



Audit and Finance Committee

Wednesday, October 19, 2022 2:00 p.m.

UMC Trauma Building - Providence Suite 5th Floor

AGENDA

**University Medical Center of Southern Nevada
GOVERNING BOARD
AUDIT & FINANCE COMMITTEE
October 19, 2022 2:00 p.m.
800 Hope Place, Las Vegas, Nevada
UMC Trauma Building, ProVidence Suite (5th 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 September 21, 2022. *(For possible action).*
3. Approval of Agenda. *(For possible action)*

SECTION 2: BUSINESS ITEMS

4. Review the results of the Cash Verification and Nursing Crisis Staffing Incentive Pay Audits dated October 12, 2022; and direct staff accordingly *(For possible action)*
5. Receive and recommend for acceptance by the Governing Board the reissuance of the Fiscal Year June 30, 2021 and 2020 Basic Financial Statements and Single Audit

Information from BDO USA, LLP, Certified Public Accountants for University Medical Center of Southern Nevada; and direct staff accordingly. *(For possible action)*

6. Receive the monthly financial report for September FY23; and direct staff accordingly. *(For possible action)*
7. Receive a report from the Chief Financial Officer; and direct staff accordingly. *(For possible action)*
8. Review and recommend for approval by the Governing Board the First Amendment to Hospital Services Agreement with Molina Healthcare of Nevada, Inc.; or take action as deemed appropriate. *(For possible action)*
9. Review and recommend for ratification by the Governing Board the Surgical Assist Services Agreement with EVH Network, LLC for contracted Surgical Assistants to provide cardiothoracic and vascular first assist services during surgeries; authorize the Chief Executive Officer to exercise any extension options; or take action as deemed appropriate. *(For possible action)*
10. Review and recommend for award by the Board of Hospital Trustees for University Medical Center of Southern Nevada, RFI No. 2022-14 Civil Legal Services to multiple law firms; approve the Retainer Agreements; authorize the Chief Executive Officer to exercise any extension options; or take action as deemed appropriate. *(For possible action)*
11. Review and recommend for approval by the Governing Board the Amendment One to Diagnostic Staffing Service Agreement with Med-Smart, Inc. for general radiology technologists staffing services; authorize the Chief Executive Officer to add future new services within his yearly delegation of authority and to execute future amendments within the not-to-exceed yearly amounts of this Agreement; or take action as deemed appropriate. *(For possible action)*
12. Review and recommend for award by the Governing Board the Bid No. 2022-06 Peccole QC Renovation to JMB Construction, Inc., 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)*
13. Review and recommend for approval by the Governing Board the Agreements for Hospital PC Refresh Project with Solutions II, Inc. and CDW Government; exercise any extension options and execute future amendments within his yearly delegation of authority; or take action as deemed appropriate. *(For possible action)*
14. Review and recommend for approval by the Governing Board the First Amendment to Service Agreement with Philips Healthcare to add equipment; or take action as deemed appropriate. *(For possible action)*
15. Review and recommend for approval by the Governing Board the First Amendment to the Equipment Placement Services Agreement with SmallGuy, LLC dba Integrated Telehealth Solutions for TeleVisitor™ and TeleTether™ Patient Monitoring System; or take action as deemed appropriate. *(For possible action)*
16. Review and recommend for approval by the Governing Board the Professional Services Agreement for General and Pediatric Dentistry On-Call Coverage with The Board of Regents of the Nevada System of Higher Education on behalf of the University of Nevada, Las

Vegas School of Dental Medicine; 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 Professional Services Agreement for Neurological Surgery and Neurological Spine Surgery On-Call Coverage with Duke Forage Anson Neurosurgical, LLP; authorize the Chief Executive Officer to exercise any extension options; or take action as deemed appropriate. *(For possible action)*

SECTION 3: EMERGING ISSUES

18. 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
September 21, 2022

UMC ProVidence Suite
Trauma Building, 5th 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 2:02 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)
Christian Haase (via WebEx)
Mary Lynn Palenik (via WebEx)

Absent:

None

Others Present:

Jennifer Wakem, Chief Financial Officer
Doug Metzger, Controller
Nathan Strohl, Internal Auditor
Chris Jones, Executive Director of Support Services
Maria Sexton, Chief Information Officer
Susan Pitz, General Counsel
Emelia 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 August 24, 2022. (For possible action)

FINAL ACTION:

A motion was made by Member Haase that the minutes be approved as presented. Motion carried by a 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 presented. Motion carried by unanimous vote.

SECTION 2. BUSINESS ITEMS

ITEM NO. 4 Receive an update on the FY23 Audit Plan from Nathan Strohl, UMC Internal Auditor; and direct staff accordingly. (*For possible action*)

DOCUMENTS SUBMITTED:

- None

DISCUSSION:

Nate Strohl, UMC Internal Auditor, provided an update on the audit plan for FY23 and the façade construction project that will be reviewed over the next few months. He has been participating in meetings with several parties, including department heads, the project leader, construction manager and engineering; continuous one-on-ones are planned for the next several months.

Mr. Strohl asked the Committee their concerns regarding the project and suggested providing a quarterly report to include construction timeline and actual costs. He added that this project is priority and will focus a majority of his time to ensure this project is progressing according to plan.

Meetings have been scheduled with the project manager and the project timeline will be available after preconstruction.

Member Hagerty asked what will be reviewed to determine if the project is on budget and on time table, and also what construction expertise available to ensure accuracy in the assumptions given.

Member Palenik asked if UMC has a project manager in-house that will be able to monitor this project.

Ms. Wakem stated that an expert has been hired to oversee the project. We also have in-house our Director of Engineering that will be monitoring the project. Mr. Strohl will come back to ensure that the project manager is executing the project as approved by the Governing Board. He will work with management and review invoices and scope of work timeline.

The Committee voiced concern regarding the limited resources UMC has for oversight of a project of this magnitude and the other audits that the hospital must review.

Member Palenik suggested a risk management register tool should be used to define scope of the project.

CMS auditing is handled by the Compliance Department.

Mr. Strohl will return in October to provide audit reports.

FINAL ACTION TAKEN:

None

ITEM NO. 5 Receive the monthly financial report for August FY23; and direct staff accordingly. (For possible action)

DOCUMENTS SUBMITTED:

- August FY23 Financials

DISCUSSION:

Jennifer Wakem, Chief Financial Officer, presented the financials for August FY23.

The key indicators for August showed admissions at 1,914; 4% below budget. AADC continues to be high at 682. Average LOS was just over 7 days and observation length of stay was down 25%. Case mix index was consistent with prior month.

Inpatient surgeries were 2% above budget and outpatient surgeries were 8.6% below budget. There were 16 transplants. ER visits were 1.86% below budget.

Quick care locations were above budget 3.5%; Nellis, Enterprise and Summerlin were the key locations.

Primary cares were up 32%; Sunset, Peccole and Centennial were the key locations.

Moving to trended stats, admissions were 1,904, which was 22 admissions above prior month. AADC was high at 682 and ALOS has been trending upward. Inpatient surgeries were above budget, but below prior month; outpatient surgeries were up 91 cases over July. There were over 9,700 ER visits. Quick care and primary cares showed significant increases.

In payor mix trended, inpatient increased in Medicaid by more than 2% and Medicare dropped 2.85%. ED payor mix showed Medicaid increased 1.81%.

In payor mix by surgical volumes, commercial was up over 2%, government was up 1.5%, Medicaid and Medicare dropped 2%. In outpatient surgeries, Medicaid dropped 1.8%.

The summary income statement for August showed net patient revenue below budget approximately \$472K. Other revenue was below budget \$300K. Total operating revenue was below budget \$750K. Operating expenses were

favorable to budget \$1.6 million. Income from ops landed at earnings of \$4.3 million for the month, compared to budgeted earnings of \$3.5 million. Year to date, August was only \$700K behind budget. The summary income statement trended was shown as informational.

Overall salary, wages and benefits were below budget. SWB per FTE was slightly higher than budget, up by \$97. SWB per APD was below budget and SWB as a percent of net was on budget. Adjusted employee per occupied bed was 5.17 on a budget of 5.95.

Trended SWB showed improvement over the month of July and overtime as a percent of productive dropped to 3.64%.

All other expenses were good with the exception of utilities, which was the only category over budget due to a 25% increase in peak time rate increase.

Key financial indicators showed a lot of green. In profitability, net to gross was in the red at 17.6%. In liquidity, days cash on hand was up to 120.0 days. Ms. Wakem added that we did receive some federal supplemental payments, but there is still a significant amount outstanding.

Next, the capital plan was reviewed and discussed in detail and feedback was provided. The Committee liked the changes that were made to the slide, and added that it tells more of the strategy and process going on with some of the projects, as well as their timelines, and this helps with project management.

The Committee wanted a better understanding of the spend vs. completion and the methodology behind the differences in colors on the slide. There was a suggestion to add a column to show the estimate to complete. Overall, the Committee was happy with the progress with the capital plan presentation and the project management tool.

Lastly, the cash flow statement and balance sheet highlights were shown. Federal supplemental payments have been received and we continue to work with the state and the county with outstanding payments. Cash collections were at a record high for the month.

FINAL ACTION TAKEN:

None

ITEM NO. 6 Receive an update report from the Chief Financial Officer; and direct staff accordingly. (For possible action)

DOCUMENTS SUBMITTED:

- None

DISCUSSION:

Ms. Wakem provided an update on the financial statement audits, which have begun. The period 13 entries continue to move forward. The audit report is anticipated to be presented in November.

FINAL ACTION TAKEN:

None

- ITEM NO. 7 Review and recommend for approval by the Governing Board the Amendment No. 11 to Hospital Participation Agreement with Health Value Management, Inc., d/b/a ChoiceCare Network for Managed Care Services; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- Amendment 11 - Redacted

DISCUSSION:

This amendment is to extend the term for one year and update the commercial rate schedule and the fee schedule for Medicare plans, as well as update the CPT codes, as several codes have been retired.

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. 8 Review and recommend for approval by the Governing Board the Professional Services Agreement with UNLVKSOM for the Ryan White Program; authorize the Chief Executive Officer to exercise any extension/renewal options; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- Professional Services Agreement

DISCUSSION:

This is a request to approve the agreement between the Kirk Kerkorian School of Medicine and UMC for the Ryan White program, which helps provide multi-specialty services to the community for a variety of healthcare needs, including HIV related infections. This is a 3-year term with a not to exceed amount.

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. 9 Review and recommend for award by the Governing Board SOQ No. 2022-13 Professional Placement Services to multiple placement agencies; approve the SOQ No. 2022-13 Placement Services Agreements; authorize the Chief Executive Officer to exercise any extension options and execute any applicable candidate referral forms; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- AHS Staffing
- Apple One Employments Services
- Buffkin-Baker
- BuzzClan
- Compu-Vision Consulting
- Dynamic Computing Services
- E-Solutions
- Global Force USA
- My Net Career Path Staffing
- Pamela's List
- ProLink Healthcare
- R.L. Klein & Associates
- Radius Staffing Solutions
- Rose International
- ShoreWise Consulting
- Sigma Systems
- TactiQor Consulting

DISCUSSION:

In July, a competitive solicitation was put out to bid for professional placement services, to provide recruitment assistance for the HR department. There were 17 respondents that were selected to provide staffing placement services for various positions. The 3-year term with two, 1-year options and a 30-day out clause will be shared among the 17 placement agencies.

FINAL ACTION TAKEN:

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

- ITEM NO. 10 Review and recommend for approval by the Board of Hospital Trustees for University Medical Center of Southern Nevada the Agreement for Managed Services Support and the Agreement for Strategic Project Support with Tegria Services Group - US, Inc.; or take action as deemed appropriate. (For possible action)**

DOCUMENT(S) SUBMITTED:

- Agreement for Managed Services Support
- Agreement for Strategic Project Support
- Disclosure of Ownership

DISCUSSION:

UMC requests to enter into two new agreements with Tegria Services Group to assist with Epic. They will provide IT support services in Managed Care for Epic application and analytics support to assist in management of UMC's EHR system. For Strategic Project support, the vendor will provide UMC with deliverables-based project work that involves integrated operational groups, on an as-needed basis. The services for both agreements will be performed by Epic certified professionals. The agreements are a 5-year terms with a 15-day out clause.

A discussion ensued regarding remote/hybrid work opportunities and the requirement for employees to live in Clark County.

FINAL ACTION TAKEN:

A motion was made by Member Mackay to make a recommendation to the Board of Hospital Trustees to approve the agreements. Motion carried by unanimous vote.

ITEM NO. 11 Review and recommend for approval by the Governing Board the First Amendment to Agreement with SMS Healthcare, Inc. for Ambulatory Care Janitorial Services; authorize the Chief Executive Officer to exercise any extension/renewal options; or take action as deemed appropriate. (For possible action)

DOCUMENT(S) SUBMITTED:

- First Amendment to Agreement
- Sourcing Letter
- Business Associate Agreement
- Disclosure of Ownership

DISCUSSION:

This amendment to exercise the first 1-year extension option, update the SOW and add additional funds to provide ongoing and routine janitorial services at all of UMC's ambulatory facilities. This will extend the term through April 5, 2024 and includes a 30 day out clause.

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. 12 Review and recommend for approval by the Governing Board the Purchaser-Specific Agreement with Vitalant for blood products/services; authorize the Chief Executive Officer to exercise any extension options; or take action as deemed appropriate. (For possible action)

DOCUMENT(S) SUBMITTED:

- Purchase Specific Agreement Form - Redacted
- Disclosure of Ownership

DISCUSSION:

This is a new agreement for blood products and services. The agreement is pursuant to HPG pricing. It includes 2 one-year options for renewal and has a 30-day out clause.

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. 13 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*)

None

COMMENTS BY THE GENERAL PUBLIC:

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.

SPEAKERS(S): None

There being no further business to come before the Committee at this time, at the hour of 3:16 p.m., 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**

| | | |
|---|---|-----------------|
| Issue: | Cash Verification and Nursing Crisis Staffing Incentive Audits | Back-up: |
| Petitioner: | Jennifer Wakem, Chief Financial Officer | |
| Recommendation: That the Audit and Finance committee review the results of Cash Verification and Nursing Crisis Staffing Incentive Pay Audits dated October 12, 2022; and direct staff accordingly (<i>For possible action</i>) | | |

FISCAL IMPACT:

None

BACKGROUND:

The University Medical Center Internal Audit Department recently performed audits for Cash Verification and Nursing Crisis Staffing Incentive Pay dated October 12, 2022. The Committee will review the results of both of these audits.

Cleared for Agenda
October 19, 2022

Agenda Item #

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1800 W. Charleston Blvd.
Las Vegas, NV 89102
Phone: (702) 383-2000



Mason VanHouweling
Chief Executive Officer

October 12, 2022

Mr. Mason VanHouweling
University Medical Center of Southern Nevada
1800 West Charleston Blvd.
Las Vegas, Nevada 89102

Dear Mr. VanHouweling:

Per management's request we performed an audit of Cash Verification. Our objective was to determine whether the imprest funds reconciled to the general ledger for August 2022.

In order to achieve our objective, we performed an unannounced verification of all imprest funds and petty cash funds. Additionally, we obtained the imprest funds general ledger balance for August 31, 2022. We completed our field work September 30, 2022.

We conducted the performance audit in accordance with generally accepted government auditing standards except for the requirements of an external peer review every three years and supervision. Those standards required that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. The exception to full compliance is because the Internal Audit Department has not yet undergone an external peer review. However, these exceptions had no effect on the audit or the assurance provided.

We appreciate the cooperation and assistance provided by Jennifer Wakem, Chief Financial Officer and her staff during the course of this audit.

Sincerely,

A handwritten signature in blue ink, appearing to read "Nate Strohl", with a long horizontal flourish extending to the right.

Nate Strohl
Internal Auditor

Board of Trustees:

William McCurdy II, *Chair* • Tick Segerblom, *Vice Chair* • Ross Miller • Michael Naft • Marilyn Kirkpatrick • Justin Jones • Jim Gibson
Yolanda King, *Clark County Manager*

1800 W. Charleston Blvd.
Las Vegas, NV 89102
Phone: (702) 383-2000



Mason VanHouweling
Chief Executive Officer

October 12, 2022

Mr. Mason VanHouweling
University Medical Center of Southern Nevada
1800 West Charleston Blvd.
Las Vegas, Nevada 89102

Dear Mr. VanHouweling:

In accordance with our audit plan we recently performed an audit of Nursing Crisis Staffing Incentive Pay. University Medical Center paid out a total of \$17,769,282 in crisis staffing incentive pay during the period of August 27, 2021 through March 11, 2022. Our objective was to determine whether the nursing crisis staffing incentive pay complied with existing policies and procedures.

During our testing we found issues with employees not signing up for crisis staffing incentive pay as required by the policy.

We conducted the performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Sincerely,

A handwritten signature in blue ink, appearing to read "Nate Strohl", is written over a horizontal line.

Nate Strohl
Internal Auditor
Internal Audit

Board of Trustees:

William McCurdy II, *Chair* • Tick Segerblom, *Vice Chair* • Ross Miller • Michael Naft • Marilyn Kirkpatrick • Justin Jones • Jim Gibson
Yolanda King, *Clark County Manager*



Audit Report

Nursing Crisis Staffing Incentive Pay Audit

October 2022

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REPORT DETAILS

BACKGROUND

As part of our audit plan for fiscal year 2022, we performed an audit of Nursing Crisis Staffing Incentive Pay. On August 9, 2021, University Medical Center (UMC) enacted the Nursing Services Crisis Staffing Plan – Leader Guidelines to address staffing issues for the COVID-19 pandemic. UMC paid out a total of \$17,769,282 in crisis staffing incentive pay during the period of August 27, 2021 through March 11, 2022.

Compliance with policies and procedures regarding crisis staffing incentive pay can prevent inaccurate payrolls as well as timesheet fraud.

OBJECTIVES, SCOPE, AND METHODOLOGY

The objective of this audit was to:

- Ensure that Nursing Services Crisis Staffing Incentive Pay is in compliance with associated policies and procedures.
- Ensure employees that signed up on the schedule for crisis staffing incentive pay are in compliance with policies and procedures.
- Determine that employees' crisis staffing incentive pay hours earned equaled the hours compensated.
- Determine that employees' crisis staffing incentive pay hours earned were compensated according to the appropriate certification.

In order to achieve our objective, we performed the following:

- Obtain all Nursing Services Crisis Staffing Incentive Pay policies and procedures.
- Obtain all documentation for five judgmentally selected test dates and test to ensure that crisis staffing incentive pay hours were requested in compliance with policies and procedures.
- Obtain all documentation for five judgmentally selected test dates and test to ensure that crisis staffing incentive pay hours earned equaled the hours compensated.
- Obtain all nursing certification documentation for five judgmentally selected test dates and test to ensure that crisis staffing incentive pay hours compensated were according to the appropriate certification.

We did not select statistically relevant samples for review. However, we believe the items selected are sufficient to identify findings related to the population. Our review did not include an assessment of internal controls in the audited areas. Any significant findings related to internal control are included in the detailed results. The last day of fieldwork was August 25, 2022.

We conducted the performance audit in accordance with generally accepted government auditing standards except for the requirements of an external peer review every three years and supervision. Those standards required that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. The exception to full compliance is because the Internal Audit department has not yet undergone an external peer review. However, these exceptions had no effect on the audit or the assurances provided.

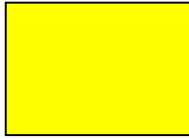
CONCLUSION

During our testing, we found issues with employees not signing up for crisis staffing incentive pay as required by the policy.

Auditee responses were not audited and the auditor expresses no opinion on those responses.

FINDINGS, RECOMMENDATIONS, AND RESPONSES

FINDING 1 – SCHEDULE SIGN UP INFRACTIONS



University Medical Center (UMC) created an incentive pay policy during the COVID-19 pandemic – the “Nursing Services Crisis Staffing Plan – Leader Guidelines.” Employees are required to sign up for overtime bonus shifts prior to beginning work. According to the “Nursing Services Crisis Staffing Plan

Leader Guidelines, it states:

- Sign-up: Employees in Critical Care, Medical-Surgical or Other approved areas may voluntarily sign up for posted crisis shifts above their normal full time employment (FTE) status.”

We tested seven different Nursing departments within five pay dates totaling 198 employees whom received crisis staffing incentive pay. The pay dates tested were as follows:

- October 22, 2021
- November 5, 2021
- November 19, 2021
- December 3, 2021
- January 14, 2022

Per examination of one nursing schedule for the pay date of November 19, 2021, it was noted in three (6%) instances out of 50 employees (2% out of 198 employees tested in total) that the employees did not sign up for voluntary posted crisis shifts above their normal FTE status as required by the UMC Nursing Services Crisis Staffing Plan. All employees tested for this review were paid crisis staffing incentive pay accurately.

Breakdowns in internal controls and documented policies and procedures can lead to increased operational costs.

AUDITOR’S RECOMMENDATION

1. Management should amend the Nursing Services Crisis Staffing Plan Leader Guidelines to allow for documented call in procedures.

MANAGEMENT RESPONSE

The finding(s) of The UMC Internal Audit: Nursing Crisis Staffing Incentive Pay reflects a significant and consistently competent effort by staff in the Centralized Clinical Resource department, nurse managers and directors, and executive nursing leadership in its application and management. During the time of the crisis incentive evaluated by the internal audit, UMC was experiencing a Covid-19 surge, was maintaining seven surge units with no dedicated resource allocations, and had to ensure that there was adequate nursing and support staff to fulfill our clinical care delivery obligations. In addition, Kronos was non-functional requiring manual oversight and entry of thousands of elements of time on a daily basis in order to prepare nursing time files for payroll processing. The audit uncovered three instances of crisis payment for hours that were not on the staff schedules. This occurred secondary to the rapid and fluid nature of having to add staff “in the moment.” Sometimes the manager did not place that real time change on the core schedule. This was especially challenging in the Adult ED where these three deviations from policy occurred. Nursing had their own redundant checks and balances to ensure that real time changes occurring each shift, regardless of nursing unit, were validated and corrected by the nursing timekeepers so that crisis hours and payment were correct when sent to payroll for final processing. There were zero instances where staff was not paid correctly. The infractions resulted because nursing’s dynamic practices of staffing deviated from the policy because those dynamic scheduling changes were not translated to the unit schedule in Smart Force. The corrective/mitigation action plan:

1. Review and update the nursing crisis pay guidelines and operating processes in the event they may be used in the future.
2. The CNO will educate nursing leadership and staff about any changes to the policy if crisis pay is approved for use.

Completion Date: December 31, 2022.

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

| | |
|---|---------------------|
| Issue: Revised Basic Financial and Single Audit Report of Fiscal Year Ending June 30, 2021 and 2020 | Back-up: |
| Petitioner: Jennifer Wakem, Chief Financial Officer | Clerk Ref. # |
| Recommendation: That the Audit and Finance Committee receive and recommend for acceptance by the Governing Board the reissuance of the Fiscal Year June 30, 2021 and 2020 Basic Financial Statements and Single Audit Information from BDO USA, LLP, Certified Public Accountants for University Medical Center of Southern Nevada; and direct staff accordingly. <i>(For possible action)</i> | |

FISCAL IMPACT:

None

BACKGROUND:

BDO USA, LLP, Certified Public Accountants conducted the audit of the revised schedule of expenditures (SEFA).

The hospital received \$16 M of Coronavirus funding from Clark County. UMC reported the funds differently than Clark County. Subsequently, UMC corrected the reporting to be consistent with Clark County and it resulted in the reissuance of the financial statements and single audit information.

Cleared for Agenda
October 19, 2022

Agenda Item #

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**BASIC FINANCIAL STATEMENTS
AND
SINGLE AUDIT INFORMATION**

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
(A COMPONENT UNIT OF CLARK COUNTY, NEVADA)

YEARS ENDED JUNE 30, 2021 AND 2020

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
(A COMPONENT UNIT OF CLARK COUNTY, NEVADA)

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Independent Auditor's Report

UMC Governing Board
University Medical Center of Southern Nevada
Las Vegas, Nevada

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the University Medical Center of Southern Nevada ("UMC"), a component unit of Clark County, Nevada, as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise UMC basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective net position of UMC, as of June 30, 2021, and 2020, and the respective changes in net position (deficit) and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of UMC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about UMC's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards will always

detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of UMC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about UMC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and schedules of UMC's proportionate share of the net pension liability and contribution, schedules of changes in the total OPEB liability and related ratios on pages 3 through 14 and 67 through 70 be presented to supplement the basic financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not

express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 8, 2021, except for Footnote 12 and our report, as revised, for which the date is September 29, 2022 on our consideration of UMC's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of UMC's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering UMC's internal control over financial reporting and compliance.

BDO USA, LLP

Las Vegas, Nevada

December 8, 2021, except for Footnote 12 and our report, as revised, for which the date is September 29, 2022, except for our report on the schedule of expenditures of federal awards for which the date is January 19, 2022, except for Footnote 5 to the schedule of expenditures of federal awards and our report, as restated, September 29, 2022

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
(A COMPONENT UNIT OF CLARK COUNTY, NEVADA)

MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2021 AND 2020

Management's Discussion and Analysis

This section of the annual financial report of the University Medical Center of Southern Nevada (the Hospital) presents background information and our analysis of the Hospital's financial performance during the fiscal years ended June 30, 2021, and 2020, which management believes is relevant for an understanding of our financial condition and results of operations. This discussion should be read in conjunction with the basic financial statements and the related notes included in this report. This discussion and analysis is designed to focus on current activities, resulting change, and currently known facts. The financial statements, notes thereto, and this discussion and analysis are the responsibility of the Hospital's management.

Overview of the Financial Statements

This annual report consists of financial statements prepared in accordance with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis — for State and Local Governments* as amended by GASB Statement No. 37, *Basic Financial Statements — and Management's Discussion and Analysis — for State and Local Governments: Omnibus* and GASB Statement No. 38, *Certain Financial Statement Note Disclosures*. These standards establish comprehensive financial reporting standards for all state and local governments and related entities.

The Hospital's financial statements are prepared on the accrual basis in accordance with accounting principles generally accepted in the United States as promulgated by the GASB. The Hospital is structured as a single enterprise fund with revenues recognized when earned, not when received. Expenses are recognized when incurred, not when paid. Capital assets are capitalized and are depreciated (except land and construction in progress) over their estimated useful lives. See the *Notes to Financial Statements* for a summary of the Hospital's significant accounting policies.

Following this discussion and analysis are the basic financial statements of the Hospital together with the notes, which are essential to a complete understanding of the data. The Hospital's basic financial statements are designed to provide readers with a broad overview of the Hospital's finances.

The *Statement of Net Position (Deficit)* presents information on all of the Hospital's assets and liabilities, with the difference between the two reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of the Hospital's financial position; however, other nonfinancial factors such as change in economic conditions, population growth, including uninsured and underinsured patients, and new or changed government legislation should also be considered.

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
(A COMPONENT UNIT OF CLARK COUNTY, NEVADA)

MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2021 AND 2020

The *Statement of Revenues, Expenses, and Changes in Net Position (Deficit)* presents information showing how the Hospital's net position changed during each year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in the statement for some items that will result in cash flows in future periods.

The *Statement of Cash Flows* relates to the flows of cash and cash equivalents. Consequently, only transactions that affect the Hospital's cash accounts are presented in this statement. A reconciliation is provided at the bottom of the *Statement of Cash Flows* to assist in the understanding of the difference between cash flows from operating activities and operating income or loss.

The Hospital is the public health care facility for Clark County, Nevada (the County). The Board of County Commissioners is, ex officio, the Board of Hospital Trustees, per Chapter 450 of the Nevada Revised Statutes. The seven-member Board of Commissioners is elected from geographic districts on a partisan basis for staggered four-year terms. Commissioners elect a chairperson who serves as the Commission's presiding officer. In 2014 the Commissioners created the UMC Governing Board and selected 9 individuals from the community to serve on the board. The UMC Governing Board provides oversight of the hospital and reports back to the Board of Hospital Trustees.

In accordance with GASB Statement No. 14, *The Reporting Entity* and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, the Hospital's financial statements are included, as a blended component unit, in the County's Annual Comprehensive Financial Report (ACFR). A copy of the ACFR can be obtained from Anna Danchik, Comptroller, 500 South Grand Parkway, Las Vegas, Nevada 89155.

