of Southern Nevada.

1.3 **Breach**. “Breach” shall mean the unauthorized acquisition, access, use, or disclosure of protected health information that compromises the security or privacy of such information, except where an unauthorized person to whom such information is disclosed would not reasonably have been able to retain such information.

1.4 **Covered Entities**. “Covered Entities” shall mean UNLV Health and Kirk Kerkorian School of Medicine at the University of Nevada, Las Vegas.

1.5 **Designated Record Set.** “Designated Record Set” shall mean a group of medical records maintained by or for a covered Entities that is: (i) The medical records and billing records about individuals maintained by or for a covered health care provider, (ii) The enrollment, payment, claims adjudication, and case management record systems maintained by or for a health plan; or (iii) Used in whole or part, by or for the covered Entities to make decisions about individuals. For the purposes of this paragraph, the term *record* means any item, collection or grouping of information that includes protected health information and is maintained, collected, used or disseminated by or for a covered Entities.

1.6 **Disclosure.** “Disclosure” shall mean the release, transfer, provision of, access to, or divulging in any other manner of the information outside the Entities holding the information.

1.7 **Electronic Protected Health Information (ePHI).** Electronic Protected Health Information (ePHI) shall have the same meaning as the term Electronic Protected Health Information (ePHI) in 45 C.F.R. § 164.103.

1.8 **HIPAA Rules.** “HIPAA Rules” shall mean the Privacy, Security, Breach Enforcement and Enforcement Rules at 45 C.F.R., Parts 160 and 164.

1.9 **Individual.** “Individual” shall have the same meaning as the term “individual” in 45 C.F.R. § 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. § 164.502(g).

1.10 **Privacy Rule.** “Privacy Rule” shall mean the privacy provisions of the Standards for Privacy and Security of Individually Identifiable Health Information at 45 C.F.R. part 160 and part 164, subparts A and E.

1.11 **Protected Health Information or PHI.** The term “Protected Health Information” or “PHI” shall have the same meaning as the term “protected health information” in 45 C.F.R. § 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entities.

1.12 **Required By Law.** “Required By Law” shall have the same meaning as the term “required by law” in 45 C.F.R. § 164.103.

1.13 **Secretary.** “Secretary” shall mean the Secretary of the Department of Health and Human Services, or his/her designee.

1.14 **Security Incident.** “Security Incident” shall have the same meaning as the term “Security Incident” in 45 C.F.R. § 164.304.

1.15 **Standards for Privacy and Security.** “Standards for Privacy and Security” shall mean the provisions of the Standards for Privacy and Security of Individually Identifiable Health Information at 45 C.F.R. part 160 and part 164, subparts A and E.

1.16 **Underlying Agreement.** Pursuant to an arrangement between the Parties, Business Associate provides services (the “Services”) to Covered Entities that involve the use and disclosure of PHI. Business Associate agrees to use and disclose PHI only as authorized by this Agreement. The Underlying Agreement is dated June 1, 2022 and is titled EMR SYSTEM ACCESS AGREEMENT.

1.17 **Use.** With respect to individually identifiable health information, “Use” shall mean the sharing, employment, application, utilization, examination, or analysis of such information within an Entities that maintains such information.

## ARTICLE 2

### **SCOPE OF USE OF PHI**

2.1 **Performance of Agreement.** Business Associate, its employees, agents and independent contractors (collectively referred to as “Business Associate”) may use PHI solely (1) to perform its duties under the Underlying Agreement, (2) as directed by the Covered Entities, (3) as permitted or required by the terms of the Underlying Agreement and this Agreement, and (4) as required by law. All other uses or disclosures not authorized by this Agreement or required by law are prohibited. Business Associate agrees to make uses and disclosures and requests for PHI consistent with Covered Entities minimum necessary policies and procedures.

2.1.1 **Additional Permitted Uses.** In addition to those uses and disclosures permitted in order to provide the services referenced above, and except as otherwise provided in this BAA, the Business Associate may also use or disclose PHI it obtains from, maintains, or creates from Covered Entities as follows:

(a) *Use of PHI for Internal Management Purposes.* Business Associate may use PHI for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.

(b) *Disclosure of PHI for Management/Administration of Business Associate's Business.* Business Associate may disclose PHI for the proper management and administration of the Business Associate or to carry out its legal responsibilities, provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

(c) *Assurances from Subcontractors/Agents.* Business Associate shall not disclose PHI received from, or created or received by Business Associate on behalf of Covered Entities to any agent, including a subcontractor, unless the agent or subcontractor agrees in writing to abide by the same restrictions and conditions on the use or disclosure of PHI that apply throughout this BAA to Business Associate, including those provisions requiring notice to Covered Entities upon the discovery of any misuse or inappropriate disclosure of PHI.

2.2 **Safeguards for Protection of PHI.** Business Associate agrees that it will:

- (a) use commercially reasonable efforts to protect and safeguard from any oral and written disclosure all PHI and ePHI, regardless of the type of media on which it is stored (e.g., written or electronic, etc.), with which it may come into contact in accordance with applicable statutes and regulations, including, but not limited to, HIPAA and the HITECH Act;
- (b) implement and maintain administrative, physical and technical safeguards to protect the confidentiality, integrity and availability of the PHI and ePHI that Business Associate creates, receives, maintains or transmits;
- (c) use appropriate safeguards to prevent use or disclosure of PHI and ePHI other than as permitted by this Agreement or required by law;
- (d) comply, where applicable, to the Security Rule with regard to ePHI; and
- (e) to the extent that Business Associate is to carry out any of Covered Entities obligations under the Privacy Rule, comply with the requirements of the Privacy Rule applicable to Covered Entities in the performance of such obligations.

2.3 **Reporting of Unauthorized Use.** Business Associate shall promptly report to Covered Entities, in writing, within ten (10) days of discovery or as soon as reasonably practical and in no case later than that allowed under HIPAA, any unauthorized acquisition, access, use or disclosure of PHI in violation of this Agreement or any law, or any Security Incident (“Breach”). Such written notice to Covered Entities shall include the id of each individual whose PHI was, or was reasonably believed to have been, breached; a brief description of what happened, including the date of the Breach and date of discovery of the Breach; a description of the PHI that was involved in the Breach; any steps the individual(s) should take to protect themselves from potential harm from the Breach; a description of what Business Associate is doing to investigate the breach, mitigate harm to the individual(s) and protect against further Breaches; and contact procedures for individual(s) to ask questions or get additional information. Business Associate shall implement and maintain sanctions against any employee, subcontractor or agent who violates the requirements of this Agreement or the HIPAA or HITECH Act regulations. Business Associate shall take steps to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of the requirements of this Agreement.

2.4 **Use of Subcontractors.** To the extent Business Associate uses one or more subcontractors or agents to provide services under the Underlying Agreement, and such subcontractors or agents create, receive, transmit or access PHI, Business Associate agrees that it will ensure that each such subcontractor or agent shall agree, in writing, to all of the same restrictions, terms and conditions that apply to Business Associate in this Agreement, including but not limited to implementation of reasonable and appropriate safeguards to protect ePHI.

2.5 **Breach or Misuse of PHI.** Business Associate understands and agrees that any breach of confidentiality or misuse of information found in and obtained from PHI may result in the termination of the Underlying Agreement.

## ARTICLE 3

### **AVAILABILITY, AMENDMENT OF PHI**

3.1 **Availability of PHI.** If Business Associate maintains a Designated Record Set on behalf of Covered Entities, Business Associate agrees to provide access, at the request of Covered Entities, and in the time and manner designated by Covered Entities, to PHI in the Designated Record Set, to Covered Entities or, as directed by Covered Entities, to an Individual in order to meet the requirements of 45 C.F.R. §164.524.

3.2 **Amendments to PHI.** If Business Associate maintains a Designated Record Set on behalf of Covered Entities, Business Associate agrees to make any amendment(s) to the PHI in a Designated Record Set that the Covered Entities directs or agrees to pursuant to 45 C.F.R. §164.526 at the request of Covered Entities or an Individual, and in the time and manner designated by Covered Entities.

## ARTICLE 4

### **ACCOUNTING AND INSPECTIONS**

4.1 **Accounting of Disclosures.** Business Associate agrees to document such disclosures of PHI and information related to such disclosures as would be required for Covered Entities to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528.

4.2 **Provide Accounting.** Business Associate agrees to provide to Covered Entities or an Individual, in time and manner designated by Covered Entities, information collected in accordance with Section 4.1 of this Agreement, to permit Covered Entities to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528.

4.3 **Access by DHHS.** Business Associate shall make its internal practices, books and records relating to the use and disclosure of PHI received from Covered Entities or created or received by Business Associate on behalf of Covered Entities available to the Secretary of the Department of Health and Human Services or designee (“DHHS”) for purposes of determining Covered Entities compliance with HIPAA, the HITECH Act and the corresponding privacy and security regulations. Upon Covered Entities request, Business Associate shall provide Covered Entities with copies of any information it has made available to DHHS under this section of the Agreement.

## ARTICLE 5

### **OBLIGATIONS OF COVERED ENTITIES**

5.1 **Notice of Privacy Practices.** Covered Entities shall provide Business Associate with the notice of privacy practices that Covered Entities produces in accordance with 45 C.F.R. §164.520, as well as any changes to such notice.

5.2 **Changes in Use of PHI.** Covered Entities shall provide Business Associate with any changes in, or revocation of, permission by Individual to use or disclose PHI, if such changes affect Business Associate's permitted or required uses and disclosures.

5.3 **Restrictions on Use of PHI.** Covered Entities shall notify Business Associate of any restriction to the use or disclosure of PHI that Covered Entities has agreed to in accordance with 45 C.F.R. § 164.522.

## ARTICLE 6

### **TERM/TERMINATION**

6.1 **Term and Termination.** This Agreement shall terminate when all of the PHI and ePHI provided by Covered Entities to Business Associate or created or received by Business Associate on behalf of Covered Entities, is destroyed or returned to Covered Entities, or, if it is not feasible to return or destroy the PHI or ePHI, protections are to extend to such information, in accordance with the provisions of this Agreement.

6.2 **Termination After Notice and Right to Cure.** If the Covered Entities reasonably determine that the Business Associate has committed a material breach of this Agreement, Business Associate shall have thirty (30) calendar days, after delivery from Covered Entities of written notice pursuant to Section 8.2, to remedy the breach and provide evidence of cure to the Covered Entities. If such material breach is not cured within that time, Covered Entities may terminate this Agreement or the Underlying Agreement without additional notice to Business Associate. For the purposes of this Agreement, material breach shall include, but not be limited to, improper use or disclosure of PHI or failure to implement protective safeguards or diminution of Business Associates' reported security procedures which are satisfactory to the Covered Entities, as determined by the Covered Entities in its sole discretion.

6.3 **Termination After Repeated Material Breaches.** Covered Entities may terminate this Agreement and the Underlying Agreement without penalty if Business Associate commits repeated material breaches of this Agreement or any provision hereof, irrespective of whether, or how promptly, Business Associate may remedy such violation after being notified of the same. Repeated material breach means more than one material breach of this Agreement.

6.4 **Return and Destruction of PHI.** Within fifteen (15) business days of the expiration or earlier termination of this Agreement or Underlying Agreement for whatever reason, Business Associate agrees that it will return or destroy all PHI, if feasible, received from, or created or received by it on behalf of Covered Entities, that Business Associate maintains in any form, and retain no copies of such information.

6.5 **No Feasible Return and Destruction of PHI.** To the extent such return or destruction of PHI is not feasible, Business Associate shall extend the precautions of this Agreement to the information and limit further uses and disclosures to those purposes that make the return or destruction of the information unfeasible. Business Associate shall remain bound by the provisions of this Agreement, even after termination of this Agreement or the Underlying

Agreement until such time as all PHI has been returned or otherwise destroyed as provided in this section.

6.6 **Effect of Termination.** All rights, duties and obligations of Business Associate established in this Agreement shall survive the termination of this Agreement.

## ARTICLE 7

### **INDEMNIFICATION**

7.1 Intentionally omitted.

7.2 Intentionally omitted.

7.3 Intentionally omitted.

## ARTICLE 8

### **OTHER PROVISIONS**

8.1 **Construction.** This Agreement shall be construed as broadly as necessary to implement and comply with HIPAA and the HITECH Act and the regulations promulgated thereunder. The parties agree that any ambiguity in this Agreement shall be resolved in favor of a meaning that permits Covered Entities to comply with the Standards for Privacy and Security, HIPAA, the HITECH Act and any amendments thereto.

8.2 **Notice.** All notices and other communications required or permitted pursuant to this Agreement shall be in writing, addressed to the party at the address set forth at the end of this Agreement, or to such other address as either party may designate from time to time. All notices and other communications shall be mailed by registered or certified mail, return receipt requested, postage pre-paid, or transmitted by hand delivery or telegram. All notices shall be effective as of the date of delivery of personal notice or on the date of receipt, whichever is applicable.

8.3 **Amendments.** The parties recognize that this Agreement may need to be modified from time to time to ensure consistency with amendments to and changes in applicable federal and state laws and regulations, including, but not limited to, HIPAA and the HITECH Act. This Agreement constitutes the entire agreement between the parties with respect to its subject matter. No oral statement or prior written material not specifically mentioned herein shall be of any force or effect and no change in or addition to this Agreement shall be recognized unless evidenced by a writing executed by Covered Entities and Business Associate, such amendment(s) to become effective on the date stipulated therein. The parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for Covered Entities to comply with the requirements of the Standards for Privacy and Security, HIPAA, the HITECH Act and any amendments thereto.

8.4 **Assignment.** Covered Entities has entered into this Agreement in specific reliance on the expertise and qualifications of Business Associate. Consequently, Business

Associate's interest under this Agreement may not be transferred or assigned or assumed by any other person, in whole or in part, without the prior written consent of Covered Entities.

8.5 **Governing Law.** The parties agree that the laws of the State of Nevada shall govern the validity, construction, interpretation, and effect of this Agreement, excluding any laws or principals regarding the conflict or choice of laws. Any and all disputes arising out of or in connection with this Agreement shall be litigated in a court of competent jurisdiction in Clark County, State of Nevada, and Business Associate expressly consents to the jurisdiction of said court.

8.6 **Headings.** Headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

8.7 **Binding Effect.** This Agreement shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective permitted successors and assigns.

8.8 **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall constitute an original and all of which shall constitute but one Agreement.

8.9 **Gender and Number.** The use of the masculine, feminine or neuter genders, and the use of the singular and plural, shall not be given an effect of any exclusion or limitation herein. The use of the word "person" or "party" shall mean and include any individual, trust, corporation, partnership or other Entities.

8.10 **Priority of Agreement.** If any portion of this Agreement is inconsistent with the terms of the Underlying Agreement, the terms of this Agreement shall prevail. Except as set forth above, the remaining provisions of the Underlying Agreement are to be ratified in their entirety.

8.11 **No Construction Against Drafter.** This Agreement is not to be construed against the drafting party.

8.12 **Authority To Contract.** Each party represents and warrants that said party is authorized to enter into this Agreement and to be bound by the terms of it.

8.13 **Waiver.** The waiver by either party of a breach or a violation of this Agreement shall not operate as, or be construed to be, a waiver of any subsequent breach of same or other provision hereof. No waiver shall be effective against any party hereto unless in writing signed by that party.

8.14 **Severability.** If any provision of this Agreement is held invalid, the remainder of this Agreement shall not be affected unless the invalid provision substantially impairs the benefits of the remaining provisions of this Agreement.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**



***IN WITNESS WHEREOF***, the parties have hereunto caused this instrument to be effective the day and year first above written.

**BUSINESS ASSOCIATE:**

**APPROVED:**

BY: \_\_\_\_\_  
Name: \_\_\_\_\_ Date \_\_\_\_\_

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

Address for Notices

Attn: Legal Department, 1800 W. Charleston Blvd., Las Vegas, NV 89102

**COVERED ENTITIES:**

**APPROVED:**

UNLV Health

BY: \_\_\_\_\_  
Name: \_\_\_\_\_ Date \_\_\_\_\_

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

Address for Notices:

3016 W. Charleston Blvd, Suite 100, Las Vegas, NV 89102

**APPROVED:**

Kirk Kerkorian School of Medicine at the University of Nevada, Las Vegas

BY: \_\_\_\_\_  
Name: \_\_\_\_\_ Date \_\_\_\_\_

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

Address for Notices:

3014 W. Charleston Blvd, Suite 150, Las Vegas, NV 89102

**UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA  
GOVERNING BOARD AUDIT AND FINANCE COMMITTEE  
AGENDA ITEM**

<b>Issue:</b>	<b>Master License Services Agreement, Order Form and BAA with WellSky Corporation</b>	<b>Back-up:</b>
<b>Petitioner:</b>	Jennifer Wakem, Chief Financial Officer	<b>Clerk Ref. #</b>
<b>Recommendation:</b>  <b>That the Governing Board Audit and Finance Committee review and recommend for approval by the Governing Board the Agreements with WellSky Corporation for blood bank software; authorize the Chief Executive Officer to execute amendments within his delegation of authority; or take action as deemed appropriate. <i>(For possible action)</i></b>		

**FISCAL IMPACT:**

Fund Number: 5420.000	Fund Name: UMC Operating Fund
Fund Center: 3000707000	Funded Pgm/Grant: N/A
Description: Subscription to WellSky Transfusion for blood bank software subscription	
Bid/RFP/CBE: NRS 332.115(4) – Purchase of goods commonly used by a hospital	
NRS 332.115 (1)(g) – Hardware	
NRS 332.115(1)(h)– Software	
Term: 5 years from the Effective Date	
Amount: NTE \$1,899,729.00	
Out Clause: Budget Act and Fiscal Fund Out	

**BACKGROUND:**

This request is to enter into a new Master License Services Agreement and Order Form (“Agreements”) with WellSky Corporation (“WellSky”) to subscribe to WellSky Transfusion Suite Site License, WellSky Transfusion Analytics, and WellSky Transfusion Concurrent User Licenses for blood bank software solutions. These solutions will provide better integration between clinical areas and the laboratory to improve effective communication, eliminate duplicate tests, and increase visibility into testing progress. WellSky will replace UMC’s current blood bank software to remain compliant with the current FDA guidelines. Staff also requests authorization for the Hospital CEO to execute related amendments that are within his delegation of authority.

UMC will compensate WellSky a not-to-exceed amount of \$1,899,729.00 for five (5) years from the Effective Date.

UMC’s Pathology Director has reviewed and recommends approval of these Agreements. These Agreements have been approved as to form by UMC’s Office of General Counsel.

WellSky Corporation is currently in the process of obtaining a Clark County business license.

Cleared for Agenda  
February 15, 2023

Agenda Item #

**14**



**WELLSKY CORPORATION**  
**MASTER LICENSE AND SERVICES AGREEMENT**

This Master License and Services Agreement (the “Agreement”) is entered into as of \_\_\_\_\_, (the “Effective Date”), by and between **WellSky Corporation** and its Affiliates, with offices at 11300 Switzer Road, Overland Park, KS 66210 (“WellSky”), and **University Medical Center of Southern Nevada**, a Nevada corporation with offices at 1800 W. Charleston Blvd., Las Vegas, NV 89102 (“Client”). Each of WellSky and Client may be referred to herein individually as a “Party” and together as the “Parties.” The Parties agree as follows:

1. **DEFINITIONS.** Capitalized terms used herein or in any Order Form, but not defined, have the meaning set forth in Exhibit A.
2. **LICENSED SOFTWARE.**
  - 2.1. Licensed Software. WellSky grants to Client (a) a perpetual, non-exclusive, non-transferable, license to use the Licensed Software; or (b) a limited term, non-exclusive, non-transferable, license to use the Licensed Software during the term designated in the Order Form, on the Designated Platform solely for internal business purposes and subject to the terms of this Agreement and the applicable Order Form.
  - 2.2. Limitations. No right to use, copy, modify, create derivative works of, adapt, distribute, disclose, decompile, or reverse engineer the Licensed Software is granted, except as expressly set forth in this Agreement. WellSky reserves title to the Licensed Software and all rights not expressly granted hereunder. Client may make copies of Licensed Software as necessary for back-up, testing, and archival purposes only. Client shall approve access for all Permitted Users of the Licensed Software and Third-Party Solutions and shall prevent unauthorized access and use of the Licensed Software and Third-Party Solutions. Client may not use any component of the System to provide services to third parties as a service bureau or data processor.
  - 2.3. Installation of Designated Platform. Client shall install all components of the Designated Platform required for operation of the Licensed Software and shall complete all necessary diagnostic tests to ensure such installation of the Designated Platform is complete and successful.
3. **SERVICES.**
  - 3.1. Cloud Services. During the Cloud Services term set forth in an Order Form, WellSky shall provide Client (a) a non-exclusive, non-assignable, limited right to access and use the Cloud Services during the Term, solely for Client’s internal business operations and subject to the terms of this Agreement and the applicable Order Form; and (b) Cloud Services support as set forth in Exhibit B or in the applicable Order Form. Exhibit B does not apply to Licensed Software. Client shall not have any physical access to the Cloud Services hardware.
  - 3.2. Support Services. For Licensed Software, WellSky shall provide the Support Services as set forth in Exhibit C or in the applicable Order Form. Exhibit C does not apply to the Cloud Services. WellSky is not obligated to provide Support services for Licensed Software that is not the most current or next to most current release.
  - 3.3. Professional Services. Unless otherwise set forth in an Order Form, Professional Services shall be performed on a time and materials basis at WellSky’s standard rates.
  - 3.4. Client Responsibilities. Client shall: (a) approve access for all Permitted Users to the Cloud Services and shall prevent unauthorized access and use of the Cloud Services; (b) provide network connectivity between Client’s local environment and the Cloud Services for the implementation and execution of the Cloud Services as provided in the Documentation; (c) maintain bandwidth of sufficient capacity for the operation of the Cloud Services; (d) have sole responsibility for installation, testing, and operations of Client facilities, telecommunications and internet services, equipment, and software upon Client’s premises necessary for Client’s use of the Cloud Services; and (e) pay all third-party access fees incurred by Client to access and use the Cloud Services. Client shall not, and shall ensure that its Permitted Users do not: (i) sell, resell, lease, lend or otherwise make available the Cloud Services to a third-party; (ii) modify,

adapt, translate, or make derivative works of the Cloud Services; or (iii) sublicense or operate the Cloud Services for timesharing, outsourcing, or service bureau operations.

- 3.5. Suspension of Services. If (a) there is a threat to the security of WellSky's systems or the Services, or (b) Client's undisputed invoices are sixty (60) days or more overdue, in addition to any other rights and remedies (including termination), WellSky may suspend the Services without liability until all issues are resolved.

4. **THIRD-PARTY SOLUTIONS AND HARDWARE.** Subject to the terms and conditions of this Agreement and any Order Form, WellSky shall grant the licenses to Third-Party Solutions as set forth in an Order Form. Client agrees to purchase any Hardware set forth in an Order Form.

5. **PROPRIETARY RIGHTS.**

- 5.1. Ownership. WellSky or its licensor retains all right, title, and interest, in the Licensed Software, Third-Party Solutions, Test Scripts, Documentation, Services, and Work Product. WellSky shall grant to Client a non-exclusive, non-transferable license to use Work Product only for Client's own internal purposes in connection with the Licensed Software and Services.

- 5.2. Restricted Rights. The Licensed Software and Cloud Services are commercial computer software programs developed exclusively at private expense. Use, duplication, and disclosure by civilian agencies of the U.S. Government shall be in accordance with FAR 52.227-19 (b). Use, duplication and disclosure by DOD agencies are subject solely to the terms of this Agreement, a standard software license agreement as stated in DFARS 227.7202.

6. **PAYMENTS BY CLIENT.**

- 6.1. Payment. Client shall pay all fees for the Licensed Software, System, Services, and Hardware. All invoices shall be paid net thirty (45) days following the date of the invoice.
- 6.2. Scope of Use. The Licensed Software, Third-Party Solutions, and Cloud Services are priced based on certain metrics (e.g. Sites,

Deliverables, Patient/Client Census, and/or Permitted Users) as set forth in an Order Form. Client may only expand its use of the Licensed Software, Third-Party Solutions, and/or Cloud Services upon payment of the applicable additional license, support, and service fees at WellSky's then-current rates. Any such fees for additional scope of use will be immediately due and payable.

- 6.3. Increases. All recurring fees may be increased by WellSky once annually commencing one (1) year following the Effective Date of the applicable Order Form at a rate not to exceed four percent (4%). Third-Party Solutions and Services fees may further be increased upon prior written notice to Client in the event WellSky's third-party suppliers increase such fees. The preceding limitation shall not apply to any increase in fees attributable to Client's acquisition of additional Licensed Software or Services.

- 6.4. Expenses. Client shall reimburse WellSky for all reasonable Client-related travel, lodging, and out-of-pocket expenses.

- 6.5. Shipping Fees, Taxes. Client shall pay all shipping charges, as well as any taxes, fees or costs imposed by any governmental body arising as a result of this Agreement. WellSky shall be responsible for taxes on its net income.

- 6.6. Audit. WellSky reserves the right to audit Client's use of the System and Cloud Services (remotely or on site) at a mutually agreeable time. If Client's use is greater than contracted, Client shall be invoiced for any unlicensed use (and related support), and the unpaid license and support fees shall be payable in accordance with this Agreement. If any increase in fees is required, Client shall also pay the expenses associated with the audit.

7. **LIMITED WARRANTIES AND COVENANTS.**

- 7.1. Licensed Software Warranty. WellSky warrants that the Licensed Software shall, without material error, perform the functions set forth in the Documentation when operated on the Designated Platform in accordance with this Agreement and the Order Form during the Warranty Period.

7.2. Services Warranty. WellSky warrants that (a) when operated in accordance with the Documentation the Cloud Services shall, without material error, perform the functions as set forth in the Documentation, and/or (b) it shall perform the Professional and Support Services in a professional manner in accordance with the applicable Documentation.

7.3. Remedy. Client's sole and exclusive remedy for any breach of the warranties set forth herein or in an Order Form shall be to notify WellSky of the applicable non-conformity, in which case WellSky shall use commercially reasonable efforts to correct such non-conformity by redelivering the Licensed Software, repairing the Cloud Services, and/or reperforming the Professional/Support Services. Notwithstanding the foregoing, WellSky shall not be responsible for any non-conformity which arises as a result of (a) any act or omission of Client, including a failure to use the System or Cloud Services in conformance with the Documentation or Applicable Law; (b) any person (other than WellSky) making modifications to the Designated Platform in any way without WellSky's prior written consent; or (c) any failure of any component of Hardware, Third-Party Solutions, or any Client-supplied software, equipment, or other third-party materials.

7.4. Disclaimer. EXCEPT AS EXPRESSLY PROVIDED HEREIN OR IN AN ORDER FORM, WELLSKY DISCLAIMS ALL WARRANTIES, ORAL, WRITTEN, EXPRESS, IMPLIED, OR STATUTORY; INCLUDING BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE AND MERCHANTABILITY, AND ANY WARRANTY OF NON-INFRINGEMENT, OR ANY WARRANTIES ARISING FROM TRADE PRACTICE, COURSE OF PERFORMANCE, OR COURSE OF DEALING. WELLSKY DOES NOT WARRANT THAT THE SERVICES SHALL BE ERROR-FREE OR UNINTERRUPTED, OR THAT ALL DEFECTS SHALL BE CORRECTED, OR THAT THE LICENSED SOFTWARE OR SERVICES SHALL MEET CLIENT'S REQUIREMENTS. CLIENT AGREES THAT THE MANUFACTURERS OR LICENSORS OF HARDWARE AND

THIRD-PARTY SOLUTIONS MAY PROVIDE CERTAIN WARRANTIES AND OTHER TERMS AND CONDITIONS WITH RESPECT TO THE HARDWARE AND THIRD-PARTY SOLUTIONS SUPPLIED TO CLIENT UNDER THIS AGREEMENT. WELLSKY MAKES NO REPRESENTATIONS OR WARRANTIES CONCERNING THE HARDWARE OR THIRD-PARTY SOLUTIONS.

7.5. Client Warranty. Client warrants that Client (a) has the power and authority to enter into this Agreement and bind each Client affiliate and Permitted User to the terms and conditions set forth herein, and Client shall be responsible for all acts and omissions of all Client affiliates and Permitted Users; and (b) shall use its best efforts to protect the security of the Licensed Software and Cloud Services.

7.6. WellSky represents and warrants that (a) it is not a physician-owned entity in which a physician or immediate family member of a physician holds a direct or indirect ownership (by any contractual arrangement conferring ownership-like right) in full or part, an investment, or royalty interest if royalties are paid on purchases resulting from the royalty holder's order, (b) it does not purchase or distribute items from a physician and seeks to sell such item, pharmaceutical or biologic to Client, or (c) it is not obligated to pay a royalty to any physician related to an item purchased by Client.

8. **LIMITATION OF LIABILITY.** WELLSKY'S MAXIMUM LIABILITY FOR DAMAGES TO CLIENT FOR ANY CAUSE WHATSOEVER ARISING UNDER OR RELATED TO THIS AGREEMENT, IS LIMITED TO THE FEES PAID UNDER THE ORDER FORM FOR THE AFFECTED SOFTWARE OR SERVICES DURING THE TWELVE (12) MONTHS PRECEDING THE EVENT GIVING RISE TO A CLAIM. NEITHER WELLSKY NOR ITS LICENSORS SHALL BE LIABLE FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, PUNITIVE DAMAGES, OR LOST PROFITS BASED UPON BREACH OF WARRANTY, BREACH OF CONTRACT, NEGLIGENCE, STRICT LIABILITY, OR ANY OTHER LEGAL THEORY, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES,

OR FOR ANY CLAIM BY A THIRD-PARTY AGAINST CLIENT. WELLSKY DISCLAIMS ANY AND ALL LIABILITY ARISING OUT OF OR RELATED TO CLIENT'S USE OF ANY VIDEO, EMAIL, TEXTING AND/OR RELATED TELEPHONY SERVICES, INCLUDING ANY LIABILITY RELATED TO CLIENT DATA PROCESSED THEREIN. WELLSKY SHALL NOT BE DEEMED TO BE ENGAGED, DIRECTLY OR INDIRECTLY, IN THE PRACTICE OF MEDICINE OR THE DISPENSING OF MEDICAL SERVICES, NOR SHALL IT BE RESPONSIBLE OR LIABLE FOR THE USE, APPLICATION, OR INTERPRETATION OF ANY INFORMATION, RESULTS, OR PRODUCT GENERATED BY OR RESULTING FROM THE LICENSED SOFTWARE OR SERVICES, OR ARISING FROM THE CLIENT'S USE OF THE LICENSED SOFTWARE OR SERVICES, AND DISCLAIMS ANY RESPONSIBILITY FOR ACTIONS OF CLIENT OR THEIR CARE PROVIDERS WHICH MAY RESULT IN ANY LIABILITY OR DAMAGES DUE TO MALPRACTICE, FAILURE TO WARN, NEGLIGENCE, OR ANY OTHER BASIS.

9. **INDEMNIFICATION.**

- 9.1. WellSky Indemnity. WellSky shall defend, indemnify, and hold Client and its officers, directors, and employees harmless from and against any third-party claims, suits, liabilities, obligations, judgments, and causes of action ("Third-Party Claims") and associated costs and expenses (including reasonable attorneys' fees) to the extent arising out of any claim that the Licensed Software or Cloud Services infringes any currently existing United States patent or copyright, or misappropriates any trade secret, of any third-party. If Client's use of the Licensed Software or Cloud Services is finally enjoined, WellSky shall, at its sole option and expense, and as Client's sole and exclusive remedy, either: (a) secure for Client the right to continue to use the Licensed Software or Cloud Services; (b) replace, modify or correct such Licensed Software or Cloud Services to avoid such infringement, or (c) terminate the Agreement and refund to Client, as applicable, a pro rata portion of the perpetual Licensed Software license fees amortized over a five (5) year straight line depreciated basis and/or any prepaid amounts

for subscription Licensed Software and/or Cloud Services not yet performed. WellSky's indemnification obligations shall not apply if the Third-Party Claim results from: (i) modifications of the Licensed Software or Cloud Services by Client or third parties; (ii) use of the Licensed Software or Cloud Services with non-WellSky software or equipment; (iii) use of the Licensed Software or Cloud Services in violation of this Agreement, Applicable Law, or not in conformance with the Documentation; or (iv) use of anything other than the most current release of the Licensed Software, if the infringement could be avoided by use of the current release.

- 9.2. Client Indemnity. To the extent allowed by Nevada law, Client shall defend, indemnify, and hold WellSky and its officers, directors, and employees harmless from and against any Third-Party Claim and associated costs and expenses (including reasonable attorneys' fees) to the extent arising out of or resulting from Client's use of the Licensed Software, Test Scripts, and Cloud Services, or any claim by any party receiving services from Client in connection with the Licensed Software or Cloud Services. Additionally, any indemnification by Client under this paragraph shall be subject to and limited by the provisions of Chapter 41 of the Nevada Revised Statutes, as applicable.

- 9.3. Indemnification Procedures. To be indemnified, the party seeking indemnification must: (a) give the other party timely written notice of such Third-Party Claim (unless the other party already has notice); provided, however, that failure to give such notice will not waive any rights of the indemnified party except to the extent that the rights of the indemnifying party are prejudiced thereby, and; (b) give the indemnifying party authority, information, and assistance for the Third-Party Claim's defense and settlement. The indemnifying party has the right, at its option, to defend the Third-Party Claim at its own expense and with its own counsel. The indemnified party has the right, at its option, to join in the defense and settlement of such Third-Party Claim and to employ counsel at its own expense, but the indemnifying party shall retain control of the defense. The indemnifying party has the right to settle the claim so long as the settlement does not require the indemnified party to pay any money or admit any fault

without the indemnified party's prior written consent, which will not be unreasonably withheld, conditioned, or delayed.

10. **TERM AND TERMINATION OF LICENSE AND AGREEMENT.**

10.1. Term. If applicable, the term of the license to the Licensed Software and/or the right to access the Cloud Services is set forth in an Order Form. This Agreement remains in effect until all Licensed Software and Services expire or are terminated in accordance with this Agreement.

10.2. Termination. This Agreement shall terminate when the license to all Licensed Software licensed under this Agreement terminates, all Services expire or are terminated, or sooner as provided in this Section 10. Either Party may terminate this Agreement and the licenses and/or right to access granted herein if: (a) the other Party materially breaches this Agreement and fails to cure such breach within sixty (60) days after receipt of written notice of the same, except in the case of failure to pay fees when due, which must be cured within ten (10) days after receipt of written notice from WellSky; or (b) the other Party becomes the subject of a voluntary or involuntary proceeding relating to insolvency, receivership, liquidation, bankruptcy, or composition for the benefit of creditors and such petition or proceeding is not dismissed within sixty (60) days of filing. Failure to use the Licensed Software, Cloud Services, and Updates or Upgrades thereto in accordance with Applicable Law is a material breach of this Agreement.

10.3. Budget Act and Fiscal Fund Out. In accordance with the Nevada Revised Statutes (NRS 354.626), the financial obligations under this Agreement between the parties shall not exceed those monies appropriated and approved by Client for the then-current fiscal year under the Local Government Budget Act. This Agreement shall terminate and Client's obligations under it shall be extinguished at the end of any of Client's fiscal years in which Client's governing body fails to appropriate monies for the ensuing fiscal year sufficient for the payment of all amounts which could then become due under this Agreement, provided that Client gives Supplier at least one hundred and twenty (120) days' prior written notice termination. Client agrees that this section

shall not be utilized as a subterfuge or in a discriminatory fashion as it relates to this Agreement. In the event this section is invoked, this Agreement will expire on the 30th day of June of the then-current fiscal year. Termination under this section shall not relieve Client of its obligations incurred through the 30th day of June of the fiscal year for which monies were appropriated or for items delivered for which Client did not give notification of termination due to loss of appropriated funds.

10.4. Effect of Termination. Upon termination of this Agreement, Client shall immediately cease all use of the Licensed Software, Third-Party Solutions, and/or Cloud Services, and the licenses granted and all other rights of Client under this Agreement shall terminate and revert to WellSky. Client shall, within ten (10) days following such termination, destroy or return to WellSky all magnetic media or tangible items and material containing the Licensed Software and its Documentation, and all WellSky Confidential Information, and certify such return or destruction in writing to WellSky. Upon request following the termination or expiration of the Agreement or the Services and for a maximum period of ninety (90) days thereafter, WellSky will make available to Client, at no additional charge, data files in WellSky's standard format containing all information entered or input by Client for or on behalf of Client, into the Licensed Software or Cloud Services. Parties may mutually agree upon another format, which may result in additional Professional Services fees at WellSky's then current rates.

10.5. Survival. The following sections shall survive termination or expiration of this Agreement: Sections 7.3 through 7.5, 8, 9, 10, 11, 12, and 13, as well as any obligation to pay fees arising prior to termination or expiration. In addition, restrictions on use of the Licensed Software and related obligations regarding use in conformance with laws and applicable accreditation standards shall survive as long as the license survives.

11. **CONFIDENTIAL INFORMATION.**

11.1. Confidentiality Obligations. Each Party shall (a) secure and protect the Confidential Information using the same degree or greater



level of care that it uses to protect such Party's own confidential information, but no less than a reasonable degree of care; (b) use the Confidential Information of the other Party solely to perform its obligations or exercise its rights under this Agreement; (c) require their respective employees, agents, attorneys, subcontractors, and independent contractors who have a need to access such Confidential Information to be bound by confidentiality obligations sufficient to protect the Confidential Information; and (d) not transfer, display, convey, or otherwise disclose or make available all or any part of such Confidential Information to any third-party. Either Party may disclose the other Party's Confidential Information to the extent required by Applicable Law or regulation, including without limitation any applicable Freedom of Information or sunshine law, or by order of a court or other governmental entity, in which case the disclosing Party shall notify the other Party as soon as practical prior to such disclosure and provide an opportunity to respond or object to the disclosure.

- 11.2. Public Records. WellSky acknowledges that Client is a public, county-owned hospital which is subject to the provisions of the Nevada Public Records Act, Nevada Revised Statutes Chapter 239, as may be amended from time to time. As such, its contracts are public documents available for copying and inspection by the public. If Client receives a demand for the disclosure of any information related to this Agreement that WellSky has claimed to be confidential and proprietary, such as WellSky's pricing, programs, services, business practices or procedures, Client will immediately notify WellSky of such demand and WellSky shall immediately notify Client of its intention to seek injunctive relief in a Nevada court for protective order. WellSky shall indemnify, and defend and hold harmless Client from any claims or actions, including all associated costs and attorney's fees, demanding the disclosure of WellSky document(s) in Client's custody and control that WellSky claims to be confidential and proprietary.

## 12. **REGULATORY COMPLIANCE.**

- 12.1. General. WellSky shall make available to the Secretary of Health & Human Services or Comptroller General of the United States its

books, documents, and records necessary to verify the nature and extent of the costs of those Services. Said access shall be limited to a period of four (4) years after the provision of the applicable services hereunder.

- 12.2. HIPAA. The parties agree to the terms of the Business Associate Exhibit that is attached hereto as Exhibit D.

## 13. **GENERAL PROVISIONS.**

- 13.1. Force Majeure. Neither Party shall be liable for any loss, damages, or penalty (other than the obligation to pay money) resulting from any failure to perform due to causes beyond the reasonable control of such Party, including, but not limited to: supplier delay, acts of God, labor disputes, acts of terrorism, war, epidemic, unavailability of components, acts of governmental authorities or judicial action, compliance with laws, or material interruption in telecommunications or utility service (a "Force Majeure Event"). The delayed party shall perform its obligations within a reasonable time after the cause for the failure has been remedied, and the other party shall accept the delayed performance, however, in the event that any Force Majeure Event delays a Party's performance for more than sixty (60) days following notice by such Party pursuant to this Agreement, the other Party may terminate this Agreement immediately upon written notice to such Party.
- 13.2. Data Use. Client hereby grants to WellSky a non-exclusive, perpetual license (a) to use the Client Data in connection with the provision of the Licensed Software or Services; and/or (b) to use the Client Data to create Deidentified Data. The license includes a right to sublicense. WellSky owns any Deidentified Data. Additionally, Client authorizes WellSky to aggregate Client Data with other WellSky client data in accordance with the Documentation.
- 13.3. Injunctive Relief. Client acknowledges that any breach by Client of Section 2, 3.4, or 11 of this Agreement shall cause WellSky irreparable harm not compensable with money damages, and that in the event of such breach, WellSky shall be entitled to seek injunctive relief, without bond, from any court of competent jurisdiction.

- 13.4. Professional Responsibility. Client acknowledges that the Licensed Software and/or Services, and the information supplied therein, are supplemental to (and not a substitute for) the knowledge, expertise, skill and judgment of physicians, clinicians, and/or other care providers. Client shall ensure that all care providers using the Licensed Software and/or Services are aware of the limitations of the use of the Licensed Software and/or Services. CLIENT SHALL ENSURE THAT ALL PROVIDERS USING THE LICENSED SOFTWARE AND/OR SERVICES ARE AWARE OF THE LIMITATIONS OF THE USE OF THE LICENSED SOFTWARE AND/OR SERVICES.
- 13.5. Assignment. Neither Party shall assign its rights, duties or obligations under this Agreement without the prior written consent of the other Party and such consent shall not be unreasonably withheld. Notwithstanding the foregoing, WellSky may assign this Agreement to an Affiliate or in connection with any merger, reorganization or sale of substantially all of WellSky's assets or other change of control transaction without any consent from Client.
- 13.6. Relationship of the Parties. WellSky is an independent contractor, and none of WellSky's employees or agents shall be deemed employees or agents of Client. Nothing in this Agreement is intended or shall be construed to create or establish any agency, partnership, or joint venture relationship between the Parties.
- 13.7. Export. Client agrees to comply with all export and re-export restrictions and regulations of the Department of Commerce or other United States agency or authority, and not to transfer, or authorize the transfer of, the Licensed Software or the Third-Party Solutions to a prohibited country or otherwise in violation of any such restrictions or regulations.
- 13.8. Notices. All notices, requests, demands or other communication required or permitted to be given by one Party to the other under this Agreement shall be sufficient if sent by certified mail, return receipt requested. The sender shall address all notices, requests, demands or other communication to the recipient's address as set forth on the first page of this Agreement, and in the case of WellSky, to the attention of President and General Counsel and in the case of Client, to the attention of Legal Department.
- 13.9. Severability. If any provision of this Agreement or any Order Form adopted in connection herewith is held invalid or otherwise unenforceable, the enforceability of the remaining provisions shall not be impaired thereby and the illegal provision shall be replaced with a legal provision that encapsulates the original intent of the Parties.
- 13.10. Entire Agreement; Amendment; Waiver. This Agreement constitutes the entire agreement between the Parties and supersedes any prior or contemporaneous agreement or understandings with respect to the subject matter of this Agreement. In the event of a conflict between this Agreement and an Order Form, the Agreement shall control. This Agreement shall be construed as if both Parties had equal say in its drafting, and thus shall not be construed against the drafter. This Agreement may be modified only by a written agreement signed by all of the Parties hereto. No waiver or consent granted for one matter or incident will be a waiver or consent for any different or subsequent matter or incident. Waivers and consents must be in writing and signed by an officer of the other Party to be effective.
- 13.11. Limitation on Actions. Neither party may bring any action arising out of or otherwise associated with this Agreement or the rights granted hereunder (other than failures to pay) more than two years after the cause of action accrues.
- 13.12. Discounts. Client is reminded that if the purchase includes a discount or loan, Client may be required to fully and accurately report such discount or loan on cost reports or other applicable claims for payment submitted under any federal health care program, including but not limited to Medicare and Medicaid, as required by federal law – see 42 CFR 1001.952 (h).
- 13.13. Purchase Orders; Acceptance of Quotes; Access. If either party submits its own terms which add to, vary from, or conflict with the terms herein in each party's acceptance of a price quotation or in a purchase order, or to a party's employees, agents, and/or contractors in the course of WellSky providing the

Licensed Software and/or Services, any such terms are of no force and effect and are superseded by this Agreement.

13.14. Dispute Resolution. The Parties agree that the performance of this Agreement shall be enhanced by the timely resolution of any dispute between them. Therefore, each Party agrees to cause any dispute or disagreement between them, whether with respect to the interpretation of this Agreement or with respect to the performance of either Party under this Agreement, to be considered, negotiated in good faith, and resolved as soon as possible in accordance with the following dispute resolution process. The dispute resolution process will require that each of the following steps be completed within a reasonable time.

13.14.1 Each Party will appoint a representative who will be made available for conference calls and meetings with the other Party's representative for this dispute resolution process. Each Party shall refrain from exercising its rights of termination for a reasonable time and shall continue to perform its obligations under this Agreement in order to allow the parties to settle the dispute or disagreement, provided that, if the dispute concerns a material breach, the Party alleged to be in breach has promptly commenced cure and pursues the cure in good faith. The Parties agree not to commence any action respective to their rights at law for resolution of the dispute, except for application to a court for equitable relief under Section 13.3 herein, until the dispute resolution process has been elevated to the vice president (or the organization equivalent) level and either of the vice presidents concludes, after endeavoring in good faith to resolve the dispute, that resolution through continued negotiation is not likely.

13.14.2 Neither Party shall be compensated for any time or expense related to the dispute resolution process. Neither Party may disclose the existence or results of the dispute resolution process hereunder without prior

written consent signed by chief counsel of each Party. This prohibition shall not apply to disclosures to counsel, made in documents filed with a court, or required by law.

13.14.3 In the event that the procedure set forth in 13.13.1 does not result in an amicable resolution to the dispute within sixty (60) days of submission to the organizations' vice presidents, then either Party may file suit solely in any court of competent jurisdiction per the terms of Section 13.15 herein.

13.14.4 This Section 13.14 shall not apply to any dispute concerning a breach of WellSky's intellectual property.

13.15. Governing Law. This Agreement will be governed by, construed, and interpreted in accordance with the laws of County of Clark County Nevada, excluding its rules of conflicts of law. Both parties hereby consent and submit to the courts located solely in the state of Clark County Nevada.

13.16. Non-Solicitation. During the term of this Agreement and for a period of one (1) year thereafter, Client agrees not to hire, directly or indirectly, any employee or former employee of WellSky, without obtaining WellSky's prior written consent; however, employment through public advertisements of open positions shall not be considered a solicitation under this Paragraph.

13.17. California Consumer Privacy Act. The Parties agree that the California Consumer Privacy Act under Cal. Civ. Code § 1798 *et seq.* ("CCPA") may be applicable to the Agreement. If applicable, WellSky shall be deemed a "service provider" under the CCPA if WellSky receives the "personal information" of any "consumer" for "processing" on Client's behalf.

13.18. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, and such counterparts together shall constitute one and the same instrument. Execution may be effected by delivery of email or facsimile of signature pages, which shall be deemed originals in all respects.

[remainder of page intentionally left blank]

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

**UNIVERSITY MEDICAL CENTER OF  
SOUTHERN NEVADA:**

**WELLSKY CORPORATION:**

\_\_\_\_\_  
(SIGNATURE)

\_\_\_\_\_  
(PRINT NAME)

\_\_\_\_\_  
(TITLE)

\_\_\_\_\_  
(DATE)

\_\_\_\_\_

\_\_\_\_\_  
(DATE)

## **EXHIBIT A**

- a. **“Affiliate”** means with respect to WellSky, any other entity directly or indirectly, through one or more intermediaries, Controlling, Controlled by, or under common Control with such entity.
- b. **“Applicable Law”** means any law or regulation, or related administrative agency requirement affecting or governing the features, functionality, use, testing or Validation of any of the Licensed Software or Cloud Services, including validation requirements affecting Regulated Licensed Software/Cloud Services.
- c. **“Client Data”** means all electronic data or information submitted by Client to the Licensed Software or Services but excluding Deidentified Data.
- d. **“Cloud Services”** means, collectively, the WellSky software as a service offering listed in an Order Form and defined in the Documentation, including (i) the WellSky hosted software and any upgrades, enhancements, or new releases thereto, (ii) hardware and other equipment at WellSky’s hosting site, and (iii) use of the telephone support for Client in the operation of the Cloud Services. The term “Cloud Services” does not include Professional Services.
- e. **“Concurrent User”** means each Client workstation able to simultaneously access the System at any given moment, for purposes of updating the System.
- f. **“Confidential Information”** means (i) the source and object code of all components of the System, (ii) the Documentation, (iii) the Test Scripts, (iv) the design and architecture of the database, (v) the terms and conditions of this Agreement, and (vi) all other information of a confidential or proprietary nature disclosed by one Party to the other Party in connection with this Agreement which is either (x) disclosed in writing and clearly marked as confidential at the time of disclosure or (y) disclosed orally and clearly designated as confidential in a written communication to the receiving Party within 7 days following the disclosure. “Confidential Information” shall not include information (a) publicly available through no breach of this Agreement, (b) independently developed or previously known to it, without restriction, prior to disclosure by the disclosing Party, (c) rightfully acquired from a third-party not under an obligation of confidentiality.
- g. **“Control”** over an Affiliate means (a) ownership of at least fifty percent (50%) of such Affiliate, or (b) the right to determine management direction of such Affiliate.
- h. **“Deidentified Data”** means Client Data that is deidentified by WellSky and such deidentification is certified by a third-party as compliant with the deidentification standards under HIPAA or otherwise meets the deidentification requirements under HIPAA.
- i. **“Designated Platform”** means the required operating environment for the Licensed Software, including all necessary hardware and software components, specified in an applicable Order Form or Documentation.
- j. **“Documentation”** means the most recent documentation of the functional operation and interoperability of the Licensed Software and Cloud Services; provided that if the Licensed Software is a product that is cleared by the FDA, Documentation means the documentation provided to the FDA in connection with the FDA Clearance.
- k. **“FDA Clearance”** means the 510(k) clearance received by WellSky from the Food and Drug Administration that authorizes the commercialization of the Regulated Licensed Software/Cloud Services and sets forth the specific parameters of use for the Regulated Licensed Software/Cloud Services on the Designated Platform or Cloud Services operating environment, as applicable.
- l. **“First Productive Use”** means the day Client begins using any part of the System or Cloud Services in a live production environment.