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
(A COMPONENT UNIT OF CLARK COUNTY, NEVADA)

MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2021 AND 2020

Financial and Operating Highlights for Fiscal 2021

- Overall activity at the Hospital as measured by patient days adjusted for outpatient services (adjusted patient days) increased by 11.9% from prior year levels.
 - Hospital patient days increased by 12.6% from the prior year.
 - Outpatient visits decreased by 8.9% from the prior year.
- The Hospital experienced loss from operations of \$2.0 million, but total net position increased by \$61.6 million.
 - The Upper Payment Limit (UPL) and Indigent Accident Fund (IAF) revenues increased \$17.4 million from the prior year to \$96.2 million.
 - Total operating revenues increased by 34.3% to \$806.5 million.
 - Operating expenses including other postemployment benefits (OPEB) and provision for NPL (GASB 68) increased by 10.8% to \$808.6 million as compared to the prior year.
- Total employee full-time equivalents (FTEs) decreased by 46, or 1.3%, from fiscal 2020.
- The Hospital invested \$23.9 million in the following capital acquisitions:
 - Philips Patient Monitoring Equipment
 - Azurion 7 M12 and M20 Image Guided Therapy Systems
 - Nuclear Medicine Cameras
 - AVEA Ventilators
 - EPIC Software
 - Honeywell EBI Building Controls

Financial and Operating Highlights for Fiscal 2020

- Overall activity at the Hospital as measured by patient days adjusted for outpatient services (adjusted patient days) decreased by 6.2% from prior year levels.
 - Hospital patient days decreased by 12.3% from the prior year.
 - Outpatient visits decreased 5.1% from the prior year.
- The Hospital experienced loss from operations of \$129.0 million, and total net position (deficit) decreased by \$47.3 million.
 - The Upper Payment Limit (UPL) and Indigent Accident Fund (IAF) revenues decreased \$23.0 million from the prior year to \$78.8 million.
 - Total operating revenues decreased by 13.0% to \$600.5 million.
 - Operating expenses including other postemployment benefits (OPEB) and provision for NPL (GASB 68) increased by 4.7% to \$729.5 million as compared to the prior year.

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
(A COMPONENT UNIT OF CLARK COUNTY, NEVADA)

MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2021 AND 2020

- Total employee full-time equivalents (FTEs) decreased by 213, or 5.8%, from fiscal 2019.
- The Hospital invested \$19.7 million in the following capital acquisitions:
 - Da Vinci Robot
 - AVEA Ventilators
 - Covid-19 Testing Equipment
 - Honeywell Access Control System Upgrade
 - Exterior Façade & Campus upgrade
 - EPIC Software

Financial Analysis of the Hospital for June 30, 2021 and 2020

In fiscal 2021, net position increased \$61.6 million to a deficit of \$303.4 million, from a deficit of \$365.0 million in fiscal 2020, primarily due to increased patient revenue resulting from increased patient days, increased other operating revenue, contributions from the County, non-operating revenue from Provider Relief Fund and Coronavirus Relief Fund, which was partially offset by a surge in supplies expense due to high demand in pharmaceuticals and reagents. In fiscal 2020, net position decreased \$47.3 to a deficit of \$365.0 million, from a deficit of \$317.7 million in fiscal 2019. A summary of the Hospital's Statements of Net Position (Deficit) as of June 30, 2021, 2020 and 2019 is presented in Table 1 below:

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
(A COMPONENT UNIT OF CLARK COUNTY, NEVADA)

MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2021 AND 2020

Table 1
Condensed Statements of Net Position (Deficit)
(In Thousands)

| | June 30 | | |
|--|-------------------|-------------------|-------------------|
| | 2021 | 2020 | 2019 |
| Current assets | \$ 409,209 | \$ 338,892 | \$ 302,165 |
| Restricted and other assets | 110,492 | 117,737 | 109,115 |
| Capital assets | 203,692 | 203,909 | 206,723 |
| Total assets | <u>\$ 723,393</u> | <u>\$ 660,538</u> | <u>\$ 618,003</u> |
| Deferred outflows of resources | \$ 128,335 | \$ 125,084 | \$ 116,059 |
| Current liabilities | \$ 149,511 | \$ 136,239 | \$ 115,348 |
| Long-term debt outstanding (a) | 12,935 | 19,105 | 25,090 |
| Other liabilities (b) | 812,761 | 807,235 | 720,935 |
| Total liabilities | <u>\$ 975,207</u> | <u>\$ 962,579</u> | <u>\$ 861,373</u> |
| Deferred inflows of resources | \$ 179,895 | \$ 188,053 | \$ 190,362 |
| Net investment in capital assets | 271,080 | 271,383 | 248,136 |
| Restricted | 2,968 | 5,291 | 9,239 |
| Unrestricted (deficit) | (577,423) | (641,685) | (575,047) |
| Total net position (deficit) | <u>(303,375)</u> | <u>(365,011)</u> | <u>(317,672)</u> |
| Total liabilities, deferred inflows and net position (deficit) | <u>\$ 851,727</u> | <u>\$ 785,621</u> | <u>\$ 734,063</u> |

(a) Long-term debt excludes current portions of \$6,170, \$5,985, and \$6,226, respectively, included in current liabilities.

(b) Other liabilities include the long-term portion of accrued benefits, self-insured liabilities, intergovernmental and net pension liabilities.

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
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MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2021 AND 2020

Summary of Revenues, Expenses, and Changes in Net Position (Deficit)

The following table presents a summary of the Hospital's revenues and expenses for the years ended June 30, 2021, 2020, and 2019.

Table 2
Condensed Statements of Revenues, Expenses, and
Changes in Net Position (Deficit)
(In Thousands)

| | 2021 | June 30 2020 | 2019 |
|---|------------------|------------------|------------------|
| Net patient revenues | \$ 741,065 | \$ 559,356 | \$ 669,986 |
| Other operating revenues | 65,481 | 41,114 | 20,354 |
| Total operating revenues | 806,546 | 600,470 | 690,340 |
| Operating expenses | 784,276 | 706,816 | 668,359 |
| Depreciation and amortization | 24,317 | 22,662 | 28,596 |
| | 808,593 | 729,478 | 696,955 |
| Operating income/(loss) | (2,047) | (129,008) | (6,615) |
| Nonoperating revenues, net | 48,684 | 41,669 | 11,626 |
| Capital contributions received | - | - | - |
| Transfers In | 15,000 | 40,000 | 26,640 |
| Change in net position (deficit) | 61,637 | (47,339) | 31,651 |
| Total net position (deficit), beginning of year | (365,011) | (317,672) | (349,323) |
| Total net position (deficit), end of year | \$ (303,374) | \$ (365,011) | \$ (317,672) |

During fiscal 2021, 2020 and 2019, the Hospital derived approximately 96.0%, 93.4%, and 98.2% respectively, of its total revenues from operating revenues. Operating revenues include, among other items, revenues from the Medicare and Medicaid programs, the Clark County Social Services program, patients or their third-party carriers that pay for their care in the Hospital's facilities, and grant revenues.

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
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MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2021 AND 2020

Table 3 presents the relative percentages of gross charges billed for patient services by payer for the years ended June 30, 2021, 2020 and 2019.

Table 3
Payer Mix by Percentage

| | | June 30 | |
|------------------------|-------|---------|-------|
| | 2021 | 2020 | 2019 |
| Medicare | 28 % | 28 % | 27 % |
| Medicaid, and self-pay | 43 | 44 | 44 |
| Commercial, HMO, PPO | 24 | 23 | 23 |
| Other | 5 | 5 | 6 |
| Total patient revenue | 100 % | 100 % | 100 % |

During fiscal 2021, 2020 and 2019, the Hospital derived -0.2%, 1.6% and 1.2%, respectively, of its total revenues from interest income on its capital acquisition, debt service and malpractice funds. The Hospital's cash is deposited with the County Treasurer and funds in the custody of the County Treasurer are invested as a pool. Other non-operating revenues in fiscal 2021 and 2020 include \$15 million (as revised) and \$40 million, respectively, in contributions from the County used primarily to defray operating, capital and debt service costs.

Fiscal 2021 Activity

In fiscal 2021, overall activity at the Hospital as measured by patient days adjusted for outpatient services increased by 11.9% to 196,435 compared to 175,548 in fiscal 2020. This increase was due primarily to a 12.6% increase in patient days which was offset by decreased outpatient visits.

In fiscal 2021, the Hospital had patient days and discharges of 127,632 and 19,674, respectively. This was an increase of 12.6% and a decrease of 4.5%, respectively, as compared to fiscal 2020. The decrease in discharges was due to a decrease in patient admissions from 20,588 to 19,761. Outpatient and emergency visits were 372,155 or 8.9% below 2020 levels of 408,343. The decrease in outpatient volume occurred primarily due to a decrease in Primary Care and Quick Care registrations of 10.2%, and emergency registrations of 9.2%.

In fiscal 2021, net patient revenue increased compared to fiscal 2020 by \$181.7 million due primarily to increased patient days.

Excluded from net patient revenue are charges foregone for uncompensated and charity care patient services. Based on established rates, gross charges of \$108.4 million were foregone during fiscal 2021, a 6.2% increase from fiscal 2020. The Hospital's level of uncompensated and charity care continues to reflect the Hospital's status as a safety net facility in the County.

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
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MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2021 AND 2020

In fiscal 2021, total operating expenses including OPEB increased by \$79.1 million, or 10.8%. The increase in operating expenses was mainly supplies increase and purchase services increase, offset by increased efficiencies and expense management.

In fiscal 2021, employee compensation and benefits including OPEB increased \$9.5 million, or 2.2%, primarily due to increase in contract labor to cover nursing shifts, increase in nursing incentive pay related to COVID-19 outbreak, and increase in overtime pay, offset by decrease in the number of paid FTEs, and decrease in pension provision. The number of paid FTEs decreased by 1.3% from 3,470 in fiscal 2020 to 3,424 in fiscal 2021. There was no cost of living increase in fiscal 2021.

Professional fees for contracted physician services to provide coverage for emergency services, trauma services, and for indigent patients decreased \$0.3 million, or 0.6%, in fiscal 2021. This decrease is due primarily to a decrease in UNLV resident program.

In fiscal 2021, the cost of supplies increased by \$53.3 million, or 41.4%, primarily due to pharmaceuticals increases and reagents increases.

Purchased services expense increased by \$12.5 million or 17.5% in fiscal 2021 primarily due to increase in provision for complimentary credit monitoring service, patient service desk activation service, COVID-19 testing service, and UNLV resident salaries and academic mission support.

Non-operating revenue (expense) consists of interest income, revenue from Provider Relief Fund, and non-operating expenses such as interest expense.

The County contributed a total of \$15 million to the Hospital in fiscal 2021 for additional capital equipment and hospital operation.

Net position increased \$61.6 million to a deficit of \$303.4 million in fiscal 2021 primarily due to the revenue from Provider Relief Fund and Coronavirus Relief Fund, contributions from the County, offset by the operating loss.

Fiscal 2020 Activity

In fiscal 2020, overall activity at the Hospital as measured by patient days adjusted for outpatient services decreased by 6.2% to 175,548 compared to 187,155 in fiscal 2019. This decrease was due primarily to better throughput and management of length of stay, and decrease in outpatient visits due to the temporary hold on elective surgeries and patient avoidance because of COVID-19.

In fiscal 2020, the Hospital had patient days and discharges of 113,343 and 20,598, respectively. This is a decrease of 12.3% and 14.8%, respectively, as compared to fiscal 2019. The decrease in discharges is due to a decrease in patient admissions from 24,228 to 20,588. Outpatient and

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
(A COMPONENT UNIT OF CLARK COUNTY, NEVADA)

MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2021 AND 2020

emergency visits were 408,343 or 5.1% below 2019 levels of 430,464. The decrease in outpatient volume occurred primarily due to a decrease in Primary Care and Quick Care registrations of 6.0%, and emergency registrations of 3.3%.

In fiscal 2020, net patient revenue decreased compared to fiscal 2019 by \$110.6 million due primarily to declined patient days and visits, being offset by price increases.

Excluded from net patient revenue are charges foregone for uncompensated and charity care patient services. Based on established rates, gross charges of \$102.1 million were foregone during fiscal 2020, a 32.7% decrease from fiscal 2019. The Hospital's level of uncompensated and charity care continues to reflect the Hospital's status as a safety net facility in the County.

In fiscal 2020, total operating expenses including OPEB increased by \$32.5 million, or 4.7%. The increase in operating expenses was mainly supplies increase offset by increased efficiencies and expense management.

In fiscal 2020, employee compensation and benefits including OPEB increased \$15.4 million, or 3.7%, primarily due to increase in pension provision, cost of living adjustment, and newly added sick time expense, offset by a decrease in the number of paid FTEs relating to the decreased hospital volume, a decrease in overtime, and a decrease in OPEB provision. The number of paid FTEs decreased by 5.8% from 3,683 in fiscal 2019 to 3,470 in fiscal 2020. There was a 2.5% cost of living increase in fiscal 2020.

Professional fees for contracted physician services to provide coverage for emergency services, trauma services, and for indigent patients decreased \$0.7 million, or 1.5%, in fiscal 2020. This decrease is due primarily to a decrease in UNLV resident program.

In fiscal 2020, the cost of supplies increased by \$23.6 million, or 22.4%, primarily due to pharmaceuticals increases and reagents increases.

Purchased services expense increased by \$1.1 million or 1.6% in fiscal 2020 primarily due to an increase in UNLV resident salaries and academic mission support.

Non-operating revenue (expense) consists of rental income, interest income, revenue from Provider Relief Fund, and non-operating expenses such as interest expense.

The County contributed a total of \$40 million to the Hospital in fiscal 2020 for additional capital equipment and hospital operation.

Net position decreased \$47.3 million to a deficit of \$365.0 million in fiscal 2020 primarily due to the operating loss, offset by contributions from the County and interest income from pooled investment.

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
(A COMPONENT UNIT OF CLARK COUNTY, NEVADA)

MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2021 AND 2020

Capital Assets

During fiscal 2021 and 2020, the Hospital invested \$23.9 million and \$19.7 million, respectively, in a broad range of capital assets. Gross capital assets increased in fiscal 2021 due to an increase in purchase of Philips Patient Monitoring Equipment, Azurion 7 M12 and M20 Image Guided Therapy Systems, Nuclear Medicine Cameras, AVEA Ventilators, EPIC Software, Honeywell EBI Building Controls. Gross capital assets increased in fiscal 2020 due to an increase in purchase of Da Vinci Robot, AVEA Ventilators, COVID-19 Testing Equipment, Honeywell Access Control System upgrade, Exterior façade & campus upgrade, and EPIC software.

The Hospital's fiscal 2022 capital budget includes up to \$31 million for capital projects, consisting of critical patient-related equipment replacement items, facility remodeling & repairs, IT software and infrastructure upgrades, operational equipment, and service line enhancements.

The Hospital is subject to several contracts and commitments relating to construction projects and services. These commitments are not expected to significantly affect the availability of fund resources for future use.

Long-Term Debt

At June 30, 2021 and 2020, the Hospital had \$12.9 million and \$19.1 million, respectively, in long-term debt, excluding the current portion thereof. This represented a decrease of \$6.2 million and \$6.0 million, respectively, from the outstanding balances at June 30, 2020, and June 30, 2019. Total outstanding debt represents 2.0% and 2.7% of the Hospital's total liabilities as of June 30, 2021 and 2020, respectively.

Economic Factors

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The COVID-19 outbreak adversely impacted the Hospital's fiscal year 2021 patient volume, particularly at the Quick Care locations which experienced slower volume recovery in fiscal year 2021 than the Hospital and Primary Care service areas. Further, the COVID-19 outbreak has impacted the Hospital's operations by causing staffing and supply shortages in fiscal year 2021. As a result of the supply chain interruptions and increased demand for certain supplies caused by COVID-19, the Hospital has incurred excessive costs in fiscal year 2021 in sourcing supplies, pharmaceuticals and nursing labor to effectively treat patients for COVID-19 and other diagnoses.

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
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MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2021 AND 2020

On March 27, 2020, former President Trump signed into law the Coronavirus Aid, Relief, and Economic Security ("CARES") Act in response to the COVID-19 pandemic. The CARES Act, among other things, includes emergency funding – referred to as the "Provider Relief Fund and Coronavirus Relief Fund" - in the form of higher payments for hospitals that respond to COVID-19 by using existing mechanisms to distribute \$100 billion to hospitals and healthcare providers and to provide payments to State, Local, and Tribal governments navigating the impact of the COVID-19 outbreak to cover necessary expenses incurred due to the public health emergency with respect to COVID-19 that were not accounted for in the budget approved as of March 27, 2020 for the State or government from March 1, 2020 through December 31, 2021.

On April 24, 2020, former President Trump signed into law the "Paycheck Protection Program and Health Care Enhancement (Enhancement) Act." The Enhancement Act, among other things, includes \$75 billion of additional funding for hospitals and healthcare providers.

The Hospital received \$34.7 million through various distributions from the Provider Relief Fund and \$16 million of Coronavirus Relief Fund passed through from Clark County in fiscal year 2021 and recorded the funds as non-operating revenue.

The most recent unemployment statistics, as of July 2021, indicated that the unemployment rate for the Las Vegas, Nevada metropolitan area was 9.5%, which was a 9.2% decrease from a year ago. The unemployment rate for the State of Nevada and the United States was 8.2% and 5.7%, respectively.

Inflationary trends in the County are comparable to the United States national indices.

All of these factors affected the fiscal year 2021 operating and financial performance. The focus of management in the near term is to develop a multi-year plan that will emphasize revenue generation, cost control, fiscal discipline, capital requirements, and financing in support of net asset stability and a focus on the core services provided to patients.

Contacting the Hospital's Financial Management

This financial report is designed to provide our citizens, customers, and creditors with a general overview of the Hospital's finances and to demonstrate the Hospital's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Finance Department, University Medical Center of Southern Nevada, 1800 West Charleston Blvd., Las Vegas, Nevada 89102.

University Medical Center of Southern Nevada
A Component Unit of Clark County, Nevada

Statements of Net Position (Deficit)

| | June 30 | |
|--|----------------|----------------|
| | 2021 | 2020 |
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 105,438,045 | \$ 145,606,781 |
| Assets limited as to use, current portion | 4,969,729 | 2,520,819 |
| Patient receivables, net of allowance for uncollectible accounts of \$117,230,581 in 2021 and \$116,761,520 in 2020 | 260,365,244 | 140,389,025 |
| Other receivables, net | 12,274,436 | 25,152,345 |
| Inventories | 20,959,306 | 14,983,261 |
| Prepaid expenses and other | 5,202,062 | 10,240,078 |
| Total current assets | 409,208,822 | 338,892,309 |
| Assets limited as to use, net of current portion: | | |
| Contributor or grantor restricted: | | |
| Cash and cash equivalents | 6,093,622 | 5,711,222 |
| Grants receivable | 441,539 | 277,522 |
| Internally designated cash and cash equivalents | 108,841,020 | 114,183,802 |
| | 115,376,181 | 120,172,546 |
| Less amount required to meet current obligations | (4,969,729) | (2,520,819) |
| Total assets limited as to use, net of current portion | 110,406,452 | 117,651,727 |
| Other assets: | | |
| Land | 10,204,997 | 10,204,997 |
| Depreciable property and equipment, net | 172,607,898 | 175,083,411 |
| Construction in progress | 20,879,339 | 18,620,955 |
| Deposits | 85,156 | 85,156 |
| Total assets | \$ 723,392,664 | \$ 660,538,555 |
| Deferred outflows of resources | | |
| Unamortized loss on refunding | \$ 112,302 | \$ 164,134 |
| Related to pensions | 89,386,108 | 109,629,359 |
| Related to OPEB (postemployment benefits other than pensions) | 38,836,578 | 15,290,042 |
| Total deferred outflows of resources | \$ 128,334,988 | \$ 125,083,535 |

(Continued)

University Medical Center of Southern Nevada
A Component Unit of Clark County, Nevada

Statements of Net Position (Deficit) (continued)

| | June 30 | |
|--|--------------------------------|--------------------------------|
| | 2021 | 2020 |
| Liabilities and net position (deficit) | | |
| Current liabilities: | | |
| Accounts payable | \$ 72,927,313 | \$ 62,276,198 |
| Accrued compensation and benefits | 53,874,329 | 53,386,315 |
| Other accrued expenses | 1,697,230 | 1,547,756 |
| Current portion of long-term debt | 6,170,000 | 5,985,000 |
| Due to related party | 6,510,397 | 4,877,199 |
| Current portion of self-insurance liability | 8,331,273 | 8,167,498 |
| Total current liabilities | <u>149,510,542</u> | 136,239,966 |
| OPEB liability | 204,284,483 | 173,486,144 |
| Long-term debt, net of current portion | 12,935,000 | 19,105,000 |
| Self-insurance liability, net of current portion | 10,711,663 | 10,019,518 |
| Intergovernmental liability | 87,481,348 | 102,192,749 |
| Net pension liability | 510,283,540 | 521,536,183 |
| Total liabilities | <u>975,206,576</u> | <u>962,579,560</u> |
| Deferred inflows of resources | | |
| Related to pensions | 45,690,742 | 45,037,430 |
| Related to OPEB | 134,204,405 | 143,015,657 |
| Total deferred inflows of resources | <u>179,895,147</u> | <u>188,053,087</u> |
| Net position (deficit): | | |
| Net investment in capital assets | <u>271,080,387</u> | <u>271,383,542</u> |
| Restricted: | | |
| Hospital and administrative programs | 1,127,012 | 3,508,180 |
| Donations, various programs | - | 28,993 |
| Research programs | 529,257 | 450,521 |
| Educational programs | 1,311,956 | 1,303,207 |
| | <u>2,968,225</u> | <u>5,290,901</u> |
| Unrestricted (deficit) | <u>(577,422,683)</u> | <u>(641,685,000)</u> |
| Total net position (deficit) | <u><u>\$ (303,374,071)</u></u> | <u><u>\$ (365,010,557)</u></u> |

See accompanying notes.

University Medical Center of Southern Nevada
A Component Unit of Clark County, Nevada

Statements of Revenues, Expenses, and Changes in Net Position (Deficit)

| | Years Ended June 30 | |
|---|------------------------|-----------------|
| | 2021 | 2020 |
| | (As Revised) | |
| Operating revenues: | | |
| Net patient revenues (net of provisions for bad debts of \$49,199,665 and \$61,167,854 in 2021 and 2020, respectively) | \$ 741,065,130 | \$ 559,355,992 |
| Other operating revenues | 65,480,535 | 41,113,947 |
| Total operating revenues | 806,545,665 | 600,469,939 |
| Operating expenses: | | |
| Nursing and other professional services | 545,579,381 | 479,762,765 |
| Administrative and fiscal services | 126,892,529 | 135,772,713 |
| General services | 99,444,450 | 70,395,595 |
| Depreciation and amortization | 24,317,456 | 22,661,969 |
| Total operating expenses | 796,233,816 | 708,593,042 |
| Income (loss) from operations before provision for OPEB and net pension liabilities | 10,311,849 | (108,123,103) |
| Provision for OPEB | 2,715,469 | 187,244 |
| Provision for net pension liabilities | 9,643,920 | 20,697,692 |
| Loss from operations | (2,047,540) | (129,008,039) |
| Nonoperating revenues (expenses): | | |
| Interest income | (1,295,236) | 10,261,725 |
| Rental income | - | - |
| Interest expense | (675,009) | (997,274) |
| Other nonoperating revenues | 50,654,271 | 32,405,323 |
| Total nonoperating revenues (expenses), net | 48,684,026 | 41,669,774 |
| Income (loss) before transfers | 46,636,486 | (87,338,265) |
| Transfers in | 15,000,000 | 40,000,000 |
| Change in net position (deficit) | 61,636,486 | (47,338,265) |
| Net position (deficit), beginning of year | (365,010,557) | (317,672,292) |
| Net position (deficit), end of year | \$(303,374,071) | \$(365,010,557) |

See accompanying notes.

University Medical Center of Southern Nevada
A Component Unit of Clark County, Nevada

Statements of Cash Flows

| | Years Ended June 30 | |
|---|----------------------------|-----------------------|
| | 2021 | 2020 |
| | (As Revised) | |
| Cash flows from operating activities | | |
| Cash received from patients and third-party payers | \$ 604,991,426 | \$ 613,288,771 |
| Cash payments to suppliers for goods and services | (340,783,224) | (279,324,105) |
| Cash payments to employees for services and benefits | (418,724,428) | (413,090,695) |
| Other operating receipts | 65,316,518 | 41,111,447 |
| Net cash used in operating activities | <u>(89,199,708)</u> | <u>(38,014,582)</u> |
| Cash flows from noncapital financing activities | | |
| Contributions and transfers in from Clark County | 24,000,000 | 62,000,000 |
| Contributions, donations and other | 50,654,271 | 32,405,323 |
| Net cash provided by noncapital financing activities | <u>74,654,271</u> | <u>94,405,323</u> |
| Cash flows from capital and related financing activities | | |
| Purchase of property and equipment, net | (22,618,422) | (18,073,512) |
| Principal paid on long-term debt | (5,985,000) | (6,226,000) |
| Interest paid on long-term debt | (685,023) | (906,270) |
| Net cash used in capital and related financing activities | <u>(29,288,445)</u> | <u>(25,205,782)</u> |
| Cash flows from investing activities | | |
| Interest received | <u>(1,295,236)</u> | 10,261,725 |
| (Decrease) Increase in cash and cash equivalents | (45,129,118) | 41,446,684 |
| Cash and cash equivalents, beginning of year | 265,501,805 | 224,055,121 |
| Cash and cash equivalents, end of year | <u>\$ 220,372,687</u> | <u>\$ 265,501,805</u> |
| Unrestricted cash and cash equivalents | \$ 105,438,045 | \$ 145,606,781 |
| Contributor or grantor restricted cash and cash equivalents | 6,093,622 | 5,711,222 |
| Internally designated cash and cash equivalents | 108,841,020 | 114,183,802 |
| Total cash and cash equivalents | <u>\$ 220,372,687</u> | <u>\$ 265,501,805</u> |

(Continued)

University Medical Center of Southern Nevada
A Component Unit of Clark County, Nevada

Statements of Cash Flows (continued)

| | Years Ended June 30 | |
|---|----------------------------|------------------------|
| | 2021 | 2020 |
| | (As Revised) | |
| Reconciliation of loss from operations to net cash used in operating activities | | |
| Loss from operations | \$ (2,047,540) | \$(129,008,040) |
| Adjustments to reconcile loss from operations to net cash used in operating activities: | | |
| Depreciation and amortization | 24,317,456 | 22,661,969 |
| Provision for uncollectible accounts | 49,299,665 | 61,167,854 |
| Changes in operating assets and liabilities: | | |
| Decrease (increase) in: | | |
| Patient receivables | (169,275,884) | (66,842,893) |
| Inventories | (5,976,045) | (2,506,962) |
| Prepaid expenses and other current assets | 8,751,910 | (17,720,314) |
| Deferred outflows of resources | (3,303,284) | (9,157,739) |
| Increase (decrease) in: | | |
| Accounts payable and accrued expenses | 25,955,479 | 92,812,706 |
| Self-insured liability | 855,920 | 2,790,461 |
| Due to related party | 1,633,198 | 1,512,306 |
| Deferred inflows of resources | (19,410,583) | 6,276,070 |
| Net cash used in operating activities | <u>\$ (89,199,708)</u> | <u>\$ (38,014,582)</u> |

See accompanying notes.

University Medical Center of Southern Nevada
A Component Unit of Clark County, Nevada
Statements of Revenues and Expenses, Budget to Actual Comparisons
For the fiscal year ended June 30, 2021
(With comparative actual for the fiscal year ended June 30, 2020)

| | 2021 | | | | 2020 |
|--|------------------------|-------------------------|----------------------|-----------------------|------------------------|
| | | | Actual | | |
| | <u>Original Budget</u> | <u>Final Budget</u> | <u>(As Revised)</u> | <u>Variance</u> | <u>Actual</u> |
| Operating revenues: | | | | | |
| Intergovernmental revenues: | | | | | |
| Grants | \$ 1,827,899 | \$ 1,827,899 | \$ 6,382,742 | \$ 4,554,843 | \$ 2,360,693 |
| Charges for services: | | | | | |
| Total patient revenue | 661,013,686 | 454,979,092 | 741,065,130 | 286,086,038 | 559,355,992 |
| Other operating revenues | 24,239,665 | 24,239,664 | 59,097,793 | 34,858,129 | 38,753,254 |
| Total operating revenues | 687,081,250 | 481,046,655 | 806,545,665 | 325,499,010 | 600,469,939 |
| Operating expenses: | | | | | |
| Salaries & wages | 298,364,229 | 299,365,401 | 290,381,150 | 8,984,251 | 281,740,820 |
| Employee benefits | 140,628,259 | 141,026,263 | 124,556,374 | 16,469,889 | 130,992,848 |
| Services & Supplies | 101,644,457 | 104,793,109 | 181,867,274 | (77,074,165) | 128,609,060 |
| Professional fees | 42,605,098 | 42,714,598 | 43,113,601 | (399,003) | 43,367,864 |
| Purchased Services | 74,774,984 | 75,667,389 | 102,418,677 | (26,751,288) | 74,110,062 |
| Other | 19,142,035 | 19,425,377 | 20,891,054 | (1,465,677) | 19,137,715 |
| Rent | 8,068,890 | 8,068,889 | 8,688,230 | (619,341) | 7,972,704 |
| Depreciation/amortization | 25,693,104 | 25,693,104 | 24,317,456 | 1,375,648 | 22,661,969 |
| Total operating expenses | 710,921,056 | 716,754,130 | 796,233,816 | (79,479,686) | 708,593,042 |
| Nonoperating revenues (expenses): | | | | | |
| Interest earnings | 4,774,309 | 4,774,309 | (1,295,236) | 6,069,545 | 10,261,725 |
| Interest expense | (736,856) | (684,503) | (675,009) | (9,494) | (997,274) |
| Provision for OPEB & net pension liabilities | (12,896,285) | (12,896,285) | (12,359,389) | (536,896) | (20,884,936) |
| Other nonoperating revenue | - | - | 50,654,271 | (50,654,271) | 32,405,323 |
| Total nonoperating revenues (expenses), net | (8,858,833) | (8,806,479) | 36,324,637 | (45,131,116) | 20,784,838 |
| Income (Loss) before transfers | (32,698,638) | (244,513,954) | 46,636,486 | 291,150,440 | (87,338,265) |
| Transfers In | 15,000,000 | 31,000,000 | 15,000,000 | (16,000,000) | 40,000,000 |
| Change in Net Position (Deficit) | \$ (17,698,638) | \$ (213,513,954) | \$ 61,636,486 | \$ 275,150,440 | \$ (47,338,265) |

University Medical Center of Southern Nevada
A Component Unit of Clark County, Nevada
Statements of Cash Flows Budget to Actual Comparisons
For the fiscal year ended June 30, 2021
(With comparative actual for the fiscal year ended June 30, 2020)

| | 2021 | | | | 2020 |
|---|------------------------|----------------------|--------------------------------|-----------------------|-----------------------|
| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual (As Revised)</u> | <u>Variance</u> | <u>Actual</u> |
| Cash flows from operating activities: | | | | | |
| Cash received from patients and third-party payers | \$ 661,013,686 | \$ 485,248,783 | \$ 604,991,426 | \$ 119,742,643 | \$ 613,288,771 |
| Cash paid to employees & benefits | (438,992,488) | (440,391,664) | (418,724,428) | 21,667,236 | (413,090,695) |
| Cash paid to suppliers for goods and services | (246,235,462) | (250,669,362) | (340,783,224) | (90,113,862) | (279,324,105) |
| Other operating receipts | 26,067,564 | 26,067,564 | 65,316,518 | 39,248,954 | 41,111,447 |
| Net cash provided by operating activities | 1,853,300 | (179,744,680) | (89,199,708) | 90,544,972 | (38,014,582) |
| Cash flows from noncapital financing activities: | | | | | |
| Contributions and transfers in from Clark County | 15,000,000 | 31,000,000 | 24,000,000 | (7,000,000) | 62,000,000 |
| Contributions, donations and other | - | - | 50,654,271 | 50,654,271 | 32,405,323 |
| Net cash provided by noncapital financing activities | 15,000,000 | 31,000,000 | 74,654,271 | 43,654,271 | 94,405,323 |
| Cash flows from capital and related financing activities: | | | | | |
| Purchase of property and equipment, net | (31,000,000) | (31,000,000) | (22,618,422) | 8,381,578 | (18,073,512) |
| Principal paid on long-term debt | (5,985,000) | (5,985,000) | (5,985,000) | - | (6,226,000) |
| Interest paid on long-term debt | (685,023) | (685,023) | (685,023) | - | (906,270) |
| Net cash used in capital and related financing activities | (37,670,023) | (37,670,023) | (29,288,445) | 8,381,578 | (25,205,782) |
| Cash flows from investing activities | | | | | |
| Interest received | 4,774,309 | 4,774,309 | (1,295,236) | (6,069,545) | 10,261,725 |
| Net (decrease) increase in cash and cash equivalents | (16,042,414) | (181,640,394) | (45,129,118) | 136,511,276 | 41,446,684 |
| Cash and cash equivalents: | | | | | |
| Beginning of year | 220,677,488 | 215,371,588 | 265,501,805 | 50,130,217 | 224,055,121 |
| End of year | \$ 204,635,074 | \$ 33,731,194 | \$ 220,372,687 | \$ 186,641,493 | \$ 265,501,805 |

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
(A COMPONENT UNIT OF CLARK COUNTY, NEVADA)

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020

Overview of the Financial Statements

This annual report consists of financial statements prepared in accordance with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis — for State and Local Governments* as amended by GASB Statement No. 37, *Basic Financial Statements — and Management's Discussion and Analysis — for State and Local Governments: Omnibus* and GASB Statement No. 38, *Certain Financial Statement Note Disclosures*. These standards establish comprehensive financial reporting standards for all state and local governments and related entities.

1. Description of Reporting Entity and Summary of Significant Accounting Policies

Reporting Entity

University Medical Center of Southern Nevada (the Hospital), the public health care facility for Clark County, Nevada (the County), is a blended component unit of the County, and is reflected as an enterprise fund of the County. The Hospital is organized and operated by The Board of County Commissioners, ex officio, the Board of Hospital Trustees, per Chapter 450 of the Nevada Revised Statutes. The seven-member commission is elected from geographic districts on a partisan basis for staggered four-year terms. Commissioners elect a chairperson who serves as the Commission's presiding officer. In 2014 the Commissioners created the UMC Governing Board and selected 9 individuals from the community to serve on the board. The UMC Governing Board provides oversight of the Hospital and reports back to the Board of Hospital Trustees. As the Hospital is a component unit of the County, it is exempt from income tax and, accordingly, no provision for income taxes is required.

In accordance with GASB Statement No. 14, *The Reporting Entity* and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, the Hospital's financial statements are included, as a blended component unit, in the County's Annual Comprehensive Financial Report (ACFR). A copy of the ACFR can be obtained from Anna Danchik, Comptroller, 500 South Grand Parkway, Las Vegas, Nevada 89155.

COVID-19 Outbreak

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
(A COMPONENT UNIT OF CLARK COUNTY, NEVADA)

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020

**1. Description of Reporting Entity and Summary of Significant Accounting Policies
(continued)**

The COVID-19 outbreak had a significant impact on the Hospital's patient volumes, particularly between March 2020 and May 2020, with improvement beginning in June 2020. In fiscal year 2021, the Hospital experienced a general recovery to just below pre-COVID patient volumes, with the exception of the Quick Care service area. The Hospital's Quick Care patient volume in fiscal year 2021 remained (19.20%) below fiscal year 2019 (pre-COVID-19) volumes. The decreases in the Hospital's patient volumes were primarily attributed to changes in consumer behaviors (patient avoidance) as a result of COVID-19.

The Hospital's operations are heavily dependent on State and Federal funding, which may decrease as a result of COVID-19. Additionally, access to grants from Federal, State and local governments may decrease or may not be available depending on future appropriations. The COVID-19 outbreak may have a continued material adverse impact on economic and market conditions, triggering a period of national, regional, or statewide economic slowdown. This situation has not depressed State or Federal funding during fiscal year 2021, but these funding sources may depress in the future.

CARES Act and Enhancement Act Funds

On March 27, 2020, former President Trump signed into law the Coronavirus Aid, Relief, and Economic Security ("CARES") Act in response to the COVID-19 pandemic. The CARES Act, among other things, includes emergency funding – referred to as the "Provider Relief Fund and Coronavirus Relief Fund" - in the form of higher payments for hospitals that respond to COVID-19 by using existing mechanisms to distribute \$100 billion to hospitals and healthcare providers and to provide payments to State, Local, and Tribal governments navigating the impact of the COVID-19 outbreak to cover necessary expenses incurred due to the public health emergency with respect to COVID-19 that were not accounted for in the budget approved as of March 27, 2020 for the State or government from March 1, 2020 through December 31, 2021.

On April 24, 2020, former President Trump signed into law the "Paycheck Protection Program and Health Care Enhancement (Enhancement) Act." The Enhancement Act, among other things, includes \$75 billion of additional funding for hospitals and healthcare providers.

Together, the CARES Act and the Enhancement Act include \$175 billion in funding to be distributed to eligible providers through the Public Health and Social Services Emergency Fund (the "Provider Relief Fund" or "PRF"). HHS has allocated Provider Relief Fund among eligible health care providers through three completed phases of general distributions and a number of targeted distributions beginning in April 2020. In September 2021, HHS announced an additional \$17 billion general distribution from the Provider Relief Fund that considers financial losses and changes in operating revenues and expenses, including expenses attributable to COVID-19, and

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
(A COMPONENT UNIT OF CLARK COUNTY, NEVADA)

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020

**1. Description of Reporting Entity and Summary of Significant Accounting Policies
(continued)**

payments already received through PRF distributions. The amount the Hospital may receive from this PRF distribution is unknown as of the date of this report.

The Hospital received \$50.7 million through various distributions from the Provider Relief Fund and Coronavirus Relief Fund during fiscal year 2021, recorded all of them as non-operating revenue in fiscal year 2021, and continues to monitor eligibility for additional Provider Relief Funds and Coronavirus Relief Fund during fiscal year 2022. As the Provider Relief Funds and Coronavirus Relief Fund have not yet been fully allocated, management is unable to determine the amount of Provider Relief Funds and Coronavirus Relief Fund available to the Hospital in fiscal year 2022.

The CARES Act also alleviates some of the financial strain on hospitals, physicians, other healthcare providers and states through a series of Medicare and Medicaid payment policies that temporarily increase Medicare and Medicaid reimbursement and allow for added flexibility, as described below.

- Effective May 1, 2020 through December 31, 2021, the 2% sequestration reduction on Medicare fee for service (“FFS”) and payments to hospitals, physicians and other providers is suspended and will resume effective January 2022 as authorized by the Act to Prevent Across-the-Board Direct Spending Cuts, and for Other Purposes, signed into law on April 14, 2021. The suspension is financed by a one-year extension of the sequestration adjustment through 2030.
- The CARES Act instituted a 20% increase in the Medicare Severity Diagnosis Related Groups (“MS-DRG”) payment for confirmed COVID-19 hospital admissions for the duration of the public health emergency as declared by the Secretary of HHS.
- The CARES Act eliminated the scheduled nationwide reduction of \$4 billion in federal Medicaid Disproportionate Share Hospital (“DSH”) allotments to States in federal fiscal year (“FFY”) 2020 mandated by the Affordable Care Act and decreased the FFY 2021 Medicaid DSH reduction from \$8 billion to \$4 billion effective December 1, 2020. Legislation passed in October 2020 delayed the 2021 reduction through December 11, 2020. However, the Consolidated Appropriations Act, 2021 (“CCA”) eliminated the \$4 billion reduction for FFY 2021, the \$8 billion reduction for FFY 2022, and the \$8 billion reduction for FFY 2023. The reductions mandated by the Patient Protection and Affordable Care Act were set to be terminated at the end of FFY 2025, but the CCA added additional reductions of \$8 billion per year for FFY 2026 and FFY 2027.

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
(A COMPONENT UNIT OF CLARK COUNTY, NEVADA)

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020

**1. Description of Reporting Entity and Summary of Significant Accounting Policies
(continued)**

- A 6.2% increase in the Federal Medical Assistance Percentage (“FMAP”) matching funds was instituted to help states respond to the COVID-19 pandemic. The additional funds are available to states from January 1, 2020 through the quarter in which the public health emergency period ends, provided that states meet certain conditions. An increase in states’ FMAP leverages Medicaid’s existing financing structure, which allows federal funds to be provided to states more quickly and efficiently than establishing a new program or allocating money from a new funding stream. Increased federal matching funds support states in responding to the increased need for services, such as testing and treatment during the COVID-19 public health emergency, as well as increased enrollment as more people lose income and qualify for Medicaid during the economic downturn.

On June 11, 2021, HHS issued a Post-Payment Notice of Reporting Requirements for the PRF that were disbursed under the CARES Act. This notice changed guidance that had been previously communicated. Key differences include the timeline for reporting and deadlines for use of funds as follows:

| | Payment Received | Deadline to Use Funds | Reporting Time Period |
|----------|---|------------------------------|---|
| Period 1 | From April 10, 2020 to June 30, 2020 | June 30, 2021 | July 1 to September 30, 2021 (later extended to November 30, 2021) |
| Period 2 | From July 1, 2020 to December 31, 2020 | December 31, 2021 | January 1 to March 31, 2022 |
| Period 3 | From January 1, 2021 to June 30, 2021 | June 30, 2022 | July 1 to September 30, 2022 |
| Period 4 | From July 1, 2021 to December 31, 2021 | December 31, 2022 | January 1 to March 31, 2023 |

The definitions included in the Post-Payment Notice of Reporting Requirements may be subject to change or further interpretation. Management will continue to evaluate and monitor compliance with the terms and conditions.

HHS has also used funds appropriated to the Provider Relief Fund and the Families First Coronavirus Response Act (“FFCRA”) to provide claims reimbursement to health care providers for testing uninsured individuals for COVID-19, treating uninsured individuals with a primary COVID-19 diagnosis, and administering a COVID-19 vaccine to uninsured individuals. The COVID-19 uninsured program is administered through HHS’s Health Resources & Services Administration (“HRSA”) and began providing reimbursement in May of 2020. Generally,

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
(A COMPONENT UNIT OF CLARK COUNTY, NEVADA)

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020

**1. Description of Reporting Entity and Summary of Significant Accounting Policies
(continued)**

reimbursements under this program are set at Medicare FFS rates, exclusive of the 20% increase in the MS-DRG payment for confirmed COVID-19 hospital admissions under the CARES Act.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. The extent of its impact on the Hospital's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on patients, employees, and vendors, and the scope of the Federal response, all of which are uncertain and cannot be predicted. Given these uncertainties, management cannot reasonably estimate the related impact to the Hospital's business, operating results, or financial condition in fiscal year 2022.

Summary of Significant Accounting Policies

The financial statements of the Hospital are prepared under accounting principles generally accepted in the United States applicable to state and local governmental entities on the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred. Substantially all revenues and expenses are subject to accrual.

The Hospital is accounted for as a proprietary fund (enterprise fund) using the flow of economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets and all liabilities associated with the Hospital's operations are included in the *Statement of Net Position (Deficit)*. Revenue is recognized in the period in which it is earned and expenses are recognized in the period in which incurred.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ materially from those estimates.

Cash, Cash Equivalents, and Investments

Cash equivalents include investments in highly liquid debt instruments with an original maturity of three

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
(A COMPONENT UNIT OF CLARK COUNTY, NEVADA)

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020

**1. Description of Reporting Entity and Summary of Significant Accounting Policies
(continued)**

months or less at date of purchase, excluding amounts held under trust agreements. The Hospital's restricted and unrestricted cash is deposited with the County Treasurer (the Treasurer) in a fund similar to an external investment pool that is reported at fair value. Because the amounts deposited with the Treasurer are sufficiently liquid to permit withdrawals in the form of cash at any time without prior notice or penalty, they are deemed to be cash equivalents. GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, requires the County to adjust the carrying amount of its investment portfolio to reflect the change in fair or market values. Interest revenue is increased or decreased in relation to this adjustment of unrealized gain or loss. Net interest income reflects this positive or negative market value adjustment. Financial information required by GASB Statement No. 3, No. 40 and No. 72 regarding the accounting and financial reporting for the Hospital's investment pool, held by the Clark County Treasurer, has been disclosed in the Clark County Annual Comprehensive Financial Report (ACFR) for the years ended June 30, 2021, and June 30, 2020.

Inventories

Inventories, consisting primarily of medical supplies and pharmaceuticals, are stated at the lower of cost or market, generally determined on the first-in, first-out method.

Restricted Assets

Restricted assets are cash and cash equivalents and investments whose use is limited by legal or other requirements. Restricted cash and cash equivalents represent monies received from donors or grantors to be used for specific purposes, as well as the Hospital's proportionate share of collateral assets held under securities lending transactions and those whose purpose was limited by the contributor and/or grantor. The Hospital has elected to use restricted assets before unrestricted assets when an expense is incurred for a purpose for which both resources are available.

Capital Assets

Capital assets are stated at historical cost or, if donated, at estimated fair value at the date of the gift. Capital assets are defined by the Hospital as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Depreciation and amortization of assets are recorded in amounts sufficient to amortize the cost of the related assets over their estimated

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**1. Description of Reporting Entity and Summary of Significant Accounting Policies
(continued)**

useful lives using the straight-line method. The following are the most commonly used estimated useful lives:

| | |
|------------------------|-------------|
| Buildings | 10-40 years |
| Building improvements | 5-20 years |
| Equipment | 3-20 years |
| Land improvements | 15 years |
| Furniture and fixtures | 5 years |

Expenditures that substantially increase the useful lives or functionality of existing assets are capitalized. Routine maintenance, repairs, and minor improvements are expensed as incurred. The cost of property retired and related accumulated depreciation is removed from the accounts, and any gain or loss recognized in non-operating revenues (expenses).

Management reviews the recoverability of its capital assets in accordance with the provisions of GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and Insurance Recoveries*. GASB Statement No. 42 requires recognition of impairment of long-lived assets in the event the asset's service utility has declined significantly and unexpectedly. Accordingly, management evaluates assets' utility annually or when an event occurs that may impair recoverability of the asset. No impairments were identified as of June 30, 2021.

Bond and Debt Issue Costs

Financing costs represent debt issuance expenses on long-term debt obligations and are expensed as incurred in accordance with GASB No. 65.

Cost of Borrowing

Interest costs incurred on debt during the construction or acquisition of assets are capitalized as a component of the cost of acquiring those assets. No capitalized interest was recorded in fiscal 2021 and 2020.

Deferred Outflows/Inflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to a future period and is not recognized as expense until then. In the Hospital financial statements, unamortized loss on refunding and pension and OPEB contributions are reported as a deferred

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**1. Description of Reporting Entity and Summary of Significant Accounting Policies
(continued)**

outflow of resources. The unamortized loss on refunding results from the difference between the reacquisition price and the net carrying amount of the refunded debt. This amount is deferred and amortized over the life of the refunding debt. The pension and OPEB contributions in deferred outflows are related to those contributions made after the measurement period.

Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources until that time. In the Hospital financial statements, future resources yet to be recognized in relation to the pension and OPEB actuarial calculations are reported as deferred inflow of resources. These future resources arise from differences in the estimates used by the actuary to calculate the pension and OPEB liability and the actual results. The amounts are amortized over a predetermined period.

Postemployment Benefits Other Than Pensions

For purposes of measuring the Hospital's OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB Plans and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Compensated Absences

It is the Hospital's policy to permit employees to accumulate earned, but unused vacation and sick leave benefits. Such benefits were accrued when incurred as a current liability in both fiscal 2021 and 2020.

Self-Insured Liability

The self-insured liability represents the provision for estimated self-insured professional liability claims, general liability claims, and workers' compensation claims. The provision includes estimates of the ultimate costs for both reported claims and claims incurred but not reported based on the recommendations of an independent actuary.

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**1. Description of Reporting Entity and Summary of Significant Accounting Policies
(continued)**

Net Position (Deficit)

GASB Statement No. 34 requires the classification of net position (deficit) into three components: net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

- Net investment in capital assets: This component of net position (deficit) consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted: This component of net position (deficit) results from restrictions placed on net position (deficit) use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation.
- Unrestricted: This component of net position (deficit) consists of all net position (deficit) that do not meet the definition of restricted or net investment in capital assets.

Statements of Revenues, Expenses, and Changes in Net Position (Deficit)

All revenues and expenses directly related to the delivery of health care services are included in operating revenues and expenses in the *Statements of Revenues, Expenses, and Changes in Net Position (Deficit)*. Nonoperating revenues and expenses consist of those revenues and expenses that are related to financing and investing activities, non-exchange transactions, or investment income.

Net Patient Revenue, Accounts Receivable, and Allowance for Uncollectible Accounts

Net patient revenue is reported at the estimated realizable amount from patients, third-party payers, and others for services provided including the provision for bad debts and includes estimated retroactive adjustments under reimbursement agreements with third-party payers. Revenue under certain third-party payer agreements is subject to audit, retroactive adjustments, and significant regulatory actions. Provisions for third-party settlements and adjustments are estimated in the period the related services are provided and adjusted in future periods as additional information becomes available and as final settlements are determined.

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(continued)**

As part of the Hospital's mission to serve the community, the Hospital provides care to patients even though they may lack adequate insurance or may participate in programs that do not pay established rates. Uncompensated care is defined as write-offs on patient accounts without insurance payment. Charity care is a subset of uncompensated care representing those patients that are approved by the Hospital for a discount under its charity policy guidelines. Throughout the admission, billing, and collection processes, certain patients are identified by the Hospital as indigent or qualifying for charity care. The Hospital provides care to these patients without charge or at amounts less than its established rates or actual costs. Net patient revenue is reflected net of the charity care reserves. Charity care reserves are based on gross revenue foregone. The actual costs for charity care in accordance with the Hospital's charity care policy aggregated approximately \$23,730,686 and \$21,782,323 for the years ending June 30, 2021 and 2020, respectively. The Hospital has estimated the cost of charity care based on a ratio of cost to charges of operating expenses excluding interest expense.

The Hospital has agreements with third-party payers that provide for payment at amounts different from established charge rates. A summary of the basis of payment by major third-party payers follows:

- Medicare and Medicaid: The Hospital renders services to patients under contractual arrangements with the U.S. Federal Medicare and the State of Nevada (State) Medicaid programs. Inpatient acute care services rendered to Medicare and Medicaid program beneficiaries and Medicare capital costs are paid at prospectively determined rates-per-discharge. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. As an academic medical center, medical education payments in addition to disproportionate share entitlements are received from Medicare and Medicaid. Medicare utilizes a prospective payment system for inpatient rehabilitation services and psychiatric services.

Medicare outpatient claims are reimbursed under the Ambulatory Payment Classification based prospective payment system. The payments are based on patient assessment data classifying patients into one of the Medicare Ambulatory Payment Classifications. Inpatient rehabilitation and psychiatric services are reimbursed at a prospectively determined per diem rate. Certain outpatient services related to Medicare beneficiaries and capital costs for Medicaid beneficiaries are reimbursed based on a cost-based methodology subject to certain limitations. The Hospital is reimbursed for cost reimbursable items at tentative rates with final settlement determined after submission of annual cost reports by the Hospital and audits thereof by the Medicare and Medicaid fiscal intermediaries.

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**1. Description of Reporting Entity and Summary of Significant Accounting Policies
(continued)**

The Hospital's classification of patients under the Medicare and Medicaid programs and the appropriateness of their admission, and therefore, the revenues received are subject to an independent review and retroactive adjustment. Differences between the estimated amounts accrued at interim and final settlements are reported in the *Statement of Revenues, Expenses, and Changes in Net Position (Deficit)* in the year of settlement. Medicare cost reports have been finalized through fiscal year 2018. Provisions for estimated retroactive adjustments for cost report years that have not been finalized have been provided, where applicable. The Hospital recorded a favorable adjustment \$2,356,520 in fiscal 2021, and an unfavorable adjustment of \$370,084 in fiscal 2020, respectively, due to prior year retroactive adjustments to amounts previously estimated and changes in estimates.

The healthcare industry is subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, governmental program participation, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. Violations of these laws and regulations could result in expulsion from government healthcare programs together with the imposition of significant fines and penalties, as well as repayment of patient services previously billed. Compliance with such laws and regulations can be subject to future government review and interpretation as well as significant regulatory action including fines, penalties, and exclusion from the Medicare and Medicaid programs unknown or unasserted at this time. As a result, there is at least a reasonable possibility that recorded estimates could change by a material amount in the near term. Management believes that the Hospital is in compliance with fraud and abuse statutes, as well as other applicable government laws and regulations, and that adequate provision has been made in the financial statements for any adjustments that may result from final settlements.

- Upper payment limit: On September 22, 2002, the amendment to the State Medicaid program to allow for supplemental Medicaid payments as provided under federal regulations, referred to as the Upper Payment Limit program (UPL), was approved by the Center for Medicare and Medicaid Services (CMS). Effective January 1, 2003, the amendment revised the State's plan to provide access to supplemental Medicaid payments up to 100% of the Medicare upper payment limits for inpatient hospital services rendered by public hospitals in the State to State Medicaid consumers. The State fiscal 2015 budget also included an expansion of the UPL program to outpatient services.

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(continued)**

These funds are distributed prospectively on a quarterly basis. Funding for the UPL program is generated through intergovernmental transfers and matching funds from the federal government. The gross amount recorded in net patient revenue for UPL and Indigent Accident Fund (IAF) was \$96,229,511 and \$78,837,659 in fiscal 2021 and 2020, respectively. As of June 30, 2021 and 2020, \$85,603,296 and \$11,191,521, respectively, were recorded as receivable.

- Disproportionate share: As a public health care provider, the Hospital renders services to residents of the County and others regardless of ability to pay. The Hospital is classified as a disproportionate share provider by the Medicare and Medicaid programs due to the volume of low-income patients it serves. Accordingly, the Hospital receives additional payments from these programs as a result of this status totaling \$65,405,579 and \$73,966,208 in fiscal 2021 and 2020, respectively, which are included in net patient revenue. As of June 30, 2021 and 2020, the Hospital has reserved approximately \$87,481,348 and \$102,192,749, respectively, for possible future adjustments, which is reflected in intergovernmental liabilities on the accompanying statements of net position (deficit). Normal estimation differences between final settlements and amounts accrued in previous periods are reflected in net patient revenues in the period of settlement. These estimation differences between final settlements and amounts previously accrued results in an increase of \$14,711,401 and a decrease of \$37,218,946, respectively, in net patient revenues during the year ended June 30, 2021 and 2020. Funding for the disproportionate share program is generated through intergovernmental transfers and matching funds from the federal government. The Hospital also provides major trauma services to the region, and the ability to continue these levels of service and programs is contingent upon the continuation of various funding sources.
- Other payers: The Hospital has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment under these agreements includes prospectively-determined rates-per-discharge, discounts from established charges, and prospectively-determined per diem rates.

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**1. Description of Reporting Entity and Summary of Significant Accounting Policies
(continued)**

The approximate percentage of gross patient revenues by major payer group for the fiscal years ended June 30 follows:

| | 2021 | 2020 |
|------------------------|-------|-------|
| Medicare | 28 % | 28 % |
| Medicaid, and self-pay | 43 | 44 |
| Commercial, HMO, PPO | 24 | 23 |
| Other | 5 | 5 |
| Total | 100 % | 100 % |

The provision for bad debts is based upon management's assessment of expected net collections considering economic conditions, historical experience, trends in health care coverage, and other collection indicators. Periodically throughout the year, management assesses the adequacy of the allowance for uncollectible accounts based upon historical write-off experience by payer category, including those amounts not covered by insurance. The results of this review are then used to make any modifications to the provision for bad debts to establish an appropriate allowance for uncollectible accounts. Extensive efforts are made to collect all amounts owed to the Hospital. Several avenues are pursued including direct collections efforts, assistance in finding pay sources, and assistance in compliance with the County's uninsured discount program. After satisfaction of amounts due from insurance and reasonable efforts to collect from the patient have been exhausted, the Hospital follows established guidelines for placing certain past-due patient balances with collection agencies, subject to the terms of certain restrictions on collection efforts as determined by the Hospital. These accounts are then followed up by collection agencies.