- m. **“Hardware”** means any computer hardware (including, as applicable, embedded or bundled third-party software provided as a component of such hardware) identified in an Order Form to be purchased by Client from WellSky.
- n. **“Licensed Software”** means the object code version of computer programs developed by WellSky listed in Section I of an Order Form, including Updates furnished to Client by WellSky pursuant to this Agreement or any Order Form, but excluding all Third-Party Solutions or third-party software.
- o. **“Order Form”** means a work authorization executed by the Parties from time to time, including the Order Forms(s) attached hereto setting forth the items being purchased by the Client, scope of use, pricing, payment terms and any other relevant terms, which will be a part of and be governed by the terms and conditions of this Agreement.
- p. **“Patient/Client Census”** means the number of patients or clients that Client is treating, calculated as described in the applicable Order Form.
- q. **“Permitted User”** means an authorized user of the Licensed Software, Third-Party Solutions, and/or Cloud Services as described in the applicable Order Form.
- r. **“Professional Services”** means, collectively, the implementation, installation, data conversion (including extraction), validation, or training services provided by WellSky under or in connection with this Agreement.
- s. **“Program Error”** means an error or bug preventing the Licensed Software from operating in accordance with the Documentation in all material respects.
- t. **“Regulated Licensed Software/Cloud Services”** means Licensed Software or Cloud Services that are subject to the 510(k) clearance requirements as promulgated by the United States Food and Drug Administration.
- u. **“Services”** means the Cloud Services, Professional Services and the Support Services set forth in an Order Form.
- v. **“Site”** means each of the Client facility or facilities specified in an Order Form and for whom Client (a) owns at least 50%, or (b) has the right to determine management direction.
- w. **“Support Services”** shall mean the services to keep the Licensed Software in working order and to sustain useful life of the Licensed Software, including Updates and specified in an Order Form.
- x. **“Third-Party Solutions”** shall mean those licensed software programs software-as-a-service offerings provided by a third-party, which WellSky sublicenses or grants a right to access to Client hereunder, for use with the Licensed Software or Cloud Services, and any Updates thereto, provided to Client by WellSky under the terms of this Agreement or as identified in any Order Form.
- y. **“System”** shall mean the Licensed Software (all or less than all of the Licensed Software) and Third-Party Solutions, if any, and any Updates thereto.
- z. **“Test Scripts”** means WellSky’s test scripts designed by WellSky to assist in Client’s Validation of certain Regulated Licensed Software/Cloud Services.
- aa. **“Update”** means any error corrections, bug fixes, enhancements, and/or new features to the Licensed Software or Test Scripts that WellSky makes generally commercially available to its clients who have a current Maintenance and Support Agreement. Updates do not include modules, scripts, or software that WellSky prices or markets separately.
- bb. **“Upgrade”** means the provision of any error corrections, bug fixes, enhancements, and/or new features to the Cloud Services that WellSky makes generally commercially available to its clients who have current Cloud

Services subscriptions. Upgrades do not include modules, features, or any necessary Professional Services, that WellSky prices and markets separately.

- cc. **“Validation”** means the procedure performed by Client to validate the Regulated Licensed Software/Cloud Services pursuant to certain rules and regulations promulgated by the Food and Drug Administration.
- dd. **“Warranty Period”** means either the period set forth in an Order Form, or if not specified, twelve months from the execution of the applicable Order Form.
- ee. **“Work Product”** means any technology, documentation, software, procedures developed, conceived or introduced by WellSky in the course of WellSky performing Services, whether acting alone or in conjunction with Client or its employees, Permitted Users, affiliates or others, designs, inventions, methodologies, techniques, discoveries, know-how, show-how and works of authorship, and all United States and foreign patents issued or issuable thereon, all copyrights and other rights in works of authorship, collections and arrangements of data, mask work rights, trade secrets on a world-wide basis, trademarks, trade names, and other forms of corporate or product identification, and any division, continuation, modification, enhancement, derivative work or license of any of the foregoing.



**EXHIBIT B**  
**WELLSKY CLOUD SERVICES SUPPORT TERMS**

This Exhibit B sets forth certain WellSky Cloud Services support requirements. From time-to-time, these obligations may change upon notice by WellSky to Client. This Exhibit B only applies to Cloud Services. This Exhibit does not apply to Licensed Software.

1. DEFINITIONS.

- 1.1. **“Access Protocols”** means industry standard internet access protocols through which WellSky makes the Cloud Services accessible to the Client which includes, unless otherwise specified by the product or service contract for, HTTPS and FTPS.
- 1.2. **“Core System Functionality”** means functionality that does require real time availability for effective use of Cloud Services. Core system functionality includes all features required to commence a user session and performs end user operations, including create, read, update and delete operation.
- 1.3. **“Non-Core System Functionality”** means functionality that does *not* require real time availability for effective use of the Cloud Services. This explicitly includes, but is not limited to, reporting and background batch processing.
- 1.4. **“Scheduled Downtime”** means the time which the Core System Functionality is unavailable for access to Client’s active Permitted Users according to the Access Protocols, due to scheduled system maintenance performed by or on behalf of WellSky.
- 1.5. **“Unscheduled Downtime”** means the time during which the Core System Functionality is unavailable for access by Client’s Permitted Users according to the Access Protocols, other than for Scheduled Downtime and the exceptions otherwise stated in the Agreement. Unscheduled Downtime will not include, without limitation, any downtime arising from: (i) Client’s breach of any provision of the Agreement; (ii) non-compliance by Client with any provision of the Agreement; (iii) incompatibility of Client’s equipment or software with the Cloud Services; (iv) poor or inadequate performance of Client’s systems; (v) Client’s equipment failures; (vi) acts or omissions of Client or its Permitted Users, contractors or suppliers; (vii) telecommunication or transportation difficulties; (viii) Client’s network and internet service provider, (ix) public internet, (x) security exposure, or (xi) force majeure (as described in the Agreement).

2. TERM.

UNLESS OTHERWISE SET FORTH IN AN ORDER FORM, SUPPORT FOR THE CLOUD SERVICES ARE AVAILABLE AS OF THE EFFECTIVE DATE OF THE APPLICABLE ORDER FORM(S) AND SHALL CONTINUE UNTIL TERMINATION OF THE APPLICABLE CLOUD SERVICES AS PERMITTED IN THE AGREEMENT AND/OR THE APPLICABLE ORDER FORM.

3. TELEPHONE SUPPORT.

WellSky shall provide telephone and portal issue support to assist Client with the use of the Cloud Services and to assist with issue resolution during the term of this Agreement. The portal support will be available 24 hours a day and telephone support will be available during the hours posted by WellSky.

4. AVAILABILITY.

After First Productive Use and during the Term, WellSky shall use commercially reasonable efforts to provide the Cloud Services via the Internet twenty-four (24) hours a day, seven (7) days a week, in accordance with the terms of the Agreement.

Periodically, WellSky will require Scheduled Downtime. Scheduled Downtime will normally be scheduled outside of normal business hours, with twenty-four (24) hours’ notice, or in the event of a more urgent need WellSky may give less

notice to resolve an immediate security need. It is anticipated that there will be weekly scheduled downtime for system maintenance, WellSky will post the standard downtime publicly for all WellSky clients.

Client acknowledges and agrees that, from time to time, the Cloud Services may be inaccessible or inoperable for the following reasons: (i) equipment malfunctions; (ii) periodic maintenance; or (iii) catastrophic events beyond the control of WellSky or that are not reasonably foreseeable by WellSky, including interruption or failure of telecommunication or digital communication links or hostile network attacks. Client shall report any Unscheduled Downtime by calling WellSky client support with the provided support number within one (1) day of its occurrence.

#### 5. UPGRADES.

During the Term of the Cloud Services, WellSky may make Upgrades available to Client pursuant to WellSky's standard release cycle. WellSky reserves the right to determine the content and availability of all Cloud Services, including without limitation, Upgrades. Any enhancements or additions made to an interface as requested by Client are not part of this Exhibit B and may increase the monthly charge by an amount which reflects the extent of the change. Documentation updates shall generally be distributed to Client with each Upgrade.

#### 6. INTERNET CONNECTION DEPENDENCE.

The performance and availability of the Cloud Services are directly dependent upon the quality of Client's Internet connection. WellSky will aid the Client in determining the quality of their Internet connection via the use of tools designed to measure throughput. This information may then be used to make an informed decision by Client regarding Internet Service Provider ("ISP") selection. Failure of the Client's Internet connection to maintain satisfactory throughput and latency is outside the scope of WellSky's responsibility and should be addressed by Client directly with the ISP. WellSky cannot be held responsible for Internet infrastructure failures.

**EXHIBIT C**  
**LICENSED SOFTWARE SUPPORT TERMS**

This Exhibit C sets forth certain WellSky Licensed Software support terms. From time-to-time, these obligations may change upon notice by WellSky to Client. This Exhibit C only applies to Licensed Software. This Exhibit does not apply to Cloud Services.

1. TERM.

UNLESS OTHERWISE SET FORTH IN AN ORDER FORM, SUPPORT SERVICES ARE EFFECTIVE FOR AN INITIAL TERM OF **FIVE (5) YEARS** BEGINNING ON THE EFFECTIVE DATE OF THE ORDER FORM (THE “SUPPORT EFFECTIVE DATE”) (THE “TERM”).

2. SERVICE REINSTATEMENT.

In the event Support is allowed to lapse (other than for breach by WellSky) and is later reinstated, Client shall be required to pay a reinstatement charge of Ten Thousand Dollars (\$10,000), plus back charges for all months that Support lapsed, including appropriate late charges. Client may be responsible for expenses incurred to inspect Hardware or reload Licensed Software to the current release version after any lapse in Support.

3. SERVICES PROVIDED.

WellSky shall provide standard support services for supporting Client’s live productive use of the Licensed Software set forth on an applicable Order Form on the Designated Platform. For purposes of Support, “standard support services” shall include using commercially reasonable efforts to repair or provide a work around for all reproducible Program Errors. Standard support services shall also include providing Updates. So long as Client is current in Support fees and Client complies with the terms and conditions of the Agreement, the Licensed Software shall operate in accordance with the Documentation, in all material respects.

4. TELEPHONE SUPPORT.

- a. Priority Levels. Client may request, and WellSky shall provide, reasonable technical consultation by telephone 24 hours a day, 365 days of a year. WellSky shall maintain a log of technical consultation requests in a tracking system and a unique number shall be assigned to Client’s request. That unique number shall be provided to Client for reference and communication. WellSky shall assign to technical consultation requests one of three levels of priority:
  - i. Level 1 is the most severe Program Error and represents a situation where all features and functions of the Licensed Software are unavailable and no practical alternate mode of operation is available. WellSky shall use commercially reasonable efforts to answer or return Level 1 calls within four (4) hours.
  - ii. Level 2 indicates a problem in which certain features and functionality are not available and no practical alternate mode of operation is available. Priority 2 requests will be assigned to the next available programmer.
  - iii. Level 3 is the normal next-in-line priority assignment. Priority 3 requests will be worked on in the order in which they are received.
- b. Problem Resolution. WellSky shall provide technical consultation solutions to Level 1, Level 2 and Level 3 issues as quickly as reasonably possible, in light of the problem. If a Level 1 or Level 2 issue requires a change to the Licensed Software, the change will be sent to Client as soon as available. If a Level 3 issue requires a change to the software, the change will be provided in a regularly scheduled Update.

- c. Service Location. WellSky shall provide technical consultation from its business premises, except that WellSky, at its own discretion, may dispatch a technical services representative to Client's facility for all Program Errors that WellSky is unable to correct by providing technical consultation from WellSky's premises.

## 5. UPDATE.

During the Term of this Exhibit C, WellSky may make Updates available to Client. WellSky reserves the right to determine the content and availability of all software, including without limitation, Updates. Any enhancements or additions made to an interface as requested by Client are not part of this Exhibit C and may increase the monthly charge by an amount which reflects the extent of the change. Documentation updates shall generally be distributed to Client with each Update. All Updates may be loaded only based upon instructions provided by WellSky's client service personnel. WellSky must be notified, in writing, before the loading of operating system software updates, third-party software updates or installing new hardware to the System. WellSky shall provide assistance by telephone during normal business hours.

## 6. CLIENT PARTICIPATION.

WellSky's obligations are conditioned on Client fulfilling its obligations hereunder, including, without limitation:

- a. Providing WellSky with all information and assistance necessary to detect, simulate or reproduce and correct any Program Errors.
- b. Providing WellSky access to the System and its related operating environment for the purpose of providing WellSky services;
- c. Causing all equipment and facilities which are used in connection with the operation or security of System and Hardware to be maintained properly and in good operating condition as specified by the applicable manufacturer. All charges for such media and services shall be the sole responsibility of Client.
- d. Maintaining regular back-ups of data files, application source code (if applicable) and operating system software.
- e. Strict compliance with the terms and conditions of the Agreement, including without limitation, the terms and restrictions on the license grant.

**EXHIBIT D**  
**BUSINESS ASSOCIATE AGREEMENT**

**BACKGROUND**

- A. Covered Entity and WellSky have entered into the Agreement, pursuant to which Covered Entity has licensed software from Business Associate and Business Associate provides implementation, maintenance, support, and other services to Covered Entity.
- B. Covered Entity possesses Protected Health Information that is protected under the Health Insurance Portability and Accountability Act of 1996 (Public Law 104-191) and the regulations promulgated thereunder by the United States Department of Health and Human Services (collectively, “HIPAA”), and is permitted to use or disclose such Protected Health Information only in accordance with HIPAA and the Regulations.
- C. Business Associate may have access to and may receive Protected Health Information from Covered Entity in connection with its performance of services under the Agreement. The Agreement may from time to time require the Business Associate’s receipt, Use, and/or Disclosure of Protected Health Information (PHI) from Covered Entity.
- D. The provisions of this BAA are intended in their totality to implement the HIPAA regulations as they concern Business Associate Agreements. The provisions of the Agreement will remain in full force and effect and are amended by this BAA only to the extent necessary to effectuate the provisions set forth herein.

**TERMS**

- 1. **Definitions.** All capitalized terms used but not otherwise defined in this BAA shall have the same meaning as those terms in the Regulations.
  - a. Business Associate shall mean WellSky Corporation.
  - b. Covered Entity shall mean Client.
  - c. Individual shall have the same meaning as the term “individual” in 45 CFR § 160.103 of the Regulations and shall include a person who qualifies as a personal representative in accordance with 45 CFR § 164.502(g) of the Regulations.
  - d. Regulations shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Part 160 and Part 164, Subparts A and E, Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 160 and Part 164, Subparts A and C; 45 CFR § 164.314, and the Health Information Technology for Economic and Clinical Health Act (HITECH), as it directly applies, as in effect on the date of this BAA.
  - e. Protected Health Information shall have the same meaning as the term “protected health information” in 45 CFR § 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.
  - f. Required by Law shall have the same meaning as the term “required by law” in 45 CFR § 164.103 of the Regulations.
  - g. Secretary shall mean the Secretary of the Department of Health and Human Services or his/her designee.
  - h. Security Incident shall have the same meaning given to such term in 45 CFR § 164.304.
- 2. **Obligations and Activities of Business Associate.**
  - a. Business Associate agrees to comply with the requirements of the Privacy and Security Rules directly applicable to Business Associates through the HITECH Act.
  - b. Business Associate agrees to not use or disclose Protected Health Information other than as permitted or required by this BAA, the Privacy and Security Rules, the Agreement, or as required by law. Such disclosures shall be consistent with the “minimum necessary” requirements of the Regulations.
  - c. Business Associate agrees to use reasonable and appropriate safeguards to protect against the use or disclosure of the Protected Health Information other than as provided for by this BAA or the Agreement.
  - d. Business Associate agrees to mitigate, to the extent reasonably practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this BAA.

- e. Business Associate agrees to promptly report to Covered Entity and its Chief Privacy Officer any use or disclosure of the Protected Health Information not provided for by the BAA of which it becomes aware.
- f. Business Associate shall promptly notify Covered Entity and its Chief Privacy Officer of a breach of the Privacy Rule relating to the impermissible use, acquisition, access or disclosure of Protected Health Information provided to the Business Associate for purposes of carrying out its obligations under the Agreement. In the event of a Breach of PHI solely arising out of the acts or omissions of Business Associate or any subcontractor of Business Associate, Business Associate agrees to reimburse Covered Entity for the reasonable, actual costs of providing any legally required notice to Individuals affected by the Breach. Unless otherwise required by law or agreed to by the parties, it shall be the responsibility of Covered Entity to communicate with affected individual(s), the Secretary and the media information regarding the unintended use or disclosure. Business Associate shall, within sixty (60) days of discovery of a breach, provide Covered Entity with all required content of notification in accordance with 45 CFR 164.410 and 45 CFR 164.404.
- g. Business Associate agrees to ensure that any agent, including a subcontractor, to whom it provides Protected Health Information received from, or created or received by Business Associate on behalf of Covered Entity agrees to the same or similar restrictions and conditions that apply through this BAA to Business Associate with respect to such information.
- h. If Business Associate maintains Protected Health Information in a Designated Record Set for Covered Entity, Business Associate agrees to provide access, at the request of Covered Entity, and in the time and manner mutually agreed upon by the parties, to Protected Health Information in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 CFR § 164.524 of the Regulations. In the event a request for access is delivered directly to Business Associate by an Individual, Business Associate shall as soon as possible, forward the request to Covered Entity.
- i. If Business Associate maintains Protected Health Information in a Designated Record Set for Covered Entity, Business Associate agrees to make any amendment(s) to Protected Health Information in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 CFR § 164.526 of the Regulations at the request of Covered Entity or an Individual, and in the time and manner mutually agreed upon by the parties. In the event a request for amendment is delivered directly to Business Associate by an Individual, Business Associate shall as soon as possible, forward the request to Covered Entity.
- j. Business Associate agrees to make internal practices, books, and records, including policies and procedures and Protected Health Information, relating to the use and disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of Covered Entity available to the Secretary, in a time and manner reasonably designated by Secretary, for purposes of the Secretary determining Covered Entity's compliance with the Regulations. Business Associate agrees to provide responses to security assessment questionnaires that Covered Entity may periodically, reasonably request in order to assess risks to PHI held by Business Associate.
- k. Business Associate agrees to document such disclosures of Protected Health Information and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 CFR § 164.528 of the Regulations.
- l. Business Associate agrees to provide to Covered Entity or an Individual, in time and manner mutually agreed, information collected in accordance with Section 2(k) of this BAA, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 CFR § 164.528 of the Regulations. In the event a request for accounting is delivered directly to Business Associate by an Individual, Business Associate shall as soon as possible, forward the request to Covered Entity.

### **3. Permitted Uses and Disclosures by Business Associate.**

- a. Except as otherwise limited in this BAA, Business Associate may use or disclose Protected Health Information to perform functions, activities or services for, or on behalf of, Covered Entity in connection with the underlying agreement and any other agreements in effect between Covered Entity and Business Associate, including without limitation the provision of software implementation and support services, provided that such use or disclosure would not violate the Regulations if done by Covered Entity.
- b. Except as otherwise expressly limited in this BAA, Business Associate may use Protected Health Information for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate.
- c. Except as otherwise expressly limited in this BAA, Business Associate may disclose Protected Health Information for disclosures that are Required By Law, or if Business Associate obtains reasonable assurances

from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

- d. Except as otherwise expressly limited in this BAA, Business Associate may use Protected Health Information to provide Data Aggregation services to Covered Entity as permitted by 45 CFR § 164.504(e)(2)(i)(B) and in accordance with the Documentation.
- e. Business Associate may de-identify any PHI, provided such de-identification conforms to the requirements of 45 CFR § 164.514(b), including without limitation any documentation requirements. Business Associate may Use or Disclose such de-identified information at its discretion, as such de-identified information does not constitute PHI and is not subject to the terms of this BAA; provided that such Use or Disclosure is consistent with the underlying Agreement and applicable law.
- f. Business Associate may use Protected Health Information to report violations of law to appropriate Federal and State authorities, consistent with 45 CFR § 164.502(j)(1).

#### **4. Obligations of Covered Entity.**

- a. Covered Entity shall notify Business Associate of any limitation(s) in the notice of privacy practices of Covered Entity under 45 CFR § 164.520, to the extent that such limitation may affect Business Associate's use or disclosure of protected health information.
- b. Covered Entity shall notify Business Associate of any changes in or revocation of, the permission by an individual to use or disclose his or her protected health information, to the extent that such changes may affect the Business Associate's use or disclosure of protected health information.
- c. Covered Entity shall notify Business Associate of any restriction on the use or disclosure of protected health information that Covered Entity has agreed to or is required to abide by under 45 CFR § 164.522, to the extent that such restriction may affect Business Associate's user or disclosure of protected health information.
- d. Covered Entity shall not request Business Associate to use or disclose protected health information in any manner that would not be permissible under Subpart E of 45 CFR Part 164 if done by Covered Entity.

**5. Electronic Data Security.** Business Associate agrees to implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of any electronic Protected Health Information that it creates, receives, maintains or transmits to or on behalf of Covered Entity as required by the Regulations. Business Associate further agrees to ensure that any agent, including a subcontractor, to whom it provides such information, agrees to implement reasonable and appropriate safeguards to protect it. Business Associate agrees to promptly report to Covered Entity any Security Incident of which it becomes aware, provided that this BAA shall constitute notice by Business Associate to Covered Entity of the ongoing existence and occurrence of attempted but unsuccessful Security Incidents including, but not be limited to, pings and other broadcast attacks on Business Associate's firewall, port scans, unsuccessful log-on attempts, denials of service and any combination of the foregoing, so long as any such incident does not result in unauthorized access, use or disclosure of PHI or material disruption of Business Associate's information systems.

#### **6. Termination.**

- a. Except as otherwise provided herein, this BAA shall terminate upon termination of the Agreement.
- b. Termination for Cause. Upon Covered Entity's knowledge of a material breach by Business Associate of this BAA, Covered Entity may:
  - 1. Provide a reasonable opportunity for Business Associate to cure the material breach or end the material violation and if Business Associate does not cure the material breach or end the material violation within a reasonable time, Covered Entity may terminate this BAA and the Agreement 30 days after written notice;
  - 2. If Business Associate has breached a material term of this BAA and cure is not possible, immediately terminate this BAA and the Agreement 30 days after written notice; or
  - 3. If neither termination nor cure is feasible, report the violation to the Secretary.

If Covered Entity breaches, Business Associate may terminate this BAA and any Underlying Agreement 30 days after written notice.

- c. Effect of Termination.

1. Except as provided in paragraph (2) of this section, upon termination of this BAA, for any reason, Business Associate shall return or destroy all Protected Health Information received from Covered Entity or created or received by Business Associate on behalf of Covered Entity and, upon request, certify to Covered Entity that it has done so. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.
2. In the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. In such event, Business Associate shall extend the protections of this BAA to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information. Except as provided herein, any termination of the maintenance program or provisions of the Agreement that permit Business Associate to access Protected Health Information shall not affect the parties' other obligations or rights under the Agreement.

**7. Miscellaneous.**

- a. Changes to Regulations. If the Regulations are amended in a manner that would alter the obligations of WellSky as set forth in this BAA, then the parties agree in good faith to negotiate mutually acceptable changes to the terms set forth in this BAA.
- b. Survival. The respective rights and obligations of Business Associate under Section 6(c) of this BAA shall survive the termination of this BAA.
- c. Minimum Necessary. Covered Entity shall only provide a minimum amount of Protected Health Information necessary for the Business Associate to satisfy its obligations under the Agreement.
- d. Interpretation. Any ambiguity in this BAA shall be resolved to permit compliance with the Regulations.
- e. Incorporation. Except for Covered Entity, no third-party may rely on the terms, conditions, rights, remedies, or obligations hereunder. The terms of this BAA are fully incorporated in and subject to the terms of the Agreement.
- f. Governing Law. The choice of law and venue applicable to this BAA shall be the same as the choice of law and venue that are applicable to the Agreement.



**WellSky® Transfusion  
ORDER FORM**

This Order Form (“**Order**”) is dated as of \_\_\_\_\_ (“**Effective Date**”) between **WellSky Corporation** (f/k/a Mediware Information Systems, Inc.), with offices at 11300 Switzer Road, Overland Park, KS 66210 (“**WellSky**”) and **University Medical Center of Southern Nevada** with offices at 1800 W. Charleston Blvd. Las Vegas, NV 89102 (“**Client**”), for the products and services set forth herein. This Order is subject to and hereby incorporates the terms and conditions of the Master License and Services Agreement entered into between the parties, dated \_\_\_\_\_ (“**Agreement**”), except to the extent explicitly identified in this Order.

This Order consists of the following Attachments:

- Attachment 1 – Scope of Use, Term and Payment Terms
- Attachment 2 – Pricing
- Attachment 3 – Additional Terms
- Attachment 4 – Professional Services
- Attachment 5 – Hosting Services
  - Exhibit I – Hosting Services Service Level Agreement
- Attachment 6 – Client Travel Reimbursement Policy

Any questions or changes to this Order, please contact Melis Akiz at (913) 636-5470.

**Ordering Procedure:**

WellSky is only able to accept wet signatures or verified electronic signatures with a date/time stamp. WellSky is not able to accept type-script font as an audit approved signature.

Please email or fax this signed Order to WellSky’s Corporate Contracts Department and/or your WellSky Account Executive as follows:

[LegalContracts@wellsky.com](mailto:LegalContracts@wellsky.com)

Fax: (913) 871-9571 or [9138719571@fax2mail.com](mailto:9138719571@fax2mail.com)

Melis Akiz

[Melis.Akiz@wellsky.com](mailto:Melis.Akiz@wellsky.com)

<b>UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA:</b>		<b>WELLSKY CORPORATION:</b>
Signature:		Signature:
Name:		Name: Aaron Winkelmann
Title:		Title: VP & GM Blood & Biotherapies
Date:		Date:

**ORDER FORM  
ATTACHMENT 2  
PRICING**

1. Scope of Use. The Licensed Software, Cloud Services, and/or Third-Party Solutions are subject to the following maximum scope of use limits:

Type of Product	Description	Maximum Scope	Metric Definition
Subscription	WellSky Transfusion Suite Site License	1	<b>Site</b> means a Client facility that is owned or operated 50% or more by Client.
Subscription	WellSky Transfusion Analytics	1	<b>Site</b> means a Client facility that is owned or operated 50% or more by Client.
Subscription	WellSky Transfusion Concurrent User Licenses	4	<b>Users</b> means the total number of concurrent end users using the Licensed Software or Cloud Service at any time.

In the event Client's scope of use exceeds those amounts set forth in the table above, Client shall be invoiced for any unlicensed use (and related support), and the unpaid license and support fees shall be payable in accordance with this Agreement.

2. Sites.

University Medical Center of Southern Nevada  
1800 W Charleston Blvd.  
Las Vegas, NV 89102

3. Term.

- a. Hosted Licensed Software Subscription Term: Hosted Licensed Software Subscriptions are provided for an initial five (5) year term, beginning on the Effective Date of this Order (the "**Initial Hosted Licensed Software Subscriptions Term**").
- b. Annual Recurring Professional Services Term: The Annual Recurring Professional Services are provided for an initial five (5) year term, beginning on the Effective Date of this Order (the "**Initial Term**").

4. Payment Terms. All fees due under this Order shall be paid as follows:

- a. Hosted Licensed Software Subscription: Licensee shall be invoiced 100% of the Hosted Licensed Software Subscription fees beginning on the Effective Date and annually thereafter.
- b. Hardware: Client shall be invoiced 100% of the total Hardware fees on the Effective Date.
- c. Professional Services: Client shall be invoiced the fixed fee/ fixed scope professional services fees as follows:
1. \$ of the total Professional Services fees shall be invoiced on the Effective Date of this Order.
  2. \$ of the total Professional Services fees shall be invoiced one-hundred-twenty (120) days following the Effective Date of this Order.
  3. \$ of the total Professional Services fees shall be invoiced earlier of First Productive Use of the Licensed Software or two-hundred-seventy (270) days following the Effective Date of this Order.
  4. \$ of the total fixed fee Professional Services fees shall be invoiced two (2) years following the Effective Date of this Order (First Upgrade Services).

**ORDER FORM  
ATTACHMENT 2  
PRICING**

5. of the total fixed fee Professional Services fees shall be invoiced four (4) years following the Effective Date of this Order (Second Upgrade Services).
- d. Annual Recurring Professional Services: Client shall be invoiced 100% of the Annual Recurring Professional Services fees beginning on the Effective Date and annually thereafter.
- e. Shipping & Handling Fees: Shipping and handling fees for peripheral hardware are not included in this pricing. Those fees shall be billed as incurred to the Client.
- f. Travel Expenses: Estimated customary travel expenses for the on-site implementation services in scope are outlined in the Investment Detail based on three (3) trips to the Client facility not to exceed 15 working days on-site. The actual travel expenses shall be billed as incurred to the Client in line with the Travel Reimbursement Policy in Attachment 6.
- g. Increases: All annual fees may be increased by WellSky once annually commencing one (1) year following the Effective Date of the Order as set forth in the Agreement.

Please provide your accounts payable or billing contact information.

<b>Name:</b>
<b>Title:</b>
<b>E-mail:</b> <a href="mailto:Accountspayable@umcsn.com">Accountspayable@umcsn.com</a>
<b>Phone:</b>

Please check one of the boxes below regarding your sales tax status:

- ☒ Exempt
- ☐ Non-Exempt

If “Exempt” is checked above; Client is required to provide the appropriate certificate to WellSky upon Execution of this Order. Failure to provide could result in sales tax charges.

**ORDER FORM  
ATTACHMENT 2  
PRICING**

**INVESTMENT DETAIL**

Qty /	Component	Each	Price
<b>Initial Annual Hosted Licensed Software Subscription</b>			
	Transfusion Web-based Access Module Solution:		
1	Transfusion - Suite (Includes initial Site License)		
1	Transfusion Hosting Services for up to 10 Concurrent Users		
4	Transfusion Concurrent User Licenses		
1	Intelligent Integration (1 instance of standard interfaces and HL7 & Instrument Interface Validation Scripts)		
1	WellSky Transfusion Intelligent Integration to BloodTrack OnDemand Interface		
1	Bio-Rad IH-500 Instrument Interface		
1	Bio-Rad IH-24 Reader Instrument Interface		
1	Transfusion Analytics - First Site/Database		
	<b>Third-Party Solutions</b>		
1	Digi-Trax HemaTrax Unity (HT-UNITY) - TCP/IP Integrated		
1	Digi-Trax HemaTrax Unity (HT-UNITY-SA) - Standalone/Downtime		
1	Rhapsody Integration Engine >100 beds		
<b>Total Initial Annual Hosted Licensed Software Subscription</b>			<b>\$</b>
<b>Fixed Fee Professional Services</b>			
1	Implementation Services		\$
1	System Build and Configuration Resource		\$
1	Mid-project Technical		\$
1	Transfusion Validation Services		\$
1	System Administration Training		\$
1	Application Configuration Training		\$
1	Data Conversion - Extract Services (SafeTrace Only)		\$
1	Data Conversion - Import Services (SafeTrace Only)		\$
1	MRN Conversion Services		\$
1	Transfusion Slip Customization		\$
1	Transfusion Analytics Implementation, Configuration & Training		\$
1	End User Training Execution		\$
1	End User Training Curriculum Development		\$
<b>Subtotal Fixed Fee Professional Services</b>			<b>\$</b>
<b>Allowance valid until:</b>			<b>\$</b>
<b>Total Fixed Fee Professional Services</b>			<b>\$</b>
<b>2/28/2023</b>			<b>\$</b>

**ORDER FORM  
ATTACHMENT 2  
PRICING**

**Professional Services for Two Upgrades**

**First Upgrade Services**

1	First Transfusion Upgrade with Validation & Analytics Upgrade Services		\$
	<b>Allowance valid until:</b>	<b>2/28/2023</b>	<b>\$</b>
<b>Total First Upgrade Services</b>			<b>\$</b>

**Second Upgrade Services**

1	Second Transfusion Upgrade with Validation & Analytics Upgrade Services		\$
	<b>Allowance valid until:</b>	<b>2/28/2023</b>	<b>\$</b>
<b>Total Second Upgrade Services</b>			<b>\$</b>

<b>Total Professional Services for Two Upgrades</b>	<b>\$</b>
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**Annual Recurring Professional Services Subscription**

1	WellSky Training Center - Transfusion	\$
<b>Total Annual Recurring Professional Services Subscription</b>		<b>\$</b>

**Hardware**

2	Digi-Trax Blood Bank Label Printer	\$	\$
1	Digi-Trax Standalone / Downtime Printer	\$	\$
4	Digi-Trax Code Reader Handheld Scanner CR1500 (Corded)	\$	\$

<b>Shipping &amp; Handling</b>	<b>Billed as Incurred</b>
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<b>Total Hardware</b>	<b>\$</b>
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**Estimated Travel Expenses**

1	Estimated Travel Expenses - based on three trips up to 15 days on-site	\$
<b>Total Estimated Travel Expenses</b>		<b>\$</b>

<b>TOTAL COST</b>	<b>\$ 1,023,089</b>
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**Prices Quoted herein are valid until: February 28, 2023**

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**ORDER FORM  
ATTACHMENT 3  
ADDITIONAL TERMS**

**A. ADDITIONAL TERMS APPLICABLE TO THE WELLSKY TRANSFUSION LICENSED SOFTWARE.**

1. The license granted in this Section A is conditioned on Client's Validation and use of the Licensed Software on the Designated Platform in conformance with the FDA Clearance and the terms and conditions of this Agreement. In addition, any Updates to Regulated Licensed Software must be installed and Validated on the Designated Platform within the earlier of six (6) months (180 days) or the compliance date mandated by the FDA, if the Update was made to maintain compliance with the FDA, and within twelve (12) months of their release for all other Updates. In addition to its other remedies, WellSky may suspend or terminate the license to Regulated Licensed Software upon written notice if Client fails to comply with the foregoing condition. Regulated Licensed Software may only be Validated by Certified Personnel.
2. Client shall fulfill all of its obligations under law with respect to Validation of such Regulated Licensed Software and Updates thereto. Client, not WellSky, is responsible for the control, management, testing, Validation, compliance, and supervision of Client's use of the System, notwithstanding any anticipation, assistance, or suggestions of WellSky personnel in the form of suggested/published validation procedures and/or verbal discussions regarding the System's capabilities, functions, performance, or validation. Client shall ensure that proper controls are in place to validate data, outcomes, and results obtained through its use. Client is also solely responsible for (a) the running of sufficient validation tests of the System in the configuration with the appropriate frequency, and under the conditions of the Client facilities, the System and Hardware to assume compliance with such validation requirements in terms of policy, protocol, assumptions, and expectations, (b) the adequacy of those requirements, and (c) compliance of Client's use of the System with Applicable Law including and applicable accreditation standards. In the event WellSky continues to provide Services to Client following Client's failure to comply with its obligation to Validate, as set forth in this Order, such Services shall be provided "AS IS" without warranty of any kind and shall be in addition to any Services WellSky is otherwise required to perform.
3. WellSky represents and warrants to Client that (a) the WellSky Transfusion Software has received 510(k) clearance from the Food and Drug Administration (FDA) as blood establishment computer software; and (b) for a period of six (6) months following the Effective Date of this Order, the Licensed Software will perform the functions set forth in the FDA Clearance in all material respects.

**B. DATA CONVERSION.** WellSky will export a flat file of data from Client's legacy blood management software system. WellSky will load the data provided by Client into the Licensed Software for the fees described in this Order. Because the data provided to WellSky by Client does not come from a WellSky software system, WellSky cannot be responsible for the integrity of the data being loaded into the Licensed Software. Further, Client not WellSky is responsible for ensuring that the data, as provided, includes the necessary data field for use with the Licensed Software.

Client acknowledges and understands that the data that it provides for use with the Licensed Software may not be free of error and the data may not be fully transferable to the Licensed Software as a result of coding failure, field and record limitations, etc. To the extent allowed by Nevada law, Client shall indemnify, defend and hold WellSky, its officers, employees and agents harmless from and against any all claims relating to Client's use of the data and data files or WellSky's provision of assistance services under this Section B.

WELLSKY'S LIABILITY FOR DAMAGES TO RECIPIENT OR ANY THIRD PARTY FOR ANY CAUSE WHATSOEVER ARISING UNDER OR RELATED TO THIS SECTION B, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT OR TORT, INCLUDING NEGLIGENCE, SHALL NOT EXCEED \$10,000. IN NO EVENT WILL WELLSKY OR ITS LICENSORS BE LIABLE FOR ANY LOST PROFITS OR OTHER CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY OR PUNITIVE DAMAGES, EVEN IF WELLSKY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, OR FOR ANY CLAIM BY A THIRD PARTY AGAINST RECIPIENT.

**ORDER FORM  
ATTACHMENT 4  
PROFESSIONAL SERVICES**

WellSky Transfusion Statement of Work – Initial Implementation

**1 Executive Summary**

WellSky Professional Services (“WellSky”) and the Client will work together to implement the WellSky Transfusion solution. WellSky’s Professional Services team and Client team are responsible for the planning, solution design, installation, configuration, and testing of the proposed solutions as illustrated in this Statement of Work (“SOW”).

This SOW describes services to be performed for the following solutions in scope:

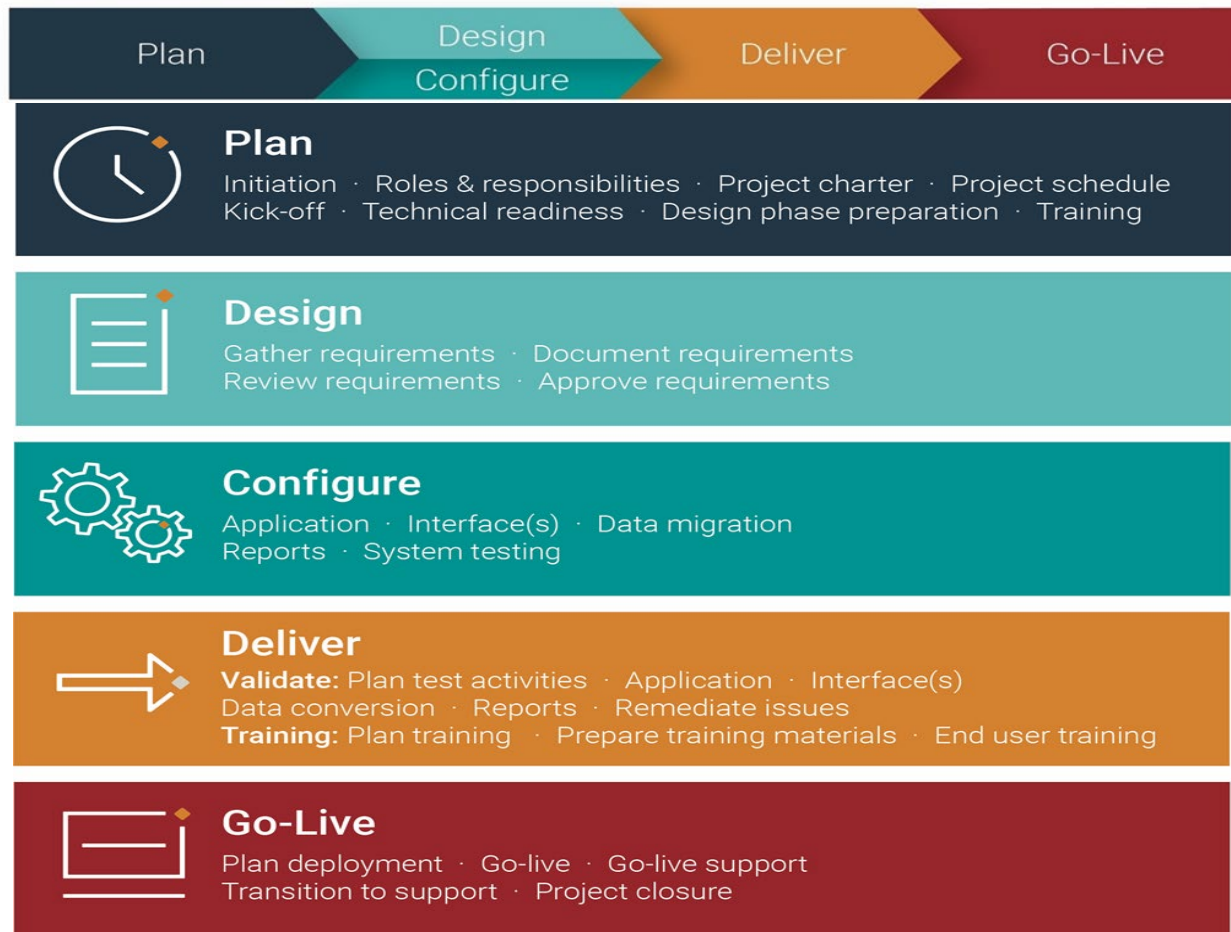
- To implement WellSky Transfusion and Transfusion Analytics at one (1) client facility.

**1.1 Methodology**

**1.2 Project Methodology**

- WellSky employs a proven project methodology that promotes and encourages Client education, empowerment, and ultimately product independence.
- Each phase of the project has been specifically designed to provide Clients with tools and resources not only necessary to support a successful implementation but to enable and empower Clients to support and expand their WellSky software solutions.
- Each project will consist of the following phases that will be used to benchmark implementation and project management activities through project completion.

**ORDER FORM  
ATTACHMENT 4  
PROFESSIONAL SERVICES**



## 2 WellSky Engagement Specifics

### 2.1 Engagement Overview

- 1 Facility
  - 1 client facility to be validated by WellSky for WellSky Transfusion
  - 1 client facility to implement WellSky Transfusion Analytics
- MTP Kitting Functionality
- Rapid Emergency Issue functionality
- 4 Transfusion Slips (There will be a standard format for all facilities; however, WellSky will adjust as necessary with facility-level information)
  - One cellular, one non-cellular, one derivative, and one downtime tag.
- 1 On-Site Application and Configuration training class (limit of 8 attendees in each class)
- 1 On-Site End User Training Execution (limit of 8 attendees in each class)
- 1 End User Training Curriculum Development Service
- 1 Remote System Administration Training
- 1 System Build and Configuration Resource
- 1 Intelligent Integration Interface to BloodTrack OnDemand



**ORDER FORM  
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PROFESSIONAL SERVICES**

- WellSky Training Center Recurring Service – WellSky Transfusion
- 1 WellSky Transfusion Validation Services
- HL7 Interfaces
  - Inbound – Orders
  - Inbound – ADT's
  - Inbound - Results
  - Outbound – Results
  - Outbound – Billing
  - Inbound - Blood Product Transfusion Disposition (BTS)
  - Outbound - Blood Product Administration Module (BPAM)
  - Inbound - MFN (Physician)
- 2 Interfaced Instruments
  - 1 Bio-Rad IH-500 Instrument Interface
  - 1 Bio-Rad IH-24 Reader Instrument Interface
    - Instruments Antibody & Antigen Testing
- 1 Printer set up and configuration in 1 production and 1 non-production environment. Any additional printer set up or additional environments is considered out of scope.
- 1 Data migration extract services are included in scope for this project for Haemonetics SafeTrace.
  - WellSky defines a successful extract as 97% accuracy or greater.
- 1 Data migration import services are included in scope for this project for Haemonetics SafeTrace.
  - WellSky defines a successful import as 97% accuracy or greater of possible extracted data.
- Any prior / archived Cerner blood bank data is excluded from the scope of this project.

The scope of work includes the installation of 2 environments: a Test Environment and a Production Environment configured with Disaster Recovery. High Availability and Additional Environments will require a change order unless otherwise noted.

## 2.2 Engagement Assumptions

- After executing the Agreement, WellSky's assigned Project Manager will work with the Client to schedule the Client's overall implementation and training sessions.
- Common SOPs and overall system configuration parameters will be defined once at the main facility.
- Custom Programming including scripting and reporting is out of scope for this engagement unless otherwise noted.
- WellSky assumes this SOW covers the efforts required through the delivery of the solution. Once the solution has been delivered, the Services team will transition the client to Support at the completion of go-live support as outlined below. Any additional services beyond this time are not included in the scope and may require a change order form.
- WellSky will perform the validation tasks under the Client's purview and the services quoted include:
  - Validation Planning Activities
  - Validation Script Modifications

**ORDER FORM  
ATTACHMENT 4  
PROFESSIONAL SERVICES**

- Validation Script Executions
- Documentation of Observations found during Validation
- Includes Truth Table, Functional, and ABO Compatibility Matrix Validation at the first facility.
- Assumes:
  - 85% Standardization of SOPs
  - HL7, Instrument, and BloodTrack interface validation is not included.
  - Does not include data conversion validation.
  - Requires final Client review and sign-off of validation & documentation.
  - Remote access for the validation resources must be confirmed at least one (1) month prior to validation starting. If additional time is needed to confirm the connection, a scope change will be issued.
- Professional Services cancellation requests must be received ten (10) or more business days prior to any onsite engagement. Cancellation requests received nine (9) or fewer business days prior to any onsite meetings, will be charged for any travel cancellation fees.
- WellSky will work with the Client to deliver the services contained in this SOW within the timeframes of the mutually agreed upon Project Timeline identified during the Plan phase of the project. In the event that the Client is responsible for delays in project delivery, causing timeline extensions and/or extended durations of events within the agreed upon Project Timeline resulting in added services efforts or the Client is otherwise unable to begin the project within six (6) months of contract execution, additional services costs may be presented in the form of a scope change as this extends the level of effort contained within this SOW.
- Any additional Software and Services not outlined in the scope of work which are deemed necessary for Go Live may result in a change order to the project. The WellSky project manager will document these items in a formal Change Request Document and present to Client Stakeholders for approval prior to the delivery of the requested services.
- Customary travel and out-of-pocket expenses for the requested on-site implementation services are not included in the pricing. Actual travel and out-of-pocket expenses are invoiced to the Client separately, as they are incurred.
- The planned professional services to be delivered onsite are as follows:
  - Clinical Consultant: Application Configuration Training
  - Clinical Consultant: End User Training Execution
  - Clinical Consultant: Go-live / Post-Go-live Assistance

### 2.3 WellSky Responsibilities

WellSky Professional services will be responsible for the following:

- Managing the project's scope, schedule, and budget while providing regular updates to Client stakeholders as agreed to during the Plan phase of the project.
- Providing best practice solution recommendations.

**ORDER FORM  
ATTACHMENT 4  
PROFESSIONAL SERVICES**

- WellSky will provide remote professional services to build and configure the Transfusion solution under the Client's purview.
- Training the Client to enable system administration and use of the system.
- Notifying the Client of any unforeseen project delays or changes to the project schedule as soon as reasonably possible.
- WellSky is responsible for developing the End User Training Curriculum and administering the On-Site End User Training after Super User Training is completed.
- WellSky to load product codes prior to the beginning of validation.
- WellSky is responsible for providing server hardware, certificates, and sufficient permissions.
- WellSky to provide Transfusion Validation Services.

## 2.4 Client Responsibilities

The Client will be responsible for the following:

- Client will assign a Project Manager to coordinate implementation and related activities (including across sites) and to act as a central point of contact with WellSky.
- With signed BAA, the Client will allow the WellSky team to use SecureLink for remote connectivity to the system or work with the WellSky team to provide equivalent access that is equally accessible as SecureLink. If additional time is needed to access the environment, it could result in a change order.
- The Client and WellSky should have addressed any remote connection or security and privacy concerns as outlined in the signed agreement and BAA. WellSky employees are not authorized to sign any additional forms or contractual agreements on behalf of WellSky, nor should they have obligations separate from their employment with WellSky and directly with the Client. To the extent, there are specific provisions that the client believes have not been reasonably addressed in the signed agreement and the BAA we can work to reach mutually agreeable terms to be executed between WellSky and the Client (not the individual employees).
- Client is responsible for maintaining product codes following go live unless contracted with WellSky to maintain.
- Client is responsible for providing applicable resources to complete tasks assigned.
- Client will provide approval of data migration at least 30 days prior to scheduled go-live.
- Client will provide approval of validation at least 30 days prior to scheduled go-live.
- Client is responsible to note any potential known risks to the project (such as an EHR/LIS upgrade or AABB inspection) that could result in the disruption of the project schedule.

**ORDER FORM  
ATTACHMENT 4  
PROFESSIONAL SERVICES**

## 2.5 Resources

## 2.6 WellSky Team

WellSky will field a team of industry experts, technical experts, and leadership resources to ensure the overall success of the engagement. Below is a list and short description of the team that will be involved over the duration of the WellSky project as scoped in this SOW (some roles are optional depending on purchase)

(1) Executive Sponsor of Project

(1) Project Manager

- Ownership over the rollout and solution key steps
- Management over key project resourcing and efforts
- Project schedule and escalations

(1) Team Technical Lead

- Deploy Base Software
- Configure Application, Database, and Report Servers as defined in SOW
- Administer Security & Certificates

(1) Team Interface Lead

- Integration Software Install
- Configure Interfaces
- Provide QA and Testing

(1) Data Migration Technical Lead

- Data Extracts
- Data Imports
- Q&A and Report issues identified in import

(1) Analytics Lead

- Deploy Upgraded Software
- Configure Application
- Provide QA, Testing, and Go-live Support

(1) Clinical Consultant

- Licensed Clinical SME
- Onsite training coordination and execution
- Project coordination, configuration, and questions
- Testing & Go-live Support

(Multiple) Validation Resources

- Clinical SME

**ORDER FORM  
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PROFESSIONAL SERVICES**

- Modifies validation scripts to meet the client's workflow
- Executes validation scripts
- Maintains issue list throughout the validation

## 2.7 Client Team

The Client will assign key personnel to adequately staff the project and ensure overall success. WellSky estimates that the below resources will be needed as part of this engagement to cover key tasks during the project:

(1) Executive Sponsor

- Key stakeholder for Client's operations
- Serves as key decision maker for Client

(1) Project Manager

- Ownership over Client tasks within the Implementation Plan
- Management over Client resourcing and decisions
- Project schedule and escalations

(1) Subject Matter Experts (Conversion Data)

- Provide insight and detail around data to be converted over to the WellSky system
- Provide cleansing and review on data prior to import of data to be imported

(1) Subject Matter Experts (Clinical & Process)

- Provide expertise around current process and content
- Review core processes and content in the system, test, build, configuration, and validation
- Approve completeness of the system prior to Go Live

(1) Client Administrator

- Own system functionality and maintenance post Go Live
- Provide the first line of technical support and triage post Go Live
- Serve as the key technical interface into the WellSky support service

## 3 Training and Documentation

### 3.1 Training

The WellSky Implementation Methodology reinforces user independence for testing, training, and support of implemented solutions. The WellSky Professional Services team will conduct the following training throughout the delivery of the project.

#### 3.1.1 Super User Application Training

- WellSky will provide one (1) set of Super User Application Training. WellSky Transfusion Application training is four (4) days for up to eight (8) attendees performed either at the WellSky Headquarters in Overland Park, Kansas, or the Client's facility. All travel will be in compliance of Client travel policy attached hereto as Attachment 6.

**ORDER FORM  
ATTACHMENT 4  
PROFESSIONAL SERVICES**

- The training will be focused on increasing the Client's skills in the following areas: including the Inventory Module, Patient Specimen Module, Testing Module, Products and Derivatives, Emergency Release, Inventory Management, Registration Edits & Merges, Inventory Exception Manager, Quality Assurance, Reports, and the Automated Patient Backup Card (APBC).

**3.1.2 Super User Configuration Training**

- WellSky will provide one (1) set of Super User Configuration Training. WellSky Transfusion Configuration training is one (1) day for up to eight (8) attendees performed either at the WellSky Headquarters in Overland Park, Kansas, or the Client's facility.
- The training will be focused on increasing the Client's skills in the following areas: Facility Control Table, user build, interface table build/review and test family configuration.

**3.1.3 System Administration Training**

- WellSky will provide one (1) set of System Administration Training. WellSky Transfusion System Administration training is four (4) hours for up to eight (8) attendees and is performed remotely.
- The training will be focused on increasing the Client's skills in the following areas: Up to a half day of training on general system administration (e.g., creating users, printers, interface troubleshooting, maintenance, etc.).