For receivables associated with services provided to patients who have third-party coverage, the Hospital analyzes contractually due amounts and provides an allowance for bad debts, allowance for contractual adjustments, provision for bad debts, and contractual adjustments on accounts for which the third-party payor has not yet paid or for payors who are known to be having financial difficulties that make the realization of amounts due unlikely. For receivables associated with self-pay patients or with balances remaining after the third-party coverage has already paid, the Hospital records a significant provision for bad debts in the period of services on the basis of its historical collections, which indicates that many patients ultimately do not pay the portion of their

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**1. Description of Reporting Entity and Summary of Significant Accounting Policies
(continued)**

bill for which they are financially responsible. The difference between the discounted rates and the amounts collected after all reasonable collection efforts have been exhausted is charged off against the allowance for bad debts. The change in the allowance for bad debts was as follows for the fiscal years ended June 30:

| | 2021 | 2020 |
|---------------------------|-------------------------|-------------------------|
| Reserve-Beginning Balance | \$ (116,761,520) | \$ (343,931,724) |
| Provision | (157,708,462) | (163,288,451) |
| Write-Offs | 164,474,911 | 392,734,413 |
| Bad Debt Recovery | (7,235,510) | (2,275,758) |
| Reserve-Ending Balance | <u>\$ (117,230,581)</u> | <u>\$ (116,761,520)</u> |

The Hospital grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payer arrangements. Significant concentrations of patient accounts receivable at June 30, 2021 and 2020 include:

| | 2021 | 2020 |
|------------------------|--------------|--------------|
| Medicare | 20 % | 17 % |
| Medicaid, and self-pay | 42 | 47 |
| Commercial, HMO, PPO | 28 | 24 |
| Other | 10 | 12 |
| Total | <u>100 %</u> | <u>100 %</u> |

Grants and Contributions

The Hospital receives financial assistance from federal agencies, the State, and the County, in the form of grants, as well as contributions from individuals and private organizations. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Revenues from grants and contributions (including contributions of capital assets) are recognized when all eligibility requirements, including time requirements are met. Grants and contributions may be restricted for either specific operating purposes or for capital purposes and are reported as other operating revenues.

Other such audits could be undertaken by federal and state granting agencies and result in the disallowance of claims and expenditures; however, in the opinion of management, any such

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(continued)**

disallowed claims or expenditures will not have a material effect on the overall financial position of the Hospital.

Defined Benefit Plan

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Employees' Retirement System of Nevada (NVPERS) and additions to/deductions from NVPERS fiduciary net position have been determined on the same basis as they are reported by NVPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Concentrations of Credit and Economic Risks and Uncertainties

Financial instruments that potentially subject the Hospital to concentrations of credit risk consist principally of cash and cash equivalents, patient accounts receivable, and investments.

The Hospital's cash and cash equivalents on deposit with financial institutions, including cash and cash equivalents in the custody of the Treasurer or a fiscal agent, are often in excess of federally insured limits, and the risk of losses related to such concentrations may be increasing as a result of continuing economic conditions including, but not limited to, weakness in the commercial and investment banking systems. The extent of a future loss, if any, to be sustained as a result of uninsured deposits in the event of a future failure of a financial institution; however, is not subject to estimation at this time.

Concentration of credit risk relating to patient accounts receivable is limited to some extent by the diversity and number of the Hospital's patients and payers. Patient accounts receivable consist of amounts due from government programs, commercial insurance companies, private pay patients, and other group insurance programs. One payer source, self-pay, comprises approximately 17% and 23% of gross patient accounts receivable at June 30, 2021 and 2020, respectively. The Hospital maintains an allowance for losses based on the expected collectability of patient accounts receivable.

Because the Hospital operates in the health care industry exclusively in southern Nevada, realization of its receivables, inventories, and its future operations could be affected by adverse economic conditions in the area. In addition, the Hospital receives the majority of its supplies

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**1. Description of Reporting Entity and Summary of Significant Accounting Policies
(continued)**

from a limited number of suppliers and any reduction or interruption of such sources could adversely affect future operations. The majority of the Hospital's employees are covered by collective bargaining agreements entered into with the Service Employee International Union (SEIU) and the International Union of Operating Engineers (IUOE). The SEIU updated contract was ratified, effective on November 3, 2020 and will expire on June 30, 2024. The IUOE contract was updated and ratified on April 13, 2017, and was retroactively effective on July 1, 2016. The IUOE contract expired on June 30, 2020, however the Hospital and the IUOE are currently in negotiations to update the contract.

Subsequent Events

The Hospital evaluates the impact of subsequent events, which are events that occur after the statement of net position (deficit) date but before the financial statements are issued, for potential recognition in the financial statements as of the statement of net position date. For the year ended June 30, 2021, the Hospital evaluated subsequent events through December 8, 2021, representing the date the accompanying audited financial statements were issued. During this period the Hospital determined there were no subsequent events that needed to be disclosed.

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2. Recent Accounting Pronouncements

The GASB has recently issued the following statements, which the Hospital is assessing the impact of the implementation, if any, on its financial statements.

Statement No. 87, *Leases*

- This standard will require recognition of certain lease assets and liabilities for leases that are currently classified as operating leases.
- Eliminates the distinction between operating and capital leases - all leases will be recorded on the statement of net position/balance sheet.
- New definition of a lease - a contract that conveys the right to use another entity's nonfinancial asset for a period of time in an exchange or exchange-like transaction.
- Excludes leases that transfer ownership under a bargain purchase option or service concession arrangements that are covered by GASB Statement No. 60.
- Lessees would recognize a lease liability and an intangible right-to-use lease asset which would be amortized in a systematic and reasonable manner over the shorter of the lease term or the useful life of the underlying asset. Short-term leases are excluded.
- Lessors would recognize lease receivable and deferred inflow of resources which would be recognized as revenue in a systematic and rational manner over the term of the lease.
- The pronouncement will be effective starting with year ending June 30, 2022, and Management is still evaluating the impact of this Statement.

Statement No. 89, *Accounting for Interest Cost during Period of Construction*

- In financial statements using the economic resources measurement focus, interest incurred during construction should be recognized as an expense of the period.
- In financial statements using the current financial resources measurement focus, interest incurred during construction should be recognized as an expenditure.
- Interest cost should not be capitalized.
- Interest does not meet the definition of an asset or a deferred outflow.
- Expected effective date: Year ending June 30, 2022, and Management is still evaluating the impact of this Statement.

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2. Recent Accounting Pronouncements (continued)

Statement No. 91, *Conduit debt obligations*

- This standard will provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures.
- A conduit debt obligation is defined as a debt instrument having all of the following characteristics:
 - There are at least three parties involved: (1) an issuer, (2) a third-party obligor, and (3) a debt holder or a debt trustee.
 - The issuer and the third-party obligor are not within the same financial reporting entity.
 - The debt obligation is not a parity bond of the issuer, nor is it cross-collateralized with other debt of the issuer.
 - The third-party obligor or its agent, not the issuer, ultimately receives the proceeds from the debt issuance.
 - The third-party obligor, not the issuer, is primarily obligated for the payment of all amounts associated with the debt obligation (debt service payments).
- All conduit debt obligations involve the issuer making a limited commitment.
- An issuer should not recognize a conduit debt obligation as a liability. However, an issuer should recognize a liability associated with an additional commitment or a voluntary commitment to support debt service if certain recognition criteria are met.
- This statement also addresses arrangements-often characterized as leases-that are associated with conduit debt obligations.
- This statement requires issuers to disclose general information about their conduit debt obligations.
- Expected effective date: Year ending June 30, 2023, and Management is still evaluating the impact of this Statement.

GASB Statement No. 94, *Public-private and Public-public partnerships and availability payment arrangements*

- This statement will improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs).

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2. Recent Accounting Pronouncements (continued)

- A PPP is an arrangement in which a government contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction.
- Some PPPs meet the definition of a service concession arrangement (SCA), which is a PPP in which (1) The operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement.
- This statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). An APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction.
- This Statement is effective for reporting periods beginning after June 15, 2022 which will be the Hospital's fiscal year ending June 30, 2023. Management is still evaluating the impact of this Statement.

GASB Statement No. 96, *Subscription-Based information Technology Arrangements*

- This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments).
- A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.
- A government generally should recognize a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability.

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2. Recent Accounting Pronouncements (continued)

- Activities associated with a SBITA, other than making subscription payments, should be grouped into the following three stages, and their costs should be accounted for accordingly: (1) Preliminary Project Stage, including activities such as evaluating alternatives, determining needed technology, and selecting a SBITA vendor. Outlays in this stage should be expensed as incurred; (2) Initial Implementation Stage, including all ancillary charges necessary to place the subscription asset into service. Outlays in this stage generally should be capitalized as an addition to the subscription asset; (3) Operation and Additional Implementation Stage, including activities such as subsequent implementation activities, maintenance, and other activities for a government's ongoing operations related to a SBITA. Outlays in this stage should be expensed as incurred unless they meet specific capitalization criteria. If a SBITA contract contains multiple components, a government should account for each component as a separate SBITA or nonsubscription component and allocate the contract price to the different components.
- This Statement provides an exception for short-term SBITAs, those having a maximum possible term of 12 months (or less), including any options to extend, regardless of their probability of being exercised. These SBITAs should be recognized as outflows of resources.
- This Statement requires a government to disclose descriptive information about its SBITAs other than short-term SBITAs, such as the amount of the subscription asset, accumulated amortization, other payments not included in the measurement of a subscription liability, principal and interest requirements for the subscription liability, and other essential information.
- This Statement is effective for reporting periods beginning after June 15, 2022 which will be the Hospital's fiscal year ending June 30, 2023. Management is still evaluating the impact of this Statement.

GASB Statement No. 97, Certain component unit criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans

- This Statement (1) requires that a Section 457 plan be classified as either a pension plan or an other employee benefit plan depending on whether the plan meets the definition of a pension plan and (2) clarifies that Statement 84, as amended, should be applied to all arrangements organized under IRC Section 457 to determine whether those arrangements should be reported as fiduciary activities.

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2. Recent Accounting Pronouncements (continued)

- This Statement supersedes the remaining provisions of Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, as amended, regarding investment valuation requirements for Section 457 plans. As a result, investments of all Section 457 plans should be measured as of the end of the plan's reporting period in all circumstances.
- This Statement is effective for reporting periods beginning after December 15, 2021 which will be the Hospital's fiscal year ending June 30, 2023. The Hospital participates in a State Pension Plan and Management has determined there is no impact of this Statement.

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3. Cash, Cash Equivalents, and Investments

Substantially all cash (including cash equivalents) and investments of the Hospital are under control of the Treasurer and are included in the Treasurer's investment pool. The Hospital's cash and investments generally are reported at fair value, as discussed in note 1. As of June 30, 2021 and 2020, these amounts were as follows:

| | 2021 | 2020 |
|------------------------------|-----------------------|-----------------------|
| Clark County investment pool | \$ 220,356,087 | \$ 265,484,605 |
| Cash on hand | 16,600 | 17,200 |
| Total cash and investments | <u>\$ 220,372,687</u> | <u>\$ 265,501,805</u> |

The Treasurer invests monies held both by individual funds and through a pooling of monies. The pooled monies, referred to as the investment pool, are invested as a whole and not as a combination of monies from each fund belonging to the pool. In this manner, the Treasurer is able to invest the monies at a higher interest rate for a longer period of time. Interest is apportioned monthly to each fund in the pool based on the average daily cash balance of the fund for the month.

According to Statutes, County monies must be deposited with federally insured banks, credit unions, or savings and loan associations within the County. The Treasurer is authorized to use demand accounts, time accounts, and certificates of deposit. Statutes do not specifically require collateral for demand deposits, but do specify that collateral for time deposits may be of the same type as those described for permissible investments. Permissible investments are similar to allowable County investments described below, except that statutes permit a longer term and include securities issued by municipalities within Nevada. The County's deposits are fully covered by federal depository insurance or collateral held by the County's agent in the County's name. The County has written custodial agreements with the various financial institutions' trust banks for demand deposits and certificates of deposit. These custodial agreements pledge securities totaling 102% of the deposits with each financial institution. The County has a written agreement with the State Treasurer for monitoring the collateral maintained by the County's depository institutions.

Due to the nature of the investment pool, it is not possible to separately identify any specific investment as being that of the Hospital. It is not feasible to allocate the level of risk to the various component units of the County, including the Hospital, due to the co-mingling of assets in the investment pool. Details on the County investment policies including the level of risk are included in the Clark County Annual Comprehensive Financial Report. Instead, the Hospital owns a proportionate share of each investment, based on the Hospital's participation percentage in the investment pool. As of June 30, 2021 and 2020, \$220,356,087 and \$265,484,605, respectively, of Hospital investments in the investment pool were as follows:

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NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020

3. Cash, Cash Equivalents, and Investments (continued)

| Investment Type | 2021 | | 2020 | |
|------------------------------------|----------------|----------------------|----------------|----------------------|
| | Allocation | Duration in Years | Allocation | Duration in Years |
| U.S. Agencies | 40.14% | 2.89 | 32.93% | 3.84 |
| U.S. Treasury Obligations | 27.81% | 2.33 | 21.66% | 1.46 |
| Corporate Notes | 15.87% | 2.35 | 19.15% | 2.18 |
| Negotiable Certificates of Deposit | 5.73% | 0.70 | 9.78% | 0.53 |
| Asset-Backed Securities | 4.14% | 3.28 | 4.82% | 4.04 |
| Commercial Paper Discounts | 3.63% | 0.18 | 11.10% | 0.18 |
| Money Market Funds | 2.68% | - | 0.35% | - |
| Agency CMOs | 0.00% | - | 0.21% | 5.08 |
| | <u>100.00%</u> | | <u>100.00%</u> | |
| Average Portfolio Duration | | <u>2.22</u> | | <u>2.09</u> |

Credit Risk

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The County's investment policy applies a prudent-person rule, which is: "In investing the County's monies, there shall be exercised the judgment and care under the circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

As of June 30, 2021 and 2020, the County's investments were rated by Standard and Poor's and Moody's Investors Service, respectively, as follows:

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NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020

3. Cash, Cash Equivalents, and Investments (continued)

| | <u>2021</u> | <u>2020</u> |
|--------------------------------------|---------------------------|---------------------------------|
| U.S. Treasury Obligations | A-1+,AA+/Aaa,P-1 | AA+/Aaa |
| Bonds of U.S. Agencies | AA+/Aaa, Unrated (1) | A-1+, AA+/Aaa, P-1, Unrated (1) |
| Corporate Obligations | BBB+,A- to AAA/Aaa, Aa, A | BBB+,A- to AAA/Aaa, Aa, A |
| Commercial Paper Discounts | A-1, A-1+/P-1 | A-1, A-1+, A-2/P-1, P-2 |
| Negotiable Certificates of Deposit | A-1, A-1+/P-1 | A-1, A-1+/P-1 |
| Money Market Mutual Funds | AAA/Aaa | AAA/Aaa |
| Asset-Backed Securities | AAA/Aaa, Unrated (2) | AAA/Aaa, Unrated (2) |
| Agency CMOs | n/a | AA+/Aaa |
| Collateralized Investment Agreements | (3) | (3) |
| Discount Notes of U.S. Agencies | A-1+/P-1 | A-1+/P-1 |
| Corporate Notes | (4) | (4) |

(1) Unrated U.S. federal agency securities are Farmer Mac securities not rated by either Moody's or Standard & Poor's

(2) Unrated asset backed securities are rated AAA by Standard & Poor's

(3) Issued by insurance companies rated AA/Aa2, or its equivalent, or higher, or issued by entities rated A/A2, or its equivalent, or higher

(4) Issued by insurance companies rated AA-/Aa1, or its equivalent, or higher, or issued by entities rated A/A2,

The County investments in U.S. Treasury obligations carry no measurable credit risk because they are backed by the U.S. federal government. The State Investment Pool does not have a credit rating.

Concentration of Credit Risk

Concentration of credit risk is defined as the risk of loss attributed to the magnitude of a government's investment in a single issuer. The County's investment policy limits the amount that may be invested in obligations of any one issuer, except direct obligations of the U.S. government or federal agencies, to be no more than 5% of the County investment pool. At June 30, 2021 and 2020, the following investments exceeded 5% of the investment pool:

| | <u>2021</u> | | <u>2020</u> |
|--|-------------|---|-------------|
| U.S.Treasury obligations | 27.81 | % | 21.66 |
| Federal Home Loan Mortgage Corporation (FHLMC) | 10.92 | | 12.97 |
| Federal Home Loan Bank (FHLB) | 8.77 | | 7.35 |
| Federal National Mortgage Association (FNMA) | 8.29 | | 4.44 |
| Federal Farm Credit Bank (FFCB) | 6.27 | | 8.39 |

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NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020

3. Cash, Cash Equivalents, and Investments (continued)

Interest Rate Risk

Interest rate risk is defined as the risk that changes in interest rates will adversely affect the fair value of an investment. Through its investment policy, the County manages its exposure to fair value losses arising from increasing interest rates by limiting the weighted average duration of its investment portfolio to less than 2.5 years. Duration is a measure of the present value of a fixed income's cash flows and is used to estimate the sensitivity of a security's price to interest rate changes. Accordingly, the County's investment policy limits investment portfolio maturities for certain investment instruments as follows: U.S. Treasury and U.S. agencies to less than ten years; bankers' acceptances to 180 days; commercial paper to 270 days; certificates of deposit to one year; corporate notes and bonds to five years; and repurchase agreements to 90 days.

Interest Rate Sensitivity

At June 30, 2021 and 2020, the County invested in the following types of securities that have a higher sensitivity to interest rates, which represented 13% and 13%, respectively, of total investment securities.

- Callable securities are directly affected by the movement of interest rates. Callable securities allow the issuer to redeem or call a security before maturity, generally on coupon dates.
- Step-up/step-down securities have fixed rate coupons for a specific time interval that will step-up or step-down a predetermined number of basis points at scheduled coupon or other reset dates. These securities are callable one time or on their coupon dates.
- Fix-to-floating rate notes have fixed rate coupons for a specified period of time, then a variable rate coupon for the remaining life of the security. The variable rate is generally based on the three-month LIBOR plus 125 basis points. In some cases, interest rate caps are reset higher annually. These securities are callable, generally on their coupon dates.
- CPI floaters have variable rate coupons based on the Consumer Price Index Year-Over-Year index plus 114 basis points. This rate resets and pays a coupon monthly.
- Range notes have fixed rate coupons based on the three-month LIBOR staying within a range for a time period, generally one year. If the three-month LIBOR is within the predetermined range for a specified time period, the coupon rate is reset at a higher rate at periodic intervals. If the three-month LIBOR is out of the predetermined range, then coupon rate is reset to a floor rate of 1%. These securities are also callable on their coupon dates.

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NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020

4. Other Receivables, Net

The Hospital has agreements with third-party payers that provide for payment of amounts different from established rates. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods, as final settlements are determined. See Note 1, *Net Patient Revenue, Accounts Receivable, and Allowance for Uncollectible Accounts* for additional information. A summary of other receivables, net at June 30, follows:

| | 2021 | 2020 |
|-------------------------|----------------------|----------------------|
| Third-party settlements | \$ - | \$ 918,634 |
| Other (a) | 12,274,436 | 24,233,711 |
| | <u>\$ 12,274,436</u> | <u>\$ 25,152,345</u> |

(a) Other includes \$9 million County contribution receivable in fiscal 2020.

5. Internally Designated Assets

The Hospital's internally designated assets consist of the following as of June 30:

| | 2021 | 2020 |
|---------------------------|-----------------------|-----------------------|
| Self-insurance funds | \$ 15,844,640 | \$ 15,110,004 |
| Debt service funds | 6,503,226 | 6,509,619 |
| Capital acquisition funds | 86,493,154 | 92,564,180 |
| | <u>\$ 108,841,020</u> | <u>\$ 114,183,802</u> |

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
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NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020

6. Capital Assets

Capital asset additions, retirements, and balances for the fiscal years ended June 30, 2021 and 2020, were as follows:

| <u>2021</u> | Beginning Balance | Additions | Retirements/ Transfers | Ending Balance |
|--|----------------------|--------------|---------------------------|-------------------|
| Nondepreciable capital assets: | | | | |
| Land | \$ 10,204,997 | \$ - | \$ - | \$ 10,204,997 |
| Construction in progress | 18,620,955 | 5,701,283 | (3,442,899) | 20,879,339 |
| Total nondepreciable capital assets | 28,825,952 | 5,701,283 | (3,442,899) | 31,084,336 |
| Depreciable capital assets: | | | | |
| Land improvements | 4,790,912 | - | - | 4,790,912 |
| Buildings and building improvements | 224,940,012 | 3,674,674 | - | 228,614,686 |
| Equipment | 257,338,864 | 16,884,542 | (64,768) | 274,158,639 |
| Furnitures and fixtures | 5,812,373 | 1,278,482 | - | 7,090,854 |
| Infrastructure | 1,412,207 | 69,013 | - | 1,481,220 |
| LVA-IT Hardware | 143,391 | - | - | 143,391 |
| Fixed Assets - Conversion (System) | (133,813) | - | (123,506) | (257,319) |
| Total depreciable capital assets | 494,303,946 | 21,906,711 | (188,274) | 516,022,383 |
| Less accumulated depreciation and amortization: | | | | |
| Land improvements | (3,265,223) | (148,375) | | (3,413,597) |
| Buildings and building improvements | (119,073,089) | (5,349,234) | | (124,422,324) |
| Equipment | (193,445,251) | (17,935,637) | 3,240 | (211,377,648) |
| Furnitures and fixtures | (3,026,233) | (677,346) | | (3,703,579) |
| Infrastructure | (267,349) | (86,599) | | (353,948) |
| LVA-IT Hardware | (143,391) | | | (143,391) |
| | (319,220,535) | (24,197,191) | 3,240 | (343,414,486) |
| Total depreciable capital assets, net | 175,083,411 | (2,290,480) | (185,034) | 172,607,897 |
| Total capital assets, net | \$ 203,909,362 | \$ 3,410,803 | \$ (3,627,933) | \$ 203,692,233 |

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(A COMPONENT UNIT OF CLARK COUNTY, NEVADA)

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020

6. Capital Assets (continued)

| <u>2020</u> | Beginning Balance | Additions | Retirements/ Transfers | Ending Balance |
|--|----------------------|--------------|---------------------------|-------------------|
| Nondepreciable capital assets: | | | | |
| Land | \$ 10,204,997 | \$ - | \$ - | \$ 10,204,997 |
| Construction in progress | 12,960,927 | 8,045,745 | (2,385,717) | 18,620,955 |
| Total nondepreciable capital assets | 23,165,924 | 8,045,745 | (2,385,717) | 28,825,952 |
| Depreciable capital assets: | | | | |
| Land improvements | 4,790,912 | - | - | 4,790,912 |
| Buildings and building improvements | 222,496,395 | 2,443,617 | - | 224,940,012 |
| Equipment | 246,562,852 | 10,784,655 | (8,643) | 257,338,864 |
| Furnitures and fixtures | 4,852,830 | 959,543 | - | 5,812,373 |
| Infrastructure | 1,412,207 | - | - | 1,412,207 |
| LVA-IT Hardware | 143,391 | - | - | 143,391 |
| Fixed Assets - Conversion (System) | (10,293) | - | (123,520) | (133,813) |
| Total depreciable capital assets | 480,248,294 | 14,187,815 | (132,163) | 494,303,946 |
| Less accumulated depreciation and amortization: | | | | |
| Land improvements | (3,116,848) | (148,375) | | (3,265,223) |
| Buildings and building improvements | (113,698,953) | (5,374,136) | | (119,073,089) |
| Equipment | (176,944,031) | (16,509,863) | 8,643 | (193,445,251) |
| Furnitures and fixtures | (2,591,420) | (434,813) | | (3,026,233) |
| Infrastructure | (196,086) | (71,263) | | (267,349) |
| LVA-IT Hardware | (143,391) | | | (143,391) |
| | (296,690,729) | (22,538,449) | 8,643 | (319,220,535) |
| Total depreciable capital assets, net | 183,557,565 | (8,350,634) | (123,520) | 175,083,411 |
| Total capital assets, net | \$ 206,723,489 | \$ (304,890) | \$ (2,509,237) | \$ 203,909,362 |

Capitalized interest is part of the cost of buildings and building improvements and construction in progress. No capitalized interest was recorded for fiscal 2021 and 2020.

Estimated costs to complete the construction in progress are approximately \$2.4 million as of June 30, 2021.

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NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020

7. Long-term Debt

The Hospital's long-term debt consists of the following as of June 30:

| | | 2021 | | | | |
|------------------------------|---|----------------------|-----------|-------------------------|----------------------|------------------------|
| | | Beginning Balance | Additions | Payments/ Reductions | Ending Balance | Due Within One Year |
| Clark County, Nevada General | | | | | | |
| | Obligation Hospital Refunding Bonds, Series 2013 | \$ 25,090,000 | \$ - | \$ (5,985,000) | \$ 19,105,000 | \$ 6,170,000 |
| Clark County, Nevada General | | | | | | |
| | Obligation Hospital Refunding Bonds, Series 2014 | | | | - | - |
| | | 25,090,000 | - | (5,985,000) | 19,105,000 | 6,170,000 |
| Long-term debt | | <u>\$ 25,090,000</u> | <u>-</u> | <u>\$ (5,985,000)</u> | <u>\$ 19,105,000</u> | <u>\$ 6,170,000</u> |

| | | 2020 | | | | |
|------------------------------|---|----------------------|-----------|-------------------------|----------------------|------------------------|
| | | Beginning Balance | Additions | Payments/ Reductions | Ending Balance | Due Within One Year |
| Clark County, Nevada General | | | | | | |
| | Obligation Hospital Refunding Bonds, Series 2013 | \$ 25,265,000 | \$ - | \$ (175,000) | \$ 25,090,000 | \$ 5,985,000 |
| Clark County, Nevada General | | | | | | |
| | Obligation Hospital Refunding Bonds, Series 2014 | 6,051,000 | - | (6,051,000) | - | - |
| | | 31,316,000 | - | (6,226,000) | 25,090,000 | 5,985,000 |
| Long-term debt | | <u>\$ 31,316,000</u> | <u>-</u> | <u>\$ (6,226,000)</u> | <u>\$ 25,090,000</u> | <u>\$ 5,985,000</u> |

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
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NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020

7. Long-term Debt (continued)

On July 28, 2005, Clark County, Nevada issued \$48,390,000 in General Obligation (Limited Tax) Hospital Refunding Bonds (the 2005 Bonds) with interest rates of 4.0% to 5.0%, which are collateralized with pledged gross revenues. The proceeds of the bonds were used to: (i) refund \$47,875,000 aggregate principal amount of the County's General Obligation (Limited Tax) Hospital Bonds, Series 2000; and (ii) pay the costs of issuing the 2005 Bonds. As a result, the previously outstanding refunded bonds are considered to be defeased and the liabilities for those bonds have been extinguished with the exception of \$8,750,000 left outstanding. The aggregate difference in debt service between the refunded debt and the refunding debt was \$3,867,842. As a result of the advance refunding, the Hospital reduced its total debt service requirements by \$3,870,776 which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$2,883,595. The 2005 Bonds were sold at a premium of \$4,338,966. In addition, the issuance of the 2005 Bonds resulted in a loss on defeasance of \$4,738,038. Both the loss on defeasance and the premium are being amortized over the life of the new bonds. Principal and interest for the 2005 Bonds is due semiannually on March 1st and September 1st. All required payments on the bonds are guaranteed by Clark County, Nevada in the event that the Hospital is unable to make required payments. This Bond was refunded completely on December 1, 2014 by the Clark County, Nevada General Obligation Refunding Bonds, Series 2014.

On September 9, 2013, Clark County, Nevada issued \$26,065,000 in General Obligation (Limited Tax) Hospital Refunding Bonds (the 2013 Bonds) with an interest rate of 3.10%, which are collateralized with pledge gross revenues. The proceeds of the bonds were used to: (i) refund \$8,585,000 aggregate principle amount of the County's General Obligation Hospital Improvement and Refunding Bonds, Series 2003; (ii) refund \$17,920,000 aggregate principle amount of the County's General Obligation Hospital Refunding Bonds, Series 2007; (iii) pay the cost of issuing the 2013 Bonds. As a result, the previously outstanding refunded bonds are considered to be defeased and the liabilities for those bonds have been extinguished. The aggregate difference in debt service between the refunded debt and the refunding debt was \$125,000. As a result of the advance refunding, the Hospital reduced its total debt service requirements by \$2,884,644 which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$2,455,999. The issuance of the 2013 Bonds resulted in a deferred loss of \$513,998, which will be amortized over the life of the new bonds. Principal and interest of the 2013 Bonds are due semiannually on March 1st and September 1st. All required payments on the bonds are guaranteed by Clark County, Nevada in the event that the Hospital is unable to make required payments. The Bonds mature in fiscal 2024.

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NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020

7. Long-term Debt (continued)

On December 1, 2014 Clark County, Nevada issued a \$29,374,000 in General Obligation (Limited Tax) Hospital Refunding Bonds (the 2014 Bonds) with an interest rate of 2%, which are collateralized with pledge gross revenues. The proceeds of the bonds were used to: (i) refund \$28,910,000 aggregate principle amount of the County's General Obligation Hospital Refunding Bonds, Series 2005; (ii) pay the cost of issuing the 2014 Bonds. As a result, the previously outstanding refunding bonds are considered to be defeased and the liabilities for those bonds have been extinguished. The aggregate difference in debt service between the refunded debt and the refunding debt was \$464,000. As a result of the advance refunding, the Hospital reduced its total debt service requirements by \$2,928,894, which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$2,813,256. The issuance of the 2014 Bonds resulted in a deferred loss of \$515,036, which will be amortized over the life of the new bonds. Principal and interest of the 2014 Bonds are due semiannually on March 1st and September 1st. All required payments on the bonds are guaranteed by Clark County, Nevada in the event the Hospital is unable to make required payments. The Bonds matured in fiscal 2020 and were paid off.

The Hospital's general obligation bond ordinances contain the usual and customary covenants associated with such bonds. Management believes it is in compliance with all such covenants.

The Tax Reform Act of 1986 imposes an arbitrage rebate requirement with respect to bonds issued by the County. Under this act, an amount may be required to be rebated to the United States Treasury, so that all interest on the bonds qualifies for exclusion from gross income for federal income tax purposes. The Hospital is current on all required arbitrage payments. As of June 30, 2021 and 2020, there is no estimated potential arbitrage liability.

Scheduled principal and interest payments required to maturity on long-term debt at June 30, 2021, were as follows:

| | Principal | Interest | Total |
|------|----------------------|-------------------|----------------------|
| 2022 | 6,170,000 | 496,620 | 6,666,620 |
| 2023 | 6,370,000 | 302,250 | 6,672,250 |
| 2024 | 6,565,000 | 101,758 | 6,666,758 |
| | <u>\$ 19,105,000</u> | <u>\$ 900,628</u> | <u>\$ 20,005,628</u> |

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(A COMPONENT UNIT OF CLARK COUNTY, NEVADA)

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020

8. Other long-term Liabilities

Leases

The Hospital has operating leases primarily consisting of real property leases for off-campus outpatient clinic and business office facilities as well as medical and office equipment used in Hospital operations. Certain property leases contain initial and renewal terms providing for predetermined inflation factors for fixed rents. In addition, several property leases require the Hospital to pay other occupancy costs such as common area maintenance and utilities.

Total rent expense under all leases was \$8,688,230 and \$7,972,704 in fiscal 2021 and 2020, respectively. Subject to the following paragraph, minimum rental commitments under operating leases extending beyond June 30, 2021, were as follows:

| | | |
|----------------|----|-------------------|
| FY 2022 | \$ | 6,097,060 |
| FY 2023 | | 4,996,639 |
| FY 2024 | | 3,547,291 |
| FY 2025 | | 3,207,872 |
| FY 2026 | | 1,116,338 |
| FY 2027 - 2029 | | 1,075,839 |
| Grand total | \$ | <u>20,041,039</u> |

In the Hospital's lease agreements, there is a "fiscal fund out clause." Under the "fiscal fund out clause," the respective agreement shall terminate and the Hospital's obligations under it shall be extinguished at the end of any of the Hospital's fiscal years in which the 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 the agreement. The Hospital agrees that the "fiscal fund out clause" shall not be utilized as a subterfuge or in a discriminatory fashion as it relates to lease agreements. In the event this section is invoked, the lease agreements will expire on June 30 of the then current fiscal year. Termination under this section shall not relieve the Hospital of its obligations incurred through June 30 of the fiscal year for which monies were appropriated.

Liability Insurance

The Hospital is exposed to various risks of loss related to theft of, damage to and destruction of assets, errors and omissions, injuries to employees and patients, and natural disasters. These risks are covered by the Hospital's self-insured professional and general liability insurance policy, commercial insurance purchased from independent third parties, and the County's worker's compensation program. Settled claims have not exceeded commercial insurance coverage in any of the past three fiscal years.

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NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020

8. Other long-term Liabilities (continued)

On January 20, 1987, the Board approved self-insured professional and general liability and workers' compensation insurance programs. In lieu of maintaining insurance coverage, the Board created the professional and general liability fund and the workers' compensation fund. The Hospital has accrued an undiscounted liability for estimated future settlements and claims losses for professional liability, general liability, and workers' compensation using its best estimate of these losses in accordance with actuarially determined amounts. Included in internally designated restricted assets, the Hospital has funded \$15,844,640 and \$15,110,003 at June 30, 2021 and 2020, of the accrued liability of \$12,285,224 and \$12,220,368, respectively. In the opinion of management, there are no claims or lawsuits asserted or unasserted that would not be adequately covered by insurance and/or the professional and general liability accrual.

A summary of changes in the self-insurance liability during fiscal 2021 and 2020 were as follows:

2021

| | Beginning Balance | Claims Incurred/ Changes in Estimates | Claims Paid | Ending Balance | Due Within One Year |
|------------------------|----------------------|--|-----------------------|----------------------|------------------------|
| Professional liability | \$ 12,220,368 | \$ 469,617 | \$ (404,761) | \$ 12,285,224 | \$ 2,985,561 |
| Workers' compensation | 5,966,648 | 2,410,489 | (1,619,425) | 6,757,712 | 5,345,712 |
| | <u>\$ 18,187,016</u> | <u>\$ 2,880,106</u> | <u>\$ (2,024,186)</u> | <u>\$ 19,042,936</u> | <u>\$ 8,331,273</u> |

2020

| | Beginning Balance | Claims Incurred/ Changes in Estimates | Claims Paid | Ending Balance | Due Within One Year |
|------------------------|----------------------|--|-----------------------|----------------------|------------------------|
| Professional liability | \$ 10,706,601 | \$ 1,682,424 | \$ (168,657) | \$ 12,220,368 | \$ 3,612,850 |
| Workers' compensation | 4,689,954 | 3,284,340 | (2,007,646) | 5,966,648 | 4,554,648 |
| | <u>\$ 15,396,555</u> | <u>\$ 4,966,764</u> | <u>\$ (2,176,303)</u> | <u>\$ 18,187,016</u> | <u>\$ 8,167,498</u> |

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
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NOTES TO BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020

9. Related Party Transactions

The Hospital receives payments from the County under a contractual arrangement to provide care for qualifying indigent and emergency care. For the years ended June 30, 2021 and 2020, the Hospital received \$2,471,943 and \$2,822,249, respectively, for such care. Amounts received for qualifying indigent and emergency care are included in net patient revenues in the fiscal year the services are rendered.

The County charges for legal and financial services provided to the Hospital. The Hospital recorded costs of \$814,959 and \$814,325 for these services during fiscal 2021 and 2020, respectively. At June 30, 2021 and 2020, there were no non-interest bearing amounts due to the County for such services.

The Hospital is billed by the County for its portion of self-insurance premiums for health, dental, and vision insurance. Since the Hospital is affiliated with the County, this liability is reported in the due to related party line on the statement of net position.

A summary of changes in related party liability balances during fiscal 2021 and 2020 follows:

| <u>2021</u> | Beginning Balance | Additions | Reductions | Ending Balance |
|------------------------------------|----------------------|----------------------|------------------------|---------------------|
| Current liabilities | | | | |
| Clark County Worker's Compensation | \$ 1,134,552 | \$ 2,444,101 | \$ (3,000,000) | \$ 578,653 |
| Clark County Automotive | 2,606 | 70,280 | (70,486) | 2,400 |
| Clark County Enterprise/Physical | (20,917) | 106,460 | (95,667) | (10,124) |
| Clark County Treasurer | (137,253) | 150,584 | (152,204) | (138,873) |
| Clark County Self -Funded | 3,898,211 | 28,399,231 | (26,219,101) | 6,078,341 |
| | <u>\$ 4,877,199</u> | <u>\$ 31,170,656</u> | <u>\$ (29,537,458)</u> | <u>\$ 6,510,397</u> |

| <u>2020</u> | Beginning Balance | Additions | Reductions | Ending Balance |
|------------------------------------|----------------------|----------------------|------------------------|---------------------|
| Current liabilities | | | | |
| Clark County Worker's Compensation | \$ 1,322,124 | \$ 2,812,428 | \$ (3,000,000) | \$ 1,134,552 |
| Clark County Automotive | - | 62,104 | (59,498) | 2,606 |
| Clark County Enterprise/Physical | 205,243 | 101,134 | (327,295) | (20,917) |
| Clark County Treasurer | 531 | 141,283 | (279,066) | (137,253) |
| Clark County Self -Funded | 1,836,995 | 27,940,148 | (25,878,932) | 3,898,211 |
| | <u>\$ 3,364,893</u> | <u>\$ 31,057,097</u> | <u>\$ (29,544,791)</u> | <u>\$ 4,877,200</u> |

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(A COMPONENT UNIT OF CLARK COUNTY, NEVADA)

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020

10. Employee Benefits Plans

Retirement Plan

Substantially all of the Hospital's employees are participants in a retirement plan (the Plan) that is part of the Public Employees' Retirement System (PERS) for public employees in the State. The Plan was established on July 1, 1948, by the Legislature and is governed by the Public Employees' Retirement Board whose seven members are appointed by the Governor. All public employees who meet certain eligibility requirements may participate in the Plan. The Plan is a cost sharing, multiple-employer, defined benefit plan of PERS.

The Hospital does not exercise any control over the Plan and NRS 286.110 states, "Respective participating public employers are not liable for any obligation of the system." Benefits, as required by State Statute, are determined by the number of years of credited service at the time of retirement and the participants' highest average compensation in any 36 consecutive months. Benefit payments to which participants may be entitled under the Plan include pension benefits, disability benefits, and death benefits.

Monthly benefit allowances for regular participants are computed at 2.25% (on or after July 1, 2015), 2.5% (January 1, 2010 – June 30, 2015), 2.67% (July 1, 2001 – December 31, 2009), and 2.5% (prior to July 1, 2001) of average compensation (average of 36 consecutive months of highest compensation) for each credited year of service prior to retirement up to a maximum of 90% of the average compensation for employees entering the system prior to July 1, 1985, and 75% for those entering after that date. The Plan offers several alternatives to the unmodified service retirement benefit which, in general, allows the retired employee to accept a reduced service retirement benefit payable monthly during the employee's life and various optional monthly payments to a named beneficiary after the employee's death. Regular members entering the system prior to January 1, 2010 are eligible for retirement benefits at age 65 with 5 years of service, at age 60 with 10 years of service or at any age with 30 years of service. Regular members entering the system on or after January 1, 2010 are eligible for retirement benefits at age 65 with 5 years of service, or age 62 with 10 years of service or at any age with 30 years of service. Regular members entering the system on or after July 1, 2015 are eligible for retirement benefits at age 65 with 5 years of service, at age 62 with 10 years of service or at age 55 with 30 years of service or at any age with 33 1/3 years of service.

NRS 286.410 establishes the required contribution rates and provides for yearly increases until such time as the actuarially determined unfunded liability of the Plan is reduced to zero. The Hospital is obligated to contribute all amounts due under the Plan. The contribution rate, based on covered payroll, was 29.25%, 29.25% and 28% for each of three years ended June 30, 2021, 2020, and 2019, respectively.

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NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020

10. Employee Benefits Plans (continued)

The Hospital's contributions to the Plan for the years ended June 30, 2021, 2020, and 2019, were \$72,035,693, \$76,411,113, and \$73,884,260, respectively, and were equal to the required contributions for each fiscal year. At June 30, 2021, 2020, and 2019, accrued compensation and benefits include \$9,349,371, \$10,263,391, and \$9,331,094, respectively, due to PERS.

An annual report containing financial statements and required information for the Plan may be obtained by writing to PERS, 693 West Nye Lane, Carson City, Nevada 89703-1599 or by calling (775) 687-4200.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Pension Liabilities

At June 30, 2021, the Hospital reported a liability of \$510,283,540 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Hospital's proportion of the net pension liability was based on a projection of its long-term share of contributions to the pension plan relative to the projected contributions of all participating reporting units, actuarially determined. At June 20, 2020, the Hospital's proportion was 3.66 percent.

At June 30, 2020, the Hospital reported a liability of \$521,536,183 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Hospital's proportion of the net pension liability was based on a projection of its long-term share of contributions to the pension plan relative to the projected contributions of all participating reporting units, actuarially determined. At June 20, 2019, the Hospital's proportion was 3.82 percent.

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NOTES TO FINANCIAL STATEMENTS
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10. Employee Benefits Plans (continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2021, the Hospital recognized pension expense of \$45,661,767. At June 30, 2021, the Hospital reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|--|
| Changes of assumptions | \$ 14,333,314 | \$ - |
| Changes in proportion | 23,180,792 | 19,825,387 |
| Differences between expected and actual experience | 15,854,155 | 6,588,999 |
| Net difference between projected and actual investment earnings on pension plan investments | - | 19,276,356 |
| Hospital contributions subsequent to the measurement date | 36,017,847 | - |
| Total | <u>\$ 89,386,108</u> | <u>\$ 45,690,742</u> |

\$36,017,847, reported as deferred outflows of resources related to pensions resulting from Hospital employer contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2022.

Other amounts reported as deferred outflows of resources and (deferred inflows) of resources related to pensions will be recognized in pension expense as follows:

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NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020

10. Employee Benefits Plans (continued)

| Year ended June 30 | Amount |
|--------------------|---------------------|
| 2022 | \$ (5,628,631) |
| 2023 | 7,728,071 |
| 2024 | 7,024,355 |
| 2025 | 1,864,355 |
| 2026 | (2,877,413) |
| Thereafter | (433,217) |
| | <u>\$ 7,677,521</u> |

Actuarial Assumptions

The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|----------------------------|---|
| Inflation rate | 2.75% |
| Payroll Growth | 5.00%, including inflation |
| Investment Rate of Return | 7.50% |
| Productivity pay increase | 0.5% |
| Projected salary increases | Regular: 4.25% to 9.15%, depending on service, Rates include inflation and productivity increases |
| Consumer Price Index | 2.75% |
| Other assumptions | Same as those used in the June 30, 2020 funding Actuarial valuation |

Actuarial assumptions used in the June 30, 2020 valuation were based on the results of the experience review completed in 2020.

The discount rate used to measure the total pensions liability was 7.50%, 7.50%, and 7.50% as of June 30, 2020, June 30, 2019, and June 30, 2018 , respectively. The projection of cash flow used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on the assumption, the pensions plans' fiduciary net position at June 30, 2020, was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term

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NOTES TO FINANCIAL STATEMENTS
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10. Employee Benefits Plans (continued)

expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2020, June 30, 2019, and June 30, 2018.

The target allocation and best estimates of arithmetic real rates of return for each major class are summarized in the following table:

| Asset Class | Target Allocation | Long-Term Geometric Expected Real Rate of Return* |
|----------------------|--------------------------|--|
| U.S. stocks | 42% | 5.50% |
| International stocks | 18% | 5.50% |
| U.S. bonds | 28% | 0.75% |
| Private markets | 12% | 6.65% |
| Total | 100% | |

*As of June 30, 2020, PERS' long-term inflation assumption was 2.75%

Pension Liability Discount Rate Sensitivity

The following presents the net pension liability of the Hospital as of June 30, 2020, calculated using the discount rate of 7.50%, as well as what the Hospital's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current discount rate:

| | 1% Lower (6.50%) | Discount Rate (7.50%) | 1% Higher (8.50%) |
|---|-----------------------------|----------------------------------|------------------------------|
| Hospital's proportionate share of the net pension liability | \$ 795,845,173 | \$ 510,283,540 | \$ 272,860,267 |

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NOTES TO FINANCIAL STATEMENTS
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10. Employee Benefits Plans (continued)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the PERS Comprehensive Annual Financial Report, available on the PERS website (www.nvpers.org).

Deferred Compensation Plan

The Hospital offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Hospital does not exercise any control over the assets of the deferred compensation plan. The deferred compensation plan, available to all Hospital employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Postemployment Benefits Other Than Pensions (OPEB)

Plan Description: The Hospital subsidizes eligible retirees' contributions to the Public Employees' Benefits Plan (PEBP), a non-trust, agent multiple-employer defined benefit postemployment healthcare plan administered by the State of Nevada. NRS 287.041 assigns the authority to establish and amend benefit provisions to the PEBP nine-member board of trustees. The plan is now closed to future retirees, however, district employees who previously met the eligibility requirement for retirement within the Nevada Public Employee Retirement System had the option upon retirement to enroll in coverage under the PEBP with a subsidy provided by the Health District as determined by their number of years of service. The PEBP issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Public Employee's Benefits Program, 901 S. Stewart Street, Suite 1001, Carson City, NV, 89701, by calling (775) 684-7000, or by accessing the website at www.pebp.state.nv.us/informed/financial.htm.

The Retiree Health Program Plan (RHPP) is a non-trust, single-employer defined benefit postemployment healthcare plan administered by Clark County, Nevada. Retirees may choose between Clark County Self-Funded Group Medical and Dental Benefits Plan (Self-Funded Plan) and a health maintenance organization (HMO) plan.

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10. Employee Benefits Plans (continued)

Benefits Provided

PEBP plan provides medical, dental, prescription drug, Medicare Part B, and life insurance coverage to eligible retirees and their spouses. Benefits are provided through a third-party insurer. RHPP provides medical, dental, prescription drug, and life insurance coverage to eligible active and retired employees and beneficiaries. Benefit provisions are established and amended through negotiations between the respective unions and the Health District.

Employees Covered by Benefit Terms

At June 30, 2021, the following employees were covered by the benefit terms:

| | PEBP | RHPP | Total all Plans |
|--------------------------------------|------|-------|-----------------|
| Inactive employees or beneficiaries | | | |
| currently receiving benefit payments | 229 | 779 | 1,008 |
| Active employees | - | 3,081 | 3,081 |
| Covered spouses | - | 227 | 227 |
| Total | 229 | 3,860 | 4,089 |

As of November 1, 2008, PEBP was closed to any new participants.

Total OPEB Liability

The Hospital total OPEB liability of \$204,284,483 was measured as of June 30, 2020, and was determined by an actuarial valuation as of that date.

| | PEBP | RHPP | Total OPEB Liability |
|--|---------------|----------------|----------------------|
| Balance recognized at June 30, 2020 | \$ 20,780,091 | \$ 152,706,053 | \$ 173,486,144 |
| Changes Recognized for the Fiscal Year | | | |
| Service cost | - | 8,093,442 | 8,093,442 |
| Interest cost | 712,888 | 5,552,088 | 6,264,976 |
| Differences between expected and actual experience | (3,738,844) | (6,056,494) | (9,795,338) |
| Changes in assumptions or other inputs | 3,217,101 | 28,178,689 | 31,395,790 |
| Benefit payments | (823,721) | (4,336,810) | (5,160,531) |
| Changes in total OPEB liability | (632,575) | 31,430,915 | 30,798,339 |
| Balance recognized at June 30, 2021 | \$ 20,147,516 | \$ 184,136,968 | \$ 204,284,483 |

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NOTES TO FINANCIAL STATEMENTS
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10. Employee Benefits Plans (continued)

Actuarial assumptions and other inputs: The total OPEB liability for all plans as of June 30, 2021 was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

| | |
|--|--|
| Medical Consumer Price Index | Chained-CPI of 2.0% per annum |
| Salary increases | 3.0% per annum |
| Discount rate | 2.21% |
| Pre-Medicare trend rate | Select: 7.0% , ultimate: 4.0% |
| Post-Medicare trend rate | Select: 6.0% , ultimate: 4.0% |
| Retirees' share of benefit-related costs | 0% to 100% of premium amounts based on years of service |

Post-Retirement Mortality Rates:

Pub-2010 headcount weighted mortality table, projected generationally using Scale MP-2020, applied on a gender-specific basis for general and safety personnel.

Key Assumption Changes Since the Prior Valuation

- The discount rate was updated from 3.50% to 2.21% based on the municipal bond rate as of June 30, 2020.
- The trend rates were reset to an initial rate of 7.00% (6.00% for post-Medicare), grading down by 0.25% per year until reaching the ultimate rate of 4.00% based on current Healthcare Analytics (HCA) Consulting trend study; current economic environment suggests a longer period until reaching the ultimate rate.
- The mortality tables were updated to utilize the Pub-2010 table with the MP-2020 improvement scales (previously the RP-2014 with MP-2018 scales).
- The marriage assumption is updated to 30% based on the current retiree population data.
- The plan election rate is updated to 80% PPO, and 20% HMO based on the current retiree elections.

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the Hospital, as well as what the Hospital's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.21 percent) or 1 percentage point higher (3.21 percent) than the current discount rate:

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NOTES TO FINANCIAL STATEMENTS
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10. Employee Benefits Plans (continued)

| | 1% Decrease 1.21% | Discount Rate 2.21% | 1% Increase 3.21% |
|----------------------|-----------------------|------------------------|-----------------------|
| PEBP | \$ 23,165,000 | \$ 20,147,516 | \$ 17,688,000 |
| RHPP | 223,118,000 | 184,136,967 | 153,778,000 |
| Total OPEB Liability | <u>\$ 246,283,000</u> | <u>\$ 204,284,483</u> | <u>\$ 171,466,000</u> |

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the Hospital, as well as what the Hospital's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1- percentage-point higher than the current healthcare cost trend rates:

| | 1% Decrease | Current Trend | 1% Increase |
|----------------------|-----------------------|-----------------------|-----------------------|
| PEBP | \$ 17,806,000 | \$ 20,147,516 | \$ 22,946,000 |
| RHPP | 153,701,000 | 184,136,967 | 222,832,000 |
| Total OPEB Liability | <u>\$ 171,507,000</u> | <u>\$ 204,284,483</u> | <u>\$ 245,778,000</u> |

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2021, the Hospital recognized OPEB expense of \$1,713,196. The breakdown by plan is as follows:

| | PEBP | RHPP | Total OPEB Total All plans |
|--------------|------------|--------------|-------------------------------|
| OPEB Expense | \$ 191,146 | \$ 1,522,050 | \$ 1,713,196 |

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10. Employee Benefits Plans (continued)

At June 30, 2021, the Hospital reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | | Deferred Outflows of Resources | Deferred Inflows of Resources |
|-----------------|--|-----------------------------------|----------------------------------|
| PEBP | | | |
| | Contributions made in fiscal year ending 2021 after July 1, 2020 measurement date | \$ 709,878 | \$ - |
| Total PEBP | | \$ 709,878 | \$ - |
| RHPP | | | |
| | Differences between expected and actual experience | \$ 48,302 | \$ 96,830,994 |
| | Changes of assumptions or other inputs | 34,498,114 | 37,373,411 |
| | Contributions made in fiscal year ending 2021 after July 1, 2020 measurement date | 3,580,284 | - |
| Total RHPP | | \$ 38,126,700 | \$ 134,204,405 |
| Total All Plans | | | |
| | Differences between expected and actual experience | \$ 48,302 | \$ 96,830,994 |
| | Changes of assumptions or other inputs | 34,498,114 | 37,373,411 |
| | Contributions made in fiscal year ending 2019 after July 1, 2018 measurement date | 4,290,162 | - |
| Total All Plans | | \$ 38,836,578 | \$ 134,204,405 |

The amount of \$4,290,162 was reported as deferred outflows of resources related to OPEB from Hospital contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| For the Year ending June 30, | RHPP |
|------------------------------|--------------|
| 2022 \$ | (12,123,480) |
| 2023 | (12,123,480) |
| 2024 | (12,123,480) |
| 2025 | (12,123,480) |
| 2026 | (9,441,528) |
| Thereafter | (41,722,543) |
| \$ | (99,657,991) |

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NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020

11. Commitments and Contingencies

Litigation

The Hospital is involved in litigation and regulatory investigations arising in the ordinary course of business. The Hospital does not accrue for estimated future legal and defense costs, if any, to be incurred in connection with outstanding or threatened litigation and other disputed matters, but rather records such as period costs when services are rendered.

HIPAA

The Health Insurance Portability and Accountability Act ("HIPAA") was enacted on August 21, 1996, to assure health insurance portability, reduce healthcare fraud and abuse, guarantee security and privacy of health information, and enforce standards for health information. Effective August 2009, the Health Information Technology for Economic and Clinical Health Act ("HITECH Act") was introduced imposing notification requirements in the event of certain security breaches relating to protected health information. Organizations are subject to significant fines and penalties if found not to be compliant with the provisions outlined in these laws and accompanying regulations.

Cyber Security Incident

During June 2021 the Hospital's cyber security team recognized suspicious activity on the Hospital's computer network and responded by immediately restricting external access to its computer servers. The Hospital worked with law enforcement and cyber-security professionals to investigate this activity. Based upon this investigation, the Hospital believes cybercriminals accessed a server used to store data. This type of attack has become increasingly common in the health care industry, with hospitals across the world experiencing similar situations. The cyber-attack and internal response did not result in disruptions to patient care of the Hospital's clinical systems.

Although the Hospital has no reason to believe cybercriminals accessed any clinical systems, in accordance with applicable federal regulations, the Hospital notified patients and employees that their personal information may be at risk. The Hospital provided patients and staff with access to complimentary identity protection and credit monitoring services and contacted patients and staff directly to provide information about how to access the complimentary services.

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NOTES TO FINANCIAL STATEMENTS
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11. Commitments and Contingencies (continued)

As of June 30, 2021, a \$5 million liability was accrued for potential future expense related to this incident. As of the date of this report, a total of \$1,399,130 in expense related to the Cyber Security Incident has been incurred.

Subsequent to year-end, there were two class action lawsuits filed, against the Hospital, as a result of the cyber incident. The Hospital has filed a motion to dismiss in both cases. The liability is not probable or estimable at the time the financial statements are available to be issued, and as such, the Hospital cannot predict whether it will have a material impact on the financial statements.

12. Revision of Previously Issued Financial Statements for Correction of Immaterial Errors

Subsequent to the issuance of the Hospital's audited financial statements for the year ended June 30, 2021, the Hospital discovered an inconsistency in classification of the \$16 million Coronavirus Relief Funds received from Clark County for expenditures incurred due to the public health emergency with respect to Coronavirus Disease 2019 (COVID-19). The Hospital was informed by Clark County that it was determined to be a subrecipient of the \$16 million of Coronavirus Relief Funds received from Clark County, whereas the Hospital had determined itself as a contractor. The Hospital revised the accompanying statements of revenues, expenses, and changes in net position (deficit) and statements of cash flows for the year ended June 30, 2021 to reflect the correction of these immaterial errors.