**3.1.4 Report Writing Training**

- WellSky will provide one (1) set of Report Writing Training. WellSky Transfusion Report Writing training is four (4) hours for up to four (4) attendees and is performed remotely.

**3.1.5. End User Training Curriculum Development**

- WellSky will create end-user training materials to assist in end-user training based on client configuration and processes. Areas can include a predetermined set of topics including the following: System Overview, Patient Module, Registry, Active Patient, Active Patient Orders, All Patient Orders, Product Fulfillment, Specimen Module, Test Module, Active Test Tab, Test Family, QC Testing, Patient/Blood Product Testing, Inventory Module, Active Derivatives, Active Reagents, Active Blood Products, All Inventory Search, Product Processes, Blood Product History Tab, Inventory Management, Quality Assurance Module, Reports Module, and APBC.

**3.1.6 End-User Training Execution**

- WellSky will provide (2) days of on-site End-User Training. WellSky Transfusion End-User Training is two (2) days for up to eight (8) attendees performed at the Client's facility. All travel will be in compliance of Client travel policy attached hereto as Attachment 6.

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- The training will focus on introducing the end-users to WellSky Transfusion and a predetermined set of topics including the following: System Overview, Patient Module, Registry, Active Patient, Active

Patient Orders, All Patient Orders, Product Fulfillment, Specimen Module, Test Module, Active Test Tab, Test Family, QC Testing, Patient/Blood Product Testing, Inventory Module, Active Derivatives, Active Reagents, Active Blood Products, All Inventory Search, Product Processes, Blood Product History Tab, Inventory Management, Quality Assurance Module, Reports Module, and APBC.

### 3.2 Documentation

- Standard User Documentation will be provided electronically with corresponding WellSky Software.
- WellSky will provide end-user training documentation. Additional services for custom documentation may be quoted per solutions during the project and will be presented to the Client in the form of a scope change.

## 4 Testing and Support

### 4.1 Validation Testing

- WellSky will provide support for Validation Testing Support for questions that arise during validation testing, e.g.
- Additional support of Validation Testing implies additional services and is not included within the scope of the Solution.

### 4.2 Go-Live Support (GLS)

- WellSky will provide one (1) set of Go-Live Support at a single location as needed, not to exceed two (2) business days remotely, for the Project Manager, Technical Consultant, and Interface Consultant resources. The Clinical Consultant will be on-site not to exceed five (5) days providing Go-Live and Post-Go-Live Support. All travel will be in compliance of Client travel policy attached hereto as Attachment 6.
- Additional GLS implies additional Professional Services and is not included within the scope of this Solution.
- GLS activities include technical knowledge transfer post-Go-Live and problem resolution.
- A single Go-Live will be supported. Multiple, phased Go-Lives imply additional Professional Services and are not included within the scope of this Solution.
- GLS activities are defined and documented prior to the start of solution delivery.
- GLS must be scheduled to start within (30) days of the completion of Validation testing.
- WellSky requires that the Client provide a comprehensive GLS Plan that will be shared with all departments and support staff that will be involved in each solution Go-Live. This plan will identify the appropriate Client channels for issue resolution or escalation. The client will provide the first levels of GLS to encourage solution independence and knowledge, but issue escalation paths will include WellSky resources.

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#### 4.3 Environment Specifics

The WellSky Solutions outlined in the SOW deployed in the environments stated below. Integration between WellSky Solutions and other applications will be dependent on the availability of these environments.

- Up to one (1) Production Environment configured with Disaster Recovery
- Up to one (1) Training (non-production) Environment

#### 5 Assumptions on Data Extraction

Data will be extracted as follows:

- Extract Source 1: Haemonetics SafeTrace
- Total Licensed Beds: 550
- WellSky will provide services to extract a predetermined set of blood bank data deemed to be clinically significant from the Client's legacy Haemonetics SafeTrace system. Data will be extracted from the legacy database and modified per the specs needed by WellSky to migrate into WellSky Transfusion.
- Scope excludes any prior / archive system data. i.e., Cerner, etc.
- Client shall be responsible for providing direct access to production data for WellSky resources.
- Client shall be responsible for providing information on the Master Patient Index.
- WellSky will provide recommendations for mapping the fields to the WellSky import specification based on prior experience.
- Client is responsible for reviewing the recommendations and identifying any adjustments needed based on the client's specific configuration and processes.
- Client is responsible for providing a crosswalk for the historical MRN with a new MRN as part of the initial data migration process.
- WellSky to perform MRN conversion as part of the implementation process with the above file if needed.
- The data extract fees quoted are for a single final go-live extract from the legacy source unless otherwise noted.

##### 5.1 Data Extraction Field Level Details

The chart below describes the fields that will be pulled during a data extraction.

Core Data Files		Supporting Files	
Text File	Contents	Text File	Contents



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PTNT	Patient Demographics, Incl. ABO, Rh, ABSC	FCLTY_CD	Facility Code
PAT_INST	Patient Antibodies, Antigens, Instructions		
PTNT_CMT	Patient Comments		

Core Data Files		Supporting Files	
Text File	Contents	Text File	Contents
UNIT	Units (Req'd for Transfusion History)	PROD_CD SRC_CD	Product Codes Unit Source Codes
UNIT_CMT	Unit Comments		
SPEC_ATR	Unit Special Attributes		

DATA FILES		
	Text File Name	Contents
<b>PATIENT</b>	<b>PTNT.txt</b>	Patient Demographics: IPN*, MRN, Name, Sex, DOB, ABO/Rh, ABSC_REC, etc.
	<b>PTNT_INSTR.txt</b>	Patient ANTIBODIES, ANTIGENS & Special Patient INSTRUCTIONS
	<b>PTNT_CMT.txt</b>	Unlimited Free Text Patient Comments

<b>UNIT</b>	<b>UNIT.txt</b>	UNIT "Demographics": IUN*, UNIT# (aka Donation ID), Product Code, ABO/Rh, Disposition
	<b>UNIT_CMT.txt</b>	Unlimited Free Text UNIT Comments
	<b>SPEC_ATTR.txt</b>	UNIT "Markers" (CMV-, IRR, etc.) and Antigens

SUPPORTING FILES	
Contents	
Facility Code(s)	
Unit Product Codes, Descriptions, WellSky Transfusion Product GROUP, etc.	
<p style="text-align: center;">Cross-reference mapping between:</p> <p style="text-align: center;">Legacy Product <b>CODES</b> and Transfusion Product <b>GROUPS</b></p> <p style="text-align: center;">Legacy Patient <b>ANTIBODY</b> Codes &gt; Transfusion Patient <b>ANTIBODY</b> Codes</p> <p style="text-align: center;">Legacy Patient <b>ANTIGEN</b> Codes &gt; Transfusion Patient <b>ANTIGEN</b> Codes</p> <p style="text-align: center;">Legacy Patient <b>Instructions</b> &gt; Transfusion Patient <b>Special Instructions</b></p>	

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## 6 Project Assumptions

The below assumptions relate to all solutions included in this SOW and will be of particular interest to business process owners and the Client's project team.

### 6.1 Assumptions regarding project delivery

- Any work included in scope will be scheduled after this Statement of Work is fully executed.
- Changes to the scope or assumptions defined in this document may affect the cost. If changes are required, they will be presented to the Client in the form of a Change Order.
- Any additional work needed due to scope changes, new requirements, or additional requests, if agreed to by WellSky, will be quoted and a signature on a new Order Form document will be required before proceeding with the work.
- Software and services not outlined above which are necessary to satisfy business requirements not yet discovered are excluded from the scope.

### 6.2 Assumptions regarding project methodology

- WellSky Project Manager will be responsible for creating a Project Schedule during the planning phase, outlining the schedule for specific events and milestones of the project. The Project Schedule will include tentative dates for delivery and go live.
- WellSky will document meeting minutes and identify outstanding issues and/or decisions.
- Once the client has approved the requirements, all subsequent changes or additions to the scope mutually agreed upon will be addressed through a change request, and the effect of these changes on the agreed schedule will need to be evaluated.
- The standard project estimate presupposes that project status meetings will be conducted no more frequently than every week. Additional hours will be added to the project if more frequent status meetings are requested.
- During the plan phase of the project, the WellSky Project Manager will work with the Client to identify specific requirements that will determine successful project completion and closure.
- Upon successful deployment and completion of agreed-upon milestones, the WellSky Professional Services team will transition the Client and the solution to the WellSky Support Services team within two (2) days of go live.
- The scope defined in this SOW assumes that WellSky adheres to its standard project methodology and that all project management artifacts are assumed to follow WellSky's standards. It is understood that deviation from these standards upon request from the Client may result in an adjustment of the estimated level of effort.

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7 WellSky Training Center

7.1 Engagement Overview

- WellSky Training Services will engage with the Client to coordinate access to the Training Center and learning modules for WellSky Transfusion.

7.2 Training Center Description

- The Training Center provides WellSky clients with a training experience that guides them through a true learning plan.
- The Training Center contains self-paced courses organized to deliver material in an optimized order, complete with motivations and assessments along the way to keep our users positively engaged. The WellSky Training Center Course Catalog will expand as continuing education topics are identified and developed.
- Course material includes, but is not limited to:
  - i. Video instruction
  - ii. Training documentation
  - iii. Assessments
- Select reports are available to client administrators for the purpose of managing the progress of users in the learning process.

7.3 Training Center Deployment

WellSky will work with the Client to provide the necessary services as a part of this engagement. The services shall be subject to the following:

- Pricing of the Training Center is based upon up to thirty (30) named users.
- Up to a total number of named users with log in credentials for the Client may not exceed the contracted amount thirty (30).
- The total number of naming transactions per year may not exceed the contracted amount of named users thirty (30).
- Named user identification is managed in two (2) stages, first the Initial Identification process, followed by the Ongoing Identification process.
  - Initial Identification of Named Users – A Training Center resource will coordinate with an identified Client representative to determine a list of users that will receive login credentials.
  - Ongoing Identification of Named Users – The client representative will provide user information for a named user by submitting a Training Services provided online form. A Training Center resource will process the requested form within two (2) business days.
- Course assignment is completed at the time of user identification or can be altered for an existing user by submitting an online form provided by Training Services.
- Course and User management will not be transacted outside of the standard process.

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**7.4 Training Center Refresh**

- WellSky Training Services will perform an annual review and refresh of all courses on an annual basis, at minimum.
- Specific course components may receive periodic updates, as needed.
- Named user counts have been refreshed annually.

**7.5 Engagement Assumptions**

These assumptions are specific to the WellSky Training Services engagement and express WellSky's understanding of the scope of work to be performed.

- WellSky assumes that any change requested by the Client for additional requirements of services shall be estimated and itemized in a Change Request that will identify the incremental cost for additional services requested.
- WellSky assumes that all services shall be provided remotely.
- WellSky assumes that software and services not outlined above which are necessary to satisfy business requirements not yet discovered or outside the functionality or capabilities of the currently installed software are excluded from the scope. Additional such services may be represented in the form of a Change Request.
- Access to the WellSky Training Center is not limited to a business hours schedule.
- No custom-created content is included in the scope.
- Training Center content is for registered users only, sharing of this content in any way is prohibited.
- Training Center content for additional WellSky solutions or products is not included in the scope. WellSky assumes that any direct services and support within the scope of this SOW are to be performed Monday through Friday during standard business hours unless otherwise stated in this SOW. Standard business hours are defined as 8:00am – 5:00pm local time excluding weekends and observed National Holidays.

**7.6 Responsibilities**

WellSky Responsibilities:

- Provide initial set up of named users.
- Provide regular updates to Training Center courses.
- Manage named user counts on a yearly basis.

Client Responsibilities:

- Provide appropriate resources to engage in role identification and course assignment process.
- Manage staff's Training Center's utilization via reporting.

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## 8 Change Management

### 8.1 Changes to the SOW

- Either party may elect to submit written change requests to the other party proposing changes to the SOW. All changes to the requirements and SOW will be made using agreed-to project change control procedures.

### 8.2 Change Order Procedure

If either of the parties wishes to alter the approved design document or this SOW, the person who request the change (the “Originator”) will forward to the other party (the “Recipient”) a change order, which will include the following:

1. Project identification
2. Originator’s name and title
3. The date of the change order
4. Priority level of the request as either Priority 1 (Urgent) or Priority 2 (Ordinary)
5. A description of the proposed change
6. The reason for the proposed change
7. A description of the proposed change’s impact on the project’s scope, schedule, and/or budget.

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WellSky Transfusion – Two (2) Upgrades in Five (5) Years Statement of Work

## 1 Executive Summary

WellSky Professional Services (“WellSky”) and Client will work together to implement the WellSky Transfusion solution. WellSky’s Professional Services team and Client team are responsible for the planning, solution design, installation, configuration, and testing of the proposed solutions as illustrated in this Statement of Work (“SOW”).

This SOW describes upgrade services to be performed for the following solutions in scope:

- Two (2) WellSky Transfusion and Transfusion Analytics Upgrade Service over five (5) years including Transfusion Upgrade Validation Assistance

## 2 Methodology

### 2.1 Project Methodology

- WellSky employs a proven project methodology which promotes and encourages Client education, empowerment, and ultimately product independence.
- Each phase of the project has been specifically designed to provide Clients with tools and resources not only necessary to support a successful implementation, but to enable and empower Clients to support and expand their WellSky software solutions.
- Each project will consist of the following phases that will be used to benchmark implementation and project management activities through project completion.



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### 3 WellSky Engagement Specifics

#### 3.1 Engagement Overview

- 1 site upgrading WellSky Transfusion, Intelligent Integration, APBC, and Transfusion Analytics to one of the latest GA'd version
  - 1 site to be validated by WellSky
- Up to 4 Transfusion Slips will be updated to include any new functionality
  - One cellular, one non-cellular, one derivative, and one downtime tags
- Review a limited select set of new features available with the first upgrade
- Review of new features available with additional upgrades in scope post-first upgrade
  - Changes to the Test Families, Truth Tables, and ABORH Matrix are not included as part of this upgrade unless otherwise noted.
- Reporting
  - Upgrades to custom reports are excluded from scope unless otherwise indicated.

Scope of upgrade includes the upgrade of two (2) environments: a Test Environment and a Production Environment configured with Disaster Recovery. High Availability and Additional Environments will require a change order unless otherwise noted.

#### 3.2 Engagement Assumptions

- After executing the Agreement, WellSky's assigned Project Manager will work with Client to schedule Client's overall implementation.
- WellSky to perform the upgrade on new servers.
- Custom Programming including scripting and reporting is out of scope for this engagement unless otherwise noted.
- WellSky Transfusion project assumes that the Client's applications with which WellSky Transfusion is integrating with are in production and not in a state of flux (ex. Application upgrades, System Migrations, etc.). Applications not available or in state of flux will be subject to Change Order to accommodate additional services work.
- Upgrade will include one upgrade during the implementation process. Multiple upgrades to different versions regardless of timeline are not in scope. If needed, a scope change will be issued.
- Any Solutions or Services not outlined above which are necessary to satisfy business requirements not yet discovered or outside the functionality or capabilities of the currently installed software are excluded from scope. Any services not explicitly identified in this SOW as Services in scope will be considered out of scope. Additional Services may be represented in the form of a Change Request.
- Services and Support within the scope of this document are to be performed Monday through Friday during standard business hours unless otherwise stated in this SOW. Standard business hours are defined as 8:00am – 5:00pm local time excluding weekends and observed Client Holidays.
- The Services provided under this SOW are independent to the software support and maintenance services ordered by Client which are provided by the WellSky Support Services Team.
- WellSky assumes this SOW covers the efforts required through delivery of the solution. Once the solution has been delivered, the Services team will transition the client back to Support at the

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completion of go-live support as outlined in Section 7. Any additional services beyond this time are not included in the scope and may require a change order form.

- WellSky will perform the validation tasks under Client's purview and the services quoted include:
- Validation Planning Activities
- Validation Script Modifications
- Validation Script Executions
- Documentation of Observations found during Validation
- Includes: Truth Table and Functional Validation at the first facility. Each additional facility includes only Truth Table and Functional differences validation. ABO Compatibility Matrix is excluded from scope.
- Assumes:
- 85% Standardization of SOPs
- HL7, Instrument, and BloodTrack interface validation is not included.
- Does not include data conversion validation.
- Requires final Client review and sign-off of validation & documentation.
- Professional Services cancellation requests must be received ten (10) or more business days prior to any onsite engagement. Cancellation requests received nine (9) or fewer business days prior to any onsite meetings, will be charged for any travel cancellation fees.
- WellSky will work with Client to deliver the services contained in this SOW within the timeframes of the mutually agreed upon Project Timeline identified during the Plan phase of the project. In the event that Client is responsible for delays in project delivery, causing timeline extensions and/or extended durations of events within the agreed upon Project Timeline resulting in added services efforts or the Client is otherwise unable to begin the project within six (6) months of contract execution, additional services costs may be presented in the form of a scope change as this extends the level of effort contained within this SOW. Services do not include an upgrade after initial installation of software unless otherwise outlined in scope. Any requested upgrades would require a change in scope.
- All services outlined in this SOW must be completed within five (5) years of the initial contract execution date.
- Any additional Software and Services not outlined in the scope of work that are deemed necessary for Go Live may result in a change order to the project.

### 3.3 WellSky Responsibilities

WellSky Professional services will be responsible for the following:

- Managing the project's scope, schedule, and budget while providing regular updates to Client stakeholders as agreed to during the Plan phase of the project.



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- Providing best practice solution recommendations.
- Working with Client to assist them while they configure the WellSky Transfusion solution.
- Notifying Client of any unforeseen project delays or changes to the project schedule as soon as reasonably possible.
- To first perform the upgrade of the WellSky Solution in the new Production environment from a copy of Production. Go Live will consist of upgrading the Database in the new Production environment as defined in the engagement.
- WellSky to provide Transfusion Upgrade Validation Services.

### 3.4 Client Responsibilities

The Client will be responsible for the following:

- Client is responsible for confirming the SOW meets project expectations.
- Client is responsible for communicating all timeline restrictions, deadlines, resource constraints, and other requirements to the project schedule.
- Client will assign a Project Manager to coordinate implementation and related activities (including across sites) and to act as a central point of contact with WellSky.
- Client will allow the WellSky team to use SecureLink for remote connectivity to the system or work with the WellSky team to provide equivalent access that is equally accessible as SecureLink. If additional time is needed to access the environment, it could result in a change order.
- Client is responsible for providing applicable resources to complete tasks assigned.
- Client is responsible for providing all users logging into the solution with AD/LDAP network accounts and require the users to actively log into workstations with those accounts to maintain password policies.
- Client will provide approval of validation at least 30 days prior to scheduled go-live.
- Client is responsible to note any potential known risks to the project (such as an EHR/LIS upgrade or AABB inspection) that could result in the disruption of the project schedule.
- Client is responsible for proactively managing any outsourced resource(s). WellSky expects that any outsourced activity be transparent to the WellSky project manager.

## 4 Resources

### 4.1 WellSky Team

WellSky will field a team of industry experts, technical experts, and leadership resources to ensure the overall success of the engagement. Below is a list and brief description of the team that will be involved over the duration of the WellSky project as scoped in this SOW (some roles are optional depending on purchase).

(1) Executive Sponsor of Project

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- (1) Project Manager
  - Ownership over the roll out and solution key steps
  - Management over key project resourcing and efforts
  - Project schedule and escalations
- (1) Technical Lead
  - Deploy Upgraded Software
  - Configure Application, Database and Report Servers as defined in SOW
  - Administer Security & Certificates
- (1) Interface Lead
  - Deploy Upgraded Interface Software
  - Configure Interfaces
  - Provide QA, Testing and Go-live Support
- (1) Clinical Consultant
  - Licensed Clinical SME
  - Project coordination, configuration, and questions
  - Testing & Go live Support
- (Multiple) Validation Resources
  - Clinical SME
  - Modifies validation scripts to meet client's workflow
  - Executes validation scripts
  - Maintains issue list throughout validation

#### 4.2 Client Team

The Client will assign key personnel to adequately staff the project and ensure overall success. WellSky estimates that the below resources will be needed as part of this engagement to cover key tasks during the project:

- (1) Executive Sponsor
  - Key stakeholder for Client's operations
  - Serves as key decision maker for Client
- (1) Project Manager
  - Ownership over Client tasks within the Implementation Plan
  - Management over Client resourcing and decisions
  - Project schedule and escalations
- (1) Subject Matter Experts (Clinical & Process)
  - Provide expertise around current process and content
  - Coordinate and lead Client build/configuration of the application
  - Review core processes and content in system, test, and validation
  - Approve completeness of system prior to Go Live
- (1) Client Administrator
  - Own system functionality and maintenance post Go Live
  - Provide first line of technical support and triage post Go Live
  - Serve as key technical interface into the WellSky support service

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**5 Training and Documentation**

**5.1 Training**

- The Clinical Consultant will deliver up to four (4) hours demonstrating new functionality as applicable.

**5.2 Documentation**

- Training manuals are not provided during an upgrade process. Any training manuals needed would be considered out of scope and would need a change order.

**6 Validation**

**6.1 Validation Testing**

- WellSky will perform validation tasks under the Client's purview according to the services included below:
- Validation planning activities
- Validation script modifications
- Validation script executions
- Documentation of observations found during validation
- Up to six (16) hours of validation support are included in each of the two (2) upgrades.

**6.2 Validation Testing Support**

- WellSky will provide remote support for up to sixteen (16) hours of testing support.
- Sign off on validation by client is required at least (30) days prior to go-live.
- Validation testing activities are defined and documented prior to the start of solution delivery.
- Validation testing phase is performed and driven by WellSky.

**7 Go-Live Support (GLS)**

- Unless otherwise noted, per upgrade, WellSky will provide one (1) set of Go-Live Support as needed, not to exceed two (2) days remotely, for the Project Manager, Clinical Consultant, Technical Consultant, and Interface Consultant resources.
- WellSky requires that Client provide a comprehensive GLS Plan that will be shared with all departments and support staff that will be involved in each solution Go-Live. This plan will identify the appropriate Client channels for issue resolution or escalation. Client will provide the first levels of GLS to encourage solution independence and knowledge, but issue escalation paths will include WellSky resources.

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8 Environment Specifics

The WellSky Solutions outlined in the SOW will be upgraded in the environments stated below. Integration between WellSky Solutions and other applications will be dependent on availability of these environments.

- Up to one (1) Production Environment configured with Disaster Recovery
- Up to one (1) Training (non-production) Environment

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HOSTING SERVICES**

WellSky will provide the Hosting Services as set forth below. Hosting Services will be billed to Client according to the fee schedule detailed in Attachment 1.

**Environment Hosting Services:**

The pricing is based on a configuration which assumes the following:

- Maximum online Concurrent Users at any given time will not exceed:
  - WellSky Transfusion: Up to 10 Concurrent Users
  - Transfusion Analytics: 1 Facility / 1 Database

The following will be provided in conjunction with WellSky's hosting partner:

- Intel-based Server(s) based on the Designated Platform specifications
  - Configured for two (2) total environments: one (1) Test/Non-Production, and one (1) Production environment configured with disaster recovery
  - Fully redundant disk storage
- Networking
  - VPN access
  - Private network access will be provided
  - Firewall protection will be provided
- Hardware
  - Ongoing hardware maintenance
- Data Center Operation
  - Normal operation of the data center will be 24x7 uninterrupted service except for scheduled maintenance and emergency maintenance.
- System backups coordinated with WellSky hosting partner
- Software updates coordinated between WellSky and Client
- Client shall provide connectivity to WellSky.
- Client to set up VPN tunnel per technical specifications to allow interface messages, custom reports and label printing.
- For security reasons, WellSky does not provide direct access to the hosted environments for report writing but instead provides a best practice version of the Transfusion database to the client to be hosted locally for building new reports. The client's report writers will work with WellSky services and support to load report files into the validation environment for testing and then into production for Live use.

**WellSky Hosting Services Not Included:**

- Data Replication to Client data warehouse
- WellSky Licensed Software Upgrade Services

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HOSTING SERVICES  
EXHIBIT I – SERVICE LEVEL AGREEMENT**

This Exhibit I to the Hosting Services Attachment (“Hosting Services Exhibit”) sets forth the terms and conditions that govern the Hosting Services (defined below) and the Licensed Software when hosted by WellSky. Any defined terms not otherwise defined below shall have the same meaning as set forth in the Agreement.

1. Definitions.

- a. “Access Protocols” means industry standard internet access protocols through which WellSky makes the Hosting Services accessible to Client which includes, unless otherwise specified by the product or service contract, HTTPS and FTPS.
- b. “Availability” means the time in which the Licensed Software is available for use during the Measurement Window, calculated as a percentage and determined as follows:

$$\text{Availability} = \frac{(\text{Total Annual Time} - \text{Unscheduled Downtime})}{\text{Total Annual Time}} \times 100$$

- c. “Core System Functionality” means functionality that does require real time availability for effective use of Hosting Services. Core system functionality includes all features required to commence a user session and performs end user operations, including create, read, update and delete operations.
- d. “Disaster” means a catastrophic event (or series of events that are collectively catastrophic) not caused by WellSky that results in significant or potentially significant downtime or disruption of the production environment and requires WellSky to invoke its Disaster Recovery plan. WellSky has the sole and exclusive right to declare a disaster.
- e. “Disaster Recovery” means WellSky’s process to restore Availability in the event that WellSky declares a disaster. WellSky has the sole and exclusive right to declare a disaster.
- f. “Error” means an error or bug preventing the Licensed Software from operating in accordance with the Documentation in all material respects.
- g. “Fix” means the repair or replacement of object or executable code within the Licensed Software to remedy an Error.
- h. “Live/Production Instance” means Client and/or product URLs and the associated technology environment that is provided as a part of the Hosting Service for accessing live data in the Licensed Software after the First Beneficial Use date and does not include any other instances that may be used for testing, training, development, staging or any other purpose.
- i. “Non-Core System Functionality” means functionality that does not require real time availability for effective use of the Hosting Services. This explicitly includes, but is not limited to, reporting and background batch processing.
- j. “Priority 1” is the most severe error and represents a situation where all features and functions of the Hosting Services are unavailable and no practical alternate mode of operation is available.
- k. “Priority 2” indicates a problem in which certain features and functionality of the Hosting Services are not available and no practical alternate mode of operation is available.
- l. “Priority 3” is the normal next-in-line priority assignment.

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- m. “RPO” means the Recovery Point Objective. This is the maximum amount of potential data loss in the event of a disaster.
  - n. “RTO” means the Recovery Time Objective. This is the period of time to restore services from the declaration by WellSky of a disaster.
  - o. “Scheduled Downtime” means the total amount of time during any annual term, measured in minutes, during which the Core System Functionality is unavailable for access to Client’s active Permitted Users according to the Access Protocols, due to scheduled system maintenance performed by or on behalf of WellSky.
  - p. “Service Hours” means 24 hours/day, 7 days/week.
  - q. “Support Call” means a telephone call or email notification from Client to WellSky in respect of a Priority 1, Priority 2, or Priority 3 Error.
  - r. “Support Reply Time” means the elapsed time during Service Hours between the receipt of a Support Call and the target time within which WellSky begins Support as verified by a verbal or email confirmation to Client.
  - s. “Total Annual Time” means all minutes in the relevant annual term.
  - t. “Unscheduled Downtime” means the total amount of time during the applicable annual term, measured in minutes during which the Core System Functionality is unavailable for access by Client’s Permitted Users according to the Access Protocols, other than for Scheduled Downtime and the exceptions otherwise stated in the Agreement. Unscheduled Downtime will not include, without limitation, any downtime arising from: (i) Client’s breach of any provision of the Agreement; (ii) non-compliance by Client with any provision of the Agreement; (iii) incompatibility of Client’s equipment or software with the Hosting Services or Licensed Software; (iv) poor or inadequate performance of Client’s systems; (v) Client’s equipment failures; (vi) acts or omissions of Client or its Permitted Users, contractors, or suppliers; (vii) telecommunication or transportation difficulties; (viii) Client’s network and internet service provider, (ix) public internet, (x) security exposure, or (xi) force majeure (as described in the Agreement). In the event of a Disaster or Client’s non-compliance with the Agreement, the Availability Service Standard (and any related fee reductions) shall not apply.
  - u. “Workaround” means a change in the procedures followed or data supplied by Client to avoid an Error without substantially impairing Client’s use of the Software.
- 2. Order of Precedence. In the event of a conflict between this Hosting Services Exhibit and the terms and conditions of the Agreement, this Hosting Services Exhibit shall control as it relates to the Hosting Services or the Licensed Software when hosted by WellSky.
  - 3. Services. WellSky shall host the Licensed Software (“Hosting Services”) as set forth on this Hosting Services Exhibit.
  - 4. Term. Hosting Services are available as of the effective date of the applicable Order Form(s) and shall continue until termination of the applicable Order Form (“Term”).
  - 5. Telephone Support. WellSky shall provide Licensed Software support portal access (“Support Portal”) and telephone support to assist Client with the use of the Hosting Services and to assist with issue resolution during the term of the Hosting Services. The Portal Support and telephone support will be available 24

**ORDER FORM  
ATTACHMENT 5  
HOSTING SERVICES  
EXHIBIT I – SERVICE LEVEL AGREEMENT**

hours a day. For the avoidance of doubt and notwithstanding anything to the contrary in the Agreement, during the Term of Hosting Services, Support of the Licensed Software shall be in accordance with this Hosting Services Exhibit, and neither Exhibit A or B of the Agreement shall apply.

6. Updates. So long as Client remains current on Support, WellSky may make Updates available to Client pursuant to WellSky's standard release cycle. WellSky reserves the right to determine the content and availability of Updates. Any enhancements or additions made to an interface as requested by Client are not part of this Hosting Services Exhibit and may increase the monthly charge by an amount which reflects the extent of the change. Documentation updates shall generally be distributed to Client with each Update. Professional Services related to Updates are not included in the Hosting Services and are subject to a separate mutually agreed upon Order Form between the Parties.
7. Internet Connection Dependence. The performance and availability of the Hosting Services are directly dependent upon the quality of Client's Internet connection. WellSky will aid Client in determining the quality of their Internet connection via the use of tools designed to measure throughput. This information may then be used to make an informed decision by Client regarding Internet Service Provider ("ISP") selection. Failure of Client's Internet connection to maintain satisfactory throughput and latency is outside the scope of WellSky's responsibility and should be addressed by Client directly with the ISP. WellSky cannot be held responsible for Internet infrastructure failures, and as such, this Hosting Services Exhibit only applies to those components within the WellSky Hosting Services.
8. Availability Service Standard. Following First Productive Use, WellSky shall use commercially reasonable effort to provide the Hosting Services with annual Availability for the Live/Production Instance of the Hosting Services at 99.5% in an annual term.
9. Scheduled Downtime. Periodically, WellSky will require Scheduled Downtime. Scheduled Downtime will normally be scheduled outside of normal business hours, with seventy-two (72) hours' notice, or in the event of a more urgent need, WellSky may give twelve (12) hours' notice or less to resolve an immediate security need. Depending on the immediacy of the Scheduled Downtime required, the down time may be rescheduled at the request of Client if reasonably possible. It is anticipated that there will be monthly Scheduled Downtime for system maintenance on Tuesday evenings to Wednesday mornings from approximately 10:00 p.m. to 1:00 a.m. in the applicable Arizona time zone.
10. Service Levels
  - a. Support Services. WellSky will provide Hosting Services and Software Support to Client pursuant to the terms of this Hosting Services Exhibit, including the following procedures.
    - i. WellSky Client Support Center. Client's Authorized Contact shall report Errors or problems with the Licensed Software to WellSky's Client Support center. WellSky shall assign an Error priority level to the request during Service Hours.
    - ii. Support Call Logging. WellSky shall acknowledge receipt of Support Calls by telephone or the same method that the Support Call was received with a tracking number, and with respect to Software Support, within the Support Reply Times.
    - iii. Software Support Reply Times.
      1. Support for the Hosting Services is available during Service Hours with the following Support



**ORDER FORM  
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Reply Times:

Error Priority	Support Reply Time
Priority 1	4 hours
Priority 2	Assigned to next available programmer
Priority 3	Normal, next in line priority assignment

iv. Hosting Service Response. Following acknowledgement by WellSky in response to a Support Call with respect to a Priority 1 or 2 Error, WellSky will apply continued and uninterrupted efforts to restore Client access to Hosting Services. Following acknowledgement of a Priority 3 Error, WellSky will incorporate any necessary changes with the next release of the Licensed Software, or provide a Fix or Workaround thereto, in its sole discretion.

b. Hosting Support Exclusions. If WellSky believes that a problem reported by Client may not be due to an Error in the Hosting Services, WellSky will promptly notify Client. Support does not include services requested as a result of, or with respect to, causes which are not attributable to WellSky or the Hosting Services (“Excluded Services”). Excluded Services will require prior written approval of the Parties and be billed to Client at WellSky’s rates set forth on an applicable Order Form.

11. High Availability.

Minimum of N+1 for all local data center equipment, data connections & power with full nightly offsite back-ups.

12. Disaster Recovery.

Hot DR	
Objective	Metric
RPO	≤ 1 hours
RTO	≤ 2 hours

13. Measurement and Reports.

a. Monitoring and Measurement: WellSky will monitor Availability on an ongoing basis during the Term. Availability will be calculated on an annual basis for annual term during the Term upon request. This monitoring will be performed through a combination of monitoring services, these tools are intended to serve as initial alert to WellSky. WellSky will conduct a series of tests to confirm Availability if it is alerted to potential Unscheduled Downtime.

- i. If an alerting mechanism reports that the Core System Functionality is unavailable and Client confirms the unavailability, then Unscheduled Downtime will be calculated as the time between when the initial notification or alert was received until WellSky confirms availability has been restored.
- ii. If an alerting mechanism reports that the Core System Functionality is potentially unavailable, but WellSky’s tests and assessments confirms that is available, then the alert of potential unavailability will be dismissed and excluded from the calculation of Unscheduled Downtime.

**ORDER FORM  
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- b. System Performance Reports: Client agrees that WellSky's monitoring and measurement method and standard Availability reports are the sole and exclusive methods of measuring Availability under this Hosting Services Exhibit. No other measure shall be accepted unless validated, and mutually agreed to in writing by both Parties before implementation.

14. Client Requirements.

- a. Minimum System: The service standards set forth in this Hosting Services Exhibit assume that Client and its Permitted Users, agents, and service desk personnel, as applicable, meet and remain current with all minimum requirements relating to the Hosting Services. These minimum system requirements may vary over time due to Licensed Software Upgrades provided under this Hosting Services Exhibit and other factors. As these requirements change, WellSky will inform Client such that the Client can remain compliant with these requirements.
- b. Additional Client Obligations: Except as otherwise agreed between the Parties in a separate written agreement, Client is responsible for (i) maintenance and management of its computer network(s), servers, software, and any equipment or services related to its receipt and use of the Hosting Services; and (ii) correctly configuring Client's systems in accordance with the Access Protocols and minimum system requirements.

TRAVEL REIMBURSEMENT POLICY

**ORDER FORM  
ATTACHMENT 6  
CLIENT TRAVEL REIMBURSEMENT POLICY**

The following are the acceptable travel guidelines for reimbursement of travel costs. Reimbursement shall only be for the contract personnel.

**Transportation:**

- Domestic Airlines (Coach Ticket). Number of trips must be approved by UMC.
- Personal Vehicle: UMC will not pay costs associated to driving a personal vehicle in lieu of air travel.

**Meals:** All meal charges will be paid up to and not to exceed \$50 per day. This includes a 15% tip.

**Lodging:** Lodging will either be booked by UMC or reimbursed for costs of a reasonable room rate plus taxes for Las Vegas, NV, not to exceed \$150 per night.

**Rental Vehicles:** One (1) automobile rental will be authorized per four (4) travelers. Rental must be midsize or smaller. UMC will reimburse up to \$150 per week. Return re-fuel cap of \$50 per vehicle.

Each traveler shall submit the following documents in order to claim travel reimbursement. The documents shall be readable copies of the original itemized receipts with each traveler's full name. Only actual costs (including all applicable sales tax) will be reimbursed.

- Company's Invoice
  - o With copy of executed contract highlighting the allowable travel
  - o List of travelers
  - o Number of days in travel status
- Hotel receipt
- Meal receipts for each meal
- Airline receipt
- Car rental receipt (Identify driver and passengers)
- Airport parking receipt (traveler's Airport origin)
- Gas re-fuel upon return of rental vehicle capped at \$50 per vehicle
- Airport long term parking (only for economy rate)

The following are some of the charges that will NOT be allowable for reimbursement (not all inclusive):

- Personal vehicle (UMC will not pay costs associated to driving a personal vehicle in lieu of air travel)
- Excess baggage fares
- Upgrades for transportation, lodging, or vehicles
- Alcohol
- Room service
- In-room movie rentals
- In-room beverage/snacks
- Gas for personal vehicles
- Transportation to and from traveler's home and the airport
- Mileage
- Travel time

## INSTRUCTIONS FOR COMPLETING THE DISCLOSURE OF OWNERSHIP/PRINCIPALS FORM

### **Purpose of the Form**

The purpose of the Disclosure of Ownership/Principals Form is to gather ownership information pertaining to the business entity for use by the University Medical Center of Southern Nevada Governing Board ("GB") in determining whether members of the GB should exclude themselves from voting on agenda items where they have, or may be perceived as having a conflict of interest, and to determine compliance with Nevada Revised Statute 281A.430, contracts in which a public officer or employee has interest is prohibited.

### **General Instructions**

Completion and submission of this Form is a condition of approval or renewal of a contract or lease and/or release of monetary funding between the disclosing entity and University Medical Center of Southern Nevada. Failure to submit the requested information may result in a refusal by the GB to enter into an agreement/contract and/or release monetary funding to such disclosing entity.

### **Detailed Instructions**

All sections of the Disclosure of Ownership form must be completed. If not applicable, write in N/A.

**Business Entity Type** – Indicate if the entity is an Individual, Partnership, Limited Liability Company, Corporation, Trust, Non-profit Organization, or Other. When selecting 'Other', provide a description of the legal entity.

**Non-Profit Organization (NPO)** – Any non-profit corporation, group, association, or corporation duly filed and registered as required by state law.

**Business Designation Group** – Indicate if the entity is a Minority Owned Business Enterprise (MBE), Women-Owned Business Enterprise (WBE), Small Business Enterprise (SBE), Physically-Challenged Business Enterprise (PBE), Veteran Owned Business (VET), Disabled Veteran Owned Business (DVET), or Emerging Small Business (ESB). This is needed in order to provide utilization statistics to the Legislative Council Bureau, and will be used only for such purpose.

- **Minority Owned Business Enterprise (MBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more minority persons of Black American, Hispanic American, Asian-Pacific American or Native American ethnicity.
- **Women Owned Business Enterprise (WBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more women.
- **Physically-Challenged Business Enterprise (PBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more disabled individuals pursuant to the federal Americans with Disabilities Act.
- **Small Business Enterprise (SBE):** An independent and continuing business for profit which performs a commercially useful function, is not owned and controlled by individuals designated as minority, women, or physically-challenged, and where gross annual sales does not exceed \$2,000,000.
- **Veteran Owned Business Enterprise (VET):** An independent and continuing Nevada business for profit which performs a commercially useful function and is at least 51 percent owned and controlled by one or more U.S. Veterans.
- **Disabled Veteran Owned Business Enterprise (DVET):** A Nevada business at least 51 percent owned/controlled by a disabled veteran.
- **Emerging Small Business (ESB):** Certified by the Nevada Governor's Office of Economic Development effective January, 2014. Approved into Nevada law during the 77th Legislative session as a result of AB294.

**Business Name (include d.b.a., if applicable)** – Enter the legal name of the business entity and enter the "Doing Business As" (d.b.a.) name, if applicable.

**Corporate/Business Address, Business Telephone, Business Fax, and Email** – Enter the street address, telephone and fax numbers, and email of the named business entity.

**Nevada Local Business Address, Local Business Telephone, Local Business Fax, and Email** – If business entity is out-of-state, but operates the business from a location in Nevada, enter the Nevada street address, telephone and fax numbers, point of contact and email of the local office. Please note that the local address must be an address from which the business is operating from that location. Please do not include a P.O. Box number, unless required by the U.S. Postal Service, or a business license hanging address.

**Number of Clark County Nevada Residents employed by this firm. (Do not leave blank. If none or zero, put the number 0 in the space provided.)**

**List of Owners/Officers** – Include the full name, title and percentage of ownership of each person who has ownership or financial interest in the business entity. If the business is a publicly-traded corporation or non-profit organization, list all Corporate Officers and Directors only.

### **For All Contracts – (Not required for publicly-traded corporations)**

- 1) Indicate if any individual members, partners, owners or principals involved in the business entity are a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s). If yes, the following paragraph applies.

In accordance with NRS 281A.430.1, a public officer or employee shall not bid on or enter into a contract between a government agency and any private business in which he has a significant financial interest, except as provided for in subsections 2, 3, and 4.

- 2) Indicate if any individual members, partners, owners or principals involved in the business entity have a second degree of consanguinity or affinity relation to a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s) (reference form on Page 2 for definition). If YES, complete the Disclosure of Relationship Form.

A professional service is defined as a business entity that offers business/financial consulting, legal, physician, architect, engineer or other professional services.

**Signature and Print Name** – Requires signature of an authorized representative and the date signed.

**Disclosure of Relationship Form** – If any individual members, partners, owners or principals of the business entity is presently a University Medical Center of Southern Nevada employee, public officer or official, or has a second degree of consanguinity or affinity relationship to a University Medical Center of Southern Nevada employee, public officer or official, this section must be completed in its entirety.

**DISCLOSURE OF OWNERSHIP/PRINCIPALS**

<b>Business Entity Type (Please select one)</b>						
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input type="checkbox"/> Limited Liability Company	<input checked="" type="checkbox"/> Corporation	<input type="checkbox"/> Trust	<input type="checkbox"/> Non-Profit Organization	<input type="checkbox"/> Other
<b>Business Designation Group (Please select all that apply)</b>						
<input type="checkbox"/> MBE	<input type="checkbox"/> WBE	<input type="checkbox"/> SBE	<input type="checkbox"/> PBE	<input type="checkbox"/> VET	<input type="checkbox"/> DVET	<input type="checkbox"/> ESB
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise	Veteran Owned Business	Disabled Veteran Owned Business	Emerging Small Business
<b>Number of Clark County Nevada Residents Employed: 4 remote/home based employees</b>						
<b>Corporate/Business Entity Name:</b> WellSky Corporation						
<b>(Include d.b.a., if applicable)</b>						
<b>Street Address:</b>		11300 Switzer Road		<b>Website:</b> https://wellsky.com/		
<b>City, State and Zip Code:</b>		Overland Park, KS 66210		<b>POC Name:</b> Melis Akiz <b>Email:</b> melis.akiz@wellsky.com		
<b>Telephone No:</b>		913-307-1000		<b>Fax No:</b> 913-871-9571		
<b>Nevada Local Street Address:</b> (If different from above)				<b>Website:</b>		
<b>City, State and Zip Code:</b>				<b>Local Fax No:</b>		
<b>Local Telephone No:</b>				<b>Local POC Name:</b> <b>Email:</b>		

All entities, with the exception of publicly-traded and non-profit organizations, must list the names of individuals holding more than five percent (5%) ownership or financial interest in the business entity appearing before the Board.

Publicly-traded entities and non-profit organizations shall list all Corporate Officers and Directors in lieu of disclosing the names of individuals with ownership or financial interest. The disclosure requirement, as applied to land-use applications, extends to the applicant and the landowner(s).

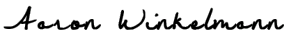
Entities include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations.

Full Name	Title	% Owned (Not required for Publicly Traded Corporations/Non-profit organizations)
None		

**This section is not required for publicly-traded corporations. Are you a publicly-traded corporation?** ☐ Yes ☒ No

- Are any individual members, partners, owners or principals, involved in the business entity, a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?  
☐ Yes ☒ No (If yes, please note that University Medical Center of Southern Nevada employee(s), or appointed/elected official(s) may not perform any work on professional service contracts, or other contracts, which are not subject to competitive bid.)
- Do any individual members, partners, owners or principals have a spouse, registered domestic partner, child, parent, in-law or brother/sister, half-brother/half-sister, grandchild, grandparent, related to a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?  
☐ Yes ☒ No (If yes, please complete the Disclosure of Relationship form on Page 2. If no, please print N/A on Page 2.)

I certify under penalty of perjury, that all of the information provided herein is current, complete, and accurate. I also understand that the University Medical Center of Southern Nevada Governing Board will not take action on land-use approvals, contract approvals, land sales, leases or exchanges without the completed disclosure form.

	Aaron Winkelmann
Signature	Print Name
VP & GM Blood & Biotherapies	1/27/2023
Title	Date

## DISCLOSURE OF RELATIONSHIP

**List any disclosures below:**  
(Mark N/A, if not applicable.)

NAME OF BUSINESS OWNER/PRINCIPAL	NAME OF UMC* EMPLOYEE/OFFICIAL AND JOB TITLE	RELATIONSHIP TO UMC* EMPLOYEE/OFFICIAL	UMC* EMPLOYEE'S/OFFICIAL'S DEPARTMENT
N/A	N/A	N/A	N/A

\* UMC employee means an employee of University Medical Center of Southern Nevada

"Consanguinity" is a relationship by blood. "Affinity" is a relationship by marriage.

"To the second degree of consanguinity" applies to the candidate's first and second degree of blood relatives as follows:

- Spouse – Registered Domestic Partners – Children – Parents – In-laws (first degree)
- Brothers/Sisters – Half-Brothers/Half-Sisters – Grandchildren – Grandparents – In-laws (second degree)

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**For UMC Use Only:**

If any Disclosure of Relationship is noted above, please complete the following:

- ☐ Yes ☐ No Is the UMC employee(s) noted above involved in the contracting/selection process for this particular agenda item?
- ☐ Yes ☐ No Is the UMC employee(s) noted above involved in any way with the business in performance of the contract?

Notes/Comments:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name  
Authorized Department Representative

**UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA  
GOVERNING BOARD AUDIT AND FINANCE COMMITTEE  
AGENDA ITEM**

<b>Issue:</b>	<b>Amendment 001, 002 and 003 to Lease Agreement with PNC Bank, National Association</b>	<b>Back-up:</b>
<b>Petitioner:</b>	Jennifer Wakem, Chief Financial Officer	<b>Clerk Ref. #</b>
<b>Recommendation:</b>  <b>That the Governing Board Audit and Finance Committee review and recommend for approval by the Governing Board the Amendments to Lease Agreement with PNC Bank, National Association for endoscopy scopes and video imaging equipment; authorize the Chief Executive Officer to execute future amendments or renewals; or take action as deemed appropriate. (<i>For possible action</i>)</b>		

**FISCAL IMPACT:**

Fund Number: 5420.000	Fund Name: UMC Operating Fund
Fund Center: 3000702100	Funded Pgm/Grant: N/A
Description: Endoscopy Scopes and Video Imaging Equipment	
Bid/RFP/CBE: NRS 332.115(4) – Purchase of goods commonly used by a hospital	
Term: Extend to 12/28/2025	
Amount: Additional NTE \$1,345,873.98; new aggregate amount of NTE \$1,510,873.98	
Out Clause: Non-Appropriation of Funds / Budget Act & Fiscal Fund Out	

**BACKGROUND:**

On December 28, 2022, UMC entered into a Lease Agreement (“Agreement”) with PNC Bank, National Association (“PNC”) for the Fujifilm Endoscopy system consisting of endoscopy scopes and video imaging equipment to be used in surgical services.

This Amendment requests to extend the Agreement term to thirty-six (36) months from December 28, 2022 through December 28, 2025, increase the funding to an additional not-to-exceed amount of \$1,345,873.98 to account for the extended term, and add additional contract language. Staff also requests authorization for the Hospital CEO to execute future amendments or renewals if deemed beneficial to UMC.

UMC’s Director of Peri-Operative Service has reviewed and recommends approval of this Amendment. This Amendment has been approved as to form by UMC’s Office of General Counsel.

PNC is not currently required to hold a Clark County business license.

Cleared for Agenda  
February 15, 2023

Agenda Item #

**15**



**Amendment #001**

December 30, 2022

University Medical Center of Southern Nevada

This Amendment is hereby made part of that certain Lease Agreement # 202555 between PNC Bank, National Association ("Lessor") and University Medical Center of Southern Nevada ("Lessee").

The Lease Agreement # 202555 is hereby amended as follows: Lease Agreement # has been changed to 202555-001

All other terms and conditions of the Lease Agreement #202555 dated 12/28/2022 remain unchanged.

A faxed, scanned or other electronic copy of this document shall be accepted to be a legal and binding agreement.

Thank you.

Regards,

PNC Bank, National Association





AMENDMENT # 002

**Financier (Lender/ Lessor):** PNC Bank, National Association  
**Obligor (Borrower/ Lessee):** University Medical Center of Southern Nevada  
**Agreement #:** 202555-001

This Amendment ("Amendment") is made a part of and amends Agreement # ("Agreement") by and between the above-described Financier ("Financier") and the above-described Obligor ("Obligor"). Unless otherwise defined, capitalized terms shall have the definition set forth in the Agreement.

This Amendment adds various financial reporting requirements as described below. Such requirements are in addition to those contained in the Agreement.

NOW, THEREFORE, for good and valuable consideration, intending to be legally bound and pursuant to the terms and conditions of the Agreement and Amendment, it is hereby agreed as follows that Obligor will provide Financier with the following financial reporting:

**Financial Reporting:**

Annual Financial Statements. Obligor will provide Annual Financial Statements no later than 30 days after issuance of audited Financial Statements. The Financial Statements will be prepared on an audited basis in accordance with GAAP by an independent certified public accountant selected by the Obligor and satisfactory to the Financier. If audited, the Financial Statements shall contain the unqualified opinion of an independent certified public accountant and all accountant examinations shall have been made in accordance with GAAP consistently applied from period to period.

**Defined Terms:**

"Financial Statements" shall mean a balance sheet, statement of cash flows and a statement of income of Obligor.

"GAAP" shall mean generally accepted accounting principles.

All of the terms, conditions and provisions contained in the Agreement to the extent not expressly inconsistent herewith, are ratified and confirmed and shall remain in full force and effect. To the extent of any inconsistency between the terms of this Amendment and the terms of the Agreement, the terms of this Amendment shall control.

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed on the dates set forth below.

A photocopy, facsimile, scanned copy or other electronic copy of this document shall be accepted as a legal binding agreement.

**Financier:** PNC Bank, National Association

**Obligor:** University Medical Center of Southern Nevada

By:

(Signature)

Alisa Micarelli

(Name)

SVP-OPS

(Title)

2-9-2023

(Date)

By:

(Signature)

(Name)

(Title)

(Date)

**Financier (Lender/ Lessor):** PNC Bank, National Association  
**Obligor (Borrower/ Lessee):** University Medical Center of Southern Nevada  
**Agreement #:** 202555

This Amendment ("Amendment") is made a part of and amends Agreement # ("Agreement") by and between the above described Financier ("Financier") and the above described Obligor ("Obligor"). Unless otherwise defined, capitalized terms shall have the definition set forth in the Agreement.