The reclassification reduced the Hospital's previously reported transfers in by \$16 million and increased other nonoperating revenue by \$16 million for the year ended June 30, 2021. Other than the impact as stated, there was no balance sheet impact noted. The following table summarizes the impact from the revision on the previously reported audited financial statement line items:

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| | As of and for the year ended 30-Jun-21 | | |
|--|---|---------------|---------------|
| | As previously reported | Adjustments | As revised |
| Nonoperating revenues (expenses): | | | |
| Other nonoperating revenues | \$ 34,654,271 | \$ 16,000,000 | \$ 50,654,271 |
| Total nonoperating revenues (expenses), net | 32,684,026 | 16,000,000 | 48,684,026 |
| Income (loss) before transfers | 30,636,486 | 16,000,000 | 46,636,486 |
| Transfers in | 31,000,000 | (16,000,000) | 15,000,000 |
| Change in net position (deficit) | 61,636,486 | - | 61,636,486 |
| Net position (deficit), end of year | (303,374,071) | - | (303,374,071) |
| Cash flows from noncapital financing activities | | | |
| Contributions and transfers in from Clark County | 40,000,000 | (16,000,000) | 24,000,000 |
| Contributions, donations and other | 34,654,271 | 16,000,000 | 50,654,271 |
| Net cash provided by noncapital financing activities | 74,654,271 | - | 74,654,271 |
| Cash and cash equivalents, end of year | 220,372,687 | - | 220,372,687 |

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Employee Benefit Retirement Plan
Net Pension Liability
Required Supplementary Information

Schedule of the Hospital's Proportionate Share of the Net Pension Liability
Public Employees' Retirement System of Nevada
(Amounts Were Determined as of 6/30 of Each Prior Fiscal Year)*

| | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Hospital's proportion of net pension liability (%) | 3.66% | 3.82% | 3.76% | 3.58% | 3.49% | 3.47% | 3.60% |
| Hospital's proportionate share of net pension liability | \$ 510,283,540 | \$ 521,536,183 | \$ 512,951,016 | \$ 476,011,834 | \$ 469,010,768 | \$ 397,580,372 | \$ 375,191,289 |
| Hospital's covered-employee payroll | \$ 247,058,515 | \$ 263,088,842 | \$ 264,122,683 | \$ 250,244,531 | \$ 230,360,225 | \$ 213,368,871 | \$ 208,421,960 |
| Hospital's proportionate share of net pension liability as a percentage of its covered-employee payroll | 206.54% | 198.24% | 194.21% | 190.22% | 203.60% | 186.33% | 180.02% |
| Plan fiduciary net position as a percentage of total pension liability | 77.04% | 76.46% | 75.24% | 74.40% | 72.20% | 75.10% | 76.30% |

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, Hospital should present information for those years for which information is available.

* The amounts are determined from the prior fiscal year for the current reporting year.

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Employee Benefit Retirement Plan
Note to Required Supplementary Information

Schedule of Hospital's Contributions
Public Employees' Retirement System of Nevada
(Amounts Were Determined as of 6/30 Prior Fiscal Year)

| | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Statutorily required contributions | \$ 36,017,847 | \$ 38,205,556 | \$ 36,785,296 | \$ 35,026,725 | \$ 31,952,786 | \$ 59,262,299 | \$ 53,667,927 |
| Contributions in relations to statutorily required contributions | \$ 36,017,847 | \$ 38,205,556 | \$ 36,785,296 | \$ 35,026,725 | \$ 31,952,786 | \$ 59,262,299 | \$ 53,667,927 |
| Contributions deficiency (excess) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Hospital's covered-employee payroll | \$ 247,058,515 | \$ 263,088,842 | \$ 264,122,683 | \$ 250,244,531 | \$ 230,360,225 | \$ 213,368,871 | \$ 208,421,960 |
| Contributions as a percentage of covered-employee payroll | 14.58% | 14.52% | 13.93% | 14.00% | 13.87% | 27.77% | 25.75% |

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, Hospital should present information for those years for which information is available.

Changes of benefit terms: There were no changes of benefit terms in 2021.

Changes of assumptions: There were no changes of benefit assumptions in 2021.

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
(A COMPONENT UNIT OF CLARK COUNTY, NEVADA)

Other Postemployment Benefits
Required Supplementary Information

Schedules of Changes in the Total OPEB Liability and Related Ratios
For the Year Ended June 30 of Each Prior Fiscal Year

PEBP Plan

| | 2021 | 2020 | 2019 | 2018 |
|---|----------------------|----------------------|----------------------|----------------------|
| Total OPEB Liability | | | | |
| Interest | \$ 712,888 | \$ 754,777 | \$ 837,289 | \$ 752,369 |
| Difference between actual and expected experience | (3,738,844) | - | (6,654) | 50,232 |
| Changes of assumptions or other inputs | 3,217,101 | 941,195 | (4,153,809) | (2,555,531) |
| Benefit payments | (823,721) | (838,318) | (910,344) | (943,003) |
| Net Change in Total OPEB Liability | (632,576) | 857,654 | (4,233,518) | (2,695,933) |
| Total OPEB Liability - Beginning | 20,780,091 | 19,922,437 | 24,155,955 | 26,851,888 |
| Total OPEB Liability - Ending | <u>\$ 20,147,515</u> | <u>\$ 20,780,091</u> | <u>\$ 19,922,437</u> | <u>\$ 24,155,955</u> |
| Covered Payroll | N/A | N/A | N/A | N/A |
| Total OPEB Liability as a Percentage of Covered Payroll | N/A | N/A | N/A | N/A |

RHPP

| | 2021 | 2020 | 2019 | 2018 |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| Total OPEB Liability | | | | |
| Service cost | \$ 8,093,442 | \$ 6,766,369 | \$ 17,486,880 | \$ 18,335,102 |
| Interest | 5,552,088 | 5,423,405 | 9,615,301 | 8,032,804 |
| Difference between actual and expected experience | (6,056,494) | - | (116,492,033) | 5,259 |
| Changes of assumptions or other inputs | 28,178,688 | 9,761,359 | (24,138,375) | (35,408,967) |
| Benefit payments | (4,336,810) | (5,236,733) | (3,154,125) | (3,220,455) |
| Net Change in Total OPEB Liability | 31,430,914 | 16,714,400 | (116,682,352) | (12,256,257) |
| Total OPEB Liability - Beginning | 152,706,053 | 135,991,653 | 252,674,005 | 264,930,262 |
| Total OPEB Liability - Ending | <u>\$ 184,136,967</u> | <u>\$ 152,706,053</u> | <u>\$ 135,991,653</u> | <u>\$ 252,674,005</u> |
| Covered Payroll | \$ 263,088,842 | \$ 231,341,937 | \$ 231,341,937 | \$ 231,533,548 |
| Total OPEB Liability as a Percentage of Covered Payroll | 70% | 66% | 59% | 109% |

As it becomes available this schedule will ultimately present information for the ten most recent fiscal years.
See notes to required Supplementary information

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
(A COMPONENT UNIT OF CLARK COUNTY, NEVADA)

Other Postemployment Benefits
Note to Required Supplementary Information

There are no assets accumulated in a trust to pay related benefits.

Changes of Assumptions

With reporting date of June 30, 2021, key assumption changes since the prior valuation were as follows:

- The discount rate was updated from 3.50% to 2.21% based on the municipal bond rate as of June 30, 2020.
- The trend rates were reset to an initial rate of 7.00% (6.00% for post-Medicare), grading down by 0.25% per year until reaching the ultimate rate of 4.00% based on current Healthcare Analytics (HCA) Consulting trend study; current economic environment suggests a longer period until reaching the ultimate rate.
- The mortality tables were updated to utilize the Pub-2010 table with the MP-2020 improvement scales (previously the RP-2014 with MP-2018 scales).
- The marriage assumption is updated to 30% based on the current retiree population data.
- The plan election rate is updated to 80% PPO, and 20% HMO based on the current retiree elections.



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Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

UMC Governing Board
University Medical Center of Southern Nevada
Las Vegas, Nevada

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the University Medical Center of Southern Nevada ("UMC"), a component unit of Clark County, Nevada, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise UMC's basic financial statements as listed in the table of contents, and have issued our report thereon dated December 8, 2021, except for our Footnote 12 and our report, as revised, for which the date is September 29, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered UMC's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of UMC's internal control. Accordingly, we do not express an opinion on the effectiveness of UMC's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of UMC's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2021-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether UMC's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

UMC's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on UMC's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. UMC's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of UMC's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering UMC's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BDO USA, LLP

Las Vegas, Nevada

December 8, 2021, except for Footnote 12 and our report, as revised, for which the date is September 29, 2022



Independent Auditor's Report on Compliance For Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

UMC Governing Board
University Medical Center of Southern Nevada
Las Vegas, Nevada

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the University Medical Center of Southern Nevada's ("UMC"), a component unit of Clark County, Nevada, compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the UMC's major federal programs for the year ended June 30, 2021. UMC's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, UMC complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Basis for Opinion for Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of UMC and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the UMC's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to UMC's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on UMC's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the UMC's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the UMC's compliance with the types of compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of UMC's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of UMC's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2021-002. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on UMC's response to the noncompliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. UMC's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

UMC is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. UMC's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

Emphasis of Matter - Restatement

As described in Footnote 5 to the schedule of expenditures of federal awards, the Hospital restated its schedule of expenditures of federal awards and schedule of findings and questioned costs, due to the Hospital being informed by Clark County that it was determined to be a subrecipient of the \$16 million of Coronavirus Relief Funds received from Clark County, whereas the Hospital had determined itself as a contractor. As a result, the \$16 million of Coronavirus Relief Funds was determined as an additional major program based on major program determination, resulting in additional testing.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a material weakness.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2021-002 to be a material weakness.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on UMC's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. UMC's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

UMC is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. UMC's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

BDO USA, LLP

Las Vegas, Nevada

January 19, 2022, except for noted above and our report, as restated, for which the date is September 29, 2022.

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA

Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2021

| <i>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</i> | <i>Assistance Listing Number</i> | <i>Pass-Through Entity Identifying Number</i> | <i>Provided to Subrecipients</i> | <i>Total Federal Expenditures</i> |
|--|--------------------------------------|---|--------------------------------------|---------------------------------------|
| U.S. Department of Treasury | | | | |
| Coronavirus Relief Funds | | | | |
| COVID-19 Public Health Emergency Direct Payments | 21.019 | CRF | - | 16,000,000 |
| U.S. Department of Health and Human Services | | | | |
| COVID-19 - Provider Relief Fund | | | | |
| General Distribution - Phase 1, Tranche 1 | 93.498 | PRF | - | 6,365,483 |
| COVID-19 - Provider Relief Fund | | | | |
| General Distribution - Phase 1, Tranche 2 | 93.498 | PRF | - | 7,279,115 |
| COVID- 19 - Provider Relief Fund | | | | |
| Targeted Allocation - High Impact Areas, Round 1 | 93.498 | PRF | - | 18,760,725 |
| Subtotal | | | | 32,405,323 |
| COVID-19 - HRSA Uninsured Program | | | | |
| 05/01/20 - 06/30/21 | 93.461 | CUP | - | 15,685,747 |
| <i>Centers for Disease Control and Prevention:</i> | | | | |
| COVID-19 - Epidemiology & Laboratory Capacity Grant | | | | |
| Enhancing Detection Expansion | | | | |
| 08/01/20 - 07/31/21 | 93.323 | NU50CK000560 | \$ - | \$ 4,105,475 |
| <i>Department of Health and Human Services Direct Programs:</i> | | | | |
| Grants to Provide Outpatient Early | | | | |
| Intervention Services with Respect to | | | | |
| HIV Disease | | | | |
| 04/01/2020 - 03/31/2021 | 93.918 | H76HA00166-25-00 | - | 713,216 |
| Grants to Provide Outpatient Early | | | | |
| Intervention Services with Respect to | | | | |
| HIV Disease | | | | |
| 04/01/2021 - 03/31/2022 | 93.918 | H76HA00166-26-00 | - | 129,532 |
| Grant to Provide Capacity Careware Funding | | | | |
| with Respect to HIV Disease | | | | |
| 09/01/2020 - 08/31/2021 | 93.918 | P06HA32349-01-01 | - | 19,541 |
| Grant to Provide Covid Funding | | | | |
| with Respect to HIV Disease | | | | |
| 04/01/2020 - 03/31/2021 | 93.918 | C2100081 | - | 77,329 |
| Subtotal | | | | 939,618 |
| <i>Pass-through programs from Clark County, Nevada</i> | | | | |
| HIV Emergency Relief Project Grants | | | | |
| 03/01/2020 - 02/28/2021 | 93.914 | 2H89HA06900 | - | 996,762 |
| HIV Emergency Relief Project Grants | | | | |
| 03/01/2021 - 02/28/2022 | 93.914 | 2H89HA06900 | - | 300,562 |
| Subtotal | | | | 1,297,324 |
| Total U.S Department of Health and Human Services | | | | 54,433,487 |
| <hr/> | | | | |
| Total Expenditures of Federal Awards | | | \$ - | \$ 70,433,487 |

See accompanying notes.

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA

Notes to Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2021

1. Reporting Entity

The Hospital is a blended component unit (enterprise fund) of, owned and operated by, Clark County, Nevada (the County). The reporting entity is defined in Note 1 to the financial statements. The accompanying schedule includes federal financial assistance received directly from federal agencies as well as passed through other government agencies.

2. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of UMC under programs of the federal government for the year ended June 30, 2021. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts presented in the Schedule may differ from amounts presented in the financial statements. Because the Schedule presents only a selected portion of the operations of UMC, it is not intended to and does not present the financial position, changes in net position or cash flows of UMC.

3. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

4. Indirect Cost Rule

UMC has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

5. Restatement of Previously Issued Schedule of Expenditures of Federal Awards:

Subsequent to the issuance of the Hospital's audited financial statements for the year ended June 30, 2021, the Hospital discovered an inconsistency in classification of the \$16 million Coronavirus Relief Funds received from Clark County for expenditures incurred due to the public health emergency with respect to Coronavirus Disease 2019 (COVID-19). The Hospital was informed by Clark County that it was determined to be a subrecipient of the \$16 million of Coronavirus Relief Funds received from Clark County, whereas the Hospital had determined itself as a contractor. The Hospital restated the accompanying schedule of expenditures of federal awards for the year ended June 30, 2021 to reflect the correction of this exclusion.

The following table summarizes the impact from the restatement on the previously reported audited SEFA line items:

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA

Notes to Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2021

| Federal Grantor/Pass-Through Grantor/Program or Cluster Title | Assistance Listing Number | Pass- Through Entity Identifying Number | Provided to Subrecipient | As Previously reported | Adjustment | As restated |
|--|--|--|---|---------------------------------------|-------------------|--------------------|
| U.S. Department of Treasury | | | | | | |
| Coronavirus Relief Funds | 21.019 | CRF | \$ - | \$ - | \$ 16,000,000 | \$ 16,000,000 |
| COVID-19 Public Health Emergency Direct Payments | | | | | | |
| Total Expenditures of Federal Awards | | | | \$ 54,433,487 | \$ 16,000,000 | \$ 70,433,487 |

6. Subsequent Event

The Hospital evaluates the impact of subsequent events, which are events that occur after the statement of net position (deficit) date but before the financial statements are issued, for potential recognition in the financial statements as of the statement of net position date. For the year ended June 30, 2021, the Hospital evaluated subsequent events through December 8, 2021, representing the date the accompanying audited financial statements were issued, except for our report on the schedule of expenditures of federal awards, for which the subsequent event date is January 19, 2022. During these periods the Hospital determined there were no subsequent events that needed to be disclosed.

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2021

Section I – Summary of Auditor’s Results

Financial Statements

Type of report the auditor issued on whether
the financial statements audited were prepared
in accordance with GAAP

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

Yes

Significant deficiencies identified?

None reported

Noncompliance material to financial statements noted?

No

Federal Awards

Internal control over major federal program:

Material weakness(es) identified?

Yes

Significant deficiencies identified?

None reported

Type of auditor’s report issued on compliance for major federal
program

Unmodified

Any audit findings disclosed that are required to be reported in accordance
with 2 CFR 200.516(a)?

Yes

Identification of major federal program:

| <u>Assistance Listing Number</u> | <u>Name of Federal Program or Cluster</u> |
|----------------------------------|--|
| 93.498 | 1) COVID-19 - Provider Relief Fund |
| 93.461 | 2) COVID-19 - HRSA Uninsured Program |
| 21.019 | 3) COVID-19 - Coronavirus Relief Funds |
| 93.323 | 4) COVID-19 - Epidemiology & Laboratory Grant - Enhancing Detection Expansion |

Dollar threshold used to distinguish between type A and type B programs \$2,113,004

Auditee qualified as low-risk auditee? Yes

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2021

Section II – Financial Statement Findings

2021-001: Financial Statements Finding – Material Weakness in Internal Control Over Financial Reporting

| | |
|-------------------------------|---|
| Criteria | Government financial statements are required to be prepared in accordance with accounting principles generally accepted in the United States (GAAP), free of material misstatements, and management is required to establish appropriate cost-effective internal controls that provide for reasonable assurance that such objectives are achieved, assuming satisfactory compliance. |
| Condition | As described in Note 12, the Hospital was inconsistent in how it recognized the Coronavirus Relief Fund ("CRF Fund") received from Clark County based on determination by Clark County of the sub-award relationship classifying the Hospital as a sub-recipient. The Hospital has revised the CRF Fund for the year ended June 30, 2021 from transfers-in to other nonoperating revenues to properly account for the transaction. |
| Cause | There were inconsistencies in the evaluation of the sub-award agreement relationship by the Hospital classifying the Hospital as a contractor in contrast with the determination by Clark County classifying the Hospital as a sub-recipient. |
| Effect | Financial statements might not be prepared in accordance with GAAP and misstatements might not be identified and corrected timely. |
| Recommendation | We recommend that the accounting team formally implement a process to thoroughly review and keep track of all agreements entered into with third parties to ensure they are appropriately accounted for. |
| View of Responsible Officials | Management informed us that they will be formally implementing a process to collaborate with Clark County prior to preparing the financial statements each year to ensure agreement in presentation of County sub-awards and transfers-in. While management's interpretation of the Coronavirus Relief Fund sub-award as a contractor relationship is justified, the ultimate determination by Clark County of the sub-award relationship to be one of a sub-recipient resulted in the need for this restatement. |

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2021

Section III – Federal Award Findings and Questioned Costs

2021-002: Federal Award Finding – Material Weakness in Internal Control Over Major Federal Program (Coronavirus “COVID-19” Relief Fund)

| | |
|---------------------------------|--|
| Information on Federal Program: | COVID-19 Coronavirus Relief Fund, 21.019, fiscal year 2021, and Clark County Department of Finance |
| Criteria | The Uniform Guidance requires that recipients of federal awards have adequate procedures and controls in place to ensure federal awards received and expended are properly reflected in the SEFA and present as a major federal program, if applicable. |
| Condition | The \$16 million of CRF expenditures was not included in the SEFA and therefore not tested and reflected as a major federal program. |
| Cause | There were inconsistencies in the evaluation of the sub-award agreement relationship by the Hospital classifying the Hospital as a contractor in contrast with the determination by Clark County classifying the Hospital as a sub-recipient. |
| Effect | The SEFA might not be prepared in accordance with Uniform Guidance and misstatements might not be identified and corrected timely. |
| Questioned Costs | None noted. |
| Context | The \$16 million of CRF expenditure was not included in the SEFA and therefore not reflected as a major federal program based on major program determination which was required due to evaluation by Clark County of the sub-award relationship classifying the Hospital as a sub-recipient. |
| Recommendation | We recommend that the accounting team to formally implement a process to thoroughly review and keep track of all federal award agreements to ensure they are appropriately accounted for in the SEFA. |
| View of Responsible Officials | Management informed us that they will be formally implementing a process to collaborate with Clark County prior to preparing the SEFA each year to ensure agreement in presentation of County sub-awards on the SEFA. While management’s interpretation of the Coronavirus Relief Fund sub-award as a contractor relationship that would have not required the funds to be included on the SEFA is justified, the ultimate determination by Clark County of the sub-award relationship to be one of a sub-recipient resulted in the need for this restatement. |

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

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

FISCAL IMPACT:

None

BACKGROUND:

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

Cleared for Agenda
October 19, 2022

Agenda Item #

6



September 2022 Financials

AFC Meeting



KEY INDICATORS - SEP



| Current Month | Actual | Budget | % Var | Prior Year | Variance | % Var |
|-------------------|--------|--------|----------|------------|----------|----------|
| APDs | 19,865 | 16,776 | 18.42% | 18,473 | 1,392 | 7.54% |
| Total Admissions | 1,864 | 1,835 | 1.56% | 1,751 | 113 | 6.45% |
| Observation Cases | 839 | 1,173 | (28.47%) | 1,173 | (334) | (28.47%) |
| AADC | 662 | 559 | 18.42% | 616 | 46 | 7.54% |
| ALOS (Admits) | 7.70 | 5.82 | 32.25% | 6.72 | 0.98 | 14.58% |
| ALOS (Obs) | 1.08 | 1.35 | (20.06%) | 1.35 | (0.27) | (20.06%) |
| Hospital CMI | 1.91 | 2.08 | (8.30%) | 2.02 | (0.12) | (5.55%) |
| Medicare CMI | 2.18 | 2.11 | 3.40% | 2.05 | 0.13 | 6.50% |
| IP Surgery Cases | 786 | 760 | 3.46% | 725 | 61 | 8.41% |
| OP Surgery Cases | 426 | 616 | (30.80%) | 587 | (161) | (27.43%) |
| Transplants | 12 | 13 | (7.69%) | 13 | (1) | (7.69%) |
| Total ER Visits | 9,183 | 9,272 | (0.96%) | 9,002 | 181 | 2.01% |
| ED to Admission | 11.29% | - | - | 7.81% | 3.48% | - |
| ED to Observation | 10.52% | - | - | 11.28% | (0.76%) | - |
| ED to Adm/Obs | 21.81% | - | - | 19.08% | 2.73% | - |
| Quick Cares | 15,811 | 15,867 | (0.35%) | 15,543 | 268 | 1.73% |
| Primary Care | 6,780 | 5,254 | 29.03% | 5,240 | 1,540 | 29.39% |
| Deliveries | 129 | 117 | 9.86% | 114 | 15 | 13.16% |

TRENDING STATS



| | Sep- 21 | Oct- 21 | Nov- 21 | Dec- 21 | Jan- 22 | Feb- 22 | Mar- 22 | Apr- 22 | May- 22 | Jun- 22 | Jul- 22 | Aug- 22 | Sep- 22 | Sep- 19 | Var |
|-------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| APDs | 18,473 | 18,810 | 19,440 | 20,466 | 20,361 | 18,711 | 20,666 | 19,556 | 20,454 | 20,212 | 20,535 | 21,128 | 19,865 | 15,157 | 4,709 |
| Total Admissions | 1,751 | 1,803 | 1,832 | 1,821 | 1,827 | 1,608 | 1,791 | 1,850 | 1,927 | 1,827 | 1,892 | 1,914 | 1,864 | 1,780 | 84 |
| Observation Cases | 1,173 | 1,091 | 1,123 | 1,070 | 1,097 | 1,007 | 1,234 | 904 | 937 | 978 | 901 | 956 | 839 | 1,292 | (453) |
| AADC | 616 | 607 | 648 | 660 | 657 | 668 | 667 | 652 | 660 | 674 | 662 | 682 | 662 | 505 | 157 |
| ALOS (Adm) | 6.72 | 6.65 | 6.25 | 7.69 | 7.47 | 8.15 | 7.33 | 7.17 | 6.25 | 7.08 | 6.54 | 7.05 | 7.70 | 5.51 | 2.19 |
| ALOS (Obs) | 1.35 | 1.52 | 1.43 | 1.46 | 1.42 | 1.42 | 1.51 | 1.29 | 1.02 | 1.06 | 1.19 | 1.13 | 1.08 | 1.87 | (0.79) |
| Hospital CMI | 2.02 | 1.93 | 1.92 | 2.03 | 2.07 | 2.03 | 1.97 | 1.87 | 1.89 | 1.84 | 1.83 | 1.84 | 1.91 | 1.67 | 0.24 |
| Medicare CMI | 2.05 | 1.95 | 2.16 | 1.79 | 2.20 | 2.07 | 2.01 | 2.08 | 1.99 | 1.81 | 2.00 | 1.97 | 2.18 | 1.81 | 0.37 |
| IP Surgery Cases | 725 | 831 | 828 | 723 | 754 | 738 | 913 | 777 | 844 | 788 | 869 | 811 | 786 | 725 | 61 |
| OP Surgery Cases | 587 | 516 | 472 | 469 | 171 | 468 | 621 | 448 | 495 | 523 | 433 | 524 | 426 | 480 | (54) |
| Transplants | 13 | 12 | 11 | 9 | 12 | 10 | 15 | 13 | 14 | 8 | 16 | 12 | 12 | 1 | 11 |
| Total ER Visits | 9,002 | 9,007 | 8,793 | 9,226 | 8,706 | 7,936 | 9,764 | 9,432 | 9,898 | 9,091 | 8,994 | 9,728 | 9,183 | 9,373 | (190) |
| ED to Admission | 7.81% | 7.36% | 7.68% | 7.09% | 7.37% | 8.43% | 7.88% | 10.61% | 10.03% | 9.94% | 11.34% | 10.27% | 11.29% | 6.83% | 4.46% |
| ED to Observation | 11.28% | 11.66% | 12.29% | 11.44% | 12.86% | 12.55% | 13.61% | 10.28% | 10.65% | 12.00% | 11.52% | 11.14% | 10.52% | 13.54% | (3.02%) |
| ED to Adm/Obs | 19.08% | 19.02% | 19.97% | 18.52% | 20.24% | 20.98% | 21.49% | 20.90% | 20.68% | 21.94% | 22.86% | 21.41% | 21.81% | 20.37% | 1.45% |
| Quick Care | 15,543 | 15,210 | 15,073 | 17,802 | 19,473 | 12,345 | 16,330 | 16,025 | 17,060 | 15,800 | 14,601 | 17,119 | 15,811 | 14,217 | 1,594 |
| Primary Care | 5,240 | 5,220 | 5,294 | 5,093 | 4,831 | 5,454 | 6,935 | 5,888 | 5,795 | 5,841 | 5,724 | 6,942 | 6,780 | 5,400 | 1,380 |
| Deliveries | 114 | 123 | 123 | 117 | 104 | 99 | 104 | 108 | 94 | 113 | 121 | 129 | 129 | 164 | (35) |

Payor Mix Trend



IP- Payor Mix 12 Mo Sep- 22

| Fin Class | Sep- 21 | Oct- 21 | Nov- 21 | Dec- 21 | Jan- 22 | Feb- 22 | Mar- 22 | Apr- 22 | May- 22 | Jun- 22 | Jul- 22 | Aug- 22 | Sep- 22 | 12-Mo Avg | Sep to Avg Var |
|------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-----------|----------------|
| Commercial | 18.71% | 19.24% | 17.70% | 17.31% | 16.34% | 16.83% | 16.34% | 18.01% | 17.55% | 17.37% | 17.08% | 18.65% | 17.25% | 17.59% | (0.34%) |
| Government | 4.62% | 3.97% | 3.95% | 4.13% | 3.29% | 4.19% | 4.37% | 4.37% | 5.30% | 3.81% | 5.19% | 4.27% | 4.12% | 4.29% | (0.17%) |
| Medicaid | 41.97% | 40.98% | 40.79% | 42.19% | 42.56% | 44.01% | 41.96% | 43.39% | 43.95% | 45.57% | 44.53% | 45.23% | 44.63% | 43.09% | 1.54% |
| Medicare | 28.77% | 29.07% | 31.37% | 29.91% | 31.75% | 29.46% | 31.40% | 30.06% | 28.65% | 28.56% | 27.61% | 26.69% | 27.74% | 29.44% | (1.70%) |
| Self Pay | 5.93% | 6.74% | 6.19% | 6.46% | 6.06% | 5.51% | 5.93% | 4.17% | 4.55% | 4.69% | 5.59% | 5.16% | 6.26% | 5.58% | 0.68% |

ED- Payor Mix 12 Mo Sep- 22

| Fin Class | Sep- 21 | Oct- 21 | Nov- 21 | Dec- 21 | Jan- 22 | Feb- 22 | Mar- 22 | Apr- 22 | May- 22 | Jun- 22 | Jul- 22 | Aug- 22 | Sep- 22 | 12-Mo Avg | Sep to Avg Var |
|------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-----------|----------------|
| Commercial | 19.03% | 19.92% | 20.57% | 19.69% | 19.47% | 19.39% | 19.15% | 17.69% | 17.47% | 17.86% | 17.90% | 18.02% | 18.07% | 18.85% | (0.78%) |
| Government | 4.61% | 3.82% | 4.21% | 3.74% | 3.81% | 4.95% | 4.09% | 3.93% | 4.09% | 4.41% | 4.12% | 3.99% | 4.05% | 4.15% | (0.10%) |
| Medicaid | 51.81% | 50.22% | 49.16% | 50.65% | 48.98% | 47.45% | 49.49% | 53.23% | 53.94% | 52.92% | 53.12% | 52.87% | 51.20% | 51.15% | 0.05% |
| Medicare | 12.27% | 13.25% | 12.45% | 12.74% | 14.35% | 15.67% | 14.49% | 13.33% | 12.88% | 13.07% | 13.82% | 13.25% | 13.79% | 13.46% | 0.33% |
| Self Pay | 12.28% | 12.79% | 13.61% | 13.18% | 13.39% | 12.54% | 12.78% | 11.82% | 11.62% | 11.74% | 11.04% | 11.87% | 12.89% | 12.39% | 0.50% |

Payor Mix Trend



Surg IP- Payor Mix 12 Mo Sep- 22

| Surg IP | Sep- 21 | Oct- 21 | Nov- 21 | Dec- 21 | Jan- 22 | Feb- 22 | Mar- 22 | Apr- 22 | May- 22 | Jun- 22 | Jul- 22 | Aug- 22 | Sep- 22 | 12-Mo Avg | Sep to Avg Var |
|------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-----------|----------------|
| Commercial | 21.79% | 24.85% | 24.04% | 21.96% | 19.55% | 18.24% | 19.41% | 23.81% | 20.73% | 18.53% | 21.03% | 23.80% | 23.41% | 21.48% | 1.93% |
| Government | 6.34% | 6.48% | 7.00% | 6.91% | 4.76% | 5.95% | 6.51% | 4.38% | 8.41% | 5.20% | 7.13% | 7.77% | 5.09% | 6.40% | (1.31%) |
| Medicaid | 38.08% | 36.25% | 33.45% | 34.67% | 40.42% | 40.41% | 36.98% | 34.74% | 34.24% | 40.36% | 37.47% | 35.38% | 36.89% | 36.87% | 0.02% |
| Medicare | 29.79% | 27.97% | 30.56% | 32.18% | 29.72% | 29.32% | 32.54% | 32.82% | 31.04% | 31.09% | 27.24% | 27.87% | 28.12% | 30.18% | (2.06%) |
| Self Pay | 4.00% | 4.45% | 4.95% | 4.28% | 5.55% | 6.08% | 4.56% | 4.25% | 5.58% | 4.82% | 7.13% | 5.18% | 6.49% | 5.07% | 1.42% |

Surg OP- Payor Mix 12 Mo Sep- 22

| Surg OP | Sep- 21 | Oct- 21 | Nov- 21 | Dec- 21 | Jan- 22 | Feb- 22 | Mar- 22 | Apr- 22 | May- 22 | Jun- 22 | Jul- 22 | Aug- 22 | Sep- 22 | 12-Mo Avg | Sep to Avg Var |
|------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-----------|----------------|
| Commercial | 30.49% | 31.91% | 32.63% | 32.84% | 26.74% | 29.51% | 30.50% | 33.26% | 31.52% | 32.89% | 34.10% | 32.76% | 33.80% | 31.60% | 2.20% |
| Government | 4.60% | 6.58% | 4.87% | 5.12% | 8.72% | 5.94% | 6.42% | 6.03% | 6.87% | 8.80% | 6.22% | 6.67% | 8.22% | 6.40% | 1.82% |
| Medicaid | 41.23% | 37.52% | 34.95% | 36.88% | 41.28% | 42.04% | 39.97% | 37.72% | 37.57% | 34.98% | 40.79% | 36.57% | 36.85% | 38.46% | (1.61%) |
| Medicare | 19.93% | 19.73% | 23.52% | 20.90% | 16.28% | 19.75% | 20.70% | 20.98% | 21.62% | 21.99% | 16.36% | 21.52% | 17.84% | 20.27% | (2.43%) |
| Self Pay | 3.75% | 4.26% | 4.03% | 4.26% | 6.98% | 2.76% | 2.41% | 2.01% | 2.42% | 1.34% | 2.53% | 2.48% | 3.29% | 3.27% | 0.02% |

SUMMARY INCOME STATEMENT - SEP



| REVENUE | Actual | Budget | Variance | % Variance | |
|--|---------------------|---------------------|----------------------|------------------|---|
| Total Gross Patient Revenue | \$353,901,878 | \$332,047,033 | \$21,854,845 | 6.58% | ↑ |
| Net Patient Revenue | \$64,304,089 | \$62,552,293 | \$1,751,796 | 2.80% | ↑ |
| Other Revenue | \$2,580,881 | \$2,424,310 | \$156,572 | 6.46% | ↑ |
| Total Operating Revenue | \$66,884,970 | \$64,976,603 | \$1,908,367 | 2.94% | ↑ |
| Net Patient Revenue as a % of Gross | 18.17% | 18.84% | (0.67%) | - | |
| EXPENSE | Actual | Budget | Variance | % Variance | |
| Total Operating Expense | \$67,490,094 | \$64,433,040 | (\$3,057,054) | (4.74%) | ↓ |
| INCOME FROM OPS | Actual | Budget | Variance | % Variance | |
| Total Inc from Ops | (\$605,124) | \$543,563 | (\$1,148,687) | (211.33%) | ↓ |
| Add back: Depr & Amort. | \$2,801,601 | \$2,868,032 | \$66,431 | 2.32% | ↑ |
| Tot Inc from Ops plus Depr & Amort. | \$2,196,477 | \$3,411,596 | (\$1,215,118) | (35.62%) | ↓ |
| Operating Margin (w/Depr & Amort.) | 3.28% | 5.25% | (1.97%) | - | |

SUMMARY INCOME STATEMENT – YTD SEP



| REVENUE | Actual | Budget | Variance | % Variance | |
|--|----------------------|----------------------|----------------------|-----------------|----------|
| Total Gross Patient Revenue | \$1,085,061,585 | \$1,033,825,509 | \$51,236,076 | 4.96% | ↑ |
| Net Patient Revenue | \$194,749,177 | \$194,459,944 | \$289,233 | 0.15% | ↑ |
| Other Revenue | \$7,273,793 | \$7,389,816 | (\$116,023) | (1.57%) | ↓ |
| Total Operating Revenue | \$202,022,970 | \$201,849,760 | \$173,210 | 0.09% | ↑ |
| Net Patient Revenue as a % of Gross | 17.95% | 18.81% | (0.86%) | - | |
| EXPENSE | Actual | Budget | Variance | % Variance | |
| Total Operating Expense | \$201,935,706 | \$200,064,135 | (\$1,871,572) | (0.94%) | ↓ |
| INCOME FROM OPS | Actual | Budget | Variance | % Variance | |
| Total Inc from Ops | \$87,264 | \$1,785,626 | (\$1,698,362) | (95.11%) | ↓ |
| Add back: Depr & Amort. | \$8,401,743 | \$8,604,406 | \$202,663 | 2.36% | ↑ |
| Tot Inc from Ops plus Depr & Amort. | \$8,489,006 | \$10,390,031 | (\$1,901,025) | (18.30%) | ↓ |
| Operating Margin (w/Depr & Amort.) | 4.20% | 5.15% | (0.95%) | - | |

SUMMARY INCOME STATEMENT – TREND



| REVENUE | Sep- 21 | Oct- 21 | Nov- 21 | Dec- 21 | Jan- 22 | Feb- 22 | Mar- 22 | Apr- 22 | May- 22 | Jun- 22 | Jul- 22 | Aug- 22 | Sep- 22 | 12-Mo Avg | Sep to Avg Var |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|------------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|
| Total Gross Patient Revenue | \$331,676 | \$341,588 | \$352,326 | \$341,043 | \$338,582 | \$313,977 | \$368,803 | \$337,185 | \$345,132 | \$338,423 | \$356,195 | \$374,965 | \$353,902 | \$344,991 | \$8,911 |
| Net Patient Revenue | \$64,192 | \$64,019 | \$64,795 | \$67,093 | \$68,035 | \$64,571 | \$64,547 | \$64,298 | \$66,093 | \$63,125 | \$64,442 | \$66,003 | \$64,304 | \$65,101 | (\$797) |
| Other Revenue | \$2,612 | \$1,557 | \$3,229 | \$2,573 | \$3,468 | \$4,742 | \$4,836 | \$2,527 | \$1,321 | \$2,805 | \$2,516 | \$2,177 | \$2,581 | \$2,864 | (\$283) |
| Total Operating Revenue | \$66,804 | \$65,576 | \$68,024 | \$69,666 | \$71,503 | \$69,313 | \$69,384 | \$66,826 | \$67,414 | \$65,930 | \$66,958 | \$68,180 | \$66,885 | \$67,965 | (\$1,080) |
| Net Patient Revenue as a % of Gross | 19.35% | 18.74% | 18.39% | 19.67% | 20.09% | 20.57% | 17.50% | 19.07% | 19.15% | 18.65% | 18.09% | 17.60% | 18.17% | 18.91% | (0.74%) |
| EXPENSE | Sep- 21 | Oct- 21 | Nov- 21 | Dec- 21 | Jan- 22 | Feb- 22 | Mar- 22 | Apr- 22 | May- 22 | Jun- 22 | Jul- 22 | Aug- 22 | Sep- 22 | 12-Mo Avg | Sep to Avg Var |
| Salaries, Wages and Benefits | \$40,223 | \$41,365 | \$40,360 | \$41,105 | \$45,054 | \$43,368 | \$39,398 | \$40,875 | \$39,809 | \$36,995 | \$41,229 | \$39,837 | \$39,487 | \$40,802 | (\$1,314) |
| Supplies | \$12,164 | \$10,783 | \$11,162 | \$11,479 | \$10,880 | \$14,728 | \$14,622 | \$11,243 | \$11,844 | \$9,479 | \$11,288 | \$11,569 | \$12,110 | \$11,770 | \$340 |
| Other | \$14,685 | \$13,776 | \$15,439 | \$15,617 | \$14,791 | \$15,197 | \$16,469 | \$15,816 | \$16,251 | \$17,617 | \$15,284 | \$15,240 | \$15,892 | \$15,515 | \$377 |
| Total Operating Expense | \$67,072 | \$65,925 | \$66,961 | \$68,201 | \$70,725 | \$73,294 | \$70,490 | \$67,934 | \$67,905 | \$64,091 | \$67,800 | \$66,645 | \$67,490 | \$68,087 | (\$597) |
| INCOME FROM OPS | Sep- 21 | Oct- 21 | Nov- 21 | Dec- 21 | Jan- 22 | Feb- 22 | Mar- 22 | Apr- 22 | May- 22 | Jun- 22 | Jul- 22 | Aug- 22 | Sep- 22 | 12-Mo Avg | Sep to Avg Var |
| Total Inc from Ops | (\$269) | (\$349) | \$1,063 | \$1,464 | \$778 | (\$3,980) | (\$1,106) | (\$1,108) | (\$491) | \$1,839 | (\$842) | \$1,535 | (\$605) | (\$122) | (\$483) |
| Add back: Depr & Amort. | \$2,094 | \$2,186 | \$2,158 | \$2,157 | \$2,119 | \$2,141 | \$2,714 | \$2,545 | \$2,245 | \$2,219 | \$2,781 | \$2,819 | \$2,802 | \$2,348 | \$453 |
| Tot Inc from Ops plus Depr & Amort. | \$1,825 | \$1,836 | \$3,221 | \$3,621 | \$2,897 | (\$1,840) | \$1,608 | \$1,437 | \$1,754 | \$4,057 | \$1,938 | \$4,354 | \$2,196 | \$2,226 | (\$29) |
| Operating Margin (w/Depr & Amort.) | 2.73% | 2.80% | 4.74% | 5.20% | 4.05% | (2.65%) | 2.32% | 2.15% | 2.60% | 6.15% | 2.90% | 6.39% | 3.28% | 3.28% | 0.01% |

SALARY & BENEFIT EXPENSE - SEP



| | Actual | Budget | Variance | % Variance | |
|----------------|---------------------|---------------------|----------------------|----------------|----------|
| Salaries | \$25,193,987 | \$23,569,227 | (\$1,624,760) | (6.89%) | ↓ |
| Benefits | \$12,359,498 | \$11,677,935 | (\$681,563) | (5.84%) | ↓ |
| Overtime | \$1,012,273 | \$1,138,562 | \$126,288 | 11.09% | ↑ |
| Contract Labor | \$921,608 | \$856,754 | (\$64,854) | (7.57%) | ↓ |
| TOTAL | \$39,487,366 | \$37,242,477 | (\$2,244,889) | (6.03%) | ↓ |
| Paid FTEs | 3,557 | 3,440 | (117) | (3.40%) | ↓ |
| SWB per FTE | \$11,100 | \$10,825 | (\$275) | (2.54%) | ↓ |
| SWB/APD | \$1,988 | \$2,156 | \$168 | 7.80% | ↑ |
| SWB % of Net | 61.41% | 59.54% | - | (1.87%) | ↓ |
| AEPOB | 5.37 | 5.95 | 0.58 | 57.77% | ↑ |

SALARY & BENEFIT EXPENSE - TREND



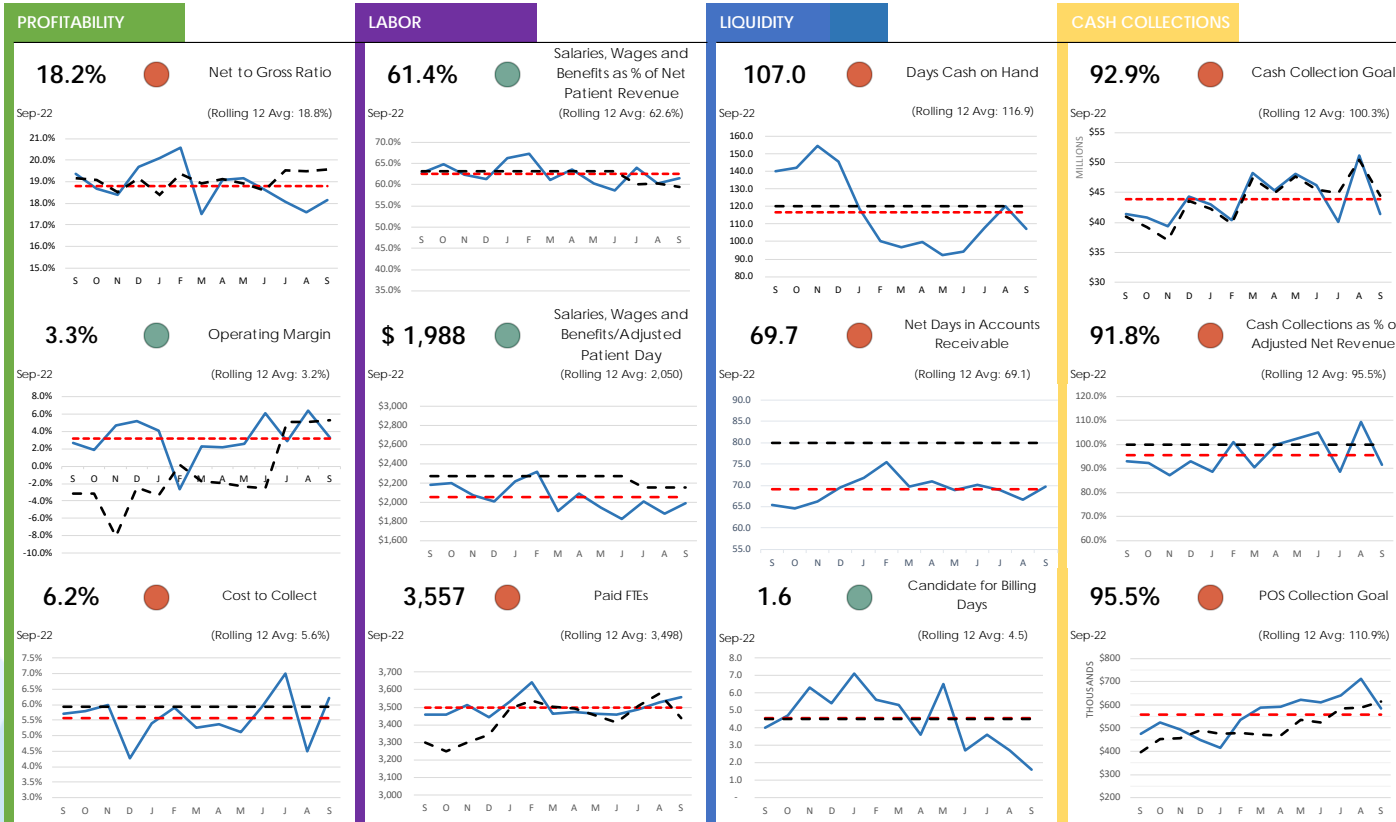
| SALARY & BENEFIT EXPENSE | Sep- 21 | Oct- 21 | Nov- 21 | Dec- 21 | Jan- 22 | Feb- 22 | Mar- 22 | Apr- 22 | May- 22 | Jun- 22 | Jul- 22 | Aug- 22 | Sep- 22 | 12-Mo Avg | Sep to Avg Var |
|--------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-----------|----------------|
| Salaries | \$25,073 | \$26,664 | \$24,907 | \$25,590 | \$27,177 | \$27,808 | \$24,801 | \$25,957 | \$25,994 | \$23,562 | \$26,230 | \$26,013 | \$25,194 | \$25,815 | \$621 |
| Benefits | \$11,138 | \$11,139 | \$10,877 | \$10,965 | \$12,329 | \$10,720 | \$11,433 | \$11,568 | \$11,274 | \$11,124 | \$12,908 | \$11,886 | \$12,359 | \$11,447 | (\$913) |
| Overtime | \$1,719 | \$1,871 | \$2,002 | \$1,747 | \$2,592 | \$1,881 | \$836 | \$1,405 | \$1,216 | \$1,183 | \$1,283 | \$1,106 | \$1,012 | \$1,570 | \$558 |
| Contract Labor | \$2,294 | \$1,692 | \$2,575 | \$2,804 | \$2,957 | \$2,959 | \$2,328 | \$1,944 | \$1,325 | \$1,126 | \$808 | \$832 | \$922 | \$1,970 | \$1,049 |
| TOTAL | \$40,223 | \$41,365 | \$40,360 | \$41,105 | \$45,054 | \$43,368 | \$39,398 | \$40,875 | \$39,809 | \$36,995 | \$41,229 | \$39,837 | \$39,487 | \$40,802 | \$1,314 |
| Paid FTE | 3,470 | 3,469 | 3,504 | 3,360 | 3,503 | 3,628 | 3,473 | 3,478 | 3,459 | 3,460 | 3,488 | 3,525 | 3,557 | 3,485 | (73) |
| SWB per FTE | \$11,590 | \$11,925 | \$11,517 | \$12,235 | \$12,863 | \$11,953 | \$11,343 | \$11,753 | \$11,507 | \$10,692 | \$11,819 | \$11,300 | \$11,100 | \$11,708 | \$608 |
| SWB/APD | \$2,177 | \$2,199 | \$2,076 | \$2,008 | \$2,213 | \$2,318 | \$1,906 | \$2,090 | \$1,946 | \$1,830 | \$2,008 | \$1,885 | \$1,988 | \$2,055 | \$67 |
| SWB % of Net | 62.66% | 64.61% | 62.29% | 61.27% | 66.22% | 67.16% | 61.04% | 63.57% | 60.23% | 58.60% | 63.98% | 60.36% | 61.41% | 62.67% | 1.26% |
| OT % of Productive | 5.93% | 6.14% | 6.70% | 5.92% | 7.34% | 5.73% | 4.03% | 4.41% | 4.10% | 4.30% | 4.29% | 3.64% | 3.48% | 5.21% | 1.73% |
| AEPOB | 5.64 | 5.71 | 5.41 | 5.22 | 5.40 | 5.40 | 5.21 | 5.34 | 5.25 | 5.14 | 5.27 | 5.17 | 5.37 | 5.35 | -0.03 |

EXPENSES - SEP



| | Actual | Budget | Variance | % Variance | |
|-----------------------------|---------------------|---------------------|--------------------|----------------|----------|
| Professional Fees | \$3,763,930 | \$3,773,499 | \$9,568 | 0.25% | ↑ |
| Supplies | \$12,110,453 | \$11,663,682 | (\$446,770) | (3.83%) | ↓ |
| Purchased Services | \$6,105,544 | \$5,936,557 | (\$168,987) | (2.85%) | ↓ |
| Depreciation | \$2,243,731 | \$2,262,609 | \$18,878 | 0.83% | ↑ |
| Amortization | \$557,870 | \$605,424 | \$47,553 | 7.85% | ↑ |
| Repairs & Maintenance | \$810,495 | \$914,031 | \$103,536 | 11.33% | ↑ |
| Utilities | \$542,975 | \$437,956 | (\$105,019) | (23.98%) | ↓ |
| Other Expenses | \$1,672,371 | \$1,406,111 | (\$266,260) | (18.94%) | ↓ |
| Rental | \$195,360 | \$190,695 | (\$4,665) | (2.45%) | ↓ |
| Total Other Expenses | \$28,002,728 | \$27,190,563 | (\$812,165) | (2.99%) | ↓ |

KEY FINANCIAL INDICATORS - SEP

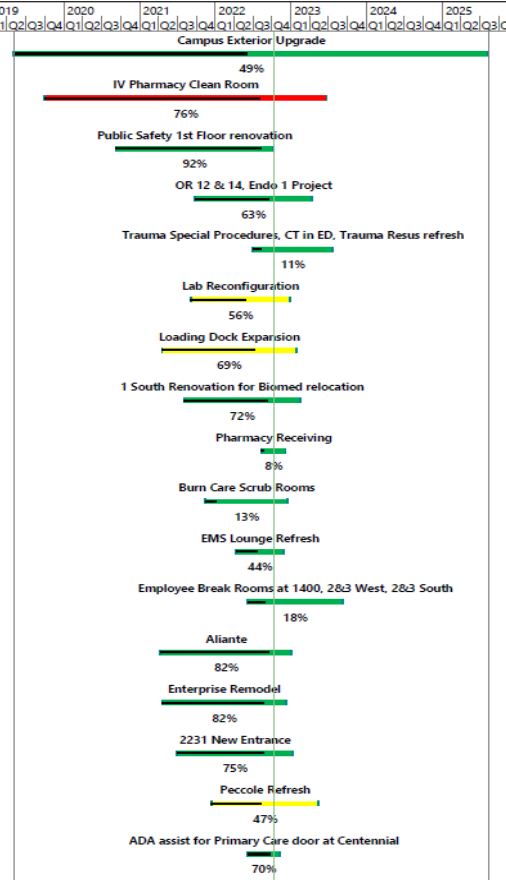


Actual
Rolling Average
Target

CAPITAL PLAN



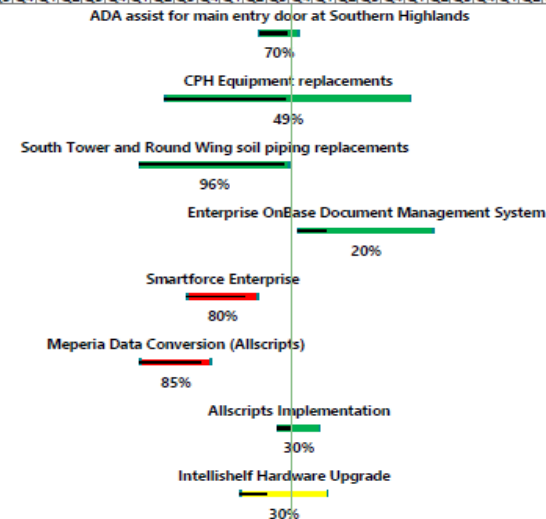
| FY | Baseline Cost | % Spent | ETC Var | Task Name | % Complete | Duration | Start | Finish | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | |
|-------------|-----------------|---------|---------|---|------------|------------|--------------|--------------|------|------|------|------|------|------|------|----|
| FY19 & FY22 | \$50,000,000.00 | 5% | | Campus Exterior Upgrade | 49% | 81.8 mons | Mon 5/6/19 | Mon 8/11/25 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| FY22 | \$1,518,367.00 | 16% | | IV Pharmacy Clean Room | 76% | 48.7 mons | Mon 9/30/19 | Thu 6/22/23 | | | | | | | | |
| FY20 & FY22 | \$1,500,000.00 | 30% | | Public Safety 1st Floor renovation | 92% | 27.25 mons | Mon 9/7/20 | Fri 10/7/22 | | | | | | | | |
| FY22 | \$2,334,830.00 | 4% | | OR 12 & 14, Endo 1 Project | 63% | 20.05 mons | Mon 9/27/21 | Mon 4/10/23 | | | | | | | | |
| FY23 | \$7,000,000.00 | 0% | | Trauma Special Procedures, CT in ED, Trauma Resus refresh | 11% | 13.75 mons | Fri 7/1/22 | Thu 7/20/23 | | | | | | | | |
| FY23 | \$350,000.00 | 0% | | Lab Reconfiguration | 56% | 17.05 mons | Mon 9/6/21 | Mon 12/26/22 | | | | | | | | |
| FY22 | \$650,000.00 | 0% | | Loading Dock Expansion | 69% | 23.15 mons | Mon 4/19/21 | Wed 1/25/23 | | | | | | | | |
| FY22 | \$500,000.00 | 0% | | 1 South Renovation for Biomed relocation | 72% | 20 mons | Tue 8/3/21 | Mon 2/13/23 | | | | | | | | |
| FY22 | \$100,000.00 | 0% | | Pharmacy Receiving | 8% | 4.15 mons | Fri 8/12/22 | Tue 12/6/22 | | | | | | | | |
| FY22 | \$500,000.00 | 0% | | Burn Care Scrub Rooms | 13% | 14.2 mons | Mon 11/15/21 | Thu 12/15/22 | | | | | | | | |
| FY23 | \$47,000.00 | 11% | | EMS Lounge Refresh | 44% | 8.1 mons | Thu 4/14/22 | Fri 11/25/22 | | | | | | | | |
| | \$175,000.00 | | | Employee Break Rooms at 1400, 2&3 West, 2&3 South | 18% | 16.5 mons | Mon 6/6/22 | Fri 9/8/23 | | | | | | | | |
| FY20 | \$3,000,000.00 | 74% | | Aliante | 82% | 22.7 mons | Mon 4/12/21 | Thu 1/5/23 | | | | | | | | |
| FY21 | \$1,152,750.00 | 2% | | Enterprise Remodel | 82% | 21.5 mons | Mon 4/19/21 | Fri 12/9/22 | | | | | | | | |
| FY20 & FY23 | \$99,692.00 | 0% | | 2231 New Entrance | 75% | 19.9 mons | Thu 7/1/21 | Mon 1/9/23 | | | | | | | | |
| FY22 | \$1,055,243.00 | 0% | | Peccole Refresh | 47% | 18.55 mons | Mon 12/13/21 | Mon 5/15/23 | | | | | | | | |
| FY22 | \$24,000.00 | 0% | | ADA assist for Primary Care door at Centennial | 70% | 5.6 mons | Mon 6/6/22 | Tue 11/8/22 | | | | | | | | |



CAPITAL PLAN



| FY | Baseline Cost | % Spent | ETC Var | Task Name | % Complete | Duration | Start | Finish | 2019 Q1 Q2 Q3 Q4 | 2020 Q1 Q2 Q3 Q4 | 2021 Q1 Q2 Q3 Q4 | 2022 Q1 Q2 Q3 Q4 | 2023 Q1 Q2 Q3 Q4 | 2024 Q1 Q2 Q3 Q4 | 2025 Q1 Q2 Q3 Q4 |
|------|-----------------|---------|---------|--|------------|------------|-------------|--------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | \$20,000.00 | | | ADA assist for main entry door at Southern Highlands | 70% | 5.6 mons | Mon 6/6/22 | Tue 11/8/22 | | | | | | | |
| FY22 | \$12,000,000.00 | 0% | | CPH Equipment replacements | 49% | 34.8 mons | Fri 5/28/21 | Fri 1/26/24 | | | | | | | |
| FY20 | \$3,100,000.00 | 31% | | South Tower and Round Wing soil piping replacements | 96% | 21.2 mons | Tue 2/16/21 | Fri 9/30/22 | | | | | | | |
| | \$2,980,673.00 | | | Enterprise OnBase Document Management System | 20% | 19.25 mons | Mon 11/7/22 | Fri 4/26/24 | | | | | | | |
| | \$728,816.24 | | | Smartforce Enterprise | 80% | 10.1 mons | Mon 8/23/21 | Tue 5/31/22 | | | | | | | |
| | \$36,800.00 | | | Meperia Data Conversion (Allscripts) | 85% | 10.1 mons | Thu 2/18/21 | Fri 11/26/21 | | | | | | | |
| | \$483,775.67 | | | Allscripts Implementation | 30% | 6 mons | Wed 8/17/22 | Tue 1/31/23 | | | | | | | |
| | \$476,735.06 | | | Intelliself Hardware Upgrade | 30% | 12.45 mons | Tue 3/22/22 | Fri 3/3/23 | | | | | | | |