NOW, THEREFORE, for good and valuable consideration, intending to be legally bound and pursuant to the terms and conditions of the Agreement, it is hereby agreed as follows:

**1. The Schedule of Payments will be amended and restated as follows:**

1 payment of 110,000 followed by 1 payment of 55,000

To:

1 payment of 110,000, 1 payment of 55,000 followed by 33 payments of 40,784.09

**2. The second paragraph above Terms and Conditions will be amended and restated as follows:**

3 month term with 3 payments of \$55,000.00 commencing 12/28/2022 plus applicable tax; each in the amounts set forth in the attached Schedule of Payments.

To:

36 month term with 35 payments commencing 12/28/2022 plus applicable tax, each in the amounts set forth in the attached Schedule of Payments.

**3. Section 16 "Return of Equipment" will be amended to add the following immediately after provision (b):**

"or (c) a non-appropriation of funds occurs as provided herein,"

**4. Section 16 "Return of Equipment" will be amended to remove the following;**

"In addition, Lessee will pay Lessor a return of equipment fee equal to \$400,000, which shall be immediately due and payable upon the occurrence of (a) or (b) above.

**5. Section 21 "Collection Expenses, Overdue Payment" will be amended to add the following;**

If Lessor receives any payment from Lessee after the due date, Lessee shall pay Lessor on demand as a late charge 5%, "not-to-exceed \$500", of such overdue amount, limited, however, to the maximum amount allowed by law.

All of the terms, conditions and provisions contained in the Agreement to the extent not expressly inconsistent herewith, are ratified and confirmed and shall remain in full force and effect. To the extent of any inconsistency between the terms of this Amendment and the terms of the Agreement, the terms of this Amendment shall control.

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed on the dates set forth below.

A photocopy, facsimile, scanned copy or other electronic copy of this document shall be accepted as a legal binding agreement.

[SIGNATURE PAGE FOLLOWS]

Financier: PNC BANK, NATIONAL ASSOCIATION

Obligor: UNIVERSITY MEDICAL CENTER OF SOUTHERN  
NEVADA

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

(Signature)

Alisa Micarelli

(Name)

SVP-OPS

(Title)

2-9-2023

(Date)

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

(Signature)

Mason Van Houweling

(Name)

Chief Executive Officer

(Title)

(Date)





## RESOLUTION AND CERTIFICATE OF INCUMBENCY

I hereby certify to PNC Bank, National Association, its successors and assigns ("Creditor"), that I am \_\_\_\_\_ the ("Authorized Person") of University Medical Center of Southern Nevada ("Customer"), a legal entity formed pursuant to the laws of \_\_\_\_\_ and that the following is a true copy of resolutions duly adopted by the governing body of the Customer on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, and further that such resolutions are in conformity with the organizational and governing documents of the Customer and are in full force and effect on the date hereof and have not been modified or rescinded:

"RESOLVED, that the Customer is authorized to enter into financing or leasing transactions with the Creditor as a obligor to the Creditor and/or as a grantor of collateral for the purposes of security to the Creditor;" and

"FURTHER RESOLVED, that any individual listed below of this Customer be, and each of them hereby is, authorized in the name and on behalf of this Customer to finance, lease, and/or guarantying with the Creditor, on terms and conditions, in their sole discretion, may determine, and for this purpose to execute and deliver in the name and on behalf of this Customer any documentation evidencing such financing, leasing, and/or guarantying, with such changes, additions and amendments thereto as shall be approved by any individual listed below who executes the same, and such other agreements, documents and instruments, and to do all such other acts and things, as may be required to consummate this arrangement;"

"FURTHER RESOLVED, That the Authorized Person of this Customer is authorized and directed to deliver and certify to Creditor a certified copy of these resolutions and that the same are in conformity with the organizational and governing documents of this Customer; and"

"FURTHER RESOLVED, That the Creditor shall be able to rely upon these resolutions until expressly revoked by an authorized representative of this Customer only with prospective effect."

I further certify that the following persons are duly elected, qualified and acting authorized representatives of the Customer, holding the titles appearing opposite their respective names:

### AUTHORIZED REPRESENTATIVES OF CUSTOMER

(NOTE: THE AUTHORIZED REPRESENTATIVES OF CUSTOMER CANNOT BE THE SAME PERSON AS THE AUTHORIZED PERSON SIGNING BELOW)

IMPORTANT INSTRUCTIONS FOR FILLING OUT THIS SECTION	Name (print)	Title
	Mason Van Houweling	Chief Executive Officer

List the people and their title who can sign the lease, loan and/or guaranty documents

The people listed here cannot be the same person signing below unless the Customer has one member or director, which in such case the person signing is certifying they are the sole member or director of the Customer.

I hereby attest that this information is true and correct as of this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**Customer:** University Medical Center of Southern Nevada

X Signature

Print Name:

Title:

Date:

**NOTE: THE FOLLOWING PERSONS MAY SIGN EXECUTE THIS DOCUMENT ON BEHALF OF THE CUSTOMER DEPENDING ON THE LEGAL ENTITY FORM OF CUSTOMER:**

Type of Legal Entity	Examples of Persons Who Can Sign On Behalf of Legal Entity
Corporation	President, Secretary, Assistant Secretary, Treasurer, CEO, CFO, COO
Limited Liability Company (Member Managed)	Member, Managing Member, President, Secretary, Assistant Secretary, Treasurer, CEO, CFO, COO
Limited Liability Company (Manager Managed)	Member, Manager, President, Secretary, Treasurer, CEO, CFO, COO
Limited Partnership	General Partner, Managing Partner, President, Secretary, Treasurer, CEO, CFO, COO
Partnership	General Partner, Managing Partner, Partner

# Lease Agreement

Dated as of December 28, 2022

Lease Number: 202555

Lessor: PNC Bank, National Association  
655 Business Center Drive  
Horsham, Pennsylvania 19044

Lessee: LESSEE FULL LEGAL NAME  
University Medical Center of Southern Nevada  
1800 W. Charleston Blvd Las Vegas, NV 89102  
FEDERAL TAX ID  
886000436

## Equipment Description:

Quantity	Description	Serial No.
Quantity	Asset Description	
Various	Fujifilm BL-7000/EC-760 /EG-740N Endoscopy System See Quote 2022-81486 8 for full list of equipment	

## Active Lease Assets/Item

Three Month Term, effective December 28, 2022, with one payment of \$110,000.00 and one payment of \$55,000.00 plus applicable tax; each in the amounts set forth in the attached Schedule of Payments.

Lessee shall pay Rent payments exclusively from legally available funds in U.S. currency to Lessor in the amounts and on the dates set forth herein, without notice or demand.

## TERMS AND CONDITIONS

- LEASE.** Subject to the terms of this Lease, Lessee agrees to lease from Lessor the equipment (the "Equipment") described above when Lessor accepts this Lease. Lessee agrees to be bound by all the terms of this Lease.
- DELIVERY AND ACCEPTANCE OF EQUIPMENT.** Acceptance of the Equipment occurs upon delivery. When Lessee receives the Equipment, Lessee agrees to inspect it and to verify by telephone or in writing such information as Lessor may require. Delivery and installation costs are Lessee's responsibility. If Lessee signed a purchase contract for the Equipment, by signing this Lease Lessee assigns its rights, but none of its obligations under the purchase contract, to Lessor.
- RENT.** Lessee agrees to pay Lessor Rent (plus applicable taxes) in the amount and frequency stated above. If Lessee's Rent payments are due in Advance, Lessee's first Rent payment is due on the date Lessee accepts the Equipment under the Lease. Lessor will advise Lessee as to (a) the due date of each Rent payment, and (b) the address to which Lessee must send payments. Rent is due whether or not Lessee received an invoice from Lessor. Lessee will pay Lessor any required advance rent when Lessee signs this Lease. Restrictive endorsements on checks Lessee sends to Lessor will not reduce Lessee's obligations to Lessor.  
**NON-APPROPRIATION OF FUNDS.** Lessee intends to remit all Rent and other payments to Lessor for the full Lease Term if funds are legally available. In the event Lessee is not granted an appropriation of funds at any time during the Lease Term for the Equipment subject to this Lease and operating funds are not otherwise available to Lessee to pay the Rent and other payments due and to become due under this Lease, and there is no other legal procedure or available funds by or with which payment can be made to Lessor, and the non-appropriation did not result from an act or omission by Lessee, Lessee shall have the right to return the Equipment as provided herein and terminate this Lease on the last day of the fiscal period for which appropriations were received without penalty or expense to Lessee, except as the portion of Rent for which funds shall have been appropriated and budgeted. At least 30 days prior to the end of Lessee's fiscal year, Lessee's chief executive officer (or legal counsel) shall certify in writing that (a) funds have not been appropriated for the upcoming fiscal period, (b) such non-appropriation did not result from any act or failure to act by Lessee, and (c) Lessee has exhausted all funds legally available for the payment of Rent.
- UNCONDITIONAL OBLIGATION.** LESSEE AGREES THAT IT IS UNCONDITIONALLY OBLIGATED TO PAY ALL RENT AND ANY OTHER AMOUNTS DUE UNDER THIS LEASE IN ALL FISCAL YEARS IN WHICH FUNDS HAVE BEEN APPROPRIATED NO MATTER WHAT HAPPENS, EVEN IF THE EQUIPMENT IS DAMAGED OR DESTROYED, IF IT IS DEFECTIVE OR IF LESSEE HAS TEMPORARY OR PERMANENT LOSS OF ITS USE. LESSEE IS NOT ENTITLED TO ANY REDUCTION OR SET-OFF AGAINST RENT OR OTHER AMOUNTS DUE UNDER THIS LEASE FOR ANY REASON WHATSOEVER.
- DISCLAIMER OF WARRANTIES.** THE EQUIPMENT IS BEING LEASED TO LESSEE IN "AS IS" CONDITION. LESSEE AGREES THAT LESSOR HAS NOT MANUFACTURED THE EQUIPMENT AND THAT LESSEE HAS SELECTED THE EQUIPMENT BASED UPON LESSEE'S OWN JUDGMENT. LESSEE HAS NOT RELIED ON ANY STATEMENTS LESSOR OR ITS EMPLOYEES HAVE MADE. LESSOR HAS NOT MADE AND DOES NOT MAKE ANY EXPRESS OR IMPLIED REPRESENTATIONS OR WARRANTIES WHATSOEVER, INCLUDING WITHOUT LIMITATION, THE EQUIPMENT'S MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, SUITABILITY, DESIGN, CONDITION, DURABILITY, OPERATION, QUALITY OF MATERIALS OR WORKMANSHIP, OR COMPLIANCE WITH SPECIFICATIONS OR APPLICABLE LAW. Lessee is aware of the name of the Equipment manufacturer. If the manufacturer has provided Lessor with a warranty, Lessor assigns its rights to such warranty to Lessee and Lessee may enforce all warranty rights directly against the manufacturer of the Equipment. Lessee agrees to settle any dispute regarding performance of the Equipment directly with the manufacturer of the Equipment.

6. **TITLE AND SECURITY INTEREST.** Unless otherwise required by the laws of the state where Lessee is located, Lessor shall have title to the Equipment during the Lease Term.
7. **USE, MAINTENANCE AND REPAIR.** Lessee will not move the Equipment from the Equipment Location without Lessor's advance written consent. Lessee will give Lessor reasonable access to the Equipment Location so that Lessor can check the Equipment's existence, condition and proper maintenance. Lessee will use the Equipment in the manner for which it was intended, as required by all applicable manuals and instructions, and keep it eligible for any manufacturer's certification and/or standard full-service maintenance contract. At Lessee's own cost and expense, Lessee will keep the Equipment in good repair, condition and working order, ordinary wear and tear excepted. Lessee will not make any permanent alterations to the Equipment and will remove any alterations or markings from the Equipment before returning to Lessor.
8. **TAXES.** Unless a proper exemption certificate is provided, applicable sales and use taxes will be added to the Rent. Lessee agrees to pay Lessor, when invoiced, all taxes (including any sales, use and personal property taxes), fines, interest and penalties relating to this Lease and the Equipment (excluding taxes based on Lessor's net income). Lessee agrees to file any required personal property tax returns and, if Lessor asks, Lessee will provide Lessor with proof of payment. Lessor does not have to contest any tax assessments.
9. **INDEMNITY.** Lessor is not responsible for any injuries, damages, penalties, claims or losses, including legal expenses, incurred by Lessee or any other person caused by the transportation, installation, manufacture, selection, purchase, lease, ownership, possession, modification, maintenance, condition, operation, use, return or disposition of the Equipment. To the extent permitted by law, Lessee agrees to reimburse Lessor for and defend Lessor against any claims for such losses, damages, penalties, claims, injuries, or expenses. This indemnity continues even after this Lease has expired, for acts or omissions that occurred during the Lease Term. For avoidance of doubt, this provision will not apply if not permitted pursuant to the laws of Nevada as applicable to Lessee.
10. **IDENTIFICATION.** Lessee authorizes Lessor to insert or correct missing information on this Lease, including serial numbers and any other information describing the Equipment.
11. **LOSS OR DAMAGE.** Lessee is responsible for any loss of the Equipment from any cause at all, whether or not insured, from the time the Equipment is shipped to Lessee until it is returned to Lessor. If any item of Equipment is lost, stolen or damaged, Lessee will promptly notify Lessor of such event. Then, at Lessor's option, Lessee will either (a) repair the Equipment so that it is in good condition and working order, eligible for any manufacturer's certification, or (b) pay Lessor an amount equal to the Net Book Value (as defined herein) of the lost, stolen or damaged Equipment. If Lessee has satisfied their obligations herein, Lessor will forward to Lessee any insurance proceeds which Lessor receives for lost, damaged, or destroyed Equipment. If Lessee is in default, Lessor will apply any insurance proceeds Lessor receives to reduce Lessee's obligations pursuant to this Lease.
12. **INSURANCE.** Lessee agrees to (a) keep the Equipment fully insured against loss and (b) provide us with evidence upon request. Lessor understands that Lessee has a funded program on self-insurance as allowed by Chapter 41 of the Nevada Revised Statutes that is acceptable in lieu of commercial insurance.
13. **DEFAULT.** Lessee will be in default under this Lease if any of the following happens: (a) Lessor does not receive any Rent or other payment due under this Lease within ten days after its due date, (b) Lessee fails to perform or observe any other promise or obligation in this Lease and does not correct the default within ten days after Lessor sends Lessee written notice of default, (c) any representation, warranty or statement Lessee has made in this Lease shall prove to have been false or misleading in any material respect, (d) any insurance carrier cancels or threatens to cancel any insurance on the Equipment, (e) the Equipment or any part of it is abused, illegally used, misused, lost, destroyed, or damaged beyond repair, (f) a petition is filed by or against Lessee under any bankruptcy or insolvency laws, or (g) Lessee defaults on any other agreement between it and Lessor (or Lessor's affiliates).
14. **REMEDIES.** Upon the occurrence of a default, Lessor may, in its sole discretion, do any or all of the following: (a) provide written notice to Lessee of default, (b) as liquidated damages for loss of a bargain and not as a penalty, declare due and payable, the present value of (i) any and all amounts which may be then due and payable by Lessee to Lessor under this Lease, plus (ii) all Rent payments remaining through the end of the then current fiscal year, discounted at the higher of 3% or the lowest rate allowed by law plus the Fair Market Value (as defined herein) of the Equipment (collectively, the "Net Book Value") and (c) require Lessee to immediately return the Equipment to Lessor. Lessor has the right to require Lessee to make the Equipment available to Lessor for repossession during reasonable business hours or Lessor may repossess the Equipment, so long as Lessor does not breach the peace in doing so, or Lessor may use legal process in compliance with applicable law pursuant to court order to have the Equipment repossessed. Lessee will not make any claims against Lessor or the Equipment for trespass, damage or any other reason. If Lessor takes possession of the Equipment Lessor may (a) sell or lease the Equipment at public or private sale or lease without notice, and/or (b) exercise such other rights as may be allowed by applicable law. Although Lessee agrees that Lessor has no obligation to sell the Equipment, if Lessor does sell the Equipment, Lessor will reduce the Net Book Value by the amounts Lessor receives. Lessee will immediately pay Lessor the remaining Net Book Value. Lessee agrees (a) to pay all of the costs Lessor incurs to enforce Lessor's rights against Lessee, including attorney's fees, and (b) that Lessor will retain all of Lessor's rights against Lessee even if Lessor does not choose to enforce them at the time of Lessee's default.
15. **LESSEE'S OPTION AT END OF LEASE.** Notwithstanding anything contained in the Lease to the contrary, so long as no default shall have occurred and be continuing, Lessee may, at Lessee's option, (a) extend the lease term or (b) purchase the Equipment leased pursuant to this Lease on an "as is, where is" basis, without representation or warranty, express or implied, at the end of the Lease Term at a price equal to the Fair Market Value thereof, plus applicable taxes. Fair Market Value shall be the retail in-place value of the Equipment as determined solely by Lessor. This purchase option as applicable shall only be available if Lessee gives Lessor 30 days' prior written notice of Lessee's irrevocable intent to exercise such option and Lessor and Lessee shall have agreed to all terms and conditions of such purchase prior to the expiration date of the Lease Term. Until the Equipment is returned as required below, all terms of the Lease shall remain in full force and effect including the obligation to pay Rent calculated on a monthly basis.
16. **RETURN OF EQUIPMENT.** If (a) default occurs or (b) Lessee does not exercise its purchase option at the end of the Lease Term, Lessee will immediately return the Equipment to any location(s) in the continental United States and aboard any carriers(s) Lessor may designate. The Equipment must be properly packed for shipment in accordance with the manufacturer's recommendations or specifications, freight prepaid and insured, maintained in accordance with this Lease, and in "Average Saleable Condition." "Average Saleable Condition" means that all of the Equipment is immediately available for use by a third-party buyer, user or lessee, other than Lessee named in this Lease, without the need for any repair or refurbishment. Lessee will pay Lessor for any missing or defective parts or accessories. In addition, Lessee will pay Lessor a return of equipment fee equal to \$400,000, which shall be immediately due and payable upon the occurrence of (a) or (b) above. Lessee will continue to pay Rent calculated on a monthly basis until the Equipment is received and accepted by Lessor.
17. **LESSEE'S REPRESENTATIONS AND WARRANTIES.** Lessee hereby represents and warrants to Lessor that as of the date of this Lease, and throughout the Lease Term: (a) Lessee is the entity indicated in this Lease; (b) Lessee is a state or a fully constituted political subdivision or agency of the State in which Lessee is located; (c) Lessee is duly organized and existing under the constitution and laws of the state in which they are located; (d) Lessee is authorized to enter into and carry out Lessee's obligations under this Lease, any documents relative to the acquisition of the Equipment and any other documents required to be delivered in connection with this Lease (collectively, the

"Documents"; (e) the Documents have been duly authorized, executed and delivered by Lessee in accordance with all applicable laws, rules, ordinances, and regulations, the Documents are valid, legal, binding agreements, enforceable in accordance with their terms and the person(s) signing the Documents have the authority to do so, are acting with the full authorization of Lessee's governing body, and hold the offices indicated below their signature, each of which are genuine; (f) the Equipment is essential to the immediate performance of a governmental or proprietary function by Lessee within the scope of Lessee's authority; (g) Lessee intends to use the Equipment for the entire Lease Term for such function and shall take all necessary action to include in Lessee's annual budget any funds required to fulfill Lessee's obligations for each fiscal year during the Lease Term; (h) Lessee has complied fully with all applicable law governing open meetings, public bidding and appropriations required in connection with this Lease and the acquisition of the Equipment; (i) Lessee's obligations to remit Rent under this Lease constitutes a current expense and not a debt under applicable state law and no provision of this Lease constitutes a pledge of Lessee's tax or general revenues, and any provision which is so constructed by a court of competent jurisdiction is void from the inception of this lease; and (j) all financial information Lessee has provided to Lessor is true and accurate and provides a good representation of Lessee's financial condition.

18. **LESSEE'S PROMISES.** In addition to the other provisions of this Lease, Lessee agrees that during the term of this Lease (a) Lessee will promptly notify Lessor in writing if it moves its principal office or changes its name or legal structure, (b) Lessee will provide to Lessor such financial information as may reasonably request from time to time, and (c) Lessee will take any action Lessor reasonably requests to protect Lessor's rights in the Equipment and to meet Lessee's obligations under this Lease.
19. **ASSIGNMENT. LESSEE WILL NOT SELL, TRANSFER, ASSIGN, PLEDGE, SUB-LEASE OR PART WITH POSSESSION OF THE EQUIPMENT OR FILE OR PERMIT A LIEN TO BE FILED AGAINST THE EQUIPMENT.** Lessee will not attach any of the Equipment to any real estate.
20. **ASSIGNMENT BY LESSOR.** This Lease, and the rights of Lessor hereunder and in and to the Equipment, may be assigned and reassigned in whole or in part to one or more assignees by Lessor or its assigns at any time without the necessity of obtaining the consent of Lessee. Upon an assignment, Lessee agrees to make all payments as designated in the assignment, notwithstanding any claim, defense, setoff or counterclaim whatsoever (whether arising from a breach of this Lease or otherwise) that Lessee may from time to time have against Lessor or Lessor's assigns.
21. **COLLECTION EXPENSES, OVERDUE PAYMENT.** Lessee agrees that Lessor can, but does not have to, take on Lessee's behalf any action which Lessee fails to take as required by this Lease, and Lessor's expenses will be in addition to that of the Rent which Lessee owes Lessor. If Lessor receives any payment from Lessee after the due date, Lessee shall pay Lessor on demand as a late charge 5% of such overdue amount, limited, however, to the maximum amount allowed by law.
22. **MISCELLANEOUS.** This Lease contains the entire agreement and supersedes any conflicting provision of any equipment purchase order or any other agreement. **TIME IS OF THE ESSENCE IN THIS LEASE.** If a court finds any provision of Lease to be unenforceable, the remaining terms of this Lease shall remain in effect. **THIS LEASE IS A "FINANCE LEASE" AS DEFINED IN ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE.** Lessee authorizes Lessor (or Lessor's agent) to (a) obtain credit reports, (b) make such other credit inquiries as Lessor may deem necessary, and (c) furnish payment history information to credit reporting agencies. To the extent permitted by law, Lessor may charge Lessee a fee of \$250.00 to cover Lessor's documentation and investigation costs.
23. **NOTICES.** All of Lessee's written notices to Lessor must be sent by certified mail or recognized overnight delivery service, postage prepaid, to Lessor at Lessor's address stated in this Lease, or by facsimile transmission to Lessor's facsimile telephone number, with oral confirmation of receipt. All of Lessor's notices to Lessee may be sent first class mail, postage prepaid, to Lessee's address stated in this Lease, with a copy sent to: UMC, Attention: Legal Department, 1800 W. Charleston Blvd., Las Vegas, NV 89102. At any time after this Lease is signed, Lessee or Lessor may change an address or facsimile telephone number by giving notice to the other of the change.
24. **ANTI-MONEY LAUNDERING/INTERNATIONAL TRADE COMPLIANCE.** Lessee represents, warrants and covenants to Lessor, as of the date of this Lease, the date of each advance of proceeds under the Lease, the date of any renewal, extension or modification of this Lease, and at all times until this Lease has been terminated and all amounts thereunder have been indefeasibly paid in full, that: (a) no Covered Entity (i) is a Sanctioned Person; (ii) has any of its assets in a Sanctioned Jurisdiction or in the possession, custody or control of a Sanctioned Person; (iii) does business in or with, or derives any of its operating income from investments in or transactions with, any Sanctioned Jurisdiction or Sanctioned Person; (b) the proceeds of this Lease will not be used to fund any unlawful activity; (c) the funds used to repay the Lease are not derived from any unlawful activity; (d) each Covered Entity is in compliance with, and no Covered Entity engages in any dealings or transactions prohibited by, any laws of the United States, including but not limited to any Anti-Terrorism Laws; and (e) no Equipment is or will become Embargoed Property. Lessee covenants and agrees that (a) it shall immediately notify Lessor in writing upon the occurrence of a Reportable Compliance Event; and (b) if, at any time, any Equipment becomes Embargoed Property, in addition to all other rights and remedies available to Lessor, upon request by Lessor, Lessee shall provide substitute Equipment acceptable to Lessor that is not Embargoed Property.

As used herein: "Anti-Terrorism Laws" means any laws relating to terrorism, trade sanctions programs and embargoes, import/export licensing, money laundering, or bribery, all as amended, supplemented or replaced from time to time; "Compliance Authority" means each and all of the (a) U.S. Treasury Department/Office of Foreign Assets Control, (b) U.S. Treasury Department/Financial Crimes Enforcement Network, (c) U.S. State Department/Directorate of Defense Trade Controls, (d) U.S. Commerce Department/Bureau of Industry and Security, (e) U.S. Internal Revenue Service, (f) U.S. Justice Department, and (g) U.S. Securities and Exchange Commission; "Covered Entity" means Lessee, its affiliates and subsidiaries, all other obligors, all owners of the foregoing, and all brokers or other agents of Lessee acting in any capacity in connection with this Lease; "Embargoed Property" means any property (a) in which a Sanctioned Person holds an interest; (b) beneficially owned, directly or indirectly, by a Sanctioned Person; (c) that is due to or from a Sanctioned Person; (d) that is located in a Sanctioned Jurisdiction; or (e) that would otherwise cause any actual or possible violation by Lessor of any applicable Anti-Terrorism Law if Lessor were to obtain an encumbrance on, lien on, pledge of or security interest in such property or provide services in consideration of such property; "Reportable Compliance Event" means (1) any Covered Entity becomes a Sanctioned Person, or is indicted, arraigned, investigated or custodially detained, or receives an inquiry from regulatory or law enforcement officials, in connection with any Anti-Terrorism Law or any predicate crime to any Anti-Terrorism Law, or self-discovers facts or circumstances implicating any aspect of its operations with the actual or possible violation of any Anti-Terrorism Law; (2) any Covered Entity engages in a transaction that has caused or may cause Lessor to be in violation of any Anti-Terrorism Laws, including a Covered Entity's use of any proceeds of the Lease to fund any operations in, finance any investments or activities in, or make any payments to, directly or indirectly, a Sanctioned Jurisdiction or Sanctioned Person; or (3) any Equipment becomes Embargoed Property; "Sanctioned Jurisdiction" means a country subject to a sanctions program maintained by any Compliance Authority; and "Sanctioned Person" means any individual person, group, regime, entity or thing listed or otherwise recognized as a specially designated, prohibited, sanctioned or debarred person or entity, or subject to any limitations or prohibitions (including



but not limited to the blocking of property or rejection of transactions), under any order or directive of any Compliance Authority or otherwise subject to, or specially designated under, any sanctions program maintained by any Compliance Authority.

25. **USA PATRIOT ACT NOTICE.** To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each lessee that opens an account. What this means: when the Lessee opens an account, Lessor will ask for the business name, business address, taxpayer identifying number and other information that will allow the Lessor to identify Lessee, such as organizational documents. For some businesses and organizations, Lessor may also need to ask for identifying information and documentation relating to certain individuals associated with the business or organization.
26. **WAIVERS. LESSOR AND LESSEE EACH AGREE TO WAIVE, AND TO TAKE ALL REQUIRED STEPS TO WAIVE, ALL RIGHTS TO A JURY TRIAL.** To the extent Lessee is permitted by applicable law, Lessee waives all rights and remedies conferred upon a lessee by Article 2A (Sections 508-522) of the Uniform Commercial Code. To the extent Lessee is permitted by applicable law, Lessee waives any rights they now or later may have under any statute or otherwise which requires Lessor to sell or otherwise use any Equipment to reduce Lessor's damages, which requires Lessor to provide Lessee with notice of default, intent to accelerate amounts becoming due or acceleration of amounts becoming due, intent to sale the Equipment at a public or private sale, or which may otherwise limit or modify any of Lessor's rights or remedies. Lessor will not be liable for specific performance of this Lease or for any losses, damages, delay or failure to deliver Equipment.
27. **IMPORTANT INFORMATION ABOUT PHONE CALLS.** By providing telephone number(s) to Lessor, now or at any later time, Lessee authorizes Lessor and its affiliates and designees to contact Lessee regarding Lessee account(s) with Lessor or its affiliates, whether such accounts are Lessee individual accounts or business accounts for which Lessee is a contact, at such numbers using any means, including but not limited to placing calls using an automated dialing system to cell, VoIP or other wireless phone number, or leaving prerecorded messages or sending text messages, even if charges may be incurred for the calls or text messages. Lessee consents that any phone call with Lessor may be monitored or recorded by Lessor.
28. **PUBLIC RECORDS.** Lessor acknowledges that Lessee is a public, county-owned hospital which is subject to the provisions of the Nevada Public Records Act, Nevada Revised Statutes Chapter 239, as may be amended from time to time. As such, its records are public documents available for copying and inspection by the public. If Lessee receives a demand for the disclosure of any information related to this Agreement, Lessee will immediately notify Lessor of such demand and Lessor shall promptly notify Lessee of its intention (i) to seek injunctive relief in a Nevada court for protective order or (ii) to redact the confidential and proprietary portion of such information. Lessee shall provide Lessor with a reasonable period of time during which Lessor may redact any information Lessor considers to be confidential and proprietary. Lessee agrees to disclose only the redacted version of the demanded information

**IMPORTANT: READ BEFORE SIGNING. THE TERMS OF THIS LEASE SHOULD BE READ CAREFULLY BECAUSE ONLY THOSE TERMS IN WRITING ARE ENFORCEABLE. TERMS OR ORAL PROMISES WHICH ARE NOT CONTAINED IN THIS WRITTEN AGREEMENT MAY NOT BE LEGALLY ENFORCED. THE TERMS OF THIS LEASE MAY ONLY BE CHANGED BY ANOTHER WRITTEN AGREEMENT BETWEEN LESSEE AND LESSOR. LESSEE AGREES TO COMPLY WITH THE TERMS AND CONDITIONS OF THIS LEASE. LESSEE AGREES THAT THE EQUIPMENT WILL BE USED FOR BUSINESS PURPOSES ONLY AND NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES.**

**LESSEE CERTIFIES THAT ALL THE INFORMATION GIVEN IN THIS LEASE AND LESSEE'S APPLICATION WAS CORRECT AND COMPLETE WHEN THIS LEASE WAS SIGNED. THIS LEASE IS NOT BINDING UPON LESSOR OR EFFECTIVE UNLESS AND UNTIL LESSOR EXECUTES THIS LEASE. THIS LEASE WILL BE GOVERNED BY THE LAWS OF THE STATE OF THE LESSEE.**

**University Medical Center of Southern Nevada**

("Lessee")  
X Mason  
Authorized Signature  
Mason Van Houweling  
Print Name  
Chief Executive Officer  
Title:  
12/29/22  
Date

1800 W Charleston Blvd  
Las Vegas, NV 89102

**PNC Bank, National Association**

("Lessor")  
X Ed Rothwein  
Authorized Signature  
Ed Rothwein  
Print Name  
VP of Operations  
Title:  
12/30/22

655 Business Center Drive  
Horsham, PA 19044



# CERTIFICATE OF ACCEPTANCE

Lease Number: SequenceNumber

In compliance with the terms, conditions and provisions of Lease Agreement #202555 ("Lease") by and between the undersigned University Medical Center of Southern Nevada ("Lessee") and PNC Bank, National Association ("Lessor"), Lessee hereby:

1. certifies and warrants that all Equipment described in the Lease referenced above ("Equipment") is delivered, inspected and fully installed, and operational as of the Acceptance Date as indicated below;
2. accepts all the Equipment for all purposes under the Lease and all attendant documents as of the date of return of this Certificate to Lessor ("Acceptance Date"); and
3. restates and reaffirms, as of such Acceptance Date, each of the representations, warranties and covenants heretofore given to Lessor in the Lease.

Lessor is hereby authorized to insert serial numbers on the Lease.

University Medical Center of Southern Nevada  
 ("Lessee")

x [Signature]

Authorized Signature

Mason Kim Howling

Print Name

Chief Executive Officer

Title:

Date: 12/29/22

1800 W Charleston Blvd  
 Las Vegas, NV 89102

CustomerCity

## SCHEDULE OF PAYMENTS

Lease Number 202555

Attached to and made a part of that certain Lease-Purchase Agreement by and between PNC Bank, National Association, as Lessor, and University Medical Center of Southern Nevada, as Lessee.

Rent payments are payable as follows:

Payment Number	Payment Date	Rent Payment
1	2/28/2023	110,000
2	3/28/2023	55,000
3		
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University Medical Center of Southern Nevada  
("Lessee")

X Mason Van Hauling

Authorized Signature

Mason Van Hauling

Print Name

Chief Executive Officer

Title:

PNC Bank, National Association  
("Lessor")

By: Eal Kottwein

Title: VP of Operations

### OPINION OF COUNSEL

I have acted as counsel to University Medical Center of Southern Nevada ("Lessee") with respect to this Lease Agreement by and between the Lessee and Lessor (the "Lease"), and in this capacity have reviewed the original or duplicate originals of the Lease and such other documents as I have deemed relevant. Based upon the foregoing, I am of the opinion that: (A) the execution, delivery and performance of the Lease by Lessee has been duly authorized by all necessary action on the part of Lessee; (B) the Lease constitutes a legal, valid and binding obligation of Lessee enforceable in accordance with its terms, except as limited by laws of general application affecting the enforcement of creditors' rights, and does not constitute a debt of Lessee which is prohibited by state law; (C) the authorization, approval and execution of the Lease and all other proceedings of Lessee related to the transactions contemplated thereby have been performed in accordance with all open-meeting laws, public bidding laws, and all other applicable state laws. The undersigned certifies that (s)he is an attorney duly authorized to practice law in the State of \_\_\_\_\_.

The foregoing opinions are limited to the laws of such State and federal laws of the United States.

Attorney of Lessee

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

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

Law firm: \_\_\_\_\_

**CERTIFICATE OF INCUMBENCY**

The undersigned, duly elected and acting as in the capacity listed below ("Authorized Person") of University Medical Center of Southern Nevada ("Customer") hereby certifies:

1. That he/she has the power and authority to execute this Certificate of Incumbency on behalf of Customer.
2. That the following named person(s) are authorized representatives of Customer in the capacity set forth opposite each of their names.
3. That, as of the date hereof and continuing until expressly revoked in writing by an authorized representative of Customer (with such express revoking only having prospective effect), the following named person(s) each have proper power and authority to execute and deliver any document between Customer and PNC Bank, National Association, together with its successors and assigns.

**AUTHORIZED REPRESENTATIVES WHO CAN SIGN LEASE, LOAN AND/OR GUARANTY DOCUMENTS**

**IMPORTANT INSTRUCTIONS FOR FILLING OUT THIS SECTION**

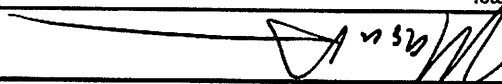
List the people and their title who can sign the lease, loan and/or guaranty documents

The people listed here cannot be the same person signing below unless the Customer has one member or director, which in such case the person signing is certifying they are the sole member or director of the Customer.

Name (print)	Title
Mason Ken Houweling	Chief Executive Officer

I hereby attest that this information is true and correct as of the date below.

**AUTHORIZED PERSON OF CUSTOMER**

X 

Print Name:

Mason Ken Houweling

Title:

Chief Executive Officer

Date:

12/22/22

THE FOLLOWING PERSONS MAY EXECUTE THIS DOCUMENT ON BEHALF OF THE CUSTOMER DEPENDING ON THE LEGAL ENTITY FORM OF CUSTOMER:

Type of Legal Entity	Examples of Persons Who Can Sign On Behalf of Legal Entity
Corporation	President, Vice President, Secretary, Assistant Secretary, Treasurer, CEO, CFO, COO
Limited Liability Company (Member Managed)	Member, Managing Member, President, Vice President, Secretary, Assistant Secretary, Treasurer, CEO, CFO, COO
Limited Liability Company (Manager Managed)	Member, Manager, President, Vice President, Secretary, Treasurer, CEO, CFO, COO
Limited Partnership	General Partner, Managing Partner, President, Vice President, Secretary, Treasurer, CEO, CFO, COO
Partnership	General Partner, Managing Partner, Partner

**INSTRUCTIONS FOR COMPLETING THE  
DISCLOSURE OF OWNERSHIP/PRINCIPALS FORM**

**Purpose of the Form**

The purpose of the Disclosure of Ownership/Principals Form is to gather ownership information pertaining to the business entity for use by the University Medical Center of Southern Nevada Governing Board ("GB") in determining whether members of the GB should exclude themselves from voting on agenda items where they have, or may be perceived as having a conflict of interest, and to determine compliance with Nevada Revised Statute 281A.430, contracts in which a public officer or employee has interest is prohibited.

**General Instructions**

Completion and submission of this Form is a condition of approval or renewal of a contract or lease and/or release of monetary funding between the disclosing entity and University Medical Center of Southern Nevada. Failure to submit the requested information may result in a refusal by the GB to enter into an agreement/contract and/or release monetary funding to such disclosing entity.

**Detailed Instructions**

All sections of the Disclosure of Ownership form must be completed. If not applicable, write in N/A.

**Business Entity Type** – Indicate if the entity is an Individual, Partnership, Limited Liability Company, Corporation, Trust, Non-profit Organization, or Other. When selecting 'Other', provide a description of the legal entity.

**Non-Profit Organization (NPO)** - Any non-profit corporation, group, association, or corporation duly filed and registered as required by state law.

**Business Designation Group** – Indicate if the entity is a Minority Owned Business Enterprise (MBE), Women-Owned Business Enterprise (WBE), Small Business Enterprise (SBE), Physically-Challenged Business Enterprise (PBE), Veteran Owned Business (VET), Disabled Veteran Owned Business (DVET), or Emerging Small Business (ESB). This is needed in order to provide utilization statistics to the Legislative Council Bureau, and will be used only for such purpose.

- **Minority Owned Business Enterprise (MBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more minority persons of Black American, Hispanic American, Asian-Pacific American or Native American ethnicity.
- **Women Owned Business Enterprise (WBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more women.
- **Physically-Challenged Business Enterprise (PBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more disabled individuals pursuant to the federal Americans with Disabilities Act.
- **Small Business Enterprise (SBE):** An independent and continuing business for profit which performs a commercially useful function, is not owned and controlled by individuals designated as minority, women, or physically-challenged, and where gross annual sales does not exceed \$2,000,000.
- **Veteran Owned Business Enterprise (VET):** An independent and continuing Nevada business for profit which performs a commercially useful function and is at least 51 percent owned and controlled by one or more U.S. Veterans.
- **Disabled Veteran Owned Business Enterprise (DVET):** A Nevada business at least 51 percent owned/controlled by a disabled veteran.
- **Emerging Small Business (ESB):** Certified by the Nevada Governor's Office of Economic Development effective January, 2014. Approved into Nevada law during the 77th Legislative session as a result of AB294.

**Business Name (include d.b.a., if applicable)** – Enter the legal name of the business entity and enter the "Doing Business As" (d.b.a.) name, if applicable.

**Corporate/Business Address, Business Telephone, Business Fax, and Email** – Enter the street address, telephone and fax numbers, and email of the named business entity.

**Nevada Local Business Address, Local Business Telephone, Local Business Fax, and Email** – If business entity is out-of-state, but operates the business from a location in Nevada, enter the Nevada street address, telephone and fax numbers, point of contact and email of the local office. Please note that the local address must be an address from which the business is operating from that location. Please do not include a P.O. Box number, unless required by the U.S. Postal Service, or a business license hanging address.

**Number of Clark County Nevada Residents employed by this firm. (Do not leave blank. If none or zero, put the number 0 in the space provided.)**

**List of Owners/Officers** – Include the full name, title and percentage of ownership of each person who has ownership or financial interest in the business entity. If the business is a publicly-traded corporation or non-profit organization, list all Corporate Officers and Directors only.

**For All Contracts** – (Not required for publicly-traded corporations)

- 1) Indicate if any individual members, partners, owners or principals involved in the business entity are a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s). If yes, the following paragraph applies.

In accordance with NRS 281A.430.1, a public officer or employee shall not bid on or enter into a contract between a government agency and any private business in which he has a significant financial interest, except as provided for in subsections 2, 3, and 4.

- 2) Indicate if any individual members, partners, owners or principals involved in the business entity have a second degree of consanguinity or affinity relation to a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s) (reference form on Page 2 for definition). If YES, complete the Disclosure of Relationship Form.

A professional service is defined as a business entity that offers business/financial consulting, legal, physician, architect, engineer or other professional services.

**Signature and Print Name** – Requires signature of an authorized representative and the date signed.

**Disclosure of Relationship Form** – If any individual members, partners, owners or principals of the business entity is presently a University Medical Center of Southern Nevada employee, public officer or official, or has a second degree of consanguinity or affinity relationship to a University Medical Center of Southern Nevada employee, public officer or official, this section must be completed in its entirety.

## DISCLOSURE OF OWNERSHIP/PRINCIPALS

<b>Business Entity Type (Please select one)</b>						
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Corporation	<input type="checkbox"/> Trust	<input type="checkbox"/> Non-Profit Organization	<input type="checkbox"/> Other
<b>Business Designation Group (Please select all that apply)</b>						
<input type="checkbox"/> MBE	<input type="checkbox"/> WBE	<input type="checkbox"/> SBE	<input type="checkbox"/> PBE	<input type="checkbox"/> VET	<input type="checkbox"/> DVET	<input type="checkbox"/> ESB
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise	Veteran Owned Business	Disabled Veteran Owned Business	Emerging Small Business
<b>Number of Clark County Nevada Residents Employed:</b>						
<b>Corporate/Business Entity Name:</b> PNC Bank National Association						
<b>(Include d.b.a., if applicable)</b>						
<b>Street Address:</b>		300 Fifth Avenue		<b>Website:</b> PNC.com		
<b>City, State and Zip Code:</b>		Pittsburgh, PA 15222		<b>POC Name:</b>		
				<b>Email:</b>		
<b>Telephone No:</b>		267-960-4008		<b>Fax No:</b>		
<b>Nevada Local Street Address:</b>				<b>Website:</b>		
<b>(If different from above)</b>						
<b>City, State and Zip Code:</b>				<b>Local Fax No:</b>		
<b>Local Telephone No:</b>				<b>Local POC Name:</b>		
				<b>Email:</b>		

All entities, with the exception of publicly-traded and non-profit organizations, must list the names of individuals holding more than five percent (5%) ownership or financial interest in the business entity appearing before the Board.

Publicly-traded entities and non-profit organizations shall list all Corporate Officers and Directors in lieu of disclosing the names of individuals with ownership or financial interest. The disclosure requirement, as applied to land-use applications, extends to the applicant and the landowner(s).

Entities include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations.

Full Name	Title	% Owned (Not required for Publicly Traded Corporations/Non-profit organizations)
William Demchak	CEO	
Robert Reilly	Executive VP - CFO	

**This section is not required for publicly-traded corporations. Are you a publicly-traded corporation?** Xx ☐ Yes ☐ No

- Are any individual members, partners, owners or principals, involved in the business entity, a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?  
☐ Yes ☐ No (If yes, please note that University Medical Center of Southern Nevada employee(s), or appointed/elected official(s) may not perform any work on professional service contracts, or other contracts, which are not subject to competitive bid.)
- Do any individual members, partners, owners or principals have a spouse, registered domestic partner, child, parent, in-law or brother/sister, half-brother/half-sister, grandchild, grandparent, related to a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?  
☐ Yes ☐ No (If yes, please complete the Disclosure of Relationship form on Page 2. If no, please print N/A on Page 2.)

I certify under penalty of perjury, that all of the information provided herein is current, complete, and accurate. I also understand that the University Medical Center of Southern Nevada Governing Board will not take action on land-use approvals, contract approvals, land sales, leases or exchanges without the completed disclosure form.

 Signature	STEVE JASUKIEWICZ Print Name
VP - General Manager Title	12/28/2022 Date

## DISCLOSURE OF RELATIONSHIP

List any disclosures below:  
(Mark N/A, if not applicable.)

NAME OF BUSINESS OWNER/PRINCIPAL	NAME OF UMC* EMPLOYEE/OFFICIAL AND JOB TITLE	RELATIONSHIP TO UMC* EMPLOYEE/OFFICIAL	UMC* EMPLOYEE'S/OFFICIAL'S DEPARTMENT

\* UMC employee means an employee of University Medical Center of Southern Nevada

"Consanguinity" is a relationship by blood. "Affinity" is a relationship by marriage.

"To the second degree of consanguinity" applies to the candidate's first and second degree of blood relatives as follows:

- Spouse – Registered Domestic Partners – Children – Parents – In-laws (first degree)
- Brothers/Sisters – Half-Brothers/Half-Sisters – Grandchildren – Grandparents – In-laws (second degree)

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**For UMC Use Only:**

If any Disclosure of Relationship is noted above, please complete the following:

☐ Yes ☐ No Is the UMC employee(s) noted above involved in the contracting/selection process for this particular agenda item?

☐ Yes ☐ No Is the UMC employee(s) noted above involved in any way with the business in performance of the contract?

Notes/Comments:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name  
Authorized Department Representative



**UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA  
GOVERNING BOARD AUDIT AND FINANCE COMMITTEE  
AGENDA ITEM**

<b>Issue:</b>	<b>Agreement for Reagent Ordering &amp; Services Support with ELITechGroup MDx LLC</b>	<b>Back-up:</b>
<b>Petitioner:</b>	Jennifer Wakem, Chief Financial Officer	<b>Clerk Ref. #</b>
<b>Recommendation:</b>  <b>That the Governing Board Audit and Finance Committee review and recommend for approval by the Governing Board the Agreement with ELITechGroup MDX LLC for Reagent Ordering &amp; Service Support; authorize the Chief Executive Officer to exercise any extension options; or take action as deemed appropriate. (<i>For possible action</i>)</b>		

**FISCAL IMPACT:**

Fund Number: 5420.000	Fund Name: UMC Operating Fund
Fund Center: 3000707000	Funded Pgm/Grant: N/A
Description: Reagent & Service Support	
Bid/RFP/CBE: NRS 332.115(4) – Purchase of goods commonly used by a hospital	
NRS 332.115(1)(h) – Hardware	
Term: Three (3) years from the Effective Date with 3-month extension option	
Amount: \$2,417,955.70	
Out Clause: 15 days for convenience	

**BACKGROUND:**

This request is to enter into a new Agreement (“Agreement”) with ELITechGroup MDx LLC (“EliTech”) for Reagent & Service Support. EliTech will provide UMC with secure reagents and consumables annually, and service the BeGenius system used for molecular diagnostic testing done by the laboratory on a weekly basis. Staff also requests authorization for the Hospital CEO, at the end of the initial term, to exercise the extension option at his discretion if deemed beneficial to UMC.

UMC will compensate EliTech \$2,417,995.70 for three (3) years, with the option to extend for 3-month period. Either party may terminate this Agreement for convenience with a 15-day written notice to the other.

UMC’s Pathology Director has reviewed and recommends approval of this Agreement. This Agreement has been approved as to form by UMC’s Office of General Counsel.

EliTechGroup MDX LLC currently in the process of obtaining a Clark County business license.

Cleared for Agenda  
February 15, 2023

Agenda Item #

**16**



**UNIVERSITY MEDICAL CENTER  
OF SOUTHERN NEVADA**

**AGREEMENT FOR  
REAGENT ORDERING & SERVICE SUPPORT**

EliTech Molecular Diagnostics
NAME OF FIRM
Steve Swartzell
DESIGNATED CONTACT, NAME AND TITLE (Please type or print)
21720 23 <sup>rd</sup> Drive, Ste. 150 Bothell, WA 98021
ADDRESS OF FIRM INCLUDING CITY, STATE AND ZIP CODE
800-453-2725 Opt. 3
(AREA CODE) AND TELEPHONE NUMBER
mdx.orders@elitechgroup.com
E-MAIL ADDRESS

## AGREEMENT FOR REAGENT & SERVICE SUPPORT

This Agreement (the "Agreement") is made and entered into as of the last date of signature set forth below (the "Effective Date"), by and between UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA, a publicly owned and operated hospital created by virtue of Chapter 450 of the Nevada Revised Statutes (hereinafter referred to as "HOSPITAL"), and EliTech Molecular Diagnostics. (hereinafter referred to as "COMPANY"), for Reagent Ordering & Service Support (hereinafter referred to as "PROJECT").

### WITNESSETH:

WHEREAS, COMPANY has the personnel and resources necessary to accomplish the PROJECT within the required schedule and with a budget allowance not to exceed \$2,417,995.70 as further described herein; and

WHEREAS, COMPANY has the required licenses and/or authorizations pursuant to all federal, State of Nevada and local laws in order to conduct business relative to this Agreement.

NOW, THEREFORE, HOSPITAL and COMPANY agree as follows:

### **SECTION I: TERM OF AGREEMENT**

HOSPITAL agrees to retain COMPANY for the period from Effective Date through three (3) years ("Term"). During this period, COMPANY agrees to provide services as required by HOSPITAL within the scope of this Agreement. HOSPITAL reserves the right to extend the Agreement for up to an additional three (3) months for its convenience.

### **SECTION II: COMPENSATION AND TERMS OF PAYMENT**

#### **A. Terms of Payments**

1. HOSPITAL agrees to pay COMPANY for the performance of services described in the Scope of Work (**Exhibit A**) for the fixed not-to-exceed fee of \$2,417,995.70. It is expressly understood that the entire Scope of Work defined in **Exhibit A** must be completed by COMPANY and it shall be COMPANY's responsibility to ensure that hours and tasks are properly budgeted so the entire PROJECT is completed for the said fee.
2. Payment of invoices will be made within forty-five (45) calendar days after receipt of an accurate invoice that has been reviewed and approved by HOSPITAL.
3. HOSPITAL, at its discretion, may not approve or issue payment on invoices if COMPANY fails to provide the following information required on each invoice:
  - a. The title of the PROJECT as stated in **Exhibit A**, Scope of Work, itemized description of products delivered or services rendered and amount due, Purchase Order Number, Invoice Date, Invoice Period, Invoice Number, and the Payment Remittance Address.
  - b. Expenses not defined in **Exhibit A**, Scope of Work will not be paid without prior written authorization by HOSPITAL.
  - c. HOSPITAL's representative shall notify COMPANY in writing within fourteen (14) calendar days of any disputed amount included on the invoice. COMPANY must submit a new invoice for the undisputed amount which will be paid in accordance with this paragraph A.2 above. Upon mutual resolution of the disputed amount, COMPANY will submit a new invoice for the agreed amount and payment will be made in accordance with this paragraph A.2 above.
4. No penalty will be imposed on HOSPITAL if HOSPITAL fails to pay COMPANY within ninety (90) calendar days after receipt of a properly documented invoice, and HOSPITAL will receive no discount for payment within that period.
5. HOSPITAL shall subtract from any payment made to COMPANY all damages, costs and expenses caused by COMPANY's negligence, resulting from or arising out of errors or omissions in COMPANY's work products, which have not been previously paid to COMPANY.
6. HOSPITAL shall not provide payment on any invoice COMPANY submits after six (6) months from the date COMPANY

performs services, provides deliverables, and/or meets milestones, as agreed upon in **Exhibit A**, Scope of Work.

7. Invoices shall be submitted to: University Medical Center of Southern Nevada, Attn: Accounts Payable, 1800 W. Charleston Blvd., Las Vegas, NV 89102.

**B. HOSPITAL's Fiscal Limitations**

1. The content of this section shall apply to the entire Agreement and shall take precedence over any conflicting terms and conditions, and shall limit HOSPITAL's financial responsibility as indicated in Sections 2 and 3 below.
2. In accordance with the Nevada Revised Statutes (NRS 354.626), the financial obligations under this Agreement between the parties shall not exceed those monies appropriated and approved by HOSPITAL for the then-current fiscal year under the Local Government Budget Act. This Agreement shall terminate and HOSPITAL's obligations under it shall be extinguished at the end of any of HOSPITAL's fiscal years in which HOSPITAL's governing body fails to appropriate monies for the ensuing fiscal year sufficient for the payment of all amounts which could then become due under this Agreement. HOSPITAL agrees that this section shall not be utilized as a subterfuge or in a discriminatory fashion as it relates to this Agreement. In the event this section is invoked, this Agreement will expire on the 30th day of June of the then-current fiscal year. Termination under this section shall not relieve HOSPITAL of its obligations incurred through the 30th day of June of the fiscal year for which monies were appropriated.
3. HOSPITAL's total liability for all charges for services which may become due under this Agreement is limited to the total maximum expenditure(s) authorized in HOSPITAL's purchase order(s) to COMPANY.

**SECTION III: SCOPE OF WORK**

Services to be performed by COMPANY for the PROJECT shall consist of the work described in the Scope of Work as set forth in **Exhibit A** of this Agreement, attached hereto. In the event of a conflict between the terms of this Agreement and the terms in the Scope of Work, the terms of this Agreement shall prevail.

**SECTION IV: CHANGES TO SCOPE OF WORK**

- A. HOSPITAL may at any time, by written order, make changes within the general scope of this Agreement and in the services or work to be performed. If such changes cause an increase or decrease in COMPANY's cost or time required for performance of any services under this Agreement, an equitable adjustment limited to an amount within current unencumbered budgeted appropriations for the PROJECT shall be made and this Agreement shall be modified in writing accordingly. Any claim of COMPANY for the adjustment under this clause must be submitted in writing within thirty (30) calendar days from the date of receipt by COMPANY of notification of change unless HOSPITAL grants a further period of time before the date of final payment under this Agreement.
- B. No services for which an additional compensation will be charged by COMPANY shall be furnished without the written authorization of HOSPITAL.

**SECTION V: RESPONSIBILITY OF COMPANY**

- A. It is understood that in the performance of the services herein provided for, COMPANY shall be, and is, an independent contractor, and is not an agent, representative or employee of HOSPITAL and shall furnish such services in its own manner and method except as required by this Agreement. Further, COMPANY has and shall retain the right to exercise full control over the employment, direction, compensation and discharge of all persons employed by COMPANY in the performance of the services hereunder. COMPANY shall be solely responsible for, and shall indemnify, defend and hold HOSPITAL harmless from all matters relating to the payment of its employees, including compliance with social security, withholding and all other wages, salaries, benefits, taxes, demands, and regulations of any nature whatsoever.
- B. COMPANY shall appoint a Manager, upon written acceptance by HOSPITAL, who will manage the performance of services. All of the services specified by this Agreement shall be performed by the Manager, or by COMPANY's associates and employees under the personal supervision of the Manager. Should the Manager, or any employee of COMPANY be unable to complete his or her responsibility for any reason, COMPANY must obtain written approval by HOSPITAL prior to replacing him or her with another equally qualified person. If COMPANY fails to make a required replacement within fifteen (15) days, HOSPITAL may terminate this

Agreement for default.

- C. COMPANY has, or will, retain such employees as it may need to perform the services required by this Agreement. Such employees shall not be employed by the HOSPITAL.
- D. COMPANY agrees that its officers and employees will cooperate with HOSPITAL in the performance of services under this Agreement and will be available for consultation with HOSPITAL at such reasonable times with advance notice as to not conflict with their other responsibilities.
- E. COMPANY will follow HOSPITAL's relevant compliance policies as followed by HOSPITAL's staff in regard to programming changes; testing; change control; and other similar activities, including its corporate compliance program, HOSPITAL's Policy I-66 (Contracted Non-Employees/Allied Health Non-Credentialed /Dependent Allied Health / Temporary Staff / Construction/Third Party Equipment), and HOSPITAL's Vaccine Policy as may be amended from time to time. HOSPITAL will provide a copy of said policy upon COMPANY request. COMPANY must register through HOSPITAL's vendor management/credentialing system prior to arriving onsite at any of HOSPITAL's facilities. Should the Project involve a continuous presence by COMPANY's employees or agents onsite at HOSPITAL's facilities, COMPANY may be required to complete HOSPITAL's onboarding process and abide by onboarding requirements of HOSPITAL's Human Resources Department. COMPANY's employees, agents, subcontractors and/or designees who do not abide by HOSPITAL's policies may be barred from physical access to HOSPITAL's premises
- F. COMPANY shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all services furnished by COMPANY, its subcontractors and its and their principals, officers, employees and agents under this Agreement. In performing the specified services, COMPANY shall follow practices consistent with generally accepted professional and technical standards. COMPANY further agree that for a period of one year following completion of its work, or such longer period as may be indicated in the specification, COMPANY will replace or repair any product it provides or installs because of defects in workmanship or materials, except to the extent the failure results from negligence of HOSPITAL. COMPANY expressly disclaims all other warranties, whether implied or statutory, including but not limited to, any warranty of merchantability or fitness for a particular purpose.
- G. It shall be the duty of COMPANY to assure that all products of its effort are technically sound and in conformance with all pertinent Federal, State and Local statutes, codes, ordinances, resolutions and other regulations. If applicable, COMPANY will not produce a work product which violates or infringes on any copyright or patent rights. COMPANY shall, without additional compensation, correct or revise any errors or omissions in its work products:
  - 1. Permitted or required approval by HOSPITAL of any products or services furnished by COMPANY shall not in any way relieve COMPANY of responsibility for the professional and technical accuracy and adequacy of its work.
  - 2. HOSPITAL's review, approval, acceptance, or payment for any of COMPANY's services herein shall not be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement, and COMPANY shall be and remain liable in accordance with the terms of this Agreement and applicable law for all damages to HOSPITAL caused by COMPANY's performance or failures to perform under this Agreement.
- H. All materials, information, and documents, whether finished, unfinished, drafted, developed, prepared, completed, or acquired by COMPANY for HOSPITAL relating to the services to be performed hereunder and not otherwise used or useful in connection with services previously rendered, or services to be rendered, by COMPANY to parties other than HOSPITAL shall become the property of HOSPITAL and shall be delivered to HOSPITAL's representative upon completion or termination of this Agreement, whichever comes first. COMPANY shall not be liable for damages, claims, and losses arising out of any reuse of any work products on any other project conducted by HOSPITAL. HOSPITAL shall have the right to reproduce all documentation supplied pursuant to this Agreement.
- I. Drawings and specifications remain the property of COMPANY. Copies of the drawings and specifications retained by HOSPITAL may be utilized only for its use and for occupying the PROJECT for which they were prepared, and not for the construction of any other project. A copy of all materials, information and documents, whether finished, unfinished, or draft, developed, prepared, completed, or acquired by COMPANY during the performance of services for which it has been compensated under this Agreement, shall be delivered to HOSPITAL's representative upon completion or termination of this Agreement, whichever occurs first.

HOSPITAL shall have the right to reproduce all documentation supplied pursuant to this Agreement. COMPANY shall furnish Hospital's representative copies of all correspondence to regulatory agencies for review prior to mailing such correspondence.

- J. The rights and remedies of HOSPITAL provided for under this section are in addition to any other rights and remedies provided by law or under other sections of this Agreement.

#### **SECTION VI: SUBCONTRACTS**

- A. Services specified by this Agreement shall not be subcontracted by COMPANY, without prior written approval of HOSPITAL.
- B. Approval by HOSPITAL of COMPANY's request to subcontract, or acceptance of, or payment for, subcontracted work by HOSPITAL shall not in any way relieve COMPANY of responsibility for the professional and technical accuracy and adequacy of the work. COMPANY shall be and remain liable for all damages to HOSPITAL caused by negligent performance or non-performance of work under this Agreement by COMPANY's subcontractor or its sub-subcontractor.
- C. The compensation due under Section II shall not be affected by HOSPITAL's approval of COMPANY's request to subcontract.

#### **SECTION VII: RESPONSIBILITY OF HOSPITAL**

- A. HOSPITAL agrees that its officers and employees will cooperate with COMPANY in the performance of services under this Agreement and will be available for consultation with COMPANY at such reasonable times with advance notice as to not conflict with their other responsibilities.
- B. The services performed by COMPANY under this Agreement shall be subject to review for compliance with the terms of this Agreement by HOSPITAL's representative, Sangeeta Singh, telephone number (702) 671-6542 or her designee. HOSPITAL's representative may delegate any or all of her responsibilities under this Agreement to appropriate staff members, and shall so inform COMPANY by written notice before the effective date of each such delegation.
- C. The review comments of HOSPITAL's representative may be reported in writing as needed to COMPANY. It is understood that HOSPITAL's representative's review comments do not relieve COMPANY from the responsibility for the professional and technical accuracy of all work delivered under this Agreement.
- D. HOSPITAL shall assist COMPANY in obtaining data on documents from public officers or agencies, and from private citizens and/or business firms, whenever such material is necessary for the completion of the services specified by this Agreement.
- E. COMPANY will not be responsible for accuracy of information or data supplied by HOSPITAL or other sources to the extent such information or data would be relied upon by a reasonably prudent COMPANY.

#### **SECTION VIII: TIME SCHEDULE**

- A. Time is of the essence of this Agreement.
- B. If COMPANY's performance of services is delayed or if COMPANY's sequence of tasks is changed, COMPANY shall notify HOSPITAL's representative in writing of the reasons for the delay and prepare a revised schedule for performance of services. The revised schedule is subject to HOSPITAL's written approval.

#### **SECTION IX: SUSPENSION AND TERMINATION**

##### **A. Suspension**

HOSPITAL may suspend performance by COMPANY under this Agreement for such period of time as HOSPITAL, at its sole discretion, may prescribe by providing written notice to COMPANY at least five (5) working days prior to the date on which HOSPITAL wishes to suspend. Upon such suspension, HOSPITAL shall pay COMPANY its compensation, based on the percentage of the PROJECT completed and earned until the effective date of suspension, less all previous payments. COMPANY shall not perform further work under this Agreement after the effective date of suspension until receipt of written notice from HOSPITAL to resume performance. In the event HOSPITAL suspends performance by COMPANY for any cause other than the error or omission of the COMPANY, for an aggregate period in excess of thirty (30) days, COMPANY shall be entitled to an equitable adjustment of the compensation payable to COMPANY under this Agreement to reimburse COMPANY for additional costs occasioned as a result of such suspension of performance by HOSPITAL based on appropriated funds and approval by HOSPITAL.

##### **B. Termination**

1. Termination for Cause

This Agreement may be terminated in whole or in part by either party in the event of substantial failure or default of the other party to fulfill its obligations under this Agreement through no fault of the terminating party; but only after the other party is given:

- a. not less than ten (10) calendar days written notice of intent to terminate; and
- b. an opportunity for consultation with the terminating party prior to termination.

2. Termination for Convenience

- a. This Agreement may be terminated in whole or in part by HOSPITAL for its convenience; but only after COMPANY is given not less than fifteen (15) calendar days written notice of intent to terminate; and
- b. If termination is for HOSPITAL's convenience, HOSPITAL shall pay COMPANY that portion of the compensation which has been earned as of the effective date of termination but no amount shall be allowed for anticipated profit on performed or unperformed services or other work.

3. Effect of Termination

- a. If termination for substantial failure or default is effected by HOSPITAL, HOSPITAL will pay COMPANY that portion of the compensation which has been earned as of the effective date of termination but:
  - i. No amount shall be allowed for anticipated profit on performed or unperformed services or other work; and
  - ii. Any payment due to COMPANY at the time of termination may be adjusted to the extent of any additional costs occasioned to HOSPITAL by reason of COMPANY's default.
- b. Upon receipt or delivery by COMPANY of a termination notice, COMPANY shall promptly discontinue all services affected (unless the notice directs otherwise) and deliver or otherwise make available to HOSPITAL's representative, copies of all deliverables as provided in Section V, paragraph H. Each Party shall return or destroy all originals and copies, except for those copies it may retain for archival purposes, of any confidential information of the other Party regarding the Project, including but not limited to protected health information ("PHI"), and shall certify in writing to the other Party, no later than thirty (30) days after termination, that it has done so.
- c. If after termination for failure of COMPANY to fulfill contractual obligations it is determined that COMPANY has not so failed, the termination shall be deemed to have been effected for the convenience of HOSPITAL.
- d. Upon termination, HOSPITAL may take over the work and prosecute the same to completion by agreement with another party or otherwise. In the event COMPANY shall cease conducting business, HOSPITAL shall have the right to make an unsolicited offer of employment to any employees of COMPANY assigned to the performance of this Agreement.

4. The rights and remedies of HOSPITAL and COMPANY provided in this section are in addition to any other rights and remedies provided by law or under this Agreement.

5. Neither party shall be considered in default in the performance of its obligations hereunder, nor any of them, to the extent that performance of such obligations, nor any of them, is prevented or delayed by any cause, existing or future, which is beyond the reasonable control of such party. Delays arising from the actions or inactions of one or more of COMPANY's principals, officers, employees, agents, subcontractors, vendors or suppliers are expressly recognized to be within COMPANY's control.

## **SECTION X: INSURANCE**

COMPANY shall obtain and maintain the insurance coverage required in **Exhibit B** incorporated herein by this reference. COMPANY shall comply with the terms and conditions set forth in **Exhibit B** and shall include the cost of the insurance coverage in their prices.

## **SECTION XI: NOTICES**

Any notice required to be given hereunder shall be deemed to have been given when received by the party to whom it is directed by personal service, hand delivery, certified U.S. mail, return receipt requested or facsimile, at the following addresses, or such other address that a party may designate in writing:

TO HOSPITAL:                      University Medical Center of Southern Nevada  
Attn: Legal Department  
1800 W. Charleston Blvd.  
Las Vegas, NV 89102

TO COMPANY:                      ELITechGroup MDx LLC  
21720 23rd Drive, Suite 150  
Bothell, WA 98021

## **SECTION XII: MISCELLANEOUS**

### **A. ADA Requirements**

All work performed or services rendered by COMPANY shall comply with the Americans with Disabilities Act standards adopted by Clark County. All facilities built prior to January 26, 1992 must comply with the Uniform Federal Accessibility Standards; and all facilities completed after January 26, 1992 must comply with the Americans with Disabilities Act Accessibility Guidelines.

### **B. Amendments**

No modifications or amendments to this Agreement shall be valid or enforceable unless mutually agreed to in writing by the parties.

### **C. Assignment**

Any attempt by COMPANY to assign or otherwise transfer any interest in this Agreement without the prior written consent of HOSPITAL shall be void.

### **D. Audits**

The performance of this Agreement by COMPANY is subject to review by HOSPITAL to ensure Agreement compliance. COMPANY agrees to provide HOSPITAL any and all information requested that relates to the performance of this Agreement. All requests for information will be in writing to COMPANY. Time is of the essence during the audit process. Failure to provide the information requested within the timeline provided in the written information request may be considered a material breach of Agreement and be cause for suspension and/or termination of the Agreement. The parties hereto further agree that except as otherwise required by law, any audit and inspection rights include only the rights to verify amounts invoiced by COMPANY and to verify the nature of the services being invoiced, but does not include the right to review personal information of COMPANY's employees, or proprietary information of COMPANY, including but not limited to COMPANY's underlying cost, markup or overhead rates.

### **E. Clark County Business License / Registration**

COMPANY warrants that it is has a valid Clark County Business License and will maintain such licensure through the duration of this Agreement.

### **F. Complete Agreement**

This Agreement, together with all exhibits, appendices or other attachments, which are incorporated herein by reference, is the sole and entire agreement between the parties relating to the subject matter hereof. This Agreement supersedes all prior understandings, representations, agreements and documentation relating to such subject matter. In the event of a conflict between the provisions of the main body of the Agreement and any attached exhibits, appendices or other materials, the Agreement shall take precedence.

### **G. Confidential Treatment of Information**

COMPANY shall preserve in strict confidence any information obtained, assembled or prepared in connection with the performance of this Agreement and COMPANY represents and warrants that it shall not resell HOSPITAL confidential information. Confidential information does not include information that, under the Health Insurance Portability and Accountability Act (HIPAA) as may be amended from time to time, is protected health information (PHI). COMPANY And HOSPITAL agree no PHI is contemplated to be

shared under this agreement.

H. Counterparts

This Agreement may be executed in one or more counterparts. Each counterpart will be an original, and all such counterparts will constitute a single instrument.

I. Covenant

COMPANY covenants that it presently has no interest and that it will not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. COMPANY further covenants, to its knowledge and ability, that in the performance of said services no person having any such interest shall be employed.

J. Covenant Against Contingent Fees

COMPANY warrants that no person or selling agency has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide permanent employees. For breach or violation of this warranty, HOSPITAL shall have the right to annul this Agreement without liability or in its discretion to deduct from the Agreement price or consideration or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.

K. Exclusion

COMPANY represents and warrants that neither it, nor any of its employees or other contracted staff (collectively referred to in this paragraph as "employees") has been or is about to be excluded from participation in any Federal Health Care Program (as defined herein). COMPANY agrees to notify HOSPITAL within five (5) business days of COMPANY's receipt of notice of intent to exclude or actual notice of exclusion from any such program. The listing of COMPANY or any of its employees on the Office of Inspector General's exclusion list (OIG website), the General Services Administration's Lists of Parties Excluded from Federal Procurement and Non-procurement Programs (GSA website) for excluded individuals or entities, any state Medicaid exclusion list, or the Office of Foreign Assets Control's (OFAC's) blocked list shall constitute "exclusion" for purposes of this paragraph. In the event that COMPANY or any of its employees is excluded from any Federal Health Care Program or placed on the OFAC's blocked list, it shall be a material breach and this Agreement shall immediately terminate without penalty to HOSPITAL. For the purpose of this paragraph, the term "Federal Health Care Program" means the Medicare program, the Medicaid program, TRICARE, any health care program of the Department of Veterans Affairs, the Maternal and Child Health Services Block Grant program, any state social services block grant program, any state children's health insurance program, or any similar program.

L. Governing Law / Venue

Nevada law shall govern the interpretation of this Agreement. Venue shall be any court of competent jurisdiction in Las Vegas, Nevada.

M. Gratuities

1. HOSPITAL may, by written notice to COMPANY, terminate this Agreement if it is found after notice and hearing by HOSPITAL that gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by COMPANY or any agent or representative of COMPANY to any officer or employee of HOSPITAL with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending or making of any determinations with respect to the performance of this Agreement.
2. In the event this Agreement is terminated as provided in paragraph 1 hereof, HOSPITAL shall be entitled:
  - a. to pursue the same remedies against COMPANY as it could pursue in the event of a breach of this Agreement by COMPANY; and
  - b. as a penalty in addition to any other damages to which it may be entitled by law, to exemplary damages in an amount (as determined by HOSPITAL) which shall be not less than three (3) nor more than ten (10) times the costs incurred by COMPANY in providing any such gratuities to any such officer or employee.
3. The rights and remedies of HOSPITAL provided in this clause shall not be exclusive and are in addition to any other rights



and remedies provided by law or under this Agreement.

N. Immigration Reform and Control Act

In accordance with the Immigration Reform and Control Act of 1986, COMPANY agrees that it will not employ unauthorized aliens in the performance of this Agreement.

O. Indemnity

COMPANY does hereby agree to defend, indemnify, and hold harmless HOSPITAL and the employees, officers and agents of HOSPITAL from any liabilities, damages, losses, claims, actions or proceedings, including, without limitation, reasonable attorneys' fees, that are caused by the negligence, errors, omissions, recklessness or intentional misconduct of COMPANY or the employees or agents of COMPANY in the performance of this Agreement.

P. Independent Contractor

COMPANY acknowledges that it, COMPANY, and any subcontractors, agents or employees employed by it shall not, under any circumstances, be considered employees of the HOSPITAL, and that they shall not be entitled to any of the benefits or rights afforded employees of HOSPITAL, including, but not limited to, sick leave, vacation leave, holiday pay, Public Employees Retirement System benefits, or health, life, dental, long-term disability or workers' compensation insurance benefits. HOSPITAL will not provide or pay for any liability or medical insurance, retirement contributions or any other benefits for or on behalf of COMPANY or any of its officers, employees or other agents.

Q. Prohibition Against Israel Boycott:

In accordance with Nevada Revised Statute 332.065, COMPANY certifies that it is not refused to deal or to conduct business with, abstained from dealing or conducting business with, terminating business or business activities with or performing any other action that is intended to limit commercial relations with Israel or a person or entity doing business in Israel or in territories controlled by Israel.

R. Public Funds / Non-Discrimination

COMPANY acknowledges that the HOSPITAL has an obligation to ensure that public funds are not used to subsidize private discrimination. COMPANY recognizes that if they or their subcontractors are found guilty by an appropriate authority of refusing to hire or do business with an individual or company due to reasons of race, color, religion, sex, sexual orientation, gender identity or gender expression, age, disability, handicapping condition (including AIDS or AIDS related conditions), national origin, or any other class protected by law or regulation, HOSPITAL may declare COMPANY in breach of the Agreement, terminate the Agreement, and designate COMPANY as non-responsible.

S. Public Records

COMPANY acknowledges that HOSPITAL is a public, county-owned hospital which is subject to the provisions of the Nevada Public Records Act, Nevada Revised Statutes Chapter 239, as may be amended from time to time. As such, its records are public documents available for copying and inspection by the public. If HOSPITAL receives a demand for the disclosure of any information related to this Agreement that COMPANY has claimed to be confidential and proprietary, HOSPITAL will immediately notify COMPANY of such demand and COMPANY shall immediately notify HOSPITAL of its intention to seek injunctive relief in a Nevada court for protective order. COMPANY shall indemnify and defend HOSPITAL from any claims or actions, including all associated costs and attorney's fees, demanding the disclosure of COMPANY document in HOSPITAL's custody and control in which COMPANY claims to be confidential and proprietary.

T. Publicity

Neither HOSPITAL nor COMPANY shall cause to be published or disseminated any advertising materials, either printed or electronically transmitted which identify the other party or its facilities with respect to this Agreement without the prior written consent of the other party.

U. Subcontractor Information

COMPANY shall provide a list of the Minority-Owned Business Enterprise (MBE), Women-Owned Business Enterprise (WBE), Physically-Challenged Business Enterprise (PBE), Small Business Enterprise (SBE), and Nevada Business Enterprise (NBE)

subcontractors for this Agreement utilizing the attached format **Exhibit C**. The information provided in **Exhibit C** by COMPANY is for the HOSPITAL's information only.

V. Survival of Terms.

Unless otherwise stated, all of HOSPITAL and COMPANY's respective obligations, representations and warranties under this Agreement which are not, by the expressed terms of this Agreement, fully to be performed while this Agreement is in effect shall survive the termination of this Agreement.

W. Travel Policy

The following are the acceptable travel guidelines for reimbursement of travel costs:

Reimbursement shall only be for the contract personnel.

Transportation:

- Domestic Airlines (Coach Ticket). Number of trips must be approved by HOSPITAL.
- Personal Vehicle: HOSPITAL will not pay costs associated to driving a personal vehicle in lieu of air travel.

Meals: All meal charges will be paid up to and not to exceed \$50 per day. This includes a 15% tip.

Lodging: Lodging will either be booked by HOSPITAL or reimbursed for costs of a reasonable room rate plus taxes for Las Vegas, NV, not to exceed \$150 per night.

Rental Vehicles: One (1) automobile rental will be authorized per four (4) travelers. Rental must be mid-size or smaller.

HOSPITAL will reimburse up to \$150 per week. Return re-fuel cap of \$50 per vehicle.

Each traveler shall submit the following documents in order to claim travel reimbursement. The documents shall be readable copies of the original itemized receipts with each traveler's full name. Only actual costs (including all applicable sales tax) will be reimbursed.

- Company's Invoice
  - o With copy of executed Agreement highlighting the allowable travel
  - o List of travelers
  - o Number of days in travel status
- Hotel receipt
- Meal receipts for each meal
- Airline receipt
- Car rental receipt (Identify driver and passengers)
- Airport parking receipt (traveler's Airport origin)
- Gas re-fuel upon return of rental vehicle capped at \$50 per vehicle
- Airport long term parking (only for economy rate)

The following are some of the charges that will NOT be allowable for reimbursement (not all inclusive):

- Personal vehicle (HOSPITAL will not pay costs associated to driving a personal vehicle in lieu of air travel)
- Excess baggage fares
- Upgrades for transportation, lodging, or vehicles
- Alcohol
- Room service
- In-room movie rentals
- In-room beverage/snacks
- Gas for personal vehicles
- Transportation to and from traveler's home and the airport
- Mileage
- Travel time

Travel expenses shall not exceed \$3,000 without prior written approval from HOSPITAL.

X. Waiver; Severability

No term or provision of this Agreement shall be deemed waived and no breach excused unless such waiver or consent is in writing and signed by the party claimed to have waived or consented. If any provision of this Agreement is held invalid, void or unenforceable under any applicable statute or rule of law, it shall to that extent be deemed omitted, and the balance of this Agreement shall be enforceable in accordance with its remaining terms.

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed and effective as of the Effective Date.

HOSPITAL:

**UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA**

By: \_\_\_\_\_  
MASON VAN HOUWELING  
Chief Executive Officer

\_\_\_\_\_  
DATE

COMPANY: ELITech MDx LLC

**COMPANY NAME**

By: \_\_\_\_\_  
NAME: Scott Johnston  
TITLE General Manager

\_\_\_\_\_  
DATE: 1/18/2023

**EXHIBIT A  
REAGENT ORDERING & SERVICE SUPPORT  
SCOPE OF WORK**



**PROFESSIONAL SERVICE**

**SOLD TO:** University Medical Center of Southern Nevada

**Customer #:** 3UMC01

**Address:** 1800 W Charleston Blvd  
Las Vegas, NV 89102

**START DATE:** 05/11/2023

**Contact:** Sangeeta Singh

**END DATE:** 05/10/2026

QTY	PART NUMBER	DESCRIPTION	SERIAL NO.	UNIT PRICE
1	M800593	3 Year <u>ELITe</u> Service Plan	2412110E0031C	

This form and payment must be received prior to the effective start date to avoid any lapse in coverage. Instruments not covered by warranty or service plan will require certification at applicable per call rates prior to coverage. Payment shall be made to ELITechGroup MDX LLC at 370 W 1700 S, Logan, UT 84321.

## Purchase Quotation



ELITech MDx LLC  
21720 23rd Drive, Suite 150  
Bothell, WA 98021

Customer service:  
Phone: (800) 453-2725, Option 3  
Fax: (425) 482-5550

Quote # /  
Reference: 221206-SS-02  
Date issued: 12/06/2022  
Expires on: undefined/undefined/NaN  
Customer number:

mdx.orders@elitechgroup.com  
www.elitechgroup.com

### Billing Address:

Institution: University Medical Center, Southern Nevada  
Attn: Sangeeta Singh  
Telephone: (702) 671-6542  
E-mail: sangeeta.singh@umcsn.com  
Department: Molecular Laboratory Services  
Address: 1800 W Charleston Blvd  
Address:  
City: Las Vegas  
State: Nevada  
Zip: 89102

### Shipping Address:

Institution: University Medical Center, Southern Nevada  
Attn: Sangeeta Singh  
Telephone: (702) 671-6542  
E-mail: sangeeta.singh@umcsn.com  
Department: Molecular Laboratory Services  
Address: 1800 W Charleston Blvd  
Address:  
City: Las Vegas  
State: Nevada  
Zip: 89102

Annual Costs				
Quantity Quoted	ELITech Part #	Product Description	Unit Price	Extended Price
3	F2102-000-US	ELITE InGenius® Waste Box		
434	M100294	Filter Tips 300 (Rack of 96)		
1	800413	MGB Alert CMV 3.0 Primer Mix ASR		
1	800423	MGB Alert CMV 3.0 Probe Mix ASR		
1	800431	MGB Alert Internal Control Set IC2-C		
1	800414	MGB Alert EBV Primer Mix ASR		
1	800424	MGB Alert EBV Probe Mix ASR		
1	800427	MGB Alert Internal Control Set IC1		
1	800499	MGB Alert HHV-6 2.0 Primer Mix ASR		
1	800500	MGB Alert HHV-6 2.0 Probe Mix ASR		
1	800496	MGB Alert Internal Control Set IC2-H		
1	800418	MGB Alert VZV Primer Mix ASR		
1	800419	MGB Alert VZV Probe Mix ASR		
1	800439	MGB Alert Internal Control Set IC1-V		
1	M800737	MGB Alert Internal Control IC2 Template		
1	800497	MGB Alert Adenovirus Primer Mix ASR		
1	800498	MGB Alert Adenovirus Probe Mix ASR		
1	800495	MGB Alert Internal Control Set IC1-A		
1	800336	MGB Alert Enterovirus Primer Mix ASR		
1	800337	MGB Alert Enterovirus Probe Mix ASR		
1	800365	MGB Alert Internal Control Set (MS2-E)		
1	M400451	Parechovirus RUO Detection Reagent		
1	M800740	MGB Alert Internal Control MS2 RNA Template		
1	800437	MGB Alert B. pertussis/PP. Primer Mix ASR		
1	800438	MGB Alert B. pertussis/B. PP Probe mix ASR		
1	M800580	MGB Alert Internal Control Set IC2-T		
1	M800601	MGB Alert JCV Primer Mix ASR		
1	M800602	MGB Alert JCV Probe Mix ASR		
1	M800597	MGB Alert HHV8 Primer Mix ASR		
1	M800598	MGB Alert HHV8 Probe Mix ASR		
1	M800600	MGB Alert Internal Control Set IC2-8		
14	800350	MGB Alert CMV 3.0 Primer Mix ASR (480rxns)		

Qty	ELITech Part #	Product Description	Unit Price	Extended Price
14	800404	MGB Alert CMV 3.0 Probe Mix ASR (480rxns)		
14	800432	MGB Alert Internal Control Set IC2-C (480rxns)		
1	800334	MGB Alert EBV Primer Mix ASR (480rxns)		
1	800335	MGB Alert EBV Probe Mix ASR (480rxns)		
1	800360	MGB Alert Internal Control Set IC1 (480rxns)		
1	M800693	MGB Alert® Platinum Master Mix		
1	M800682	MGB Alert Parvovirus Primer Mix ASR		
1	M800683	MGB Alert Parvovirus Probe Mix ASR		
1	M800584	Elite MGB HSV 1&2 Kit		
289	INT032SP200	ELITe InGenius/BeGenius® SP 200		
289	INT032CS	ELITe InGenius/BeGenius® SP 200 C. Set		
73	INT035PCR	ELITe InGenius/BeGenius® PCR Cassette		
30	M800694	MGB Alert Platinum Master Mix (480rxns)		
139	925-CAP	SONICATION TUBE CAPS, 100/BAG		
1	M800726	MGB Alert BKV v3.0 Primer Mix, 48 rxn		
1	M800727	MGB Alert BKV v3.0 Probe Mix, 48 rxn		
1	M800728	MGB Alert Internal Control Set IC1 DSQ, 48 rxn		
16	M800732	MGB Alert BKV v3.0 Primer Mix, 480 rxn		
16	M800733	MGB Alert BKV v3.0 Probe Mix, 480 rxn		
16	M800734	MGB Alert Internal Control Set IC1 DSQ, 480 rxn		
1	M400656	PAN Aspergillus RUO Detection Reagent Mix		
1	M400853	Monkeypox-Orthopox RUO Detection Reagent Mix		

<b>Instrumentation Total:</b>	0.00
<b>Annual Total:</b>	792331.90
<b>First Year Total:</b>	792331.90

- The order amounts above are estimates only and are subject to change due to Hospital's needs.

**EXHIBIT B**  
**REAGENT ORDERING & SERVICE SUPPORT**  
**INSURANCE REQUIREMENTS**

**TO ENSURE COMPLIANCE WITH THE AGREEMENT DOCUMENT, COMPANY SHOULD FORWARD THE FOLLOWING INSURANCE CLAUSE AND SAMPLE INSURANCE FORM TO THEIR INSURANCE AGENT PRIOR TO PROPOSAL SUBMITTAL.**

- A. **Format/Time**: COMPANY shall provide HOSPITAL with Certificates of Insurance, per the sample format (page B-3), for coverage as listed below, and endorsements affecting coverage required by this Agreement within **ten (10) business days** after the award by HOSPITAL. All policy certificates and endorsements shall be signed by a person authorized by that insurer and who is licensed by the State of Nevada in accordance with NRS 680A.300. All required aggregate limits shall be disclosed and amounts entered on the Certificate of Insurance, and shall be maintained for the duration of the Agreement and any renewal periods.
- B. **Best Key Rating**: HOSPITAL requires insurance carriers to maintain during the Agreement term, a Best Key Rating of A.VII or higher, which shall be fully disclosed and entered on the Certificate of Insurance.
- C. **HOSPITAL Coverage**: HOSPITAL, its officers and employees must be expressly covered as additional insured's except on Workers' Compensation. COMPANY's insurance shall be primary as respects HOSPITAL, its officers and employees.
- D. **Endorsement/Cancellation**: COMPANY's general liability and automobile liability insurance policy shall be endorsed to recognize specifically COMPANY's contractual obligation of additional insured to HOSPITAL and must note that HOSPITAL will be given thirty (30) calendar days advance notice by certified mail "return receipt requested" of any policy changes, cancellations, or any erosion of insurance limits. Either a copy of the additional insured endorsement, or a copy of the policy language that gives HOSPITAL automatic additional insured status must be attached to any certificate of insurance.
- E. **Deductibles**: All deductibles and self-insured retentions shall be fully disclosed in the Certificates of Insurance and may not exceed \$25,000.
- F. **Aggregate Limits**: If aggregate limits are imposed on bodily injury and property damage, then the amount of such limits must not be less than \$2,000,000.
- G. **Commercial General Liability**: Subject to Paragraph 6 of this Exhibit, COMPANY shall maintain limits of no less than \$1,000,000 combined single limit per occurrence for bodily injury (including death), personal injury and property damages. Commercial general liability coverage shall be on a "per occurrence" basis only, not "claims made," and be provided either on a Commercial General Liability or a Broad Form Comprehensive General Liability (including a Broad Form CGL endorsement) insurance form. Policies must contain a primary and non-contributory clause and must contain a waiver of subrogation endorsement.
- H. **Automobile Liability**: Subject to Paragraph 6 of this Exhibit, COMPANY shall maintain limits of no less than \$1,000,000 combined single limit per occurrence for bodily injury and property damage to include, but not be limited to, coverage against all insurance claims for injuries to persons or damages to property which may arise from services rendered by COMPANY and **any auto** used for the performance of services under this Agreement.
- I. **Professional Liability**: COMPANY shall maintain limits of no less than \$1,000,000 aggregate. If the professional liability insurance provided is on a Claims Made Form, then the insurance coverage required must continue for a period of two (2) years beyond the completion or termination of this Agreement. Any retroactive date must coincide with or predate the beginning of this and may not be advanced without the consent of HOSPITAL.
- J. **Workers' Compensation**: COMPANY shall obtain and maintain for the duration of this Agreement, a work certificate and/or a certificate issued by an insurer qualified to underwrite workers' compensation insurance in the State of Nevada, in accordance with Nevada Revised Statutes Chapters 616A-616D, inclusive, provided, however, a COMPANY that is a Sole Proprietor shall be required to submit an affidavit (Attachment 1) indicating that COMPANY has elected not to be included in the terms, conditions and provisions of Chapters 616A-616D, inclusive, and is otherwise in compliance with those terms, conditions and provisions.
- K. **Failure To Maintain Coverage**: If COMPANY fails to maintain any of the insurance coverage required herein, HOSPITAL may withhold payment, order COMPANY to stop the work, declare COMPANY in breach, suspend or terminate the Agreement, assess liquidated damages as defined herein, or may purchase replacement insurance or pay premiums due on existing policies. HOSPITAL may collect any replacement insurance costs or premium payments made from COMPANY or deduct the amount paid from any sums due COMPANY under this Agreement.
- L. **Additional Insurance**: COMPANY is encouraged to purchase any such additional insurance as it deems necessary.
- M. **Damages**: COMPANY is required to remedy all injuries to persons and damage or loss to any property of HOSPITAL, caused in whole or in part by COMPANY, its subcontractors or anyone employed, directed or supervised by COMPANY.
- N. **Cost**: COMPANY shall pay all associated costs for the specified insurance. The cost shall be included in the price(s).
- O. **Insurance Submittal Address**: All Insurance Certificates requested shall be sent to University Medical Center, Attention: Contracts Management. See the Notice Clause in the Agreement for the appropriate mailing address.

P. **Insurance Form Instructions:** The following information must be filled in by COMPANY's Insurance Company representative:

1. Insurance Broker's name, complete address, phone and fax numbers.
2. COMPANY's name, complete address, phone and fax numbers.
3. Insurance Company's Best Key Rating
4. Commercial General Liability (Per Occurrence)
  - (A) Policy Number
  - (B) Policy Effective Date
  - (C) Policy Expiration Date
  - (D) Each Occurrence (\$1,000,000)
  - (E) Damage to Rented Premises (\$50,000)
  - (F) Medical Expenses (\$5,000)
  - (G) Personal & Advertising Injury (\$1,000,000)
  - (H) General Aggregate (\$2,000,000)
  - (I) Products - Completed Operations Aggregate (\$2,000,000)
5. Automobile Liability (Any Auto)
  - (J) Policy Number
  - (K) Policy Effective Date
  - (L) Policy Expiration Date
  - (M) Combined Single Limit (\$1,000,000)
6. Worker's Compensation: The COMPANY shall obtain and maintain for the duration of this Agreement, a work certificate and/or a certificate issued by an insurer qualified to underwrite workers' compensation insurance in the State of Nevada, in accordance with Nevada Revised Statutes Chapters 616A-616D
7. Professional Liability
  - (N) Policy Number
  - (O) Policy Effective Date
  - (P) Policy Expiration Date
  - (Q) Aggregate (\$1,000,000)
8. Description: **REAGENT ORDERING & SERVICE SUPPORT** (must be identified on the initial insurance form and each renewal form).
9. Certificate Holder:

University Medical Center of Southern Nevada  
c/o Contracts Management  
1800 W. Charleston Blvd.  
Las Vegas, Nevada 89102
10. Appointed Agent Signature to include license number and issuing state.
11. Notwithstanding any other provision to the contrary herein, the parties hereto agree that (1) all coverage provided by COMPANY hereunder shall be on a per policy basis; (2) COMPANY shall provide evidence of all such coverages upon request; (3) COMPANY agrees to provide HOSPITAL with a written notice of cancellation in accordance with COMPANY'S insurance policies; (4) all references herein to any ISO, Acord or other insurance form shall be read as to include "or equivalent, at the discretion of COMPANY"; and (5) COMPANY reserves the right to meet Excess/Umbrella Liability coverage requirements by increasing its Commercial General Liability, Business Automobile Liability and Employer's Liability Insurance limits.





## CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed.** If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

**PRODUCER**

1. INSURANCE BROKER'S NAME  
ADDRESS

CONTACT  
NAME:PHONE  
(A/C No. Ext): BROKER'S PHONE NUMBERFAX  
(A/C No.) BROKER'S FAX NUMBERE-MAIL  
ADDRESS: BROKER'S EMAIL ADDRESS

INSURER(S) AFFORDING COVERAGE

NAIC #

**INSURED**

2. //TYPE//S NAME  
ADDRESS  
PHONE & FAX NUMBERS

INSURER A:

INSURER B:

INSURER C:

INSURER D:

INSURER E:

INSURER F:

3. COMPANY'S  
BEST KEY  
RATING

**COVERAGES****CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADD'L INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YY)	POLICY EXP (MM/DD/YY)	LIMITS
4.	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR.  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC	X		(A)	(B)	(C)	EACH OCCURRENCE \$(D) 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$(E) 50,000 MED EXP (Any one person) \$(F) 5,000 PERSONAL & ADV INJURY \$(G) 1,000,000 GENERAL AGGREGATE \$(H) 2,000,000 PRODUCTS - COMP/OP AGG \$(I) 2,000,000 DEDUCTIBLE MAXIMUM \$ 25,000
5.	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	X		(J)	(K)	(L)	COMBINED SINGLE LIMIT (Ea accident) \$(M) 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ DEDUCTIBLE MAXIMUM \$ 25,000
6.	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY Y/N ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> (Mandatory in NH) describe under DESCRIPTION OF OPERATIONS below	X					WC STATUTORY LIMITS OTHER \$ E.L. EACH ACCIDENT \$ E.L. DISEASE - E.A. EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
7.	PROFESSIONAL LIABILITY			(N)	(O)	(P)	AGGREGATE \$(Q) 1,000,000
8.				(R)	(S)	(T)	LIMIT (PER OCCURRENCE) \$(U) 300,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

**REAGENT ORDERING & SERVICE SUPPORT - CPR 8163****9. CERTIFICATE HOLDER****CANCELLATION**

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA  
C/O CONTRACTS MANAGEMENT  
1800 W. CHARLESTON BLVD.  
LAS VEGAS, NV 89102

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

10. AUTHORIZED REPRESENTATIVE

POLICY NUMBER: \_\_\_\_\_

COMMERCIAL GENERAL AND AUTOMOBILE LIABILITY

CBE NUMBER AND CONTRACT NAME: **REAGENT ORDERING & SERVICE SUPPORT**

**THIS ENDORSEMENT CHANGED THE POLICY. PLEASE READ IT CAREFULLY**  
**ADDITIONAL INSURED – DESIGNATED PERSON OR ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY AND AUTOMOBILE LIABILITY COVERAGE PART.

**SCHEDULE**

Name of Person or Organization:

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA  
C/O CONTRACTS MANAGEMENT  
1800 W. CHARLESTON BLVD.  
LAS VEGAS, NV 89102

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

WHO IS AN INSURED (Section II) is amended to include as an insured the person or organization shown in the Schedule as an insured but only with respect to liability arising out of your operations or premises owned by or rented to you.

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA, ITS OFFICERS, EMPLOYEES AND VOLUNTEERS ARE INSURED WITH RESPECT TO LIABILITY ARISING OUT OF THE ACTIVITIES BY OR ON BEHALF OF THE NAMED INSURED IN CONNECTION WITH THIS PROJECT.

**ATTACHMENT 1 (OPTIONAL)**

**AFFIDAVIT**

**(ONLY REQUIRED FOR A SOLE PROPRIETOR)**

I, \_\_\_\_\_, on behalf of my company, \_\_\_\_\_, being duly sworn,  
(Name of Sole Proprietor) (Legal Name of Company)

depose and declare:

1. I am a Sole Proprietor;
2. I will not use the services of any employees in the performance of this Agreement, identified as **REAGENT ORDERING & SERVICE SUPPORT**;
3. I have elected to not be included in the terms, conditions, and provisions of NRS Chapters 616A-616D, inclusive; and
4. I am otherwise in compliance with the terms, conditions, and provisions of NRS Chapters 616A-616D, inclusive.

I release University Medical Center of Southern Nevada from all liability associated with claims made against me and my Company, in the performance of this Agreement, that relate to compliance with NRS Chapters 616A-616D, inclusive.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Signature \_\_\_\_\_

State of Nevada        )  
                                  )ss.  
County of Clark        )

Signed and sworn to (or affirmed) before me on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_,  
by \_\_\_\_\_ (name of person making statement).

Notary Signature

STAMP AND SEAL

**EXHIBIT C**  
**SUBCONTRACTOR INFORMATION**

**DEFINITIONS:**

MINORITY OWNED BUSINESS ENTERPRISE (MBE): An independent and continuing **Nevada** business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more minority persons of Black American, Hispanic American, Asian-Pacific American or Native American ethnicity.

WOMEN OWNED BUSINESS ENTERPRISE (WBE): An independent and continuing **Nevada** business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more women.

PHYSICALLY-CHALLENGED BUSINESS ENTERPRISE (PBE): An independent and continuing **Nevada** business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more disabled individuals pursuant to the federal Americans with Disabilities Act.

SMALL BUSINESS ENTERPRISE (SBE): An independent and continuing **Nevada** business for profit which performs a commercially useful function, is **not** owned and controlled by individuals designated as minority, women, or physically-challenged, and where gross annual sales does not exceed \$2,000,000.

NEVADA BUSINESS ENTERPRISE (NBE): Any Nevada business which has the resources necessary to sufficiently perform identified County projects, and is owned or controlled by individuals that are not designated as socially or economically disadvantaged.

VETERAN OWNED ENTERPRISE (VET): A Nevada business at least 51% owned/controlled by a veteran.

DISABLED VETERAN OWNED ENTERPRISE (DVET): A Nevada business at least 51% owned/controlled by a disabled veteran.

It is our intent to utilize the following MBE, WBE, PBE, SBE, and NBE subcontractors in association with this Agreement:

1. Subcontractor Name: \_\_\_\_\_  
Contact Person: \_\_\_\_\_ Telephone Number: \_\_\_\_\_  
Description of Work: \_\_\_\_\_  
\_\_\_\_\_  
Estimated Percentage of Total Dollars: \_\_\_\_\_  
Business Type: \_\_\_ MBE \_\_\_ WBE \_\_\_ PBE \_\_\_ SBE \_\_\_ NBE

2. Subcontractor Name: \_\_\_\_\_  
Contact Person: \_\_\_\_\_ Telephone Number: \_\_\_\_\_  
Description of Work: \_\_\_\_\_  
\_\_\_\_\_  
Estimated Percentage of Total Dollars: \_\_\_\_\_  
Business Type: \_\_\_ MBE \_\_\_ WBE \_\_\_ PBE \_\_\_ SBE \_\_\_ NBE

3. Subcontractor Name: \_\_\_\_\_  
Contact Person: \_\_\_\_\_ Telephone Number: \_\_\_\_\_  
Description of Work: \_\_\_\_\_  
\_\_\_\_\_  
Estimated Percentage of Total Dollars: \_\_\_\_\_  
Business Type: \_\_\_ MBE \_\_\_ WBE \_\_\_ PBE \_\_\_ SBE \_\_\_ NBE

4. Subcontractor Name: \_\_\_\_\_  
Contact Person: \_\_\_\_\_ Telephone Number: \_\_\_\_\_  
Description of Work: \_\_\_\_\_  
\_\_\_\_\_  
Estimated Percentage of Total Dollars: \_\_\_\_\_  
Business Type: \_\_\_ MBE \_\_\_ WBE \_\_\_ PBE \_\_\_ SBE \_\_\_ NBE

☐ **No MBE, WBE, PBE, SBE, or NBE subcontractors will be used**

**INSTRUCTIONS FOR COMPLETING THE  
DISCLOSURE OF OWNERSHIP/PRINCIPALS FORM**

**Purpose of the Form**

The purpose of the Disclosure of Ownership/Principals Form is to gather ownership information pertaining to the business entity for use by the University Medical Center of Southern Nevada Governing Board ("GB") in determining whether members of the GB should exclude themselves from voting on agenda items where they have, or may be perceived as having a conflict of interest, and to determine compliance with Nevada Revised Statute 281A.430, contracts in which a public officer or employee has interest is prohibited.

**General Instructions**

Completion and submission of this Form is a condition of approval or renewal of a contract or lease and/or release of monetary funding between the disclosing entity and University Medical Center of Southern Nevada. Failure to submit the requested information may result in a refusal by the GB to enter into an agreement/contract and/or release monetary funding to such disclosing entity.

**Detailed Instructions**

All sections of the Disclosure of Ownership form must be completed. If not applicable, write in N/A.

**Business Entity Type** – Indicate if the entity is an Individual, Partnership, Limited Liability Company, Corporation, Trust, Non-profit Organization, or Other. When selecting 'Other', provide a description of the legal entity.

**Non-Profit Organization (NPO)** – Any non-profit corporation, group, association, or corporation duly filed and registered as required by state law.

**Business Designation Group** – Indicate if the entity is a Minority Owned Business Enterprise (MBE), Women-Owned Business Enterprise (WBE), Small Business Enterprise (SBE), Physically-Challenged Business Enterprise (PBE), Veteran Owned Business (VET), Disabled Veteran Owned Business (DVET), or Emerging Small Business (ESB). This is needed in order to provide utilization statistics to the Legislative Council Bureau, and will be used only for such purpose.

- **Minority Owned Business Enterprise (MBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more minority persons of Black American, Hispanic American, Asian-Pacific American or Native American ethnicity.
- **Women Owned Business Enterprise (WBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more women.
- **Physically-Challenged Business Enterprise (PBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more disabled individuals pursuant to the federal Americans with Disabilities Act.
- **Small Business Enterprise (SBE):** An independent and continuing business for profit which performs a commercially useful function, is not owned and controlled by individuals designated as minority, women, or physically-challenged, and where gross annual sales does not exceed \$2,000,000.
- **Veteran Owned Business Enterprise (VET):** An independent and continuing Nevada business for profit which performs a commercially useful function and is at least 51 percent owned and controlled by one or more U.S. Veterans.
- **Disabled Veteran Owned Business Enterprise (DVET):** A Nevada business at least 51 percent owned/controlled by a disabled veteran.
- **Emerging Small Business (ESB):** Certified by the Nevada Governor's Office of Economic Development effective January, 2014. Approved into Nevada law during the 77th Legislative session as a result of AB294.

**Business Name (include d.b.a., if applicable)** – Enter the legal name of the business entity and enter the "Doing Business As" (d.b.a.) name, if applicable.

**Corporate/Business Address, Business Telephone, Business Fax, and Email** – Enter the street address, telephone and fax numbers, and email of the named business entity.

**Nevada Local Business Address, Local Business Telephone, Local Business Fax, and Email** – If business entity is out-of-state, but operates the business from a location in Nevada, enter the Nevada street address, telephone and fax numbers, point of contact and email of the local office. Please note that the local address must be an address from which the business is operating from that location. Please do not include a P.O. Box number, unless required by the U.S. Postal Service, or a business license hanging address.

**Number of Clark County Nevada Residents employed by this firm. (Do not leave blank. If none or zero, put the number 0 in the space provided.)**

**List of Owners/Officers** – Include the full name, title and percentage of ownership of each person who has ownership or financial interest in the business entity. If the business is a publicly-traded corporation or non-profit organization, list all Corporate Officers and Directors only.

**For All Contracts – (Not required for publicly-traded corporations)**

- 1) Indicate if any individual members, partners, owners or principals involved in the business entity are a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s). If yes, the following paragraph applies.

In accordance with NRS 281A.430.1, a public officer or employee shall not bid on or enter into a contract between a government agency and any private business in which he has a significant financial interest, except as provided for in subsections 2, 3, and 4.

- 2) Indicate if any individual members, partners, owners or principals involved in the business entity have a second degree of consanguinity or affinity relation to a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s) (reference form on Page 2 for definition). If **YES**, complete the Disclosure of Relationship Form.

A professional service is defined as a business entity that offers business/financial consulting, legal, physician, architect, engineer or other professional services.

**Signature and Print Name** – Requires signature of an authorized representative and the date signed.

**Disclosure of Relationship Form** – If any individual members, partners, owners or principals of the business entity is presently a University Medical Center of Southern Nevada employee, public officer or official, or has a second degree of consanguinity or affinity relationship to a University Medical Center of Southern Nevada employee, public officer or official, this section must be completed in its entirety.

## DISCLOSURE OF OWNERSHIP/PRINCIPALS

<b>Business Entity Type (Please select one)</b>						
<input checked="" type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Corporation	<input type="checkbox"/> Trust	<input type="checkbox"/> Non-Profit Organization	<input type="checkbox"/> Other
<b>Business Designation Group (Please select all that apply)</b>						
<input type="checkbox"/> MBE	<input type="checkbox"/> WBE	<input type="checkbox"/> SBE	<input type="checkbox"/> PBE	<input type="checkbox"/> VET	<input type="checkbox"/> DVET	<input type="checkbox"/> ESB
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise	Veteran Owned Business	Disabled Veteran Owned Business	Emerging Small Business
<b>Number of Clark County Nevada Residents Employed: 0</b>						
<b>Corporate/Business Entity Name:</b> ElitechGroup MDX LLC						
<b>(Include d.b.a., if applicable)</b>						
<b>Street Address:</b>		21720 23rd Drive SE Suite150		<b>Website:</b> https://elitechgroudev.wpengine.com/		
<b>City, State and Zip Code:</b>		Bothell Washington 98021		<b>POC Name:</b>		
				<b>Email:</b> s.johnston@elitechgroup.com		
<b>Telephone No:</b>		925-495-9492		<b>Fax No:</b>		
<b>Nevada Local Street Address:</b> (If different from above)				<b>Website:</b>		
<b>City, State and Zip Code:</b>				<b>Local Fax No:</b>		
<b>Local Telephone No:</b>				<b>Local POC Name:</b>		
				<b>Email:</b>		

All entities, with the exception of publicly-traded and non-profit organizations, must list the names of individuals holding more than five percent (5%) ownership or financial interest in the business entity appearing before the Board.

Publicly-traded entities and non-profit organizations shall list all Corporate Officers and Directors in lieu of disclosing the names of individuals with ownership or financial interest. The disclosure requirement, as applied to land-use applications, extends to the applicant and the landowner(s).

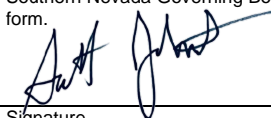
Entities include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations.

Full Name	Title	% Owned (Not required for Publicly Traded Corporations/Non-profit organizations)
Scott Johnston	General Manager	0%

**This section is not required for publicly-traded corporations. Are you a publicly-traded corporation?** ☐ Yes ☒ No

- Are any individual members, partners, owners or principals, involved in the business entity, a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?  
☐ Yes ☐ No (If yes, please note that University Medical Center of Southern Nevada employee(s), or appointed/elected official(s) may not perform any work on professional service contracts, or other contracts, which are not subject to competitive bid.)
- Do any individual members, partners, owners or principals have a spouse, registered domestic partner, child, parent, in-law or brother/sister, half-brother/half-sister, grandchild, grandparent, related to a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?  
☐ Yes ☐ No (If yes, please complete the Disclosure of Relationship form on Page 2. If no, please print N/A on Page 2.)

I certify under penalty of perjury, that all of the information provided herein is current, complete, and accurate. I also understand that the University Medical Center of Southern Nevada Governing Board will not take action on land-use approvals, contract approvals, land sales, leases or exchanges without the completed disclosure form.

 Signature	Scott Johnston Print Name
General Manager Title	1/18/2023 Date

## DISCLOSURE OF RELATIONSHIP

**List any disclosures below:**  
(Mark N/A, if not applicable.)

NAME OF BUSINESS OWNER/PRINCIPAL	NAME OF UMC* EMPLOYEE/OFFICIAL AND JOB TITLE	RELATIONSHIP TO UMC* EMPLOYEE/OFFICIAL	UMC* EMPLOYEE'S/OFFICIAL'S DEPARTMENT

\* UMC employee means an employee of University Medical Center of Southern Nevada

“Consanguinity” is a relationship by blood. “Affinity” is a relationship by marriage.

“To the second degree of consanguinity” applies to the candidate's first and second degree of blood relatives as follows:

- Spouse – Registered Domestic Partners – Children – Parents – In-laws (first degree)
- Brothers/Sisters – Half-Brothers/Half-Sisters – Grandchildren – Grandparents – In-laws (second degree)

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***For UMC Use Only:***

If any Disclosure of Relationship is noted above, please complete the following:

☐ Yes ☐ No Is the UMC employee(s) noted above involved in the contracting/selection process for this particular agenda item?

☐ Yes ☐ No Is the UMC employee(s) noted above involved in any way with the business in performance of the contract?

Notes/Comments:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name  
Authorized Department Representative

# UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA GOVERNING BOARD AUDIT AND FINANCE COMMITTEE AGENDA ITEM

<b>Issue:</b>	<b>340B Split Billing Services Agreement and Contract Pharmacy Services Agreement with Verity Solutions Group, Inc.</b>	<b>Back-up:</b>
<b>Petitioner:</b>	Jennifer Wakem, Chief Financial Officer	<b>Clerk Ref. #</b>
<b>Recommendation:</b>  <b>That the Governing Board Audit and Finance Committee review and recommend for approval by the Governing Board the 340B Split Billing Services Agreement and the 340B Contract Pharmacy Services Agreement with Verity Solutions Group, Inc. for 340B administrator services; authorize the Chief Executive Officer to execute any extension options and amendments within his yearly delegation of authority; or take action as deemed appropriate. <i>(For possible action)</i></b>		

## FISCAL IMPACT:

Fund Number: 5420.000	Fund Name: UMC Operating Fund
Fund Center: 3000717200	Funded Pgm/Grant: N/A
Description: 340B Split Billing Services (SB); Contract Pharmacy Services (CPS)	
Bid/RFP/CBE: NRS 450.525 & NRS 450.530 – GPO	
NRS 332.115(1)(h) – Software	
Term: SB - 3/1/2023 to 2/28/2026; CPS - 3/1/2023 to 2/28/2026 with one 12-month renewal option	

### Amount:

CPS - NTE \$600,000.00 per year or NTE \$2,400,000.00 for four (4) years

### SB -

Split Billing One-Time Fee	\$4,500
Split Billing Fee (\$2,888/month)	\$34,656 per year
Owned Outpatient (split match) One-Time Fee	\$1,800
Owned Outpatient (split match) Fee (\$903/month)	\$10,836 per year

-----  
SB Total cost for three (3) years is \$142,776.00

Out Clause: CPS - 60 days without cause prior to the end of the Initial Term or any subsequent Renewal Term; Budget Act/Fiscal Fund Out

## BACKGROUND:

Cleared for Agenda  
February 15, 2023

Agenda Item #

**17**



This request is to enter into a new 340B Split Billing Services Agreement (“SB Agreement”) and a new 340B Contract Pharmacy Services Agreement (“CPS Agreement”) with Verity Solutions Group, Inc. (“Verity”) to replace UMC’s current 340B third party administrator to improve the delivery of discounted drugs, increase savings, and remain compliant with the current 340B program requirements.

UMC shall subscribe to the V340B Split Billing which is a virtual inventory system solution (“Solution”) that offers pharmaceutical order visibility, audit trails and other reporting metrics. The Solution shall accumulate all drug dispenses, track all 340B purchases from vendors, and automatically splits replenishment orders for eligible medications into as many UMC wholesaler accounts (e.g., 340B, GPO and WAC purchasing accounts) to obtain best price logic, charge description master (CDM) mapping alerts and central distribution support. Staff also requests authorization for the Hospital CEO to execute any extension options and amendments within his yearly delegation of authority if deemed beneficial to UMC.

For the CPS Agreement, UMC shall subscribe to the web-based 340B processor services where Verity will assist UMC: (i) to register with eligible pharmacies with The Office of Pharmacy Affairs to dispense prescriptions on behalf of UMC’s eligible patients, (ii) offer 340B patient discounts for the uninsured and underinsured, (iii) manages and automates 340B replenishment to enable pharmacies to self-order thus minimizing large costly inventory levels, and (iv) collect all net payments from contract pharmacies and remit payment back to UMC (net of any fees owed to Verity). Staff also requests authorization for the Hospital CEO to execute any extension options and amendments within his yearly delegation of authority if deemed beneficial to UMC.

UMC’s Pharmacy Director has reviewed and recommends approval of the SB Agreement and the CPS Agreement. The agreements have been approved as to form by UMC’s Office of General Counsel.

A Clark County business license is not required because these Agreements are for the provision of remote services.

**VERITY 340B CONTRACT PHARMACY SERVICES AGREEMENT FOR HEALTHTRUST PARTICIPANTS**

## Agreement Summary

**DATE OF OFFER:** 6/23/22

This VERITY 340B CONTRACT PHARMACY SERVICES AGREEMENT ("**Agreement**") is made and effective as of March 1, 2023 ("**Effective Date**") by and between the following parties:

<b>"Verity"</b>	Attention: Legal Department
Verity Solutions Group, Inc.	
12131 113th Ave. NE, Suite 200	Phone: (425) 947-1940
Kirkland, Washington 98034	Fax: (425) 947-1940

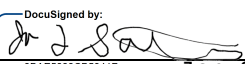
<b>"Customer"</b>	Attention: Contracts Management
University Medical Center of Southern Nevada	Email: ContractSpecialist@umcsn.com
1800 W. Charleston Blvd	Phone: N/A
Las Vegas, NV 89102	Fax: N/A
<b>Customer A/P and Billing Information</b>	<b>Billing Address if Different from Above</b>
AP/Billing Contact:	Address:
Phone:	City/State/Zip:
E-mail:	

This Agreement arises out of the Purchasing Agreement between HealthTrust Purchasing Group, L.P. and Verity dated September 10, 2020 (HPG-63140) ("**HealthTrust Agreement**"). To the extent the terms of this Agreement conflict with the terms of the HealthTrust Agreement, the terms of this Agreement shall control.

This Agreement is comprised of the following documents and is entered into by the parties as of the Effective Date set forth above:

1. Agreement Summary
2. Standard Terms and Conditions
3. Exhibit A: Verity 340B Contract Pharmacy Description
4. Exhibit B: Pricing and Payment Terms
5. Exhibit C: Service Level Policy

Each party causes this Agreement to be executed by its duly authorized representative.

By:  3BAE8F3CB5541F	By:
Printed Name: Jon Sortland	Printed Name: Mason Van Houweling
Title: Chief Financial Officer	Title: CEO
Date: 2/3/2023	Date:
VERITY SOLUTIONS GROUP, INC.	UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA

## **Standard Terms and Conditions**

### **1. Definitions.**

- 1.1. **"340B Act"** refers to Section 340B of the Public Health Services Act, enacted by Section 602 of Public Law 102-585, the Veteran's Health Care Act of 1992. The 340B Act provides for price limitations on certain Covered Drugs purchased by qualified entities.
- 1.2. **"340B Contract Pharmacy Services"** or **"V340B Contract Pharmacy Services"** means the web-based 340B processor services further described on Exhibit A.
- 1.3. **"340B Savings"** means the difference between Contract Pharmacy's acquisition cost (set forth in the applicable Pharmacy Services Agreement) and Covered Entity's price under the 340B Act.
- 1.4. **"Accumulated Dispense"** means a Matched Dispense that is accumulated by Verity as eligible for replenishment under the 340B Act because it meets Customer's and Contract Pharmacy's agreed-upon criteria for accumulating Matched Disposes. In the absence of written agreement otherwise, Accumulated Disposes will include all Matched Disposes except for (a) Medicaid fee for service claims, (b) managed Medicaid claims, or (c) claims with fill/service dates that occurred prior to the contract start date, or prior to the Covered Entity's registration date.
- 1.5. **"Confidential Information"** means: (a) any information marked confidential or proprietary; (b) the 340B Contract application and services, features and user interface and any non-public information relating to either party's software, business plans, designs, products, costs, prices and names, finances, marketing plans, business opportunities, personnel, research development or know-how; and (c) the terms and conditions of this Agreement. "Confidential Information" does not include information that: (i) is or becomes generally known or available by publication, commercial use or otherwise through no fault of, or inducement by the receiving party; (ii) is known and has been reduced to tangible form by the receiving party prior to the time of disclosure and is not subject to restriction; (iii) is independently developed or learned by the receiving party without reliance on the disclosing party's information/materials; or (iv) is lawfully obtained from a third party that has the right to make such disclosure.
- 1.6. **"Contract Pharmacy"** means a pharmacy (whether retail, specialty or otherwise) that has executed a Pharmacy Services Agreement with a Covered Entity to provide contracted pharmacy services to the Covered Entity's patients.
- 1.7. **"Covered Drug"** means a covered outpatient drug, as such term is defined in Section 1927(k) of the Social Security Act, 42 U.S.C. 1396r-8(k)(2) and (3).
- 1.8. **"Covered Entities"** means certain health care organizations eligible to purchase Covered Drugs at reduced prices under the 340B Act.
- 1.9. **"Customer"** means the legal entity identified on the cover page of this Agreement. The party signing this Agreement represents and warrants that it has the requisite authority to contract on behalf of and bind all Covered Entities receiving services under this Agreement, as listed on Schedule 1.
- 1.10. **"Customer Data"** means information, data and other content in electronic form that is submitted, posted, or otherwise transmitted by or on behalf of Customer through 340B Contract Pharmacy Services.
- 1.11. **"Documentation"** means all user guides and other published written documentation provided by Verity to Customer. Documentation does not include any materials or information prepared by a third party.

- 1.12. **“Matched Dispense”** means a Covered Drug dispense that was prescribed to a patient by a provider and dispensed to such patient at a Contract Pharmacy. This determination is based exclusively on Customer’s encounter data, provider file, and Contract Pharmacy’s claims data (all, as further described in Verity’s data specifications).
- 1.13. **“Order”** means an order for replenishment inventory made by Customer, Contract Pharmacy or Verity via the V340B Contract Pharmacy interface, based upon available Accumulated Disburses. Orders may be placed via the V340B Contract Pharmacy application and will be placed on Customer’s 340B purchasing account; shipped to the applicable Contract Pharmacy as replenishment inventory; and invoiced by Verity to the Contract Pharmacy.
- 1.14. **“Pharmacy Services Agreement”** means the pharmacy services agreement that has been executed between a Covered Entity and a Contract Pharmacy that sets forth the details of the arrangement as between the parties.
- 1.15. **“Replenished Dispense”** means an Accumulated Dispense that has been used towards an Order for replenishment inventory.
- 1.16. **“Retail Contract Pharmacy”** includes any independent pharmacy, supermarket pharmacy, chain pharmacy or a mass merchandiser pharmacy having a state license to dispense medications to the general public at retail prices as a pharmacy.
- 1.17. **“Specialty Contract Pharmacy”** is a contract pharmacy that exclusively dispenses Specialty Drugs.
- 1.18. **“Specialty Drug”** is a prescription drug that V340B Contract Pharmacy recognizes as one of the following: (a) a medication that has limited access; a medication that requires special handling or storage requirements, (b) a medication that requires special handling or storage requirements, special administration or monitoring, (c) a medication that is self-injectable (non-insulin), or (d) a high cost oral medication.
- 1.19. **“Transaction”** means each transaction included in a Contract Pharmacy’s claims data, as provided by either Contract Pharmacy or their third-party switch provider to Verity.
- 1.20. **“Verity Fees”** means the fees paid to Verity in exchange for a subscription to V340B Contract Pharmacy Services, as described in Exhibit B: Pricing and Payment Terms. Unless otherwise agreed to in writing, Verity Fees will be deducted from amounts remitted to Verity by Contract Pharmacy prior to remittance of funds to Customer.

All other capitalized terms have the meanings assigned to them in this Agreement.

## **2. 340B Contract Pharmacy Services.**

Subject to the terms and conditions of this Agreement, Verity hereby grants Customer a limited, non-exclusive, non-transferable right, without the right to sublicense, to use the 340B Contract Pharmacy Services and the Documentation during the Term. In addition to any other restrictions herein, Customer will not: (a) remove, modify or obscure any proprietary rights notices on any Documentation; (b) modify or create derivative works of the Documentation; (c) electronically transfer or otherwise disclose the Documentation outside of Customer’s organization; (d) use the 340B Contract Pharmacy Services in any renting, leasing or sharing arrangement or allow any third-party to have access; or (e) publish or disclose the results of any benchmark tests or other performance assessment for the 340B Contract Pharmacy Services. Any Customer Data and any materials or equipment furnished to Verity by Customer in connection with any of the 340B Contract Pharmacy Services shall be deemed proprietary to Customer.

### 3. **Professional Services.**

In connection with the 340B Contract Pharmacy Services, Verity will provide implementation, hosting (by Amazon Web Services) and support services (collectively, “**Professional Services**”) during the Term. Implementation of the 340B Contract Pharmacy Services will commence following the Effective Date of this Agreement, as agreed to between the parties. Support services will be provided in accordance with Verity’s Service Level Policy, attached hereto as Exhibit C. Any Professional Services requested outside of Verity’s standard services will be detailed in a mutually agreeable work order setting forth scope and fees. Verity commits to providing Covered Entity a designated account manager, biweekly working meetings and an annual business review. Verity shall maintain healthcare professional liability and managed care errors and/or omissions insurance covering negligent acts including losses arising out of the rendering of or failure to render professional services under this Agreement, whether committed or alleged to have been committed by Verity or by its employees, or others for whom Verity is legally responsible, with minimum limits of \$5 million per claim or aggregate. Verity shall also maintain Technology Errors & Omissions policy which may include data privacy and security insurance/cyber liability insurance with a limit of no less than \$5 million. Verity shall ensure all contractors/subcontractors working under this agreement maintain appropriate levels of insurance based on the services being provided

### 4. **Term.**

This Agreement shall commence as of the Effective Date and shall remain in effect for an initial term of thirty-six (36) months from the Effective Date (“Initial Term”). If Customer does not give at least thirty (30) days prior written notice of intent not to renew this Agreement, then at the end of the Initial Term, this Agreement shall renew automatically at then current Verity or HealthTrust pricing (as applicable) for an additional twelve (12) month period (together, the “**Term**”). Notwithstanding anything to the contrary, to the extent Verity is providing the V340B Contract Pharmacy Services to Customer, then this Agreement shall govern. All Pharmacy Services Agreements processed by Verity under this Agreement shall remain in effect in accordance with their terms until Customer notifies Verity in writing of termination.

BUDGET ACT AND FISCAL FUND OUT: In accordance with the Nevada Revised Statutes (NRS 354.626), the financial obligations under the Agreement between the parties shall not exceed those monies appropriated and approved by Customer for the then current fiscal year under the Local Government Budget Act. The Agreement shall terminate and Customer’s obligations under it shall be extinguished at the end of any of Customer’s fiscal years in which Customer’s governing body fails to appropriate monies for the ensuing fiscal year sufficient for the payment of all amounts which could then become due under the Agreement. Customer agrees that this Section shall not be utilized as a subterfuge or in a discriminatory fashion as it relates to the Agreement. In the event this Section is invoked, the Agreement will expire on the 30th day of June of the then current fiscal year. Termination under this Section shall not relieve Customer of its obligations incurred through the 30th day of June of the fiscal year for which monies were appropriated.

### 5. **Customer Obligations.**

5.1. Customer shall promptly provide reasonable assistance as Verity may reasonably request in connection with Verity’s performance of its obligations under this Agreement including, without limitation, setup, implementation, testing and performance of the 340B Contract Pharmacy Services. The parties agree that all technical specifications and/or all necessary requirements of Customer essential for the setup, implementation, testing and performance of the 340B Contract Pharmacy Services have been communicated to Customer in advance of the Effective Date. In addition, Customer shall timely, upon reasonable advanced written notice to Customer, provide

all requested data and relates files to Verity in accordance with Verity's data specifications, which may be updated from time to time ("**Verity Data Specifications**"). Customer is responsible for ensuring that all Protected Health Information, as such term is defined under the Health Insurance and Accountability Act of 1996, as amended ("HIPAA"), is encrypted at the source prior to being transmitted to Verity's sFTP server. To the extent Customer does not comply with this requirement, and the Protected Health Information is verified to have been intercepted by a third party before it is received by Verity due to Customer's unencrypted transmittal, then notwithstanding anything herein, Verity shall not be responsible for damages, penalties and costs associated with such disclosure. Furthermore, Customer agrees to timely (a) execute any documents or authorizations necessary for Verity to procure claims data from the Contract Pharmacy, (b) assist with enabling an interface between V340B Contract Pharmacy and Customer's wholesalers (via ACH transfer if required), (c) provide Verity with fully executed copies of all Pharmacy Services Agreements for which Verity is acting as the processor, (d) provide all requested data to Verity in accordance with Verity's data specifications, and (e) provide requested direction to the Verity implementation team on all configuration details. Customer may provide suggestions, comments or other input to Verity relating to V340B Contract Pharmacy Services ("**Feedback**"). Between the parties, Verity will own all Feedback and will be free to use Feedback without obligation or restriction of any kind. Customer shall also ensure that all necessary consents and approvals have been obtained in order to provide all required data to Verity in accordance with the Verity Data Specifications.

- 5.2. Pharmacy Services Agreements. Customer will ensure that all Pharmacy Services Agreements to which it is a party and for which Verity will act as the processor clearly sets forth the following details: (a) Contract Pharmacy dispense fees (based on an approved formula), which will be deducted from amounts due to Covered Entity unless otherwise agreed to, (b) any restrictions on which Matched Disburses should be counted as Accumulated Disburses, (c) the price at and/or the process by which the inventory will be replenished (e.g., reference price model, reimbursements model, etc.), (d) which Covered Drugs should be excluded from the program, (e) whether Medicaid and/or Managed Medicaid transactions will be carved in or carved out, and (e) any additional details that Verity needs to be aware of for purposes of implementing V340B Contract Pharmacy Services for Customer. Customer may enter into and terminate Pharmacy Services Agreements in its discretion; provided, that it gives Verity at least thirty (30) days advance written notice of any new or terminated relationships. Notwithstanding the foregoing, if Customer terminates a contract pharmacy engagement within ninety (90) days of go-live of that particular engagement, then Customer will pay to Verity a fee of \$1,000 to cover Verity's setup costs. Customer is responsible for vetting all Contract Pharmacy partners and will be responsible for any errors or omissions on the part of any Contract Pharmacy.

- 5.3. Alternative Processors. To the extent Customer requests that Verity send any reports or other Customer data to a third party (e.g., Macro Helix for a Walmart engagement), Customer assumes all responsibility associated with such request including, but not limited to, entering into any required Business Associate Agreement with such third party; ensuring that any method of transmission is in compliance with applicable laws and its own policies; and ensuring that all necessary patient consents are in place for such transfer of data.

## 6. Fees.

- 6.1. Customer will pay to Verity the Verity Fees during the Term of the Agreement as described in Exhibit B: Pricing and Payment Terms. To the extent Customer intends to enter into a Pharmacy

Services Agreement with a Contract Pharmacy that necessitates an alternative fee structure, then Customer agrees to execute an Addendum to this Agreement prior to implementing such Contract Pharmacy. Customer will also be responsible for paying any third-party fees that are imposed in connection with implementing any particular contract pharmacy relationship including, but not limited to, fees imposed by pharmacy hub providers and/or switch providers. The parties agree that Verity may deduct all Verity Fees from amounts collected from a Contract Pharmacy prior to remitting funds collected to Customer. Any offset of dispense fees as between the Contract Pharmacy and Customer will be governed by the applicable Pharmacy Services Agreement, and Verity will have no liability for Contract Pharmacy dispense fees.

- 6.2. Verity will use commercially reasonable efforts to collect the fees for Replenishment Inventory from each Contract Pharmacy and remit back to Covered Entity within ten (10) business days. Notwithstanding anything to the contrary, Verity will not be liable to the extent a Contract Pharmacy fails to remit funds for Replenishment Inventory, and Customer agrees to hold Verity harmless for any such losses. Any collection efforts will be the sole responsibility of Customer.
- 6.3. Default. If Customer fails to make any payment to Verity when due and payable under this Agreement and further fails to pay the outstanding amount within 30 days of the date of its receipt of written notice from Verity of such failure then Verity, in addition to any and all other rights available under applicable law, have the right to immediately terminate this Agreement by giving written notice to Customer.

## 7. **Confidentiality.**

Each party will protect the other's Confidential Information from unauthorized dissemination and use the same degree of care that such party uses to protect its own like information, but in no event less than a commercially reasonable degree of care. Neither party will use the other's Confidential Information for purposes other than those necessary to directly further the purposes of this Agreement. Neither party will disclose to third parties the other's Confidential Information without the prior written consent of the other party. No ownership or license rights are granted in any Confidential Information. Notwithstanding the foregoing, either party may disclose any information in accordance with judicial or other governmental order, provided that the receiving party gives the disclosing party reasonable notice prior to such disclosure and will comply with any protective order or equivalent. Notwithstanding anything to the contrary, Customer acknowledges and agrees that Verity will not acquire any rights in any Customer Data except Verity may de-identify and collect, aggregate, compile, use and publish any data collected by Verity in performance of the 340B Contract Pharmacy Services (collectively, "**Analytics Data**"). Verity may use, disclose and retain at all times the Analytics Data in its discretion; provided that such Analytics Data shall be anonymous as to Customer, and is de-identified in accordance with the HIPAA rules. 45 CFR 164.514. The Business Associate Agreement ("BAA") between the parties, and attached hereto as **Exhibit D**, will govern any unauthorized use or disclosure by Verity, its employees, agents or subcontractors of individually identifiable information.

**PUBLIC RECORDS:** Verity acknowledges that Customer is a public county-owned hospital which is subject to the provisions of the Nevada Public Records Act, Nevada Revised Statutes Chapter 239, as may be amended from time to time, and as such its records are public documents available to copying and inspection by the public. If Customer receives a demand for the disclosure of any information related to the Agreement which Verity has claimed to be confidential and proprietary, Customer will immediately notify Verity of such demand and Verity shall immediately notify Customer of its intention to seek injunctive relief in a Nevada court for protective order. Verity shall indemnify, defend and hold harmless

Customer from any claims or actions, including all associated costs and attorney's fees, regarding or related to any demand for the disclosure of Verity documents in Customer's custody and control in which Verity claims to be confidential and proprietary. For the avoidance of any doubt, Verity hereby acknowledges that this Agreement will be publicly posted for approval by Customer's governing body.

**8. Representations and Warranties.**

- 8.1. Each party represents and warrants for the benefit of the other party that it is duly organized and validly existing under the laws of the state of its incorporation, has full corporate power and authority to enter into this Agreement and is duly authorized to execute and deliver this Agreement and to perform its obligations.
- 8.2. Each party represents and warrants that it shall comply with all applicable laws and regulations.
- 8.3. Customer represents and warrants that data and information provided to Verity reflects accurate and complete information and is in accordance with the Verity Data Specifications, which Customer has had an opportunity to review prior to signing this Agreement.
- 8.4. Verity warrants that 340B Contract Pharmacy Services will perform substantially in accordance with the Documentation and the Service Level Policy.
- 8.5. Verity agrees to use commercially reasonable administrative, technical, organizational and physical security measures designed to prevent unauthorized access, use, alteration or disclosure of the Customer Data that are no less rigorous than: (i) generally accepted industry security policies and standards; (ii) those used by Verity with respect to its own data; and (iii) are necessary to comply with applicable law.

**9. Disclaimer of Warranty.**

EXCEPT FOR THE WARRANTIES SET FORTH IN SECTION 8 AND THE WARRANTIES IN THE HEALTHTRUST AGREEMENT, THE 340B CONTRACT PHARMACY SERVICES ARE PROVIDED AS-IS WITHOUT WARRANTIES EXPRESS OR IMPLIED, OR STATUTORY, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. EXCEPT AS SET FORTH IN SECTION 8 AND THE WARRANTIES IN THE HEALTHTRUST AGREEMENT, VERITY DISCLAIMS ALL EXPRESS AND IMPLIED WARRANTIES, INCLUDING WITHOUT LIMITATION ANY WARRANTY THAT 340B CONTRACT PHARMACY SERVICES WILL CAPTURE ALL AVAILABLE 340B ELIGIBLE DISPENSES OR ANY WARRANTY THAT A DRUG IS COMMERCIALY AVAILABLE (I.E SUBJECT TO A DRUG SHORTAGE). Without limiting the foregoing, Customer acknowledges that it has selected Verity's V340B Contract Pharmacy Services based on its own knowledge of its internal use and legal requirements, and Verity will not be responsible for any losses caused, directly or indirectly, by the data provided by Customer or any third party to Verity, or the interruption or loss of use of 340B Contract Pharmacy Services.

**10. Indemnity.**

Verity will defend and indemnify Customer against any claims made by an unaffiliated third-party that the use of the 340B Contract Pharmacy Services in compliance with this Agreement infringes a valid U.S. patent, copyright or trademark or misappropriates a trade secret of such third party; provided that Customer gives Verity prompt written notice of any such claim, and control of the defense and settlement. Customer will have the right, at its option, to participate in the settlement or defense of any such claim, with its own counsel and at its own expense. Verity will not enter into any settlement that imposes any liability or obligation on Customer without the Customer's prior written consent. The parties will cooperate in any such settlement or defense and give each other full access to all relevant information,



at Verity's expense. If the 340B Contract Pharmacy Services become or in Verity's opinion are likely to become the subject of an indemnified claim, Verity may at its option (a) procure for Customer the right to continue using the 340B Contract Pharmacy Services; (b) replace or modify the 340B Contract Pharmacy Services so that they become non-infringing; or (c) terminate Customer's rights to use and access the allegedly infringing 340B Contract Pharmacy Services and refund any payments made for future periods. The foregoing states the entire liability of Verity with respect to infringement or misappropriation of intellectual property rights.

**11. Limitation of Liability and Limitation on Damages.**

- 11.1. EXCEPT FOR: (I) THE INDEMNIFICATION OBLIGATIONS EXPRESSLY SET FORTH IN SECTION 10, (II) A BREACH OF CONFIDENTIALITY OBLIGATIONS IN SECTION 7, (III) VERITY'S GROSS NEGLIGENCE OR WILFULL MISCONDUCT, OR (IV) A MATTER COVERED UNDER THE INFORMATION SECURITY AGREEMENT BETWEEN VERITY AND HEALTHTRUST PURCHASING GROUP, L.P., VERITY'S TOTAL LIABILITY, REGARDLESS OF THE FORM OF ACTION, WILL NOT EXCEED TWO MILLION DOLLARS.
- 11.2. EXCEPT FOR: (I) THE INDEMNIFICATION OBLIGATIONS EXPRESSLY SET FORTH IN SECTION 10, (II) A BREACH OF CONFIDENTIALITY OBLIGATIONS IN SECTION 7, (III) VERITY'S GROSS NEGLIGENCE OR WILFULL MISCONDUCT, OR (IV) A MATTER COVERED UNDER THE INFORMATION SECURITY AGREEMENT BETWEEN VERITY AND HEALTHTRUST PURCHASING GROUP, L.P., IN NO EVENT WILL EITHER PARTY BE LIABLE FOR INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES (INCLUDING WITHOUT LIMITATION, LOSS OF PROFITS OR LOSS OF DATA) ARISING OUT OF THIS AGREEMENT, THE USE OF OR INABILITY TO USE THE PRODUCTS OR IN ANY OTHER WAY ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, EVEN IF THE OTHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

**12. Termination.**

- 12.1. Either party may terminate this Agreement thirty (30) days after providing notice to the other party of any material breach of this Agreement, if that breach remains uncured by the end of the thirty (30) day period, or sixty (60) days after providing notice for its convenience.
- 12.2. Either party may terminate this Agreement at any time if there are no longer any Pharmacy Services Agreements being managed by Verity by providing Verity with sixty (60) days advance written notice.

Upon termination, Customer will timely pay all outstanding Verity Fees up to the date of termination including, but not limited to, all fees paid by Verity for switch data purchased prior to the date of termination. Within ten (10) days following expiration or termination of this Agreement, each party will return to the disclosing party all full and or partial copies of the Documentation and any Confidential Information in the receiving party's possession.

- 12.3. Promptly after termination of, or the expiration of the term of this Agreement, Verity will make available to Customer data exports for Customer to download all Customer's Data stored by Verity during the Term of this Agreement for historical purposes. The format of the data will be Microsoft Excel and/or .csv files. Customer will also be granted one (1) year of read only access through the online Verity customer portal. Access shall allow customer to utilize all online tools to view data and generate system reports and/or data exports.

**13. Assignment.**

Neither party shall directly or indirectly, sell, assign, transfer, pledge or encumber any of its rights or delegate any of its duties or obligations under this Agreement, including any transfer of rights due to

change of operation or control of a party either by merger, acquisition, or operation of law whereby the current controlling person or group no longer directs its operations, without the prior written consent of the other party. Any purported transfer in violation of this Section will be null and void.

**14. Notices and Requests.**

All notices, authorizations, reports, statements and requests in connection with this Agreement will be deemed received: (a) five days after the day they are deposited in the U.S. mails, postage prepaid, certified or registered, return receipt requested; or (b) sent by overnight courier, charges prepaid; and addressed as to each of the parties at the addresses listed in the Agreement Summary attached hereto.

**15. Governing Law; Attorney's Fees.**

If not otherwise provided herein, the laws of the State where the Customer is located shall govern this Agreement and Verity consents to the exclusive jurisdiction in the state and federal courts sitting of such State.

**16. Severability.**

If for any reason a court of competent jurisdiction finds any provision of this Agreement, or portion thereof, to be unenforceable, that provision of the Agreement will be enforced to the maximum extent permissible so as to affect the intent of the parties, and the remainder of this Agreement will continue in full force and effect. Failure by either party to enforce any provision of this Agreement will not be deemed a waiver of future enforcement of that or any other provision.

**17. Independent Contractors.**

Verity and Customer are independent parties and this Agreement creates a non-exclusive relationship. Nothing in this Agreement creates an employer-employee relationship, a partnership, or a joint venture between the parties.

**18. Subcontractors.**

Verity may, in its sole discretion, engage the services of one or more subcontractors to perform any of its duties under this Agreement; provided that Verity will remain responsible to Customer for any services provided by such subcontractors hereunder.

**19. Force Majeure.**

Failure of either party to perform its obligations under this Agreement (except the obligation to make payments) will not subject such party to any liability to the other if such failure is caused by acts of God, transportation conditions, materials shortages, supplier delays, riot, sabotage, embargo, strikes or any other cause beyond the reasonable control of such party. Verity shall immediately provide notice to Customer that a force majeure event has occurred and to the extent acceptable to Customer, the parties will adjust applicable performance time periods referenced herein accordingly so that neither party is held liable for the failure to meet such dates as a result of a force majeure event. The affected party will resume the performance of its obligations as soon as practicable after the force majeure event has ceased; provided however that if Verity is not able to continue providing services 60 days after declaring a force majeure event, Customer shall have the right to immediately terminate this Agreement.

**20. Taxes.**

All amounts payable under this Agreement are exclusive of any sales, use and all other taxes or duties, whether currently imposed or imposed in the future (but excluding taxes on Verity net income) (collectively "Taxes"). Customer will be responsible for all Taxes without offset or deduction.

**21. Intentionally Omitted.**

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**22. Prior Agreement.** Any prior agreement, purchase order or other terms and condition between the parties with regard to the provision of Contract Pharmacy services (“Prior Agreement”) is hereby superseded by this Agreement and the Prior Agreement is hereby terminated.

**23. Entire Agreement.**

This Agreement and the HealthTrust Purchasing Agreement constitute the complete understanding between Verity and Customer with respect to its subject matter, and supersedes all prior or contemporaneous oral or written communications, proposals, representations, understandings, or agreements. This Agreement may not be amended except in a paper writing (e.g., not via email) duly signed by authorized representatives of Verity and Customer respectively.

**24. Survival.** Upon expiration or termination of this Agreement, those terms that should be reasonably construed to survive the termination of this Agreement shall survive.

**25. Non-Excluded Healthcare Provider**

Verity represents and warrants to Customer that neither it nor any of its affiliates (a) are excluded from participation in any federal health care program, as defined under 42 U.S.C. §1320a-7b (f), for the provision of goods or services for which payment may be made under such federal health care programs and (b) has arranged or contracted (by employment or otherwise) with any employee, contractor or agent that such party or its affiliates know or should know are excluded from participation in any federal health care program, to provide goods or services hereunder. Verity represents and warrants to Customer that no final adverse action, as such term is defined under 42 U.S.C. §1320a-7e (g), has occurred or is pending or threatened against such Verity or its affiliates or to their knowledge against any employee, contractor or agent engaged to provide goods or services under the Agreement. (collectively “Exclusions / Adverse Actions”).

## **Schedule 1**

### **List of Customer Covered Entities**

1. University Medical Center of Southern Nevada  
1800 W. Charleston Blvd  
Las Vegas, NV 89102  
340B ID Number: DSH290007

## EXHIBIT A

### **V340B® Contract Pharmacy Product Description**

At a high level, Verity 340B™ Contract Pharmacy Services includes the following features and services:

- Upon request, Verity Solutions shall assist Covered Entity with registering each Contract Pharmacy relationship with The Office of Pharmacy Affairs during one of the quarterly registration periods; provided, that per the US Department of Health and Human Services regulations, Covered Entity is ultimately responsible for completing and verifying all Contract Pharmacy registrations.
- V340B Contract Pharmacy shall identify all Matched Dispenses and track all Accumulated Dispenses based upon Covered Entity's and Contract Pharmacy's Pharmacy Services Agreement as well as the data provided by Covered Entity and Contract Pharmacy.
- V340B shall facilitate orders for replenishment inventory on Covered Entity's wholesaler account for shipment to Contract Pharmacy, and all Accumulated Dispenses at contract pharmacy shall be decremented accordingly.
- V340B shall make available an invoice to Contract Pharmacy for payment of the replenishment inventory at a price agreed to between Covered Entity and Contract Pharmacy and set forth in the applicable Pharmacy Services Agreement.
- Unless otherwise agreed by Verity, Verity Solutions shall collect all payments from Contract Pharmacy net of any dispense fees owed to Contract Pharmacy (as set forth in the applicable Pharmacy Services Agreement), and shall remit payment back to Covered Entity net of any fees owed to Verity Solutions.
- Covered Entity will have the ability to view within the V340B web portal all Matched Dispenses, Accumulated Dispenses, Replenished Dispenses, invoices, dispense fees and associated savings among other metrics.

**Exhibit B****Verity Fees: Pricing and Payment Terms****1. Retail Contract Pharmacy**

<b>Fee Type</b>	<b>Amount</b>
Monthly administrative fee per each distinct Contract Pharmacy location (i.e., physical address)	\$1,100*

**2. Specialty Contract Pharmacy – Strategic & Community Markets (except FQHC)**

<b>Fee Type</b>	<b>Amount</b>
Monthly administrative fee per Specialty Contract Pharmacy entity (per pharmacy physical location)	\$1,250.00

**3. Home Infusion Contract Pharmacy**

<b>Fee Type</b>	<b>Amount</b>
Monthly administrative fee per Contract Pharmacy entity (per pharmacy physical location)	\$1,250.00

**4. Pharmacy Home Delivery**

<b>Fee Type</b>	<b>Amount</b>
Monthly administrative fee per Contract Pharmacy entity (per pharmacy physical location)	\$1,250.00

**5. Hemophilia Contract Pharmacy**

<b>Fee Type</b>	<b>Amount</b>
Per assay unit replenished	\$0.025
Reversal fee	\$0.012
Implementation fee	\$12,000.00

**6. Referral Claims Capture**

<b>Fee Type</b>	<b>Amount</b>
Referral Claim Capture for: Retail Contract Pharmacy, Specialty Contract Pharmacy & Home Infusion Contract Pharmacy Referral Dispenses. Fee is assessed when the eligible referral script is used to back a replenishment order.  (Percentage of gross 340B Savings based on reimburse amount or reference price less CE acquisition cost.)	7.5%

**7. Verity Care Card**

<b>Fee Type</b>	<b>Amount</b>
Per Net Claim*	\$1.50

\*For purposes of the Verity Care Card, a “**Net Claim**” is a paid prescription through the system where each positive claim (paid) is counted as +1 and each negative claim (reversal) is counted as -1. Rejected claims are not counted within this total. Verity’s subcontractor, ProCare, assists in the management and administration of the Verity Care Card, and as such, Customer consents to transfer of Customer information and data to ProCare. Care Card terms and conditions are as set by ProCare and available to Customer upon request. Customer assumes

all responsibility and risk associated with (a) Care Card eligibility determination, (b) loss or transfer of the Care Card, and (c) misuse of the Care Card. Customer is solely responsible for reimbursing Verity for all VCC paid prescriptions. Invoices shall be sent bi-monthly, with payment due in full within ten (10) days of invoice date. Notwithstanding anything to the contrary, Customer will pay a 1.5% penalty on the outstanding balance if payment is not received within such timeframe.

All Verity Fees above apply per each separate Covered Entity covered under this Agreement. All Verity Fees will begin accruing immediately upon your first Accumulated Dispense in V340B Contract Pharmacy; provided, that, Verity will not begin invoicing until after implementation of the applicable contract pharmacy.

All Verity Fees above apply per each separate Covered Entity covered under this Agreement. All Verity Fees will begin accruing immediately upon your first Accumulated Dispense in V340B Contract Pharmacy; provided, that, Verity will not begin invoicing until after implementation of the applicable contract pharmacy.

\*Within thirty (30) days following any calendar quarter during the term, Customer may request in writing a report showing monthly fees vs. 340B Savings for any particular CE/CP relationship. To the extent the quarterly fee of \$3,300 exceeds 50% of 340B Savings for any given CE/CP relationship during that calendar quarter, then Customer may request in writing within thirty (30) days of receiving said report that a credit be applied that is equal the amount by which \$3,300 exceeds 50% of quarterly 340B Savings. The preceding notwithstanding, Verity shall receive a minimum monthly fee of \$300 for any given CE/CP relationship.

**Exhibit C**  
**Service Level Policy**  
**VERITY SERVICE LEVEL POLICY**

This Verity Service Level Policy (“**Service Policy**”) will apply to Customer’s production environment of the Verity 340B Cloud Services during Customer’s subscription term. All capitalized terms used herein and not separately defined will have the meanings given to them in Customer’s master services agreement (“**Master Agreement**”). This Service Policy may be updated from time to time, in Verity’s discretion.

**1. Definitions.** When used in this Service Policy, the following capitalized terms will have the following meanings:

“**Downtime**” means the Verity 340B Cloud Services are not available for use according to Verity’s performance and monitoring services. Downtime does not include Emergency Downtime or Scheduled Downtime.

“**Emergency Downtime**” means those times where Verity becomes aware of a vulnerability which Verity deems to require immediate remediation and, as a result, the Verity 340B Cloud Services are temporarily unavailable in order for Verity to address the vulnerability.

“**Monthly Uptime Percentage**” means the total number of minutes in the calendar month, minus the number of minutes of Downtime during the calendar month, divided by the total number of minutes in the calendar month, times 100.

“**Scheduled Downtime**” means those times where Verity notifies Customer of periods of system Downtime in advance of such Downtime. There will be no more than thirty (30) hours of scheduled Downtime per calendar year.

“**Service Credit**” means the credit that may be provided to Customer according to the following schedule:

One Week Credit (99.4% - 97%)	Includes seven (7) days of Verity 340B Cloud Services added to the end of your billing cycle, at no charge to you, if the Monthly Uptime Percentage for any calendar month is between 99.4% and 97%.
Two Week Credit (96.9% - 92%)	Includes fourteen (14) days of Verity 340B Cloud Services added to the end of your billing cycle, at no charge to you, if the Monthly Uptime Percentage for any calendar month is between 96.9% and 92%.
One Month Credit (<92%)	Includes thirty (30) days of Verity 340B Cloud Services added to the end of your billing cycle, at no charge to you, if the Monthly Uptime Percentage for any calendar month is less than 92%.

“**Verity 340B Cloud Services**” means the cloud-based software ordered by Customer pursuant to the Master Agreement and made available to Customer over the internet by Verity Solutions.



**2. Verity's Uptime Commitment.** The 340B Cloud Services will be available to Customer 99.5% of the time in any calendar month not taking into account any Scheduled Downtime or Emergency Downtime ("**Uptime Commitment**"). If Verity fails to meet its Uptime Commitment in a given calendar month during Customer's subscription term and while Customer is in compliance with its Master Agreement, then as Customer's sole and exclusive remedy, Customer may be eligible for a Service Credit.

**2.1 Procedures for Service Credits.** In order to receive a Service Credit, Customer must notify Verity in writing within thirty (30) days of the day Customer becomes eligible to receive a Service Credit. Verity will review any request for a Service Credit within thirty (30) days, and to the extent a Service Credit is owed (as determined by Verity's monitoring services), Verity will apply the same to a future billing cycle. Service Credits may only be applied to Customer's invoice, and may not be exchanged for monetary compensation. Service Credits are the sole and exclusive remedy for failure to meet the Uptime Commitment.

**2.2 Exclusions.** The Uptime Commitment does not apply to any performance issues: (a) caused by factors outside of Verity's reasonable control; (b) that resulted from any actions or inactions from Customer or any third parties including Verity's hosting infrastructure contractors; or (c) that resulted from Customer's equipment and/or third party equipment not within the control of Verity. The Uptime Commitment also does not apply during any period that Customer is not paying subscription fees to Verity (e.g., a free trial period).

**3. Product Releases.** During Customer's subscription term so long as Customer is in compliance with all terms of its agreement(s) with Verity, Customer will have access to to all generally available fixes, patches, updates and upgraded versions of the Verity 340B Cloud Services in accordance with Verity's product roadmap and release cycle. Where practical, Verity will schedule such activities during Scheduled Downtime.

**4. Customer Support.** As part of Customer's subscription to the Verity 340B Cloud Services, Verity provides product support for issues related to the Verity 340B Cloud Services ("**Support**"). For clarity, Support does not include (a) assisting Customer with preparing its data for submission to Verity, (b) remediating incorrect data, (c) retrieving any data or reports from the system on Customer's behalf, (d) assisting Customer with a change to Customer's EMR (version or product), (e) adding a new or changing an existing wholesaler account outside of what is included in Customer's implementation package, or (f) any other requests that relate to Customer adding or changing third-party hardware or software. All Support will be provided remotely utilizing screen share, phone and email. Customer shall designate a primary point of contact for all Support requests, and the primary contact should be familiar with and trained on the Verity 340B Cloud Services.

**4.1. Standard Support Hours.** Verity's customer support desk is staffed during the following days/times ("**Standard Support Hours**") (all times are Pacific Standard Time):

- Monday thru Friday: 5:00 a.m. to 6:00 p.m.
- Saturday, Sunday: 8:00 a.m. to 4:00 p.m.
- Holidays: 8:00 a.m. to 1:00 p.m.

For Severity 1 Support issues, Verity may also assign resources during the following additional days/times: Mon thru Friday from 4:00 a.m. thru 8:00 a.m. and again from 5:00 p.m. thru 8:00 p.m. ("**On Call Hours**")

**4.2 Submitting Support Requests.** Requests for support must include all pertinent information including, but not limited to subject, contact name, site name, product name and a detailed description of the

issue. Customer must be available to answer questions and assist Verity with duplicating the issue and testing any resolution. All requests for Support should be submitted to Verity via any of the following methods:

Method	Contact	Hours
Email:	<a href="mailto:support@verity340b.com">support@verity340b.com</a>	Support requests may be submitted by email at all times (24x7x365)
Telephone:	1-800-581-1378	Support requests may be submitted over the phone during Verity Standard Support Hours
Customer Support Portal:	Via the <i>Feedback &amp; Support</i> link in the V340B application; or: <a href="https://verity340b.force.com/CustomerSolutions/login">https://verity340b.force.com/CustomerSolutions/login</a>	Support requests may be submitted thru the Customer support portal at all times (24x7x365)

**4.3 Response Time.** All Support issues reported by Customer shall be assigned a severity level (“**Severity Level**”) at the time the Support request is received via one of the methods described in Section 4.2. Verity will use commercially reasonable efforts to respond to and resolve all requests for Support within a reasonable period of time during Standard Support Hours, with it being understood that the below target timelines are estimates only.

Severity Level	Description	Target Initial Response Time
Severity 1	Production application down (not including during Scheduled Downtime or Emergency Downtime) and/or material malfunction of the application that is impacting critical business functions	Within 1 hour from receipt of Support request during Standard Support Hours and On Call Hours
Severity 2	Material degradation of the application performance or functionality	Within 4 hours from receipt of Support request during Standard Support Hours
Severity 3	Issue or question with limited business impact	Within 8 hours from Support request during Standard Support Hours

Customer will have the ability to monitor status of all Support requests, however submitted, via the Verity Customer Support Portal.

Service Level Policy  
**VERITY SERVICE LEVEL POLICY**

This Verity Service Level Policy (“**Service Policy**”) will apply to Customer’s production environment of the Verity 340B Cloud Services during Customer’s subscription term. All capitalized terms used herein and not separately defined will have the meanings given to them in Customer’s master services agreement (“**Master Agreement**”). This Service Policy may be updated from time to time, in Verity’s discretion.

**1. Definitions.** When used in this Service Policy, the following capitalized terms will have the following meanings:

“**Downtime**” means the Verity 340B Cloud Services are not available for use according to Verity’s performance and monitoring services. Downtime does not include Emergency Downtime or Scheduled Downtime.

“**Emergency Downtime**” means those times where Verity becomes aware of a vulnerability which Verity deems to require immediate remediation and, as a result, the Verity 340B Cloud Services are temporarily unavailable in order for Verity to address the vulnerability.

“**Monthly Uptime Percentage**” means the total number of minutes in the calendar month, minus the number of minutes of Downtime during the calendar month, divided by the total number of minutes in the calendar month, times 100.

“**Scheduled Downtime**” means those times where Verity notifies Customer of periods of system Downtime in advance of such Downtime. There will be no more than thirty (30) hours of scheduled Downtime per calendar year.

“**Service Credit**” means the credit that may be provided to Customer according to the following schedule:

One Week Credit (99.4% - 97%)	Includes seven (7) days of Verity 340B Cloud Services added to the end of your billing cycle, at no charge to you, if the Monthly Uptime Percentage for any calendar month is between 99.4% and 97%.
Two Week Credit (96.9% - 92%)	Includes fourteen (14) days of Verity 340B Cloud Services added to the end of your billing cycle, at no charge to you, if the Monthly Uptime Percentage for any calendar month is between 96.9% and 92%.
One Month Credit (<92%)	Includes thirty (30) days of Verity 340B Cloud Services added to the end of your billing cycle, at no charge to you, if the Monthly Uptime Percentage for any calendar month is less than 92%.

“**Verity 340B Cloud Services**” means the cloud-based software ordered by Customer pursuant to the Master Agreement and made available to Customer over the internet by Verity Solutions.

**2. Verity’s Uptime Commitment.** The 340B Cloud Services will be available to Customer 99.5% of the time in any calendar month not taking into account any Scheduled Downtime or Emergency Downtime (“**Uptime Commitment**”). If Verity fails to meet its Uptime Commitment in a given calendar month during Customer’s

subscription term and while Customer is in compliance with its Master Agreement, then as Customer’s sole and exclusive remedy, Customer may be eligible for a Service Credit.

**2.1 Procedures for Service Credits.** In order to receive a Service Credit, Customer must notify Verity in writing within thirty (30) days of the day Customer becomes eligible to receive a Service Credit. Verity will review any request for a Service Credit within thirty (30) days, and to the extent a Service Credit is owed (as determined by Verity’s monitoring services), Verity will apply the same to a future billing cycle. Service Credits may only be applied to Customer’s invoice, and may not be exchanged for monetary compensation. Service Credits are the sole and exclusive remedy for failure to meet the Uptime Commitment.

**2.2 Exclusions.** The Uptime Commitment does not apply to any performance issues: (a) caused by factors outside of Verity’s reasonable control; (b) that resulted from any actions or inactions from Customer or any third parties including Verity’s hosting infrastructure contractors; or (c) that resulted from Customer’s equipment and/or third party equipment not within the control of Verity. The Uptime Commitment also does not apply during any period that Customer is not paying subscription fees to Verity (e.g., a free trial period).

**3. Product Releases.** During Customer’s subscription term so long as Customer is in compliance with all terms of its agreement(s) with Verity, Customer will have access to to all generally available fixes, patches, updates and upgraded versions of the Verity 340B Cloud Services in accordance with Verity’s product roadmap and release cycle. Where practical, Verity will schedule such activities during Scheduled Downtime.

**4. Customer Support.** As part of Customer’s subscription to the Verity 340B Cloud Services, Verity provides product support for issues related to the Verity 340B Cloud Services (“**Support**”). For clarity, Support does not include (a) assisting Customer with preparing its data for submission to Verity, (b) remediating incorrect data, (c) retrieving any data or reports from the system on Customer’s behalf, (d) assisting Customer with a change to Customer’s EMR (version or product), (e) adding a new or changing an existing wholesaler account outside of what is included in Customer’s implementation package, or (f) any other requests that relate to Customer adding or changing third-party hardware or software. All Support will be provided remotely utilizing screen share, phone and email. Customer shall designate a primary point of contact for all Support requests, and the primary contact should be familiar with and trained on the Verity 340B Cloud Services.

**4.1. Standard Support Hours.** Verity’s customer support desk is staffed during the following days/times (“**Standard Support Hours**”) (all times are Pacific Standard Time):

- Monday thru Friday: 5:00 a.m. to 6:00 p.m.
- Saturday, Sunday: 8:00 a.m. to 4:00 p.m.
- Holidays: 8:00 a.m. to 1:00 p.m.

For Severity 1 Support issues, Verity may also assign resources during the following additional days/times: Mon thru Friday from 4:00 a.m. thru 8:00 a.m. and again from 5:00 p.m. thru 8:00 p.m. (“**On Call Hours**”)

**4.2 Submitting Support Requests.** Requests for support must include all pertinent information including, but not limited to subject, contact name, site name, product name and a detailed description of the issue. Customer must be available to answer questions and assist Verity with duplicating the issue and testing any resolution. All requests for Support should be submitted to Verity via any of the following methods:

Method	Contact	Hours
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Email:	<a href="mailto:support@verity340b.com">support@verity340b.com</a>	Support requests may be submitted by email at all times (24x7x365)
Telephone:	1-800-581-1378	Support requests may be submitted over the phone during Verity Standard Support Hours
Customer Support Portal:	Via the <i>Feedback &amp; Support</i> link in the V340B application; or: <a href="https://verity340b.force.com/CustomerSolutions/login">https://verity340b.force.com/CustomerSolutions/login</a>	Support requests may be submitted thru the Customer support portal at all times (24x7x365)

**4.3 Response Time.** All Support issues reported by Customer shall be assigned a severity level (“**Severity Level**”) at the time the Support request is received via one of the methods described in Section 4.2. Verity will use commercially reasonable efforts to respond to and resolve all requests for Support within a reasonable period of time during Standard Support Hours, with it being understood that the below target timelines are estimates only.

Severity Level	Description	Target Initial Response Time
Severity 1	Production application down (not including during Scheduled Downtime or Emergency Downtime) and/or material malfunction of the application that is impacting critical business functions	Within 1 hour from receipt of Support request during Standard Support Hours and On Call Hours
Severity 2	Material degradation of the application performance or functionality	Within 4 hours from receipt of Support request during Standard Support Hours
Severity 3	Issue or question with limited business impact	Within 8 hours from Support request during Standard Support Hours

Customer will have the ability to monitor status of all Support requests, however submitted, via the Verity Customer Support Portal.

**VERITY 340B SPLIT BILLING SERVICES AGREEMENT FOR HEALTHTRUST PARTICIPANTS**

## Agreement Summary

**DATE OF OFFER:** 6/23/22

This VERITY 340B SPLIT BILLING SERVICES AGREEMENT ("**Agreement**") is made and effective as of March 1, 2023 ("**Effective Date**") by and between the following parties:

<b>"Verity"</b>	Attention: Legal Department
Verity Solutions Group, Inc.	
12131 113th Ave. NE, Suite 200	Phone: (425) 947-1940
Kirkland, Washington 98034	Fax: (425) 947-1940

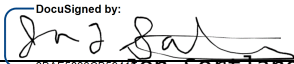
<b>"Customer"</b>	Attention: Contracts Management
University Medical Center of Southern Nevada	Email: ContractSpecialist@umcsn.com
1800 W. Charleston Blvd	Phone: N/A
Las Vegas, NV 89102	Fax: N/A
<b>Customer A/P and Billing Information</b>	<b>Billing Address if Different from Above</b>
AP/Billing Contact:	Address:
Phone:	City/State/Zip:
E-mail:	

This Agreement arises out of the Purchasing Agreement between HealthTrust Purchasing Group, L.P. and Verity dated September 10, 2020 (HPG-63140) ("HealthTrust Agreement"). To the extent the terms of this Agreement conflict with the terms of the HealthTrust Agreement, the terms of this Agreement shall control.

This Agreement is comprised of the following documents and is entered into by the parties as of the Effective Date set forth above:

1. Agreement Summary
2. Standard Terms and Conditions
3. Exhibit A: Verity 340B Split Billing
4. Exhibit B: Pricing and Payment Terms
5. Exhibit C: Service Level Policy

Each party causes this Agreement to be executed by its duly authorized representative.

By:  DocuSigned by: 3BAE5833CB59411	By:
Printed Name: Jon Sortland	Printed Name: Mason Van Houweling
Title: Chief Financial Officer	Title: CEO
Date: 2/3/2023	Date:
VERITY SOLUTIONS GROUP, INC.	UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA

## Standard Terms and Conditions

### 1. Definitions.

- 1.1. **"340B Act"** refers to Section 340B of the Public Health Services Act, enacted by Section 6-2 of Public Law 102-585, the Veteran's Health Care Act of 1992. The 340B Act provides for price limitations on certain drugs purchased by qualified entities.
- 1.2. **"340B Services"** means the web-based 340B management solution further described on Exhibit A that is made available by Verity to Customer during the Term pursuant to this Agreement.
- 1.3. **"Confidential Information"** means: (a) any information marked confidential or proprietary; (b) the 340B Services and any non-public information relating to either party's software, products, services, business plans, designs, customers, partners, costs, prices, finances, marketing plans, business opportunities, personnel, research development or know-how; and (c) the terms and conditions of this Agreement. "Confidential Information" does not include information that: (i) is or becomes generally known or available by publication, commercial use or otherwise through no fault of, or inducement by the receiving party; (ii) is known and has been reduced to tangible form by the receiving party prior to the time of disclosure and is not subject to restriction; (iii) is independently developed or learned by the receiving party; or (iv) is lawfully obtained from a third party that has the right to make such disclosure.
- 1.4. **"Covered Entity"** means a health care organization that is eligible to purchase certain drugs at reduced prices under the 340B Act.
- 1.5. **"Customer Data"** means information, data and other content in electronic form that is submitted, posted, or otherwise transmitted by or on behalf of Customer through 340B Contract Pharmacy Services.
- 1.6. **"Documentation"** means all user guides and other published written documentation provided by Verity to Customer. Documentation does not include any materials or information prepared by a third party.
- 1.7. **"Location"** means a particular Customer site that is enrolled in 340B Services, as set forth on Exhibit B.
- 1.8. **"Setup Fee"** means one-time implementation charge as described in Exhibit B.
- 1.9. **"Subscription Fees"** means the recurring monthly fees paid in exchange for the 340B Services, as described in Exhibit B.

All other capitalized terms have the meanings assigned to them in this Agreement.

### 2. 340B Services.

Subject to the terms and conditions of this Agreement, Verity hereby grants Customer a limited, non-exclusive, non-transferable right, without the right to sublicense, to use the 340B Services and the Documentation during the Term. In addition to any other restrictions herein, Customer will not: (a) remove, modify or obscure any proprietary rights notices on any Documentation; (b) modify or create derivative works of the Documentation; (c) electronically transfer or otherwise disclose the Documentation outside of Customer's organization; (c) use the 340B Services in any renting, leasing or sharing arrangement or allow any third-party to have access; or (d) publish or disclose the results of any benchmark tests or other performance assessment for the 340B Services. Any Customer Data and any materials or equipment furnished to Verity by Customer in connection with any of the 340B Contract Pharmacy Services shall be deemed proprietary to Customer.

### 3. Professional Services.

In connection with the 340B Services, Verity will provide implementation, hosting (by Amazon Web Services) and support services (collectively, **"Professional Services"**) during the Term. Implementation

of the 340B Services will commence following the Effective Date of this Agreement, as agreed to between the parties. Support services for the 340B Services will be provided in accordance with Verity's Service Level Policy, attached hereto as Exhibit C. Any Professional Services requested outside of Verity's standard services will be detailed in a mutually agreeable work order setting forth scope and fees. Verity shall maintain healthcare professional liability managed care errors and/or omissions insurance covering negligent acts including losses arising out of the rendering of or failure to render professional services under this Agreement, whether committed or alleged to have been committed by Verity or by its employees, or others for whom Verity is legally responsible, with minimum limits of \$5 million per claim or aggregate. Verity shall also maintain a Technology Errors & Omissions policy with a limit of no less than \$5 million. Verity shall ensure all contractors/subcontractors working under this agreement maintain appropriate levels of insurance based on the services being provided.

**4. Term.**

This Agreement shall commence as of the Effective Date and shall remain in effect for an initial term of thirty-six (36) months from the Effective Date ("Initial Term"). Notwithstanding anything to the contrary, to the extent Verity is providing the 340B Services to Customer, then this Agreement shall govern.

BUDGET ACT AND FISCAL FUND OUT: In accordance with the Nevada Revised Statutes (NRS 354.626), the financial obligations under the Agreement between the parties shall not exceed those monies appropriated and approved by Customer for the then current fiscal year under the Local Government Budget Act. The Agreement shall terminate and Customer's obligations under it shall be extinguished at the end of any of Customer's fiscal years in which Customer's governing body fails to appropriate monies for the ensuing fiscal year sufficient for the payment of all amounts which could then become due under the Agreement. Customer agrees that this Section shall not be utilized as a subterfuge or in a discriminatory fashion as it relates to the Agreement. In the event this Section is invoked, the Agreement will expire on the 30th day of June of the then current fiscal year. Termination under this Section shall not relieve Customer of its obligations incurred through the 30th day of June of the fiscal year for which monies were appropriated.

**5. Customer Obligations.**

- 5.1. Customer shall promptly provide reasonable assistance as Verity may reasonably request in connection with Verity's performance of its obligations under this Agreement, including without limitation, setup, implementation, testing and performance of the 340B Services. The parties agree that all technical specifications and/or all necessary requirements of Customer essential for the setup, implementation, testing and performance of the 340B Contract Pharmacy Services have been communicated to Customer in advance of the Effective Date. In addition, Customer shall timely, upon reasonable advanced written notice to Customer, provide all requested data and related files to Verity in accordance with Verity's data specifications, which may be updated from time to time ("**Verity Data Specifications**"). Customer is responsible for ensuring that all Protected Health Information as that term is defined under the Health Insurance and Accountability Act of 1996, as amended ("**HIPAA**"), is encrypted at the source prior to being transmitted to Verity's sFTP server. To the extent Customer does not comply with this requirement, and the Protected Health Information is verified to have been intercepted before it is received by Verity due to Customer's unencrypted transmittal, then notwithstanding any limitations on liability herein, Verity shall not be responsible for damages, penalties and costs associated with such transmission.
- 5.2. Customer shall ensure that all necessary consents and approvals have been obtained in order to provide all required data to Verity in accordance with the Verity Data Specifications.



- 5.3. Customer may provide suggestions, comments or other input to Verity relating to the 340B Services (“**Feedback**”). Between the parties, Verity will own all Feedback and will be free to use Feedback without obligation or restriction of any kind.

## 6. **Fees.**

- 6.1. Customer will pay to Verity a one-time Setup Fee and monthly Subscription Fees during the Term of the Agreement, as described in Exhibit B. All payments made pursuant to this Agreement will be in United States dollars without any rights of offset. Customer shall reimburse Verity for all reasonable costs associated with collection of unpaid fees.
- 6.2. If Customer fails to make any payment to Verity when due and payable under this Agreement and fails to pay within 30 days of the date of its receipt of written notice from Verity of such failure, Verity shall have the right to immediately terminate this Agreement and/or suspend the 340B Services or Professional Services.

## 7. **Confidentiality.**

Each party will protect the other’s Confidential Information from unauthorized dissemination and use the same degree of care that such party uses to protect its own like information, but in no event less than a commercially reasonable degree of care. Neither party will use the other’s Confidential Information for purposes other than those necessary to directly further the purposes of this Agreement. Neither party will disclose to third parties the other’s Confidential Information without the prior written consent of the other party. No ownership or license rights are granted in any Confidential Information. Notwithstanding the foregoing, either party may disclose any information in accordance with judicial or other governmental order, provided that the receiving party gives the disclosing party reasonable notice prior to such disclosure and will comply with any protective order or equivalent. Notwithstanding anything to the contrary, Customer also acknowledges and agrees that Verity will not acquire any rights in any Customer Data except Verity may de-identify and collect, aggregate, compile, use and publish any data and system outputs collected by Verity in performance of the 340B Services (collectively, “**Analytics Data**”). Verity may use, disclose and retain at all times the Analytics Data in its discretion; provided that such Analytics Data shall be anonymous as to Customer, and is de-identified in accordance with the HIPAA rules. 45 CFR 164.514. The Business Associate Agreement (“BAA”) between the parties, and attached hereto as **Exhibit D**, will govern any unauthorized use or disclosure by Verity, its employees, agents or subcontractors of individually identifiable information.

PUBLIC RECORDS: Verity acknowledges that Customer is a public county-owned hospital which is subject to the provisions of the Nevada Public Records Act, Nevada Revised Statutes Chapter 239, as may be amended from time to time, and as such its records are public documents available to copying and inspection by the public. If Customer receives a demand for the disclosure of any information related to the Agreement which Verity has claimed to be confidential and proprietary, Customer will immediately notify Verity of such demand and Verity shall immediately notify Customer of its intention to seek injunctive relief in a Nevada court for protective order. Verity shall indemnify, defend and hold harmless Customer from any claims or actions, including all associated costs and attorney’s fees, regarding or related to any demand for the disclosure of Verity documents in Customer’s custody and control in which Verity claims to be confidential and proprietary. For the avoidance of any doubt, Verity hereby acknowledges that this Agreement will be publicly posted for approval by Customer’s governing body.

## 8. **Representations and Warranties.**

- 8.1. Each party represents and warrants for the benefit of the other party that it is duly organized and validly existing under the laws of the state of its incorporation, has full corporate power and

authority to enter into this Agreement and is duly authorized to execute and deliver this Agreement and to perform its obligations hereunder.

- 8.2. Each party represents and warrants that it shall comply with all applicable laws and regulations.
- 8.3. Customer represents and warrants that all data and information provided to Verity reflects accurate and complete information and is in accordance with the Verity Data Specifications.
- 8.4. Verity warrants that the 340B Services will perform substantially in accordance with the Documentation and the Service Level Policy.
- 8.5. Verity agrees to use commercially reasonable administrative, technical, organizational and physical security measures designed to prevent unauthorized access, use, alteration or disclosure of the Customer Data that are no less rigorous than: (i) generally accepted industry security policies and standards; (ii) those used by Verity with respect to its own data; and (iii) are necessary to comply with applicable law.

**9. Disclaimer of Warranty.**

EXCEPT FOR THE WARRANTIES SET FORTH IN SECTION 8 AND THE WARRANTIES IN THE HEALTHTRUST AGREEMENT, THE 340B SERVICES ARE PROVIDED AS-IS WITHOUT WARRANTIES EXPRESS OR IMPLIED, OR STATUTORY, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. EXCEPT AS SET FORTH IN SECTION 8 AND THE WARRANTIES IN THE HEALTHTRUST AGREEMENT, VERITY DISCLAIMS ALL EXPRESS AND IMPLIED WARRANTIES, INCLUDING WITHOUT LIMITATION ANY WARRANTY THAT THE 340B SERVICES WILL CAPTURE ALL AVAILABLE 340B ELIGIBLE DISPENSES OR ANY WARRANTY THAT A DRUG IS COMMERCIALY AVAILABLE (I.E SUBJECT TO A DRUG SHORTAGE). Without limiting the foregoing, Customer acknowledges that it has selected the 340B Services based on its own knowledge of its internal use and legal requirements, and Verity will not be responsible for any losses caused, directly or indirectly, by the data provided by Customer to Verity for the 340B Services or the interruption or loss of use of the 340B Services.

**10. Indemnity.**

Verity will defend and indemnify Customer against any claims made by an unaffiliated third-party that the use of the 340B Services in compliance with this Agreement infringes a valid U.S. patent, copyright, or trademark or misappropriates a trade secret of such third party; provided that Customer gives Verity prompt written notice of any such claim, and control of the defense and settlement. Customer will have the right, at its option, to participate in the settlement or defense of any such claim, with its own counsel and at its own expense. Verity will not enter into any settlement that imposes any liability or obligation on Customer without the Customer's prior written consent. The parties will cooperate in any such settlement or defense and give each other full access to all relevant information, at Verity's expense. If the 340b Services become or, in Verity's opinion, are likely to become the subject of an indemnified claim, Verity may at its option (a) procure for Customer the right to continue using the 340B Services; (b) replace or modify the 340B Services so that they become non-infringing; or (c) terminate customer's rights to access and use the allegedly infringing 340B Services and refund any payments made for future periods. The foregoing states the entire liability of Verity with respect to infringement or misappropriation of intellectual property rights.

**11. Limitation of Liability and Limitation on Damages.**

- 11.1. EXCEPT FOR: (I) THE INDEMNIFICATION OBLIGATIONS EXPRESSLY SET FORTH IN SECTION 10, (II) A BREACH OF CONFIDENTIALITY OBLIGATIONS IN SECTION 7, (III) VERITY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, OR (IV) A MATTER COVERED UNDER THE INFORMATION SECURITY AGREEMENT BETWEEN VERITY AND HEALTHTRUST PURCHASING GROUP, L.P., VERITY'S TOTAL LIABILITY, REGARDLESS OF THE FORM OF ACTION, WILL NOT EXCEED TWO MILLION DOLLARS.

- 11.2. EXCEPT FOR: (I) THE INDEMNIFICATION OBLIGATION EXPRESSLY SET FORTH IN SECTION 10, (II) A BREACH OF CONFIDENTIALITY OBLIGATIONS IN SECTION 7, (III) VERITY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, OR (IV) A MATTER COVERED UNDER THE INFORMATION SECURITY AGREEMENT BETWEEN VERITY AND HEALTHTRUST PURCHASING GROUP, L.P., IN NO EVENT WILL EITHER PARTY BE LIABLE FOR INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES (INCLUDING WITHOUT LIMITATION, LOSS OF PROFITS OR LOSS OF DATA) ARISING OUT OF THIS AGREEMENT, THE USE OF OR INABILITY TO USE THE PRODUCTS OR IN ANY OTHER WAY ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, EVEN IF THE OTHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

## **12. Termination.**

- 12.1. Either party may terminate this Agreement thirty (30) days after providing notice to the other party of any material breach of this Agreement, if that breach remains uncured by the end of the thirty (30) day period.
- 12.2. Either party may terminate this Agreement at the end of the initial term or a subsequent renewal term by providing written notice to the other party at least sixty (60) days prior to the end of the then current term.
- 12.3. Customer may, at its option and upon at least sixty (60) days prior written notice, terminate this Agreement with respect to a specific Location if such Location becomes ineligible for 340B pricing, ceases operations or in the event legislation, rules, regulation or other government laws are enacted which extend 340B pricing to inpatient services.
- 12.4. Within ten (10) days following expiration or termination of this Agreement, each party will return to the disclosing party all full and or partial copies of the Documentation and any Confidential Information in the receiving party's possession.
- 12.5. Promptly after termination of, or the expiration of the term of this Agreement, Verity will make available to Customer data exports for Customer to download all Customer's Data stored by Verity during the Term of this Agreement for historical purposes. The format of the data will be... Microsoft Excel and/or .csv files. Customer will also be granted one (1) year of read only access through the online Verity customer portal. Access shall allow customer to utilize all online tools to view data and generate system reports and/or data exports.

## **13. Assignment.**

Neither party shall, directly or indirectly, sell, assign, transfer, pledge or encumber any of its rights or delegate any of its duties or obligations under this Agreement, including any transfer of rights due to change of operation or control of a party either by merger, acquisition, or operation of law whereby the current controlling person or group no longer directs its operations, without the prior written consent of the other party. Any purported transfer in violation of this Section will be null and void.

## **14. Notices and Requests.**

All notices, authorizations, reports, statements and requests in connection with this Agreement will be deemed received: (a) five days after the day they are deposited in the U.S. mails, postage prepaid, certified or registered, return receipt requested; or (b) sent by overnight courier, charges prepaid; and addressed as to each of the parties at the addresses listed in the Agreement Summary above.

## **15. Governing Law; Attorney's Fees.**

If not otherwise provided herein, the laws of the State where the Customer is located shall govern this Agreement and Verity consents to the exclusive jurisdiction in the state and federal courts sitting in such State.

**16. Severability.**

If for any reason a court of competent jurisdiction finds any provision of this Agreement, or portion thereof, to be unenforceable, that provision of the Agreement will be enforced to the maximum extent permissible so as to affect the intent of the parties, and the remainder of this Agreement will continue in full force and effect. Failure by either party to enforce any provision of this Agreement will not be deemed a waiver of future enforcement of that or any other provision.

**17. Independent Contractors.**

Verity and Customer are independent parties and this Agreement creates a non-exclusive relationship. Nothing in this Agreement creates an employer-employee relationship, a partnership, or a joint venture between the parties.

**18. Subcontractors.**

Verity may, in its sole discretion, engage the services of one or more subcontractors to perform any of its duties under this Agreement; provided that Verity will remain responsible to Customer for any services provided by such subcontractors hereunder.

**19. Force Majeure.**

Failure of either party to perform its obligations under this Agreement (except the obligation to make payments) will not subject such party to any liability to the other if such failure is caused by acts of God, transportation conditions, materials shortages, supplier delays, riot, sabotage, embargo, strikes or any other cause beyond the reasonable control of such party. Verity shall immediately provide notice to Customer that a force majeure event has occurred and to the extent acceptable to Customer the parties will adjust applicable performance time periods referenced herein accordingly so that neither party is held liable for the failure to meet such dates as a result of a force majeure event. The affected party will resume the performance of its obligations as soon as practicable after the force majeure event has ceased; provided however that if Verity is not able to continue providing services 60 days after declaring a force majeure event, Customer shall have the right to immediately terminate this Agreement.

**20. Taxes.**

All amounts payable under this Agreement are exclusive of any sales, use and all other taxes or duties, whether currently imposed or imposed in the future (but excluding taxes on Verity net income) (collectively "**Taxes**"). Customer will be responsible for all Taxes without offset or deduction.

**21. Intentionally Omitted.****22. Prior Agreement.**

Customer and Verity previously entered into a Software License and Support Agreement dated July 20, 2006 (the "Prior Agreement"). The terms and conditions of the Prior Agreement are hereby superseded by this Agreement and the Prior Agreement is hereby terminated.

**23. Entire Agreement.**

This Agreement and the HealthTrust Purchasing Agreement constitute the complete understanding between Verity and Customer with respect to its subject matter, and supersedes all prior or contemporaneous oral or written communications, proposals, representations, understandings, or agreements. This Agreement may not be amended except in a paper writing (e.g., not via email) duly signed by authorized representatives of Verity and Customer respectively.

**24. Survival.**

Upon expiration or termination of this Agreement, those terms that should be reasonably construed to survive the termination of this Agreement shall survive.

**25. Non-Excluded Healthcare Provider.**

Verity represents and warrants to Customer that neither it nor any of its affiliates (a) are excluded from participation in any federal health care program, as defined under 42 U.S.C. §1320a-7b (f), for the provision of goods or services for which payment may be made under such federal health care programs and (b) has arranged or contracted (by employment or otherwise) with any employee, contractor or agent that such party or its affiliates know or should know are excluded from participation in any federal health care program, to provide goods or services hereunder. Verity represents and warrants to Customer that no final adverse action, as such term is defined under 42 U.S.C. §1320a-7e (g), has occurred or is pending or threatened against such Verity or its affiliates or to their knowledge against any employee, contractor or agent engaged to provide goods or services under the Agreement. (collectively "Exclusions / Adverse Actions").

-End of Standard Terms and Conditions-

## Exhibit A

### Verity 340B Split Billing

V340B Split Billing is a virtual inventory system that enables Covered Entities to participate in and manage compliance with the 340B Act without maintaining multiple physical drug inventories. V340B Split Billing accumulates all drug dispenses and sorts them into outpatient and inpatient accumulators and optionally filters Medicaid transactions based on the data provided by Covered Entity including eligible outpatient dispenses. Additional configuration allows for filtering by 340B eligible and ineligible locations. V340B Split Billing facilitates ordering of replenishment inventory on Covered Entity's wholesaler account by intercepting and splitting purchase orders among Covered Entity's 340B, GPO (if applicable) and WAC purchasing accounts. The user interface allows Covered Entity to have visibility into drug accumulations, order history, savings and costs among other metrics. Finally, V340B Split Billing keeps a complete audit trail for maximum compliance. Verity's standard offering includes the following features and services:

- A dedicated and knowledgeable support team
- Monthly business reviews with a dedicated account manager (*bi-weekly for 6 months after go-live*)
- Access to all supported wholesalers and EDI interfaces
- Enterprise view and reporting for multi-site facilities
- Unlimited access to test environment
- Remote HRSA audit support (*onsite support available with travel costs*)

Additional add-on features and services described on Exhibit B to the extent applicable.

## Exhibit B

### Pricing and Payment Terms

Location/Address For Each Accumulator	340B ID Number	Setup Option	Shared Accumulator	Subscription Fee (monthly)	Setup Fee (one-time)
University Medical Center of Souther Nevada 1800 W. Charleston Blvd Las Vegas, NV 89102	DSH290007	<input checked="" type="checkbox"/> Split Billing <input type="checkbox"/> Owned Outpatient (split match) <input type="checkbox"/> Own Use	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	\$2,888	\$4,500
University Medical Center of Souther Nevada 1800 W. Charleston Blvd Las Vegas, NV 89102	DSH290007	<input type="checkbox"/> Split Billing <input checked="" type="checkbox"/> Owned Outpatient (split match) <input type="checkbox"/> Own Use	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	\$903	\$1,800

### Payment Terms

The Setup Fee is a one-time charge payable upon the Effective Date and applies to the original installation at each distinct location identified above. Such amount is due on the Effective Date. Payments are due upon receipt of invoice. The "Owned Outpatient (split match)" is an optional service that may be added at a later date should the covered entity desire or have need for such services. Billing for these services will commence upon implementation.

The Subscription Fees are due and payable on the Effective Date. Subscription fees are due the first of each subsequent month. Payments are due upon receipt of invoice. The Subscription Fee are assessed on a per Location basis, which generally corresponds with the number of distinct accumulators. After the first payment, remaining Subscription Fees are invoiced and payable on the first of each subsequent month.

V340B Environment Set Up Actions – occurs prior to commencement of Subscription Fees:

- Discovery / Kick Off call executed
- Customer account set up and V340B login/passwords provided to client

If Customer wishes to add another Location, such Location may sign an addendum to this Agreement to avoid renegotiation of the terms; provided however that the Effective Date, Term and Payment Term obligations will be defined in the addendum. For purposes of clarity, if a new Location wishes to start using the Product, it will be obligated to pay a Set Up Fee and a monthly Subscription Fee at then current prices.

#### Payments

Customer's payments will be made by check or wire transfer of immediately available funds to the address or account designated below or such other address or account identified in writing by Verity from time to time.

Payment by check should be overnight mailed to: Payment by wire transfer should be made to:

Verity Solutions Group, Inc.  
PO Box 631392  
Cincinnati, OH 45263-1392  
(request)

Verity Solutions Group, Inc.  
  
(Account information provided upon request)

Exhibit C

Service Level Policy

This Verity Service Level Policy (“**Service Policy**”) will apply to Customer’s production environment of the Verity 340B Cloud Services during Customer’s subscription term. All capitalized terms used herein and not separately defined with have the meanings given to them in Customer’s master services agreement (“**Master Agreement**”). This Service Policy may be updated from time to time, in Verity’s discretion.

**1. Definitions.** When used in this Service Policy, the following capitalized terms will have the following meanings:

“**Downtime**” means the Verity 340B Cloud Services are not available for use according to Verity’s performance and monitoring services. Downtime does not include Emergency Downtime or Scheduled Downtime.

“**Emergency Downtime**” means those times where Verity becomes aware of a vulnerability which Verity deems to require immediate remediation and, as a result, the Verity 340B Cloud Services are temporarily unavailable in order for Verity to address the vulnerability.

“**Monthly Uptime Percentage**” means the total number of minutes in the calendar month, minus the number of minutes of Downtime during the calendar month, divided by the total number of minutes in the calendar month, times 100.

“**Scheduled Downtime**” means those times where Verity notifies Customer of periods of system Downtime in advance of such Downtime. There will be no more than thirty (30) hours of scheduled Downtown per calendar year.

“**Service Credit**” means the credit that may be provided to Customer according to the following schedule:

One Week Credit (99.4% - 97%)	Includes seven (7) days of Verity 340B Cloud Services added to the end of your billing cycle, at no charge to you, if the Monthly Uptime Percentage for any calendar month is between 99.4% and 97%.
Two Week Credit (96.9% - 92%)	Includes fourteen (14) days of Verity 340B Cloud Services added to the end of your billing cycle, at no charge to you, if the Monthly Uptime Percentage for any calendar month is between 96.9% and 92%.
One Month Credit (<92%)	Includes thirty (30) days of Verity 340B Cloud Services added to the end of your billing cycle, at no charge to you, if the Monthly Uptime Percentage for any calendar month is less than 92%.



**“Verity 340B Cloud Services”** means the cloud-based software ordered by Customer pursuant to the Master Agreement and made available to Customer over the internet by Verity Solutions.

**2. Verity’s Uptime Commitment.** The 340B Cloud Services will be available to Customer 99.5% of the time in any calendar month not taking into account any Scheduled Downtime or Emergency Downtime (**“Uptime Commitment”**). If Verity fails to meet its Uptime Commitment in a given calendar month during Customer’s subscription term and while Customer is in compliance with its Master Agreement, then as Customer’s sole and exclusive remedy, Customer may be eligible for a Service Credit.

**2.1 Procedures for Service Credits.** In order to receive a Service Credit, Customer must notify Verity in writing within thirty (30) days of the day Customer becomes eligible to receive a Service Credit. Verity will review any request for a Service Credit within thirty (30) days, and to the extent a Service Credit is owed (as determined by Verity’s monitoring services), Verity will apply the same to a future billing cycle. Service Credits may only be applied to Customer’s invoice, and may not be exchanged for monetary compensation. Service Credits are the sole and exclusive remedy for failure to meet the Uptime Commitment.

**2.2 Exclusions.** The Uptime Commitment does not apply to any performance issues: (a) caused by factors outside of Verity’s reasonable control; (b) that resulted from any actions or inactions from Customer or any third parties including Verity’s hosting infrastructure contractors; or (c) that resulted from Customer’s equipment and/or third party equipment not within the control of Verity. The Uptime Commitment also does not apply during any period that Customer is not paying subscription fees to Verity (e.g., a free trial period).

**3. Product Releases.** During Customer’s subscription term so long as Customer is in compliance with all terms of its agreement(s) with Verity, Customer will have access to to all generally available fixes, patches, updates and upgraded versions of the Verity 340B Cloud Services in accordance with Verity’s product roadmap and release cycle. Where practical, Verity will schedule such activities during Scheduled Downtime.

**4. Customer Support.** As part of Customer’s subscription to the Verity 340B Cloud Services, Verity provides product support for issues related to the Verity 340B Cloud Services (**“Support”**). For clarity, Support does not include (a) assisting Customer with preparing its data for submission to Verity, (b) remediating incorrect data, (c) retrieving any data or reports from the system on Customer’s behalf, (d) assisting Customer with a change to Customer’s EMR (version or product), (e) adding a new or changing an existing wholesaler account outside of what is included in Customer’s implementation package, or (f) any other requests that relate to Customer adding or changing third-party hardware or software. All Support will be provided remotely utilizing screen share, phone and email. Customer shall designate a primary point of contact for all Support requests, and the primary contact should be familiar with and trained on the Verity 340B Cloud Services.

**4.1. Standard Support Hours.** Verity’s customer support desk is staffed during the following days/times (**“Standard Support Hours”**) (all times are Pacific Standard Time):

- Monday thru Friday: 5:00 a.m. to 6:00 p.m.
- Saturday, Sunday: 8:00 a.m. to 4:00 p.m.

- Holidays: 8:00 a.m. to 1:00 p.m.

For Severity 1 Support issues, Verity may also assign resources during the following additional days/times: Mon thru Friday from 4:00 a.m. thru 8:00 a.m. and again from 5:00 p.m. thru 8:00 p.m. (“On Call Hours”)

**4.2 Submitting Support Requests.** Requests for support must include all pertinent information including, but not limited to subject, contact name, site name, product name and a detailed description of the issue. Customer must be available to answer questions and assist Verity with duplicating the issue and testing any resolution. All requests for Support should be submitted to Verity via any of the following methods:

Method	Contact	Hours
Email:	<a href="mailto:support@verity340b.com">support@verity340b.com</a>	Support requests may be submitted by email at all times (24x7x365)
Telephone:	1-800-581-1378	Support requests may be submitted over the phone during Verity Standard Support Hours
Customer Support Portal:	Via the <i>Feedback &amp; Support</i> link in the V340B application; or: <a href="https://verity340b.force.com/CustomerSolutions/login">https://verity340b.force.com/CustomerSolutions/login</a>	Support requests may be submitted thru the Customer support portal at all times (24x7x365)

**4.3 Response Time.** All Support issues reported by Customer shall be assigned a severity level (“**Severity Level**”) at the time the Support request is received via one of the methods described in Section 4.2. Verity will use commercially reasonable efforts to respond to and resolve all requests for Support within a reasonable period of time during Standard Support Hours, with it being understood that the below target timelines are estimates only.

Severity Level	Description	Target Initial Response Time
Severity 1	Production application down (not including during Scheduled Downtime or Emergency Downtime) and/or material malfunction of the application that is impacting critical business functions	Within 1 hour from receipt of Support request during Standard Support Hours and On Call Hours
Severity 2	Material degradation of the application performance or functionality	Within 4 hours from receipt of Support request during Standard Support Hours
Severity 3	Issue or question with limited business impact	Within 8 hours from Support request during Standard Support Hours

Customer will have the ability to monitor status of all Support requests, however submitted, via the Verity Customer Support Portal.



## Business Associate Agreement

This Agreement is made effective the 1st of March, 2023, by and between **University Medical Center of Southern Nevada** (hereinafter referred to as “Covered Entity”), a county hospital duly organized pursuant to Chapter 450 of the Nevada Revised Statutes, with its principal place of business at 1800 West Charleston Boulevard, Las Vegas, Nevada, 89102, and **Verity Solutions Group, Inc.**, hereinafter referred to as “Business Associate”, (individually, a “Party” and collectively, the “Parties”).

### WITNESSETH:

WHEREAS, Sections 261 through 264 of the federal Health Insurance Portability and Accountability Act of 1996, Public Law 104-191, known as “the Administrative Simplification provisions,” direct the Department of Health and Human Services to develop standards to protect the security, confidentiality and integrity of health information; and

WHEREAS, pursuant to the Administrative Simplification provisions, the Secretary of Health and Human Services issued regulations modifying 45 CFR Parts 160 and 164 (the “HIPAA Rules”); and

WHEREAS, the American Recovery and Reinvestment Act of 2009 (Pub. L. 111-5), pursuant to Title XIII of Division A and Title IV of Division B, called the “Health Information Technology for Economic and Clinical Health” (“HITECH”) Act, as well as the Genetic Information Nondiscrimination Act of 2008 (“GINA,” Pub. L. 110-233), provide for modifications to the HIPAA Rules; and

WHEREAS, the Secretary, U.S. Department of Health and Human Services, published modifications to 45 CFR Parts 160 and 164 under HITECH and GINA, and other modifications on January 25, 2013, the “Final Rule,” and

WHEREAS, the Parties wish to enter into or have entered into an arrangement whereby Business Associate will provide certain services to Covered Entity, and, pursuant to such arrangement, Business Associate may be considered a “Business Associate” of Covered Entity as defined in the HIPAA Rules (the agreement evidencing such arrangement is entitled “Underlying Agreement”); and

WHEREAS, Business Associate will have access to Protected Health Information (as defined below) in fulfilling its responsibilities under such arrangement;

THEREFORE, in consideration of the Parties’ continuing obligations under the Underlying Agreement, compliance with the HIPAA Rules, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound, the Parties agree to the provisions of this Agreement in order to address the requirements of the HIPAA Rules and to protect the interests of both Parties.

### I. DEFINITIONS

“Designated Record Set” means a group of records maintained by or for the Covered Entity that is: (i) the medical records and billing records about individuals; (ii) the enrollment, payment, claims adjudication, and case or medical management record systems maintained by or for a health plan; or (iii) used, in whole or in part, by or for the Covered Entity to make decisions about Individuals. As used herein the term “record” means any item, collection, or grouping of information that includes PHI and is maintained, collected, used or disseminated by or for the Covered Entity.

“HIPAA Rules” means the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164.

“Protected Health Information” means individually identifiable health information created, received, maintained, or transmitted in any medium, including, without limitation, all information, data, documentation, and materials, including without limitation, demographic, medical and financial information, that relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present, or future payment for the provision of health care to an individual; and 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. “Protected Health Information” includes without limitation “Electronic Protected Health Information” as defined below.

“Electronic Protected Health Information” means Protected Health Information which is transmitted by Electronic Media (as defined in the HIPAA Rules) or maintained in Electronic Media.

The following terms used in this Agreement shall have the same meaning as defined in the HIPAA Rules: Administrative Safeguards, Breach, Business Associate, Business Associate Agreement, Covered Entity, Individually Identifiable Health Information, Minimum Necessary, Physical Safeguards, Security Incident, and Technical Safeguards.

## II. ACKNOWLEDGMENTS

Business Associate and Covered Entity acknowledge and agree that in the event of an inconsistency between the provisions of this Agreement and mandatory provisions of the HIPAA Rules, the HIPAA Rules shall control. Where provisions of this Agreement are different than those mandated in the HIPAA Rules, but are nonetheless permitted by the HIPAA Rules, the provisions of this Agreement shall control.

Business Associate acknowledges and agrees that all Protected Health Information that is disclosed or made available in any form (including paper, oral, audio recording or electronic media) by Covered Entity to Business Associate or is created or received by Business Associate on Covered Entity’s behalf shall be subject to this Agreement. Business Associate has read, acknowledges, and agrees that the Secretary, U.S. Department of Health and Human Services, published modifications to 45 CFR Parts 160 and 164 under HITECH and GINA, and other modifications on January 25, 2013, the “Final Rule,” and the Final Rule significantly impacted and expanded Business Associates’ requirements to adhere to the HIPAA Rules.

## III. USE AND DISCLOSURE OF PROTECTED HEALTH INFORMATION

- (a) Business Associate agrees that all uses and disclosures of Protected Health information shall be subject to the limits set forth in 45 CFR 164.514 regarding Minimum Necessary requirements and limited data sets.
- (b) Business Associate agrees to use or disclose Protected Health Information solely:
  - (i) For meeting its business obligations as set forth in any agreements between the Parties evidencing their business relationship;
  - (ii) to provide data aggregation services relating to the health care operations of Covered Entity; or
  - (iii) as required by applicable law, rule or regulation, or by accrediting or credentialing organization to whom Covered Entity is required to disclose such information or as otherwise permitted under this Agreement or the Underlying Agreement (if consistent with this Agreement and the HIPAA Rules).

(c) Business Associate may de-identify any and all PHI, provided that the de-identification conforms to the requirements of the Privacy Rule. De-identified information does not constitute PHI and is not subject the terms of this Agreement.

(d) Where Business Associate is permitted to use Subcontractors that create, receive, maintain, or transmit Protected Health Information; Business Associate agrees to execute a "Business Associate Agreement" with Subcontractor as defined in the HIPAA Rules that includes the same covenants for using and disclosing, safeguarding, auditing, and otherwise administering Protected Health Information as outlined in Sections I through VII of this Agreement (45 CFR 164.314).

(e) Business Associate will acquire written authorization in the form of an update or amendment to this Agreement and Underlying Agreement prior to:

(i) Directly or indirectly receiving any remuneration for the sale or exchange of any Protected Health Information; or

(ii) Utilizing Protected Health Information for any activity that might be deemed "Marketing" under the HIPAA rules.

(f) If the Covered Entity requests that Business Associate amend any Individual's (as that term is defined at 45 CFR 160.103) PHI or a record regarding an Individual contained in a Designated Record Set, then Business Associate shall provide the relevant PHI to the Covered Entity for amendment and incorporate any such amendments in the PHI as required by 45 C.F.R. §164.526. In the event an Individual requests directly to Business Associate that PHI be amended, Business Associate shall forward such request to the Covered Entity within ten (10) days of Business Associate's receipt of such request and shall take no direct immediate action on the request. All decisions to amend or deny requests for amendments to PHI shall be solely the responsibility of the Covered Entity.

(g) Covered Entity shall provide Business Associate with any changes in, or revocation of, permission by an Individual to use or disclose PHI, if such changes affect Business Associate's permitted or required uses and disclosures.

(h) Covered Entity shall notify Business Associate of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 C.F.R. §164.522.

(i) Covered Entity shall not request that Business Associate use or disclose PHI in any manner that would not be permissible under the Privacy Rule, Security Rule or HITECH Act if done by Covered Entity.

#### IV. SAFEGUARDING PROTECTED HEALTH INFORMATION

(a) Business Associate agrees:

(i) To implement appropriate safeguards and internal controls to prevent the use or disclosure of Protected Health Information other than as permitted in this Agreement or by the HIPAA Rules.

(ii) To implement "Administrative Safeguards," "Physical Safeguards," and "Technical Safeguards" as defined in the HIPAA Rules to protect and secure the confidentiality, integrity, and availability of Electronic Protected Health Information (45 CFR 164.308, 164.310, 164.312). Business Associate shall document policies and

procedures for safeguarding Electronic Protected Health Information in accordance with 45 CFR 164.316.

(iii) To notify Covered Entity of any successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system (“Security Incident”) upon discovery of the Security Incident.

(b) When an impermissible acquisition, access, use, or disclosure of Protected Health Information (“Breach”) occurs, Business Associate agrees:

(i) To notify Covered Entity’s Chief Privacy Officer promptly upon discovery of the Breach, and

(ii) Within sixty (60) days of the discovery of the Breach, provide Covered Entity with all required content of notification in accordance with 45 CFR 164.410 and 45 CFR 164.404, and

(iii) To fully cooperate with Covered Entity’s analysis and final determination on whether to notify affected individuals, media, or Secretary of the U.S. Department of Health and Human Services., and

(iv) To pay all costs associated with the notification of affected individuals and costs associated with mitigating potential harmful effects to affected individuals subject to the limitations of liability set forth in this Agreement.

(c) Notwithstanding anything to the contrary, if a law enforcement official states in writing to Business Associate that the notification to Covered Entity required under paragraphs (a) or (b) above would impede a criminal investigation or cause damage to national security, then Business Associate may delay the notification for any period of time set forth in the written statement of the law enforcement official. If the law enforcement official provides an oral statement, then Business Associate shall document the statement in writing, including the name of the law enforcement official making the statement, and may delay the notification required under Section IV for no longer than thirty (30) days from the date of the oral statement, unless the law enforcement official provides a written statement during that time that specifies a different time period. Business Associate shall be obligated to maintain evidence to demonstrate that the required notification under this paragraph was made.

(d) Covered Entity acknowledges and agrees that it shall be the sole responsibility of Covered Entity to ensure that the network it uses for transmission of electronic information between Covered Entity and Business Associate is secure. Business Associate shall not be responsible for any unauthorized access to, or use of PHI, through the Covered Entity’s network.

## V. RIGHT TO AUDIT

(a) Business Associate agrees that in accordance with the HIPAA Rules, the Secretary of the U.S. Department of Health and Human Services has the right to review, audit, or investigate Business Associate’s records, electronic records, facilities, systems, and practices related to safeguarding, use, and disclosure of Protected Health Information to ensure Covered Entity’s or Business Associate’s compliance with the HIPAA Rules.

## VI. COVERED ENTITY REQUESTS AND ACCOUNTING FOR DISCLOSURES

(a) At the Covered Entity’s Request, Business Associate agrees:

- (i) To comply with any requests for restrictions on certain disclosures of Protected Health Information pursuant to Section 164.522 of the HIPAA Rules to which Covered Entity has agreed and of which Business Associate is notified by Covered Entity.
- (ii) To make available Protected Health Information to the extent and in the manner required by Section 164.524 of the HIPAA Rules. If Business Associate maintains Protected Health Information electronically, it agrees to make such Protected Health Information electronically available to the Covered Entity.
- (iii) To make Protected Health Information available for amendment and incorporate any amendments to Protected Health Information in accordance with the requirements of Section 164.526 of the HIPAA Rules.
- (iv) To account for disclosures of Protected Health Information regarding an Individual during the six (6) years prior to the date on which the accounting was requested by Covered Entity and make an accounting of such disclosures available to Covered Entity as required by Section 164.528 of the HIPAA Rules. Business Associate shall provide any accounting required within thirty (30) days of request from Covered Entity.

## VII. TERMINATION

Notwithstanding anything in this Agreement to the contrary, if a Party to this Agreement (the “non-breaching party”) determines that the other Party has breached a material term of this Agreement (the “breaching party”), the non-breaching party shall notify the breaching party and provide the breaching party an opportunity to cure the alleged material breach upon mutually agreeable terms. Failure of the breaching party to take reasonable steps to cure the breach is grounds for the immediate termination of this Agreement by the non-breaching party.

At termination of this Agreement, the Underlying Agreement (or any similar documentation of the business relationship of the Parties), or upon request of Covered Entity, whichever occurs first, if feasible, Business Associate will return or destroy all Protected Health Information received from or created or received by Business Associate on behalf of Covered Entity that Business Associate still maintains in any form and retain no copies of such information, or if such return or destruction is not feasible, Business Associate will extend the protections of this Agreement to the information and limit further uses and disclosures to those purposes that make the return or destruction of the information not feasible.

## VIII. MISCELLANEOUS

Except as expressly stated herein or the HIPAA Rules, the Parties to this Agreement do not intend to create any rights in any third parties. The obligations of this Agreement designed to safeguard PHI shall survive the expiration, termination, or cancellation of this Agreement, the Underlying Agreement and/or the business relationship of the Parties, and shall continue to bind Business Associate, its agents, employees, contractors, successors, and assigns as set forth herein, until Business Associate has performed all obligations under this Agreement..

Notwithstanding anything to the contrary, Business Associate’s total aggregate liability under this Agreement shall not exceed Two Hundred and Fifty Thousand Dollars (\$250,000).

This Agreement may be amended or modified only in a writing signed by the Parties. No Party may assign its respective rights and obligations under this Agreement without the prior written consent of the other Party. None of the provisions of this Agreement are intended to create, nor will they be deemed to



create any relationship between the Parties other than that of independent parties contracting with each other solely for the purposes of effecting the provisions of this Agreement and any other agreements between the Parties evidencing their business relationship. This Agreement will be governed by the laws of the State of Nevada. No change, waiver or discharge of any liability or obligation hereunder on any one or more occasions shall be deemed a waiver of performance of any continuing or other obligation, or shall prohibit enforcement of any obligation, on any other occasion.

In the event that any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the provisions of this Agreement will remain in full force and effect. In addition, in the event a Party believes in good faith that any provision of this Agreement fails to comply with the HIPAA Rules, such Party shall notify the other Party in writing. For a period of up to thirty (30) days, the Parties shall address in good faith such concern and amend the terms of this Agreement, if necessary to bring it into compliance. If, after such thirty (30) day period, the Agreement fails to comply with the HIPAA Rules, then either Party has the right to terminate upon written notice to the other Party.

This Agreement may be executed by facsimile or electronic signature and/or in counterparts, each of which shall be an original and all of which together shall constitute one and the same binding instrument.

Any notice required or permitted to be given hereunder shall be in writing and shall be (i) personally delivered, (ii) transmitted by postage pre-paid first class certified United States mail, (iii) transmitted by pre-paid, overnight delivery with delivery tracking service, or (iv) transmitted by facsimile transmission. All notices and other communications shall be deemed to have been duly given, received and effective on (i) the date of receipt if delivered personally, (ii) three (3) business days after the date of posting if transmitted by mail, (iii) the business day after the date of transmission if by overnight delivery with proof of delivery, or (iv) the date of transmission if transmitted by facsimile transmission, with confirmation by the originating facsimile transmission machine of receipt by the receiving facsimile machine of such transmission, addressed to the Parties at the addresses below:

Business Associate:

Covered Entity:

Verity Solutions Group, Inc.

12131 113<sup>th</sup> Ave NE, Suite 200

Kirkland WA 98034

Attn: Legal

Fax:

\_\_\_\_\_

\_\_\_\_\_

Attn: \_\_\_\_\_

Fax: \_\_\_\_\_

or to such other address, or to the attention of such other person(s) or officer(s), as either Party may designate by written notice to the other Party.

Any ambiguity in this Agreement shall be resolved in favor of a meaning that permits the parties to comply with the Privacy Rule, the Security Rule, and the HITECH Act. All references herein to specific statutes, laws, rules and regulations shall be deemed to include amendments thereto made from time to time after the date hereof. Notwithstanding anything to the contrary herein or in the Underlying Agreement and

subject to the limitation of liability provisions in this Agreement, the parties intend for all limitations on liability and damages in the Underlying Agreement to also apply to any breach or nonperformance of the obligations set forth in this Agreement.

*[Signature page to follow]*

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year written above.

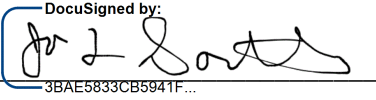
COVERED ENTITY:

By: \_\_\_\_\_  
Mason Van Houweling

Title: CEO

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

BUSINESS ASSOCIATE:

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

Title: Chief Financial Officer

Date: 2/6/2023



February 8<sup>th</sup>, 2023

Kristine Sy  
Contract Specialist  
University Medical Center of Southern Nevada  
1800 W. Charleston Blvd.  
Las Vegas, NV 89102

Re: Request for competitive bidding information regarding 340B Services.

Dear Ms. Sy

This letter is provided in response to the University Medical Center of Southern Nevada's ("UMC") request for information about HealthTrust Purchasing Group, L.P.'s ("HealthTrust") competitive bidding process for 340B Services. We are pleased to provide this information to UMC in your capacity as a Participant of HealthTrust, as defined in and subject to the Participation Agreement between HealthTrust and UMC, effective August 3, 2016.

HealthTrust's bid and award process is described in its Contracting Process Policy [HT.008] available on its public website (<http://healthtrustpg.com/about-healthtrust/healthcare-code-of-ethics/>). As described in the policy, HealthTrust operates a member-driven contracting process. Advisory Boards are engaged to determine the clinical, technical, operational, conversion, business and other criteria important for each specific bid category. The boards are comprised of representatives from HealthTrust's membership who have appropriate experience, credentials/licensures, and decision-making authority within their respective health systems for the board on which they serve.

HealthTrust's requirements for specific products and services are published on its Contract Schedule on its public website. HealthTrust's requirements for vendors are outlined in its Supplier Criteria Policy [HT.010]. A listing of the minimum Supplier Criteria is also published on HealthTrust's public website, as well as an on-line form for prospective vendor submission.

The Contracting Process Policy includes criteria for the selection of contract products and services and documents and the procedures followed by HealthTrust's contracting team to select vendors for consideration. HealthTrust's Advisory Boards may provide additional requirements or other criteria that would be incorporated into the RFP (request for proposals) process, where appropriate. Vendor proposals submitted in response to RFPs are analyzed using an extensive clinical/technical review as described above, as well as a financial/operational review.



The above-described process was followed with respect to the 340B Services category. HealthTrust issued RFPs and received proposals from identified suppliers in the 340B Services category. A contract was executed with Verity Solutions and Turnkey Pharmaceutical Solutions in November of 2021. I hope this satisfies your request. Please contact me with any additional questions.

Sincerely,

Craig Dabbs

Account Director, Member Services

## INSTRUCTIONS FOR COMPLETING THE DISCLOSURE OF OWNERSHIP/PRINCIPALS FORM

### **Purpose of the Form**

The purpose of the Disclosure of Ownership/Principals Form is to gather ownership information pertaining to the business entity for use by the University Medical Center of Southern Nevada Governing Board ("GB") in determining whether members of the GB should exclude themselves from voting on agenda items where they have, or may be perceived as having a conflict of interest, and to determine compliance with Nevada Revised Statute 281A.430, contracts in which a public officer or employee has interest is prohibited.

### **General Instructions**

Completion and submission of this Form is a condition of approval or renewal of a contract or lease and/or release of monetary funding between the disclosing entity and University Medical Center of Southern Nevada. Failure to submit the requested information may result in a refusal by the GB to enter into an agreement/contract and/or release monetary funding to such disclosing entity.

### **Detailed Instructions**

All sections of the Disclosure of Ownership form must be completed. If not applicable, write in N/A.

**Business Entity Type** – Indicate if the entity is an Individual, Partnership, Limited Liability Company, Corporation, Trust, Non-profit Organization, or Other. When selecting 'Other', provide a description of the legal entity.

**Non-Profit Organization (NPO)** – Any non-profit corporation, group, association, or corporation duly filed and registered as required by state law.

**Business Designation Group** – Indicate if the entity is a Minority Owned Business Enterprise (MBE), Women-Owned Business Enterprise (WBE), Small Business Enterprise (SBE), Physically-Challenged Business Enterprise (PBE), Veteran Owned Business (VET), Disabled Veteran Owned Business (DVET), or Emerging Small Business (ESB). This is needed in order to provide utilization statistics to the Legislative Council Bureau, and will be used only for such purpose.

- **Minority Owned Business Enterprise (MBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more minority persons of Black American, Hispanic American, Asian-Pacific American or Native American ethnicity.
- **Women Owned Business Enterprise (WBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more women.
- **Physically-Challenged Business Enterprise (PBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more disabled individuals pursuant to the federal Americans with Disabilities Act.
- **Small Business Enterprise (SBE):** An independent and continuing business for profit which performs a commercially useful function, is not owned and controlled by individuals designated as minority, women, or physically-challenged, and where gross annual sales does not exceed \$2,000,000.
- **Veteran Owned Business Enterprise (VET):** An independent and continuing Nevada business for profit which performs a commercially useful function and is at least 51 percent owned and controlled by one or more U.S. Veterans.
- **Disabled Veteran Owned Business Enterprise (DVET):** A Nevada business at least 51 percent owned/controlled by a disabled veteran.
- **Emerging Small Business (ESB):** Certified by the Nevada Governor's Office of Economic Development effective January, 2014. Approved into Nevada law during the 77th Legislative session as a result of AB294.

**Business Name (include d.b.a., if applicable)** – Enter the legal name of the business entity and enter the "Doing Business As" (d.b.a.) name, if applicable.

**Corporate/Business Address, Business Telephone, Business Fax, and Email** – Enter the street address, telephone and fax numbers, and email of the named business entity.

**Nevada Local Business Address, Local Business Telephone, Local Business Fax, and Email** – If business entity is out-of-state, but operates the business from a location in Nevada, enter the Nevada street address, telephone and fax numbers, point of contact and email of the local office. Please note that the local address must be an address from which the business is operating from that location. Please do not include a P.O. Box number, unless required by the U.S. Postal Service, or a business license hanging address.

**Number of Clark County Nevada Residents employed by this firm. (Do not leave blank. If none or zero, put the number 0 in the space provided.)**

**List of Owners/Officers** – Include the full name, title and percentage of ownership of each person who has ownership or financial interest in the business entity. If the business is a publicly-traded corporation or non-profit organization, list all Corporate Officers and Directors only.

### **For All Contracts – (Not required for publicly-traded corporations)**

- 1) Indicate if any individual members, partners, owners or principals involved in the business entity are a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s). If yes, the following paragraph applies.

In accordance with NRS 281A.430.1, a public officer or employee shall not bid on or enter into a contract between a government agency and any private business in which he has a significant financial interest, except as provided for in subsections 2, 3, and 4.

- 2) Indicate if any individual members, partners, owners or principals involved in the business entity have a second degree of consanguinity or affinity relation to a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s) (reference form on Page 2 for definition). If **YES**, complete the Disclosure of Relationship Form.

A professional service is defined as a business entity that offers business/financial consulting, legal, physician, architect, engineer or other professional services.

**Signature and Print Name** – Requires signature of an authorized representative and the date signed.

**Disclosure of Relationship Form** – If any individual members, partners, owners or principals of the business entity is presently a University Medical Center of Southern Nevada employee, public officer or official, or has a second degree of consanguinity or affinity relationship to a University Medical Center of Southern Nevada employee, public officer or official, this section must be completed in its entirety.



## DISCLOSURE OF OWNERSHIP/PRINCIPALS

<b>Business Entity Type (Please select one)</b>						
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input type="checkbox"/> Limited Liability Company	<input checked="" type="checkbox"/> Corporation	<input type="checkbox"/> Trust	<input type="checkbox"/> Non-Profit Organization	<input type="checkbox"/> Other
<b>Business Designation Group (Please select all that apply) N/A</b>						
<input type="checkbox"/> MBE	<input type="checkbox"/> WBE	<input type="checkbox"/> SBE	<input type="checkbox"/> PBE	<input type="checkbox"/> VET	<input type="checkbox"/> DVET	<input type="checkbox"/> ESB
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise	Veteran Owned Business	Disabled Veteran Owned Business	Emerging Small Business
<b>Number of Clark County Nevada Residents Employed: 0</b>						
<b>Corporate/Business Entity Name:</b> Verity Solutions Group, Inc						
<b>(Include d.b.a., if applicable)</b> Verity, Verity Solutions						
<b>Street Address:</b>			12131 113th Ave NE		<b>Website:</b> <a href="https://www.verity340b.com/">https://www.verity340b.com/</a>	
<b>City, State and Zip Code:</b>			Kirkland, WA 98034		<b>POC Name:</b> Bill Chamerlik <b>Email:</b> <a href="mailto:bchamerlik@verity340b.com">bchamerlik@verity340b.com</a>	
<b>Telephone No:</b>			1-800-581-1378		<b>Fax No:</b>	
<b>Nevada Local Street Address:</b> (If different from above)			N/A		<b>Website:</b>	
<b>City, State and Zip Code:</b>					<b>Local Fax No:</b>	
<b>Local Telephone No:</b>					<b>Local POC Name:</b> <b>Email:</b>	

All entities, with the exception of publicly-traded and non-profit organizations, must list the names of individuals holding more than five percent (5%) ownership or financial interest in the business entity appearing before the Board.

Publicly-traded entities and non-profit organizations shall list all Corporate Officers and Directors in lieu of disclosing the names of individuals with ownership or financial interest. The disclosure requirement, as applied to land-use applications, extends to the applicant and the landowner(s).

Entities include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations.

Full Name	Title	% Owned (Not required for Publicly Traded Corporations/Non-profit organizations)
David M. Cordani	Chairman, President & CEO of Cigna	N/A – Publicly Traded Corp.
William, J. DeLaney	Former CEO of Sysco Corp.	N/A – Publicly Traded Corp.
Elder Granger	Retired CEO of The 5Ps LLC	N/A – Publicly Traded Corp.

**\*\*Please see the remainder of Corporate Officer & Directors in attached Exhibit A\*\***

**This section is not required for publicly-traded corporations. Are you a publicly-traded corporation?** ☒ Yes ☐ No

- Are any individual members, partners, owners or principals, involved in the business entity, a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?  
☐ Yes ☒ No (If yes, please note that University Medical Center of Southern Nevada employee(s), or appointed/elected official(s) may not perform any work on professional service contracts, or other contracts, which are not subject to competitive bid.)
- Do any individual members, partners, owners or principals have a spouse, registered domestic partner, child, parent, in-law or brother/sister, half-brother/half-sister, grandchild, grandparent, related to a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?  
☐ Yes ☒ No (If yes, please complete the Disclosure of Relationship form on Page 2. If no, please print N/A on Page 2.)

I certify under penalty of perjury, that all of the information provided herein is current, complete, and accurate. I also understand that the University Medical Center of Southern Nevada Governing Board will not take action on land-use approvals, contract approvals, land sales, leases or exchanges without the completed disclosure form.

DocuSigned by:  
  
 Signature  
 3BAE5833CB5941F...  
 Chief Financial officer  
 Title

Jon Sortland  
 Print Name

8/26/2022  
 Date



DISCLOSURE OF RELATIONSHIP

List any disclosures below: N/A  
(Mark N/A, if not applicable.)

NAME OF BUSINESS OWNER/PRINCIPAL	NAME OF UMC* EMPLOYEE/OFFICIAL AND JOB TITLE	RELATIONSHIP TO UMC* EMPLOYEE/OFFICIAL	UMC* EMPLOYEE'S/OFFICIAL'S DEPARTMENT

\* UMC employee means an employee of University Medical Center of Southern Nevada

“Consanguinity” is a relationship by blood. “Affinity” is a relationship by marriage.

“To the second degree of consanguinity” applies to the candidate’s first and second degree of blood relatives as follows:

- Spouse – Registered Domestic Partners – Children – Parents – In-laws (first degree)
- Brothers/Sisters – Half-Brothers/Half-Sisters – Grandchildren – Grandparents – In-laws (second degree)

For UMC Use Only:

If any Disclosure of Relationship is noted above, please complete the following:

- ☐ Yes ☐ No Is the UMC employee(s) noted above involved in the contracting/selection process for this particular agenda item?
- ☐ Yes ☐ No Is the UMC employee(s) noted above involved in any way with the business in performance of the contract?

Notes/Comments:

Signature

Print Name  
Authorized Department Representative

## **Exhibit A**

The following individuals are members of the Board of Directors as of May 2022:

**David M. Cordani, Chairman, President, and Chief Executive Officer of Cigna**

**William J. DeLaney, Former Chief Executive Officer of Sysco Corporation**

**Eric J. Foss, Former Chairman, President, Chief Executive Officer of ARAMARK Corporation**

**Elder Granger, MD, MG, USA (Retired), President and Chief Executive Officer, The 5Ps, L.L.C.**

**Neesha Hathi, Chief Digital Officer, Managing Director at Charles Schwab Corporation**

**George Kurian, President and Chief Executive Officer, NetApp, Inc.**

**Kathleen M. Mazarella, Chairman, President and Chief Executive Officer, Graybar Electric Company, Inc.**

**Mark B. McClellan, MD, PhD, Director, Duke-Robert J. Margolis, MD, Center for Health Policy**

**Kimberly A. Ross, Former Chief Financial Officer of Baker Hughes**

**Eric C. Wiseman, Lead Independent Director of Cigna; Former Executive Chairman, President and Chief Executive Officer of VF Corporation**

**Donna F. Zarcone, Former President and Chief Executive Officer of The Economic Club of Chicago**

Information about our Executive Officers The principal occupations and employment histories of our executive officers (as of February 23, 2022) are listed below.

CHARLES G. BERG, 64, President, Government Business of Cigna beginning January 2022; Executive Chairman of DaVita Medical Group from November 2016 until December 2017; and Non-Executive Chairman of WellCare Health Plans, Inc. from January 2011 until May 2013.

DAVID M. CORDANI, 56, Chairman of the Board of Cigna beginning January 2022; Chief Executive Officer beginning December 2009; Director since October 2009; President beginning June 2008; and Chief Operating Officer from June 2008 until December 2009.

## DISCLOSURE OF RELATIONSHIP

NOELLE K. EDER, 52, Executive Vice President, Global Chief Information Officer of Cigna beginning September 2020; Executive Vice President, Chief Information and Digital Officer at Hilton Worldwide Holdings from March 2018 until August 2020; Executive Vice President, Chief Card Customer Experience Officer at Capital One Financial Corporation from November 2016 until 2018; and Executive Vice President, Customer Experience and Operations at Capital One Financial Corporation from September 2014 until November 2016.

BRIAN C. EVANKO, 45, Executive Vice President and Chief Financial Officer beginning January 2021; President, Government Business from November 2017 to January 2021; and President, U.S. Individual Business from August 2013 to November 2017.

NICOLE S. JONES, 51, Executive Vice President and General Counsel of Cigna beginning June 2011; Senior Vice President and General Counsel of Lincoln Financial Group from May 2010 until June 2011; Vice President and Deputy General Counsel of Cigna from April 2008 until May 2010; and Corporate Secretary of Cigna from September 2006 until April 2010.

JOHN M. MURABITO, 63, Executive Vice President and Chief Administrative Officer beginning August 2021; and Executive Vice President, Human Resources and Services from August 2003 until August 2021.

EVERETT NEVILLE, 57, Executive Vice President, Strategy, Corporate Development & Solutions beginning October 2021; Executive Vice President, Strategy and Business Development from January 2021 to October 2021; Senior Vice President, Value Creation and Solutions from January 2020 until January 2021; Chief Value Officer from December 2018 until January 2020; Executive Vice President, Strategy, Supply Chain & Specialty, Express Scripts from January 2018 until December 2018; Senior Vice President, Strategy, Supply Chain & Specialty from November 2016 until January 2018; and Senior Vice President, Supply Chain from March 2015 until November 2016.

ERIC P. PALMER, 45, President and Chief Executive Officer of Evernorth beginning January 2022; President and Chief Operating Officer, Evernorth from January 2021 until December 2021; Executive Vice President and Chief Financial Officer from June 2017 to January 2021; Deputy Chief Financial Officer from February 2017 until June 2017; Senior Vice President, Chief Business Financial Officer from November 2015 to February 2017; and Vice President, Business Financial Officer, Health Care from April 2012 to November 2015.

CYNTHIA RYAN, 48, Executive Vice President, Chief Human Resources Officer beginning August 2021; Senior Vice President, Human Resources from December 2018 to August 2021; Vice President, Human Resources from January 2017 to December 2018; and Vice President, Talent Management from May 2014 to January 2017.

JASON D. SADLER, 53, President, International Markets beginning June 2014; and President, Global Individual Health, Life and Accident from July 2010 until June 2014.

PAUL SANFORD, 54, Executive Vice President, Operations beginning September 2021; Senior Vice President, Operations and Solutions Delivery from January 2021 to September 2021; Senior Vice President, Solutions Delivery from January 2019 to December 2020; Vice President, Solutions Delivery from February 2017 to December 2018; and Vice President, Operating Effectiveness from September 2008 to February 2017.

MICHAEL W. TRIPLET, 60, President, U.S. Commercial beginning February 2017; and Regional Segment Lead from June 2009 to February 2017.

# UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA GOVERNING BOARD AUDIT AND FINANCE COMMITTEE AGENDA ITEM

<b>Issue:</b> <b>Agreement for Contractor Services with T Evans RNFA, LLC</b>	<b>Back-up:</b>
<b>Petitioner:</b> Jennifer Wakem, Chief Financial Officer	<b>Clerk Ref. #</b>
<p><b>Recommendation:</b></p> <p><b>That the Governing Board Audit and Finance Committee review and recommend for approval by the Governing Board the Agreement with T Evans RNFA, LLC for Contractor Services; authorize the Chief Executive Officer to exercise any extension options; or take action as deemed appropriate. (<i>For possible action</i>)</b></p>	

**FISCAL IMPACT:**

Fund Number: 5420.000	Fund Name: UMC Operating Fund
Fund Center: 3000702100	Funded Pgm/Grant: N/A
Description: Registered Nurse First Assistant for Cardiovascular Services	
Bid/RFP/CBE: NRS 332.115(1)(b) – Professional Services	
Term: 2/23/2023 to 2/22/2024 with a 3-month extension option	
Amount: NTE \$399,996.00 annually or potential NTE \$1,199.988.00 annually for (3) CVT-RNFA	
Out Clause: 15 days w/o cause	

**BACKGROUND:**

This request is to enter into a new Agreement (“Agreement”) for Contractor Services with T Evans RNFA, LLC (“Evans”) to provide up to three (3) Cardiovascular Thoracic (“CVT”) Registered Nurse First Assistant (“RNFA”) services, and all the functions and roles that fall within the scope of practice of a CVT-RNFA, including but not limited to endoscopic vessel harvesting, training, and proctoring. Staff also requests authorization for the Hospital CEO to exercise the extension option at his discretion if deemed beneficial to UMC.

UMC will compensate Evans a not-to-exceed amount of \$399,996.00 annually or a potential aggregate not-to-exceed amount of \$1,199,988.00 annually for three CVT-RNFA for one (1) year from February 23, 2023 through February 22, 2024, with the option to extend up to an additional three (3) months. Either party may terminate this Agreement with a 15-day written notice to the other.

UMC’s Director of Peri-Operative Services has reviewed and recommends approval of this Agreement. This Agreement has been approved as to form by UMC’s Office of General Counsel.

Cleared for Agenda  
February 15, 2023

Agenda Item #

**18**

Evans is coordinating with the Department of Business License in obtaining a Clark County vendor registration.

**UNIVERSITY MEDICAL CENTER  
OF SOUTHERN NEVADA**

**AGREEMENT FOR  
CONTRACTOR SERVICES**

<b>T EVANS RNFA, LLC</b>
<b>NAME OF FIRM</b>
Lucretia Evans, Business Manager
<b>DESIGNATED CONTACT, NAME AND TITLE</b> (Please type or print)
3126 E. Lake Crescent Dr. Kingwood, TX 77339
<b>ADDRESS OF FIRM</b> <b>INCLUDING CITY, STATE AND ZIP CODE</b>
(281) 964-5933
<b>(AREA CODE) AND TELEPHONE NUMBER</b>
tevansrnfa@gmail.com
<b>E-MAIL ADDRESS</b>

## **AGREEMENT FOR CONTRACTOR SERVICES**

This Agreement (the "Agreement") is made and entered into as of February 23, 2023 (the "Effective Date"), by and between UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA, a publicly owned and operated hospital created by virtue of Chapter 450 of the Nevada Revised Statutes (hereinafter referred to as "HOSPITAL"), and T Evans RNFA, LLC (hereinafter referred to as "CONTRACTOR"), for Contractor services (hereinafter referred to as "PROJECT").

### **WITNESSETH:**

WHEREAS, CONTRACTOR has the personnel and resources necessary to accomplish the PROJECT within the required schedule and with a budget allowance not to exceed \$1,199,988 as further described herein; and

WHEREAS, CONTRACTOR has the required licenses and/or authorizations pursuant to all federal, State of Nevada and local laws in order to conduct business relative to this Agreement.

NOW, THEREFORE, HOSPITAL and CONTRACTOR agree as follows:

### **SECTION I: TERM OF AGREEMENT**

HOSPITAL agrees to retain CONTRACTOR for the period from Effective Date through February 22, 2024 ("Term"). During this period, CONTRACTOR agrees to provide services as required by HOSPITAL within the scope of this Agreement. HOSPITAL reserves the right to extend the Agreement for up to an additional three (3) months for its convenience.

### **SECTION II: COMPENSATION AND TERMS OF PAYMENT**

#### **A. Terms of Payments**

1. HOSPITAL agrees to pay CONTRACTOR for the performance of services described in the Scope of Work (**Exhibit A**) for the fixed not-to-exceed fee of \$1,199,988. It is expressly understood that the entire Scope of Work defined in **Exhibit A** will be requested by HOSPITAL and be completed by CONTRACTOR.
2. Payment of invoices will be made within forty-five (45) calendar days after receipt of an accurate invoice that has been reviewed and approved by HOSPITAL.
3. HOSPITAL, at its discretion, may not approve or issue payment on invoices if CONTRACTOR fails to provide the following information required on each invoice:
  - a. The title of the PROJECT as stated in **Exhibit A**, Scope of Work, itemized description of products delivered or services rendered and amount due, Purchase Order Number, Invoice Date, Invoice Period, Invoice Number, and the Payment Remittance Address.
  - b. Expenses not defined in **Exhibit A**, Scope of Work will not be paid without prior written authorization by HOSPITAL.
  - c. HOSPITAL's representative shall notify CONTRACTOR in writing within fourteen (14) calendar days of any disputed amount included on the invoice. CONTRACTOR must submit a new invoice for the undisputed amount which will be paid in accordance with this paragraph A.2 above. Upon mutual resolution of the disputed amount, CONTRACTOR will submit a new invoice for the agreed amount and payment will be made in accordance with this paragraph A.2 above.
4. HOSPITAL shall subtract from any payment made to CONTRACTOR all damages, costs and expenses caused by CONTRACTOR's negligence, resulting from or arising out of errors or omissions in CONTRACTOR's work products, which have not been previously paid to CONTRACTOR.
5. HOSPITAL shall not provide payment on any invoice CONTRACTOR submits after six (6) months from the date CONTRACTOR performs services, provides deliverables, and/or meets milestones, as agreed upon in **Exhibit A**, Scope of Work.
6. Invoices shall be submitted to: University Medical Center of Southern Nevada, Attn: Accounts Payable, 1800 W. Charleston Blvd., Las Vegas, NV 89102.

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#### **B. HOSPITAL's Fiscal Limitations**

1. The content of this section shall apply to the entire Agreement and shall take precedence over any conflicting terms and conditions, and shall limit HOSPITAL's financial responsibility as indicated in Sections 2 and 3 below.
2. In accordance with the Nevada Revised Statutes (NRS 354.626), the financial obligations under this Agreement between the parties shall not exceed those monies appropriated and approved by HOSPITAL for the then-current fiscal year under the Local Government Budget Act. This Agreement shall terminate and HOSPITAL's obligations under it shall be extinguished at the end of any of HOSPITAL's fiscal years in which HOSPITAL's governing body fails to appropriate monies for the ensuing fiscal year sufficient for the payment of all amounts which could then become due under this Agreement. HOSPITAL agrees that this section shall not be utilized as a subterfuge or in a discriminatory fashion as it relates to this Agreement. In the event this section is invoked, this Agreement will expire on the 30th day of June of the then-current fiscal year. Termination under this section shall not relieve HOSPITAL of its obligations incurred through the 30th day of June of the fiscal year for which monies were appropriated.
3. HOSPITAL's total liability for all charges for services which may become due under this Agreement is limited to the total maximum expenditure(s) authorized in HOSPITAL's purchase order(s) to CONTRACTOR.

### **SECTION III: SCOPE OF WORK**

Services to be performed by CONTRACTOR for the PROJECT shall consist of the work described in the Scope of Work as set forth in Exhibit A of this Agreement, attached hereto. In the event of a conflict between the terms of this Agreement and the terms in the Scope of Work, the terms of this Agreement shall prevail.

### **SECTION IV: CHANGES TO SCOPE OF WORK**

No services for which an additional compensation will be charged by CONTRACTOR shall be furnished without the written authorization of HOSPITAL.

### **SECTION V: RESPONSIBILITY OF CONTRACTOR**

- A. It is understood that in the performance of the services herein provided for, CONTRACTOR shall be, and is, an independent contractor, and is not an agent, representative or employee of HOSPITAL and shall furnish such services in its own manner and method except as required by this Agreement. CONTRACTOR shall be solely responsible for, and shall indemnify, defend and hold HOSPITAL harmless from all matters relating to the payment and compliance with social security, withholding and all other wages, salaries, benefits, taxes, demands, and regulations of any nature whatsoever.
- B. CONTRACTOR will follow HOSPITAL's relevant compliance policies as followed by HOSPITAL's staff in regard to programming changes; testing; change control; and other similar activities, including its corporate compliance program, HOSPITAL's Contracted Non-Employee Requirements policy, and HOSPITAL's Vaccine Policy as may be amended from time to time. HOSPITAL will provide a copy of said policy upon CONTRACTOR request. CONTRACTOR must either register through HOSPITAL's vendor management/credentialing system prior to arriving onsite at any of HOSPITAL's facilities or CONTRACTOR may be required to complete HOSPITAL's onboarding process and abide by onboarding requirements of HOSPITAL's Human Resources Department. CONTRACTOR's employees, agents, subcontractors and/or designees who do not abide by HOSPITAL's policies may be barred from physical access to HOSPITAL's premises.
- C. CONTRACTOR shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all services furnished by CONTRACTOR. In performing the specified services, CONTRACTOR shall follow practices consistent with generally accepted professional and technical standards.

Page 356 of 367

### **SECTION VI: SUBCONTRACTS**

Services specified by this Agreement shall not be subcontracted by CONTRACTOR, without prior written approval of HOSPITAL.

### **SECTION VII: RESPONSIBILITY OF HOSPITAL**

- A. HOSPITAL agrees that its officers and employees will cooperate with CONTRACTOR in the performance of services under this Agreement and will be available for consultation with CONTRACTOR at such reasonable times with advance notice as to not conflict



with their other responsibilities.

- B. The services performed by CONTRACTOR under this Agreement shall be subject to review for compliance with the terms of this Agreement by HOSPITAL's representative, Janet David-Lustina, Director of Peri-Operative Service, telephone number (702) 888-2574 or her designee. HOSPITAL's representative may delegate any or all of her responsibilities under this Agreement to appropriate staff members, and shall so inform CONTRACTOR by written notice before the effective date of each such delegation.
- C. The review comments of HOSPITAL's representative may be reported in writing as needed to CONTRACTOR. It is understood that HOSPITAL's representative's review comments do not relieve CONTRACTOR from the responsibility for the professional and technical accuracy of all work delivered under this Agreement.
- D. HOSPITAL shall assist CONTRACTOR in obtaining data on documents from public officers or agencies, and from private citizens and/or business firms, whenever such material is necessary for the completion of the services specified by this Agreement.
- E. CONTRACTOR will not be responsible for accuracy of information or data supplied by HOSPITAL or other sources to the extent such information or data would be relied upon by a reasonably prudent CONTRACTOR.

#### **SECTION VIII: TERMINATION**

##### **A. Termination**

###### **1. Termination for Cause**

This Agreement may be terminated in whole or in part by either party in the event of substantial failure or default of the other party to fulfill its obligations under this Agreement through no fault of the terminating party; but only after the other party is given:

- a. not less than ten (10) calendar days written notice of intent to terminate; and
- b. an opportunity for consultation with the terminating party prior to termination.

###### **2. Termination for Convenience**

- a. This Agreement may be terminated in whole or in part by HOSPITAL for its convenience; but only after CONTRACTOR is given not less than fifteen (15) calendar days written notice of intent to terminate; and
- b. If termination is for HOSPITAL's convenience, HOSPITAL shall pay CONTRACTOR that portion of the compensation which has been earned as of the effective date of termination but no amount shall be allowed for anticipated profit on performed or unperformed services or other work.

#### **SECTION IX: INSURANCE**

CONTRACTOR shall obtain and maintain the insurance coverage required in **Exhibit B** incorporated herein by this reference.

CONTRACTOR shall comply with the terms and conditions set forth in **Exhibit B** and shall include the cost of the insurance coverage in their prices.

#### **SECTION X: NOTICES**

Any notice required to be given hereunder shall be deemed to have been given when received by the party to whom it is directed by personal service, hand delivery, certified U.S. mail, return receipt requested or facsimile, at the following addresses:

TO HOSPITAL:                      University Medical Center of Southern Nevada  
Attn: Contracts Management  
1800 W. Charleston Blvd.  
Las Vegas, NV 89102

TO CONTRACTOR:                T Evans RNFA, LLC  
Attn: Lucretia Evans  
3126 E. Lake Crescent Dr.  
Kingwood, TX 77339

## **SECTION XI: MISCELLANEOUS**

### **A. Amendments**

No modifications or amendments to this Agreement shall be valid or enforceable unless mutually agreed to in writing by the parties.

### **B. Complete Agreement**

This Agreement, together with all exhibits, appendices or other attachments, which are incorporated herein by reference, is the sole and entire agreement between the parties relating to the subject matter hereof. This Agreement supersedes all prior understandings, representations, agreements and documentation relating to such subject matter. In the event of a conflict between the provisions of the main body of the Agreement and any attached exhibits, appendices or other materials, the Agreement shall take precedence.

### **C. Counterparts**

This Agreement may be executed in one or more counterparts. Each counterpart will be an original, and all such counterparts will constitute a single instrument.

### **D. Governing Law / Venue**

Nevada law shall govern the interpretation of this Agreement. Venue shall be any court of competent jurisdiction in Las Vegas, Nevada.

### **E. HIPAA**

Both parties hereto agree to comply with all applicable provisions of Health Insurance Portability and Accountability Act (HIPAA) and all regulations promulgated thereunder, as amended from time to time ("HIPAA"). In handling Protected Health Information ("PHI") as defined by applicable federal regulation, CONTRACTOR will be instructed to follow guidelines set by HOSPITAL, the covered entity, and immediately be required to execute confidentiality or HIPAA Compliance Agreements.

### **F. Indemnity**

CONTRACTOR does hereby agree to defend, indemnify, and hold harmless HOSPITAL and the employees, officers and agents of HOSPITAL from any liabilities, damages, losses, claims, actions or proceedings, including, without limitation, reasonable attorneys' fees, that are caused by the negligence, errors, omissions, recklessness or intentional misconduct of CONTRACTOR or the employees or agents of CONTRACTOR in the performance of this Agreement.

### **G. Independent Contractor**

CONTRACTOR acknowledges that it shall not, under any circumstances, be considered an employee of the HOSPITAL, and that CONTRACTOR shall not be entitled to any of the benefits or rights afforded employees of HOSPITAL, including, but not limited to, sick leave, vacation leave, holiday pay, Public Employees Retirement System benefits, or health, life, dental, long-term disability or workers' compensation insurance benefits. HOSPITAL will not provide or pay for any liability or medical insurance, retirement contributions or any other benefits for or on behalf of CONTRACTOR.

### **H. Insurance**

Each party will maintain, throughout the Term, the types of insurance customary and appropriate, in the amount necessary to cover its obligations and responsibilities under this agreement or as required by Nevada law.

### **I. Waiver; Severability**

No term or provision of this Agreement shall be deemed waived and no breach excused unless such waiver or consent is in writing and signed by the party claimed to have waived or consented. If any provision of this Agreement is held invalid, void or unenforceable under any applicable statute or rule of law, it shall to that extent be deemed omitted, and the balance of this Agreement shall be enforceable in accordance with its remaining terms.

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed and effective as of the Effective Date.

**HOSPITAL:**

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA

By: \_\_\_\_\_  
MASON VAN HOUWELING  
Chief Executive Officer

\_\_\_\_\_  
DATE

**CONTRACTOR:**

By: \_\_\_\_\_  
THADEUS EVANS

2/9/2022  
DATE

**EXHIBIT A  
RNFA  
SCOPE OF WORK**

WORK TO BE PERFORMED:

- A. CONTRACTOR will provide, upon Hospital's option, the services of up to three (3) individual Cardiovascular Thoracic (CVT) Registered Nurse First Assist (RNFA) professionals, who will perform the function(s) and role(s) that falls within the scope of practice of a CVT-RNFA including but not limited to endoscopic vessel harvesting, training and proctoring as needed to cover Hospital's Operating Room Department Heart Program. Monday – Friday with on-call rotation based on department operational practice.

PRICING:

- A. Description
1. Cost per First Assist not-to-exceed \$33,333 monthly and \$399,996 annually. Total Cost for three First Assist not-to-exceed \$99,999 monthly and \$1,199,988 annually. This includes moving, travel, housing, utilities, car rental, professional liability insurance, Nevada licensing fees, and other expenses incurred by CONTRACTOR.

**EXHIBIT B**  
**RNFA**  
**INSURANCE REQUIREMENTS**

**TO ENSURE COMPLIANCE WITH THE AGREEMENT DOCUMENT, CONTRACTOR SHOULD FORWARD THE FOLLOWING INSURANCE CLAUSE AND SAMPLE INSURANCE FORM TO THEIR INSURANCE AGENT PRIOR TO PROPOSAL SUBMITTAL.**

- A. **Format/Time:** CONTRACTOR shall provide HOSPITAL with Certificates of Insurance, per the sample format (page B-3), for coverage as listed below, and endorsements affecting coverage required by this Agreement within **ten (10) business days** after the award by HOSPITAL. All policy certificates and endorsements shall be signed by a person authorized by that insurer and who is licensed by the State of Nevada in accordance with NRS 680A.300. All required aggregate limits shall be disclosed and amounts entered on the Certificate of Insurance, and shall be maintained for the duration of the Agreement and any renewal periods.
- B. **Best Key Rating:** HOSPITAL requires insurance carriers to maintain during the Agreement term, a Best Key Rating of A.VII or higher, which shall be fully disclosed and entered on the Certificate of Insurance.
- C. **HOSPITAL Coverage:** HOSPITAL, its officers and employees must be expressly covered as additional insured's except on Workers' Compensation. CONTRACTOR's insurance shall be primary as respects HOSPITAL, its officers and employees.
- D. **Endorsement/Cancellation:** CONTRACTOR's general liability and automobile liability insurance policy shall be endorsed to recognize specifically CONTRACTOR's contractual obligation of additional insured to HOSPITAL and must note that HOSPITAL will be given thirty (30) calendar days advance notice by certified mail "return receipt requested" of any policy changes, cancellations, or any erosion of insurance limits. Either a copy of the additional insured endorsement, or a copy of the policy language that gives HOSPITAL automatic additional insured status must be attached to any certificate of insurance.
- E. **Deductibles:** All deductibles and self-insured retentions shall be fully disclosed in the Certificates of Insurance and may not exceed \$25,000.
- F. **Aggregate Limits:** If aggregate limits are imposed on bodily injury and property damage, then the amount of such limits must not be less than \$2,000,000.
- G. **Commercial General Liability:** Subject to Paragraph 6 of this Exhibit, CONTRACTOR shall maintain limits of no less than \$1,000,000 combined single limit per occurrence for bodily injury (including death), personal injury and property damages. Commercial general liability coverage shall be on a "per occurrence" basis only, not "claims made," and be provided either on a Commercial General Liability or a Broad Form Comprehensive General Liability (including a Broad Form CGL endorsement) insurance form. Policies must contain a primary and non-contributory clause and must contain a waiver of subrogation endorsement.
- H. **Automobile Liability:** Subject to Paragraph 6 of this Exhibit, CONTRACTOR shall maintain coverage against all insurance claims for injuries to persons or damages to property which may arise from services rendered by CONTRACTOR and **any auto** used for the performance of services under this Agreement.
- I. **Professional Liability:** CONTRACTOR shall maintain limits of no less than \$1,000,000 aggregate. If the professional liability insurance provided is on a Claims Made Form, then the insurance coverage required must continue for a period of two (2) years beyond the completion or termination of this Agreement. Any retroactive date must coincide with or predate the beginning of this and may not be advanced without the consent of HOSPITAL.
- J. **Workers' Compensation:** CONTRACTOR shall obtain and maintain for the duration of this Agreement, a work certificate and/or a certificate issued by an insurer qualified to underwrite workers' compensation insurance in the State of Nevada, in accordance with Nevada Revised Statutes Chapters 616A-616D, inclusive, provided, however, a CONTRACTOR that is a Sole Proprietor shall be required to submit an affidavit (Attachment 1) indicating that CONTRACTOR has elected not to be included in the terms, conditions and provisions of Chapters 616A-616D, inclusive, and is otherwise in compliance with those terms, conditions and provisions.
- K. **Failure To Maintain Coverage:** If CONTRACTOR fails to maintain any of the insurance coverage required herein, HOSPITAL may withhold payment, order CONTRACTOR to stop the work, declare CONTRACTOR in breach, suspend or terminate the Agreement, assess liquidated damages as defined herein, or may purchase replacement insurance or pay premiums due on existing policies. HOSPITAL may collect any replacement insurance costs or premium payments made from CONTRACTOR or deduct the amount paid from any sums due CONTRACTOR under this Agreement.
- L. **Additional Insurance:** CONTRACTOR is encouraged to purchase any such additional insurance as it deems necessary.
- M. **Damages:** CONTRACTOR is required to remedy all injuries to persons and damage or loss to any property of HOSPITAL, caused in whole or in part by CONTRACTOR, its subcontractors or anyone employed, directed or supervised by CONTRACTOR.
- N. **Cost:** CONTRACTOR shall pay all associated costs for the specified insurance. The cost shall be included in the price(s).
- O. **Insurance Submittal Address:** All Insurance Certificates requested shall be sent to University Medical Center, Attention: Contracts Management. See the Notice Clause in the Agreement for the appropriate mailing address.

P. **Insurance Form Instructions:** The following information must be filled in by CONTRACTOR's Insurance CONTRACTOR representative:

1. Insurance Broker's name, complete address, phone and fax numbers.
2. CONTRACTOR's name, complete address, phone and fax numbers.
3. Insurance CONTRACTOR's Best Key Rating
4. Commercial General Liability (Per Occurrence)
  - (A) Policy Number
  - (B) Policy Effective Date
  - (C) Policy Expiration Date
  - (D) Each Occurrence (\$1,000,000)
  - (E) Damage to Rented Premises (\$50,000)
  - (F) Medical Expenses (\$5,000)
  - (G) Personal & Advertising Injury (\$1,000,000)
  - (H) General Aggregate (\$2,000,000)
  - (I) Products - Completed Operations Aggregate (\$2,000,000)
5. Automobile Liability (Any Auto)
  - (J) Policy Number
  - (K) Policy Effective Date
  - (L) Policy Expiration Date
  - (M) Combined Single Limit
6. Worker's Compensation: The CONTRACTOR shall obtain and maintain for the duration of this Agreement, a work certificate and/or a certificate issued by an insurer qualified to underwrite workers' compensation insurance in the State of Nevada, in accordance with Nevada Revised Statutes Chapters 616A-616D
7. Professional Liability
  - (N) Policy Number
  - (O) Policy Effective Date
  - (P) Policy Expiration Date
  - (Q) Aggregate (\$1,000,000)
8. Description: RNFA (8285) (must be identified on the initial insurance form and each renewal form).
9. Certificate Holder:

University Medical Center of Southern Nevada  
c/o Contracts Management  
1800 W. Charleston Blvd.  
Las Vegas, Nevada 89102
10. Appointed Agent Signature to include license number and issuing state.
11. Notwithstanding any other provision to the contrary herein, the parties hereto agree that (1) all coverage provided by CONTRACTOR hereunder shall be on a per policy basis; (2) CONTRACTOR shall provide evidence of all such coverages upon request; (3) CONTRACTOR agrees to provide HOSPITAL with a written notice of cancellation in accordance with CONTRACTOR'S insurance policies; (4) all references herein to any ISO, Acord or other insurance form shall be read as to include "or equivalent, at the discretion of CONTRACTOR"; and (5) CONTRACTOR reserves the right to meet Excess/Umbrella Liability coverage requirements by increasing its Commercial General Liability, Business Automobile Liability and Employer's Liability Insurance limits.

**UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA  
GOVERNING BOARD AUDIT AND FINANCE COMMITTEE  
AGENDA ITEM**

<b>Issue:</b>	<b>Amendment One to Master Professional Services Agreement with Medicus Healthcare Solutions, LLC</b>	<b>Back-up:</b>
<b>Petitioner:</b>	Jennifer Wakem, Chief Financial Officer	<b>Clerk Ref. #</b>
<b>Recommendation:</b>  <b>That the Governing Board Audit and Finance Committee review and recommend for approval by the Board of Hospital Trustees for University Medical Center of Southern Nevada, the Amendment One to Master Professional Services Agreement with Medicus Healthcare Solutions, LLC for anesthesia locum tenens and CRNA staffing services; authorize the Chief Executive Officer to execute amendments within the not-to-exceed amount of this Agreement; or take action as deemed appropriate. <i>(For possible action)</i></b>		

**FISCAL IMPACT:**

Fund Number: 5420.000 Fund Name: UMC Operating Fund  
Fund Center: 3000702100 & 3000704000 Funded Pgm/Grant: N/A  
Description: Anesthesia Locum Tenens and CRNA Staffing Services  
Bid/RFP/CBE: NRS 332.115(1)(b) – Professional Services  
Term: Amendment 1 – extend from 5/17/2023 to 12/31/2023  
Amount: Amendment 1 – additional NTE \$11,050,000.00; new aggregate amount of NTE \$16,000,000.00  
Out Clause: 30 days with cause or 60 days without cause

**BACKGROUND:**

On November 16, 2022, the Governing Board approved the Master Professional Services Agreement (“Agreement”) with Medicus Healthcare Solutions, LLC (“Medicus”) to provide a full range of trauma and/or surgical anesthesiology services including, but not limited to, UMC’s Departments of Anesthesiology, Trauma, Emergency Room, Radiology, Cardiac Catheterization Lab, Burn Unit and/or Surgery. The initial Agreement term is from November 16, 2022 through May 16, 2023, with three (3) renewal periods of six (6) months each unless terminated with cause with a 30-day notice or without cause with a 60-day notice, with a not-to-exceed amount of \$4,950,000.00.

This Amendment One requests to extend the Agreement term through December 31, 2023, increase the funding to an additional not-to-exceed amount of \$11,050,000.00, and update the fee schedule. Staff also requests authorization for the Hospital CEO to execute amendments within the not-to-exceed amount of this Agreement.

UMC’s Support Services Executive Director has reviewed and recommends approval of this Amendment. This Amendment has been approved as to form by UMC’s Office of General Counsel.

Medicus currently holds a Clark County Vendor Registration.

Cleared for Agenda  
February 15, 2023

Agenda Item #

**18**



### **Amendment One to Master Professional Services Agreement**

This Amendment One ("Amendment") is made as of March 21, 2023 (the "Amendment Effective Date") by and among **Medicus Healthcare Solutions, LLC**, a New Hampshire limited liability company with a principal place of business at **22 Roulston Rd., Windham, NH 03087** [referred to herein as "Medicus"] and **University Medical Center of Southern Nevada**, a publicly owned and operated hospital created by virtue of Chapter 450 of the Nevada Revised Statutes with a principal place of business at **1800 W. Charleston Blvd., Las Vegas, NV 89102** [referred to herein as "Client"].

WHEREAS, Medicus and Client entered into a Master Professional Services Agreement, with a Statement of Work (SOW) to provide anesthesia locum tenens and CRNA advanced practitioners both effective on November 16, 2022 (collectively the "Agreement"); and

WHEREAS, the parties desire to amend the Agreement with this Amendment.

NOW THEREFORE, in consideration of the premises and for other good and valuable consideration, the adequacy and sufficiency of which is hereby acknowledged, the parties agree to amend the Agreement as follows:

1. Section 2.1 Term, the end date of May 16, 2023 shall be replaced with December 31, 2023.
2. Exhibit B (Statement of Work), Section 4 Fees, shall be deleted in its entirety and replaced with the following:

**Fees.** In consideration of the additional services provided hereunder (Transition Management Services as described in Section 2 hereto), Client shall pay Medicus a Management Fee equal to twelve percent (12%) of the total locum tenens fees (excluding travel expenses) paid hereunder. The Management Fee shall be included within the biweekly invoice sent to Client for each Practitioner's services.

The Transition Services pricing model is as follows for this engagement:

- Provider Hourly Rate:
  - General OR: \$485.00 per hour
  - Peds: \$515.00 per hour
- Provider On Call/Pager Rate:
  - Trauma 1: 1.25% per hour of Provider hourly rate
  - Trauma 2: \$1,500.00 to hold pager
  - Trauma 3: \$1,500.00 to hold pager
- Provider Call Back Rate: Call Back – Overtime hourly rate
- Medical Malpractice Coverage Hourly Rate: \$18.00 per hour
- Overtime and Holiday Rate: Time and a half
- Client will retain all receivables from the professional billing completed for the coverage that Medicus' Providers provide.
- Weekend On Call Rate: \$2,250.00 per shift

*\*The rates listed above will also apply to the Schedule 1 Anesthesia Transition Management Proposal.*

*\*Rates listed above are subject to change based on market conditions with sixty (60) days prior written notice to Client.*

During the SOW Term of this Agreement, Client will compensate Medicus in an amount not-to-exceed Sixteen Million Dollars (\$16,000,000.00).



3. Exhibit B (Statement of Work), Section 6 SOW Term, the end date of May 16, 2023 shall be replaced with December 31, 2023.

All other provisions of the Agreement not conflicting with this Amendment remain in full force and effect.

**IN WITNESS WHEREOF**, the parties execute this Amendment as of the Amendment Effective Date. Each person who signs this Amendment below represents that such person is fully authorized to sign this Amendment on behalf of the applicable party.

**Medicus**

Name: Heather Croke

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

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

Title: CPO

DocuSigned by:  
*Heather Croke*  
C177F7B9C2B0485...

1/24/2023 | 7:53 PM EST

**Client:**

Name: Mason Van Houweling

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

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

Title: Chief Executive Officer

**DISCLOSURE OF OWNERSHIP/PRINCIPALS**

<b>Business Entity Type (Please select one)</b>						
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input checked="" type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Corporation	<input type="checkbox"/> Trust	<input type="checkbox"/> Non-Profit Organization	<input type="checkbox"/> Other
<b>Business Designation Group (Please select all that apply)</b>						
<input type="checkbox"/> MBE	<input type="checkbox"/> WBE	<input type="checkbox"/> SBE	<input type="checkbox"/> PBE	<input type="checkbox"/> VET	<input type="checkbox"/> DVET	<input type="checkbox"/> ESB
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise	Veteran Owned Business	Disabled Veteran Owned Business	Emerging Small Business
<b>Number of Clark County Nevada Residents Employed: 0</b>						
<b>Corporate/Business Entity Name:</b> Medicus Healthcare Solutions, LLC						
<b>(Include d.b.a., if applicable)</b>						
<b>Street Address:</b>		22 Roulston Road		<b>Website:</b> medicushcs.com		
<b>City, State and Zip Code:</b>		Windham, NH 03087		<b>POC Name:</b> Ken Goodnow <b>Email:</b> kgoodnow@medicushcs.com		
<b>Telephone No:</b>		603-328-6255		<b>Fax No:</b>		
<b>Nevada Local Street Address:</b> <b>(if different from above)</b>				<b>Website:</b>		
<b>City, State and Zip Code:</b>				<b>Local Fax No:</b>		
<b>Local Telephone No:</b>				<b>Local POC Name:</b> <b>Email:</b>		

All entities, with the exception of publicly-traded and non-profit organizations, must list the names of individuals holding more than five percent (5%) ownership or financial interest in the business entity appearing before the Board.

Publicly-traded entities and non-profit organizations shall list all Corporate Officers and Directors in lieu of disclosing the names of individuals with ownership or financial interest. The disclosure requirement, as applied to land-use applications, extends to the applicant and the landowner(s).

Entities include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations.

Full Name	Title	% Owned (Not required for Publicly Traded Corporations/Non-profit organizations)
Joe Materese	Chairman of the Board	26.7%

This section is not required for publicly-traded corporations. Are you a publicly-traded corporation? ☐ Yes ☒ No

- Are any individual members, partners, owners or principals, involved in the business entity, a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?  
☐ Yes ☒ No (If yes, please note that University Medical Center of Southern Nevada employee(s), or appointed/elected official(s) may not perform any work on professional service contracts, or other contracts, which are not subject to competitive bid.)
- Do any individual members, partners, owners or principals have a spouse, registered domestic partner, child, parent, in-law or brother/sister, half-brother/half-sister, grandchild, grandparent, related to a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?  
☐ Yes ☒ No (If yes, please complete the Disclosure of Relationship form on Page 2. If no, please print N/A on Page 2.)

I certify under penalty of perjury, that all of the information provided herein is current, complete, and accurate. I also understand that the University Medical Center of Southern Nevada Governing Board will not take action on land-use approvals, contract approvals, land sales, leases or exchanges without the completed disclosure form.

*Ryann Trainor*  
 9DB71D9FB5A3468...

Ryann Trainor

Signature  
 Contracts Manager  
 Title

Print Name  
 11/16/2022 | 12:40 PM EST  
 Date

**UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA  
GOVERNING BOARD AUDIT AND FINANCE COMMITTEE  
AGENDA ITEM**

<b>Issue:</b> <b>Emerging Issues</b>	<b>Back-up:</b>
<b>Petitioner:</b> Jennifer Wakem, Chief Financial Officer	
<b>Recommendation:</b>  <b>That the Audit and Finance Committee identify emerging issues to be addressed by staff or by the Audit and Finance Committee at future meetings; and direct staff accordingly. <i>(For possible action)</i></b>	

**FISCAL IMPACT:**

None

**BACKGROUND:**

None

Cleared for Agenda  
February 215, 2023

Agenda Item #

**20**