LEGEND

No Delays █

Minor Delays █

Delayed █

FY23 CASH FLOW



| | September 2022 | August 2022 | July 2022 | YTD of FY2023 |
|---|---------------------|-------------------|---------------------|---------------------|
| Operating Activities | | | | |
| Cash received from patients and payors | 50,211,569 | 84,234,710 | 44,329,726 | 178,776,006 |
| Cash paid to vendors | (36,547,462) | (15,768,365) | (26,510,178) | (78,826,006) |
| Cash paid to employees | (35,772,703) | (39,844,563) | (50,153,757) | (125,771,023) |
| Other operating receipts/(disbursements) | 1,917,850 | 1,810,570 | 4,159,255 | 7,887,675 |
| Net cash provided by/(used in) operations | (20,190,746) | 30,432,352 | (28,174,954) | (17,933,348) |
| Investing Activities | | | | |
| Purchase of property and equipment, net | (3,866,346) | (2,100,346) | (2,351,038) | (8,317,729) |
| Interest received | - | 313,084 | 10,144,636 | 10,457,720 |
| Addition/(reduction) in donor-restricted cash | - | - | - | - |
| Addition/(reduction) in internally designated cash | 7,769,118 | (877,494) | (7,402,146) | (510,522) |
| Net cash provided by/(used in) investing activities | 3,902,772 | (2,664,756) | 391,452 | 1,629,468 |
| Financing Activities | | | | |
| From/(to) Clark County | - | - | - | - |
| Unrestricted donations and other | - | - | - | - |
| Borrowing/(repayment) of debt | (6,370,000) | - | - | (6,370,000) |
| Interest paid | (226,391) | - | - | (226,391) |
| Other | - | - | - | - |
| Net cash provided by/(used in) financing activities | (6,596,391) | - | - | (6,596,391) |
| Increase/(decrease) in cash | (22,884,365) | 27,767,596 | (27,783,502) | (22,900,271) |
| Cash beginning of period | 82,230,871 | 54,424,459 | 82,207,961 | 82,246,778 |
| Cash end of period | 59,346,506 | 82,192,055 | 54,424,459 | 59,346,506 |
| Unrestricted cash | 59,346,506 | 82,192,055 | 54,424,459 | 59,346,506 |
| Cash restricted by donor | 4,792,232 | 4,853,083 | 4,507,084 | 4,792,232 |
| Internally designated cash | 176,266,440 | 184,035,558 | 183,158,064 | 176,266,440 |

FY23 BALANCE SHEET HIGHLIGHTS



| | Sep 2022 | Aug 2022 | Jul 2022 |
|------------------------------|----------------|----------------|----------------|
| CASH | | | |
| Unrestricted | \$ 59.3 | \$ 82.2 | \$ 54.5 |
| Restricted by donor | 4.8 | 4.8 | 4.5 |
| Internally designated | 176.3 | 184.0 | 183.2 |
| | <hr/> \$ 240.4 | <hr/> \$ 271.0 | <hr/> \$ 242.2 |
| NET WORKING CAPITAL | \$ 199.6 | \$ 200.1 | \$ 198.5 |
| NET PP&E | \$ 198.4 | \$ 199.3 | \$ 196.9 |
| LONG-TERM DEBT | \$ - | \$ 6.6 | \$ 6.6 |
| NET PENSION LIABILITY | \$ 313.9 | \$ 313.9 | \$ 313.9 |
| NET POSITION | \$ (213.2) | \$ (212.1) | \$ (213.4) |

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

| | |
|--|-----------------|
| Issue: CFO Update | Back-up: |
| Petitioner: Jennifer Wakem, Chief Financial Officer | |
| Recommendation: 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
October 19, 2022

Agenda Item #

7

| 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 |
| 9 | NRS 332.115.1(b) | No | EVH Network | New Contract | N/A | 2 Years | 90 days w/o cause | Base Agreement Estimated \$1,386,000.00 | None | N/A | Endoscopic Surgical Services | For Surgical Assistants to be available to provide cardiothoracic and vascular surgical first assist services during surgeries performed in the Hospital. |
| 10 | RFI 2022-14 | No | Holley Driggs, Ltd. Kaempfer Crowell, Ltd. Koeller, Nebeker, Carlson & Haluck, LLP Marquis Aurbach, Chtd. McBride Hall, PC Parker Nelson & Associates, Chtd. Saltzman Mugan Dushoff, PLLC | New Contract | N/A | 3 Years, with Two (1)-Year Options | 30 days w/o cause by UMC and 180 days w/o cause by a law firm pursuant to Nevada Rule of Professional Conduct 1.16 | Base Agreement NTE \$4,500,000 | None | N/A | Legal | Provide civil legal representation, support and resources, as well as specialized legal advice to UMC, in excess of the services available in-house. |
| 11 | NRS 332.115.1(b) | No | Med-Smart, Inc. | Amendment | No | 1 Year | 30 days w/ cause | Base Agreement NTE \$1,225,000 Amendment 1 NTE \$240,000 Cumulative Total NTE \$1,465,000 | None | Increase NTE \$240,000 annually | Radiology | Amendment 1 requests to: (i) extend the Agreement Term through October 23, 2023; and (ii) provide supplemental technologist(s) coverage in CT, MRI, Nuclear Medicine, Ultrasound, X-Ray, Patient Transport and Tech Aide on a 24/7 basis subject to technologist availability. |
| 12 | Bid | No | Bid 2022-06 Peccole Refresh - JMB Construction, Inc. | New Contract | N/A | 240 days from Notice to Proceed | Immediate w/o cause | NTE \$1,038,024.00 | \$1,038,024.00 | N/A | Peccole QC | Peccole QC/PC renovation construction Bid Award to support demolition of doors, millwork, plumbing, fixtures, upgrade to lights, and finishes |
| 13 | NRS 332.115.1(g) NRS 450.525 | Yes (CDW) | PC Refresh Project (Solutions II & CDW Government) | New Contracts | N/A | 1 Year | 30 days w/o cause | NTE \$2,336,966.011 Solutions II: \$1,961,316.00 CDW Gov: \$375,650.11 | \$2,319,887.11 | N/A | Information Technology | This request is for approval of an Agreement for Hospital PC Refresh Project with Solutions II, Inc. and a Quote for computer hardware equipment from CDW Government. The objectives are to purchase 1,800 PC workstations, 200 Surface Pro laptops and accessories, 657 monitors, and implementation services from the two vendors listed above for hospital wide distribution. |
| 14 | NRS 332.115.1(c) | Yes | Philips Healthcare | Amendment | Yes | 75 Months | 60 days w/ cause | Base Agreement NTE \$1,487,096.14 Amendment 1 NTE \$84,518.25 Cumulative Total NTE \$1,572,614.39 | None | Increase NTE \$1,126.91 Monthly | Clinical Support Services | The existing Service Agreement with Philips extends warranties for service and maintenance of various equipment/systems, including Azurion 7 M20, EPIQ CVx Ultrasounds, IntelliSpace CV 3.X and IntraSight 5 systems, to November 30, 2028. This Amendment will add an additional IntraSight system to the equipment schedule in the existing Service Agreement. |
| 15 | NRS 332.115.1 (g) & (h) | No | SmallGuy | First Amendment | Yes | 1 Year, with Four (1)-Year Options | 30 days w/o cause | NTE \$622,058.56 Amendment 1 NTE \$56,944.49 Cumulative Total NTE \$679,003.05 | \$15,786.61 | N/A | Pediatric ED (PER) | This amendment allows for additional equipment to be placed at UMC Pediatric ER areas to assist in telehealth patient observation, scheduling, and conduction of virtual social and clinical visitations, and/or for discharge medication management in conjunction with a pharmacy |
| 16 | NRS 332.115.1(b) | No | UNLV School of Dental Medicine | New Contract | N/A | 3 Years, with Two (1)-Year Options | 30 days w/o cause | Base Agreement NTE \$912,500 | None | N/A | ED & Pediatric ED | Provide 24/7 consultative, emergency and on-call general and pediatric dentistry services for UMC's inpatients and outpatients, including Emergency Department patients, in accordance with the call schedule maintained by Provider. |
| 17 | NRS 332.115.1(b) | No | Duke Forage Anson Neurosurgical, LLP | Amended and Restated Agreement | No | 3 Years, with Two (1)-Year Options | 30 days w/o cause | Amended and Restated Base Agreement \$7,300,000 | None | Increase NTE \$365,000 annually | ED | Provide 24/7 consultative, emergency and on-call neurological surgery and neurological spine surgery services for UMC's inpatients and outpatients, including Emergency Department and Trauma Department patients, in accordance with the call schedule maintained by Medical Staff. |

| 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 |
| 8 | NRS332.115(1)(f) | No | Molina Healthcare of Nevada, Inc. | Amendment | No | 1/1/2023 – 12/31/2024 | 90 days w/o cause | Revenue to hospital based on volumee | Managed Care | Amendment 1 updates the Products to include Medicare Advantage, the Compensation Schedule, and the Medicare Advantage attachment effective January |

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

| | |
|--|---------------------|
| Issue: First Amendment to Hospital Services Agreement with Molina Healthcare of Nevada, Inc. | Back-up: |
| Petitioner: Jennifer Wakem, Chief Financial Officer | Clerk Ref. # |
| Recommendation: That the Governing Board Audit and Finance Committee review and recommend for approval by the Governing Board the First Amendment to Hospital Services Agreement with Molina Healthcare of Nevada, Inc.; or take action as deemed appropriate. (<i>For possible action</i>) | |

FISCAL IMPACT:

Fund Number: 5420.000
Fund Center: 3000850000
Description: Managed Care Services
Bid/RFP/CBE: NRS 332.115(1)(f) – Insurance
Term: 1/1/2022 – 12/31/2024
Amount: Revenue based on volume
Out Clause: 90 days w/o cause

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

BACKGROUND:

On January 1, 2022 entered into a new Hospital Services Agreement with Molina Healthcare of Nevada, Inc., to provide its members healthcare access to the hospital and its associated Urgent Care facilities.

This First Amendment requests to update the Products to include Medicare Advantage, the Compensation Schedule, and the Medicare Advantage attachment effective January 1, 2023.

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

Molina currently holds a Clark County business license.

Cleared for Agenda
October 19, 2022

Agenda Item #

8

FIRST AMENDMENT
MOLINA HEALTHCARE OF NEVADA, INC.
MEDICARE ADVANTAGE PRODUCT AMENDMENT

Molina Healthcare of Nevada, Inc. (“Health Plan”) and University Medical Center of Southern Nevada (“Provider”) enter into this Medicare Advantage Amendment (“Amendment”) on the Effective Date indicated below. The Provider and Health Plan each are referred to as a “Party” and are collectively referred to as the “Parties” in this Amendment.

RECITALS

WHEREAS, the Parties have entered into a Hospital Services Agreement dated January 1, 2022 (the “Agreement”);

WHEREAS, Health Plan desires that Provider participate in the Medicare Advantage Product on the date it becomes operational for Health Plan, which is January 1, 2023; and

WHEREAS, Health Plan desires to update the compensation schedule for the Medicare Advantage Product.

NOW, THEREFORE, in consideration of the promises and representations stated in the recitals, which are incorporated into the Amendment, the Agreement is amended as stated in this Amendment.

- 1.1 **Products.** If not previously included in the Agreement, Attachment A – Products or other corresponding section in the Agreement is updated to include the following Product in which Provider agrees to participate.
Medicare Advantage.
- 1.2 **Compensation Attachment.** Attachment B-2 - Compensation Schedule, Medicare Advantage, attached to this Amendment, is added to the Agreement.
- 1.3 **Medicare Advantage Attachment.** Attachment E - Medicare Advantage, Laws and Government Program Requirements, attached to this Amendment, is added to the Agreement.
- 1.4 **Effective Date.** This Amendment will become effective on January 1, 2023 (“Effective Date”) and will renew with and under the terms of the Agreement.
- 1.5 **Use of Defined Terms.** Capitalized terms in this Amendment will have the same meanings ascribed to the terms in the Agreement unless otherwise noted in this Amendment.
- 1.6 **Full Force and Effect.** Except as modified by this Amendment, the Agreement will remain unaffected and will continue in full force and effect in accordance with its terms. The terms of this Amendment will prevail if there is a conflict between this Amendment and the Agreement or an earlier amendment.
- 1.7 **Counterparts.** This Amendment may be executed in one or more counterparts, each of which will be deemed an original, but all of which taken together will constitute one and the same instrument.

SIGNATURE AUTHORIZATION

In consideration of the promises and representations stated, the Parties agree as set forth in this Amendment. The Authorized Representative acknowledges, warrants, and represents that the Authorized Representative has the authority and authorization to act on behalf of its Party. The Authorized Representative further acknowledges and represents that he/she received and reviewed this Amendment in its entirety.

The Authorized Representative for each Party executes this Amendment with the intent to bind the Parties in accordance with this Amendment.

Provider Signature and Information.

| | |
|---|--|
| Provider's Legal Name ("Provider") – as listed on applicable tax form (i.e. W-9): University Medical Center of Southern Nevada | |
| Authorized Representative's Signature: | Authorized Representative's Name – Printed: Mason Van Houweling |
| Authorized Representative's Title: Chief Executive Officer | Authorized Representative's Signature Date: |

Health Plan Signature and Information.

| | |
|---|--|
| Molina Healthcare of Nevada, Inc., a Nevada Corporation ("Health Plan") | |
| Authorized Representative's Signature: <i>Michael Easterday</i> | Authorized Representative's Name – Printed: Michael Easterday |
| Authorized Representative's Title: Chief Executive Officer | Authorized Representative's Countersignature Date: 10/4/2022 |

ATTACHMENT B-2
MOLINA HEALTHCARE OF NEVADA, INC. – MEDICARE ADVANTAGE PRODUCT
AMENDMENT ATTACHMENT B-2 COMPENSATION SCHEDULE

[The information in this attachment is confidential and proprietary in nature]

ATTACHMENT E

Medicare Advantage

Laws and Government Program Requirements

This attachment sets forth applicable Laws and Government Program Requirements or other provisions necessary to reflect compliance for the Medicare Advantage Product. This attachment will be automatically modified to conform to subsequent changes to Laws or Government Program Requirements. All provisions of the Agreement not specifically modified by this attachment remain unchanged and will control. In the event of a conflict between this attachment and any other provision in the Agreement, the provisions in this attachment will control for the Medicare Advantage Product. Capitalized terms used in this attachment will have the same meaning ascribed to them in the Agreement unless otherwise set forth in this attachment. Any purported modification or any provision in this attachment that is inconsistent with a Law or Government Program Requirement will not be effective and will be interpreted in a manner that is consistent with the applicable Law and Government Program Requirement. This attachment only applies to the Medicare Advantage Product.

1.1 Definitions.

- a. **Completion of Audit** means a completion of audit by The U.S. Department of Health and Human Services (“HHS”), the Government Accountability Office, or their designees of a Medicare Advantage Organization, Medicare Advantage Organization contractor or Related Entity.
- b. **Downstream Entity** means any party that enters into a written arrangement, acceptable to CMS, with persons or entities involved with the Medicare Advantage benefit, below the level of the arrangement between a Medicare Advantage Organization (or applicant) and a First Tier Entity. These written arrangements continue down to the level of the ultimate provider for health and administrative services.
- c. **Final Contract Period** means the final term of the contract between CMS and the Medicare Advantage Organization.
- d. **First Tier Entity** means any party that enters into a written arrangement, acceptable to CMS, with a Medicare Advantage Organization or applicant to provide administrative services or health care services for a Medicare eligible individual under the Medicare Advantage program.
- e. **Medicare Advantage Organization** means a public or private entity organized and licensed by a State as a risk-bearing entity (with the exception of provider-sponsored organizations receiving waivers) that is certified by CMS as meeting the Medicare Advantage contract requirements.
- f. **Related Entity** means any entity that is related to the Medicare Advantage Organization by common ownership or control and; (i) performs some of the Medicare Advantage Organization's management functions under contract or delegation; (ii) furnishes services to Medicare enrollees under an oral or written agreement; or (iii) leases real property or sells materials to the Medicare Advantage Organization at a cost of more than \$2,500 during a contract period.

- 1.2 **Right to Audit.** HHS, the Comptroller General, or their designees have the right to audit, evaluate, collect, and inspect any pertinent information for any particular contract period, including, but not limited to, any books, contracts, computer or other electronic systems (including medical records and documentation of the First Tier Entity, Downstream Entity, and Related Entity, through ten (10) years from the final date of the Final Contract Period of the contract entered into between CMS and the Medicare Advantage Organization or from the date of completion of any audit, whichever is later.

- 1.3 **Right to Audit Directly from FDR.** HHS, the Comptroller General, or their designees have the right to audit, evaluate, collect, and inspect any records under Section 1.2, of this attachment, directly from any First Tier Entity,

Page 4 of 5

Downstream Entity, and Related Entity. For records subject to review under Section 1.2, except in exceptional circumstances, CMS will provide notification to the Medicare Advantage Organization that a direct request for information has been initiated.

- 1.4 **Confidentiality.** Provider will comply with the confidentiality and Member record accuracy requirements, including: (i) abiding by all Laws regarding confidentiality and disclosure of medical records, or other health and enrollment information; (ii) ensuring that medical information is released only in accordance with applicable Law, or pursuant to court orders or subpoenas; (iii) maintaining the records and information in an accurate and timely manner; and (iv) ensuring timely access by Members to the records and information that pertain to them.
- 1.5 **Hold Harmless.** Members will not be held liable for payment of any fees that are the legal obligation of the Medicare Advantage Organization.
- 1.6 **Cost-Sharing.** For all Members eligible for both Medicare and Medicaid, Members will not be held liable for Medicare Part A and B cost-sharing when the State is responsible for paying such amounts. Provider will be informed of Medicare and Medicaid benefits and rules for enrollees eligible for Medicare and Medicaid. Provider may not impose cost-sharing that exceeds the amount of cost-sharing that would be permitted with respect to the individual under title XIX if the individual were not enrolled in such a plan. Provider will: (i) accept the Health Plan payment as payment in full; or (ii) bill the appropriate State source.
- 1.7 **Delegation.** Any services or other activity performed in accordance with a contract or written agreement by Provider or a Downstream Entity of Provider must be consistent and comply with the Medicare Advantage Organization's contractual obligations.
- 1.8 **Prompt Payment.** Health Plan will pay Provider for Clean Claims for Covered Services, that are determined to be payable, in accordance with Laws, Government Program Requirements, and this Agreement. Health Plan will make such payment within sixty (60) days.
- 1.9 **Compliance with Medicare Laws.** Provider will comply with all applicable Medicare Laws, regulations, and CMS instructions.
- 1.10 **Benefit Continuation.** Provider agrees to provide for continuation of Member health care benefits: (i) for all Members, for the duration of the period for which CMS has made payments to Health Plan for Medicare services; and (ii) for Members who are hospitalized on the date Health Plan's contract with CMS terminates, or, in the event of insolvency, through discharge
- 1.11 **Accountability.** Health Plan may only delegate activities or functions to a First Tier Entity or Downstream Entity in a manner that is consistent with the requirements set forth in Health Plan's contractual obligations.
- 1.12 **Reporting.** Provider agrees to provide relevant data to support Health Plan in complying with the requirements set forth in 42 CFR 422.516 and 42 CFR 422.310

**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

| | | | | | | |
|--|--------------------------------------|--|---|---|--|--------------------------------|
| Business Entity Type (Please select one) | | | | | | |
| <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 |
| Business Designation Group (Please select all that apply) | | | | | | |
| <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 |
| Number of Clark County Nevada Residents Employed: 117 | | | | | | |
| Corporate/Business Entity Name: Molina Healthcare of Nevada, Inc. | | | | | | |
| (Include d.b.a., if applicable) | | | | | | |
| Street Address: | | 8329 W. Sunset Rd. Suite 100 | | Website: https://www.molinahealthcare.com/NV (Molina NV website to go live 01/01/2022) | | |
| City, State and Zip Code: | | Las Vegas, NV 89113 | | POC Name: Jackie Hernandez, AVP Government Contracts Email: Jacqueline.hernandez1@molinahealthcare.com | | |
| Telephone No: | | 909-747-4742 | | Fax No: | | |
| Nevada Local Street Address: (If different from above) | | | | Website: | | |
| City, State and Zip Code: | | | | Local Fax No: | | |
| Local Telephone No: | | | | Local POC Name: Email: | | |

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) |
|----------------|-----------------------------|---|
| Mike Easterday | President and Chair | |
| Tom Tran | Vice President and Treasure | |
| Jeff Barlow | Secretary | |
| Dr. Jason Dees | Chief Medical Officer | |

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.

| | |
|--|------------------------------------|
| <i>Jacqueline Hernandez</i> Signature | Jacqueline Hernandez Print Name |
| AVP, Government Contracts Title | 11/02/2021 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 |
|-------------------------------------|--|--|---|
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* 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

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

| | | |
|---|---|---------------------|
| Issue: | Surgical Assist Services Agreement with EVH Network, LLC | Back-up: |
| Petitioner: | Jennifer Wakem, Chief Financial Officer | Clerk Ref. # |
| Recommendation: That the Governing Board Audit and Finance Committee review and recommend for ratification by the Governing Board the Surgical Assist Services Agreement with EVH Network, LLC for contracted Surgical Assistants to provide cardiothoracic and vascular first assist services during surgeries; authorize the Chief Executive Officer to exercise any extension options; or take action as deemed appropriate. (<i>For possible action</i>) | | |

FISCAL IMPACT:

Fund Number: 5420.000
Fund Name: UMC Operating Fund
Fund Center: 3000702200
Funded Pgm/Grant: N/A
Description: Practitioners be available to provide surgical assist services to Cardiothoracic Surgeons
Bid/RFP/CBE: NRS 332.115.1 (b) – Professional Services
Term: 09/19/2022 – 08/20/2024
Amount: Estimated \$1,386,000.00 for two (2) years
Out Clause: 90 days w/o cause; Budget Act and Fiscal Fund Out

BACKGROUND:

This request is to enter into a new Surgical Assist Services Agreement (“Agreement”) with EVH Network, LLC, for Contracted Surgical Assistants to be available to provide cardiothoracic and vascular surgical first assist services during surgeries performed in the Hospital (UMC). Practitioners to provide surgical assistant for emergency or scheduled cases and remain on site until the surgery is completed or the principal surgeon releases the Practitioner. Staff also requests authorization for the Hospital CEO, at the end of the initial Term, to exercise the extension option(s) at his discretion if deemed beneficial to UMC.

UMC will compensate EVH Network LLC, \$693,000.00 per year with an aggregate \$1,386,000.00 from September 19, 2022 through August 20, 2024. Either party may terminate this Agreement with a 90-day written notice to the other.

UMC’s Chief Operating Officer 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
October 19, 2022

Agenda Item #

9

SURGICAL ASSIST SERVICES AGREEMENT

THIS SURGICAL ASSIST SERVICES AGREEMENT ("**Agreement**") is made and entered into 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 ("**Hospital**"), and **EVH Network, LLC**, a Nevada limited liability company ("**Contractor**"). Hospital and Contractor are at times each referred to herein as a "**Party**" or, collectively, as the "**Parties**".

RECITALS

A. Hospital is a general acute care hospital that performs cardiothoracic and vascular procedures within its surgery departments.

B. Contractor employs or contracts with surgical assist practitioners licensed and/or certified in the State of Nevada (the "**State**") who are experienced and qualified to provide cardiothoracic and vascular surgical assist services (hereafter "**Practitioners**" or "**Surgical Assistants**"). For purposes of this Agreement, the terms "Practitioner" and "Surgical Assistant" refer to any practitioner who can provide cardiothoracic and vascular surgical assistant services in accordance with the Hospital Rules (as defined below) and the Medical Staff Bylaws (as defined below).

C. Hospital accordingly desire that Practitioners be available to provide surgical assist services to Cardiothoracic Surgeons for the patients at the Hospital (UMC).

AGREEMENT

1. Summary of Terms.

(a) **Effective Date:** September 19, 2022 (the "**Effective Date**").

(b) **Expiration Date:** August 20, 2024 (the "**Expiration Date**").

(c) **Compensation:** Hospital shall compensate Contractor in the amount of Four Hundred Sixty-Two Thousand Dollars (\$462,000.00) per year contracted, payable in equal monthly installments of Thirty-Eight Thousand Five Hundred and No/100 Dollars (\$38,500.00) per month for the provision of Two (2) surgical assistants. Prior to confirmed Hire of Second (Hire 2 Exhibit B) Surgical Assistant, Hospital shall compensate Contractor in the amount of Two Hundred Thirty-One Thousand Dollars (\$231,000.00) per year contracted, payable in equal monthly installments of Nineteen Thousand Two-Hundred Fifty and no/100 dollars (\$19,250.00) per month (the "**Compensation**").

2. Coverage Services. Contractor shall provide One or Two Contracted Number of Surgical Assistants in (Exhibit B) to be available to provide cardiothoracic and vascular surgical first assist services during surgeries performed in the Hospital (the "**Services**"), Plus On-Call duties upon the terms and subject to the conditions set forth in this Agreement. The specific services provided by the Surgical Assistants are listed on Exhibit A. The Surgical Assistants approved to provide Services are listed on Exhibit B. Contractor shall cause Practitioners to provide surgical assistant for emergency or scheduled cases at the time requested by the principal surgeon and shall remain on site until the surgery is completed or the principal surgeon releases the Practitioner.

3. Availability. Contractor shall cause Practitioners to provide the Services in collaboration with daily Operating Schedule and Provide 1 Surgical Assistant on Call with Rotational Call schedule. Initial Call Rotation for first 90 Days of Contract Dates to be flexible in accordance to availability.

4. Scheduling. Contractor shall, no later than fifteen (15) days prior to the beginning of each calendar month, inform Hospital of the Schedule for Practitioners to provide the Services during such month. Contractor shall cause each Practitioner to use best efforts to be available if reasonably requested by Hospital in order to meet that Hospital's needs for the Services. If a Practitioner is unable to

perform the Services when needed for any reason, that Practitioner shall inform Hospital and Cardiothoracic Surgeon as soon as reasonably practicable.

5. **Clinical Privileges.** Contractor shall cause Practitioners, from and after the Effective Date, to have and maintain all clinical privileges necessary to provide the Services at Hospital.

6. **Medical Records.** Contractor shall ensure that each Practitioner prepares complete, timely, accurate and legible medical and other records with respect to the services and treatment provided by that Practitioner to Patients in accordance with the Hospital Rules (as defined below), the Medical Staff Bylaws (as defined below), applicable Laws (as defined below), and Joint Commission standards and recommendations. All information and records relating to patients shall be the sole property of Hospital.

7. **Monthly Invoices.** Contractor shall maintain and submit to University Medical Center Accounts Payable, on or before the Monthly Invoice Due Date, a monthly invoice with a Provided Fixed Monthly Payment (FMP) Purchase Order (PO) Number from University Medical Center, in such form as reasonably requested by the Hospital from time to time, which accurately represents the Services provided by Contractor in the immediately preceding calendar month (the "***Monthly Invoice***"). Hospital is to provide associated FMP PO# to Contractor no later than 15 days prior to first Invoice submittal. Hospital must immediately modify/adjust proper FMP PO payment in accordance to number of Surgical assistants agreed to contract

8. **Compensation.** Hospital shall, within thirty (30) days after that Hospital's receipt of the Monthly Invoice in accordance with Section 7, pay to Contractor the amount set forth in Section 1(c) for Services performed by the Practitioners in such month; provided, however, that if the Hospital does not receive a Monthly Invoice within thirty (30) days of the end of the month during which the Services were performed, Hospital shall not be obligated to pay Contractor for the Services performed during that month. Contractor shall, on or before the Effective Date, complete, execute and deliver to each Hospital a copy of IRS Form W-9 which identifies Contractor's taxpayer identification number and Vendor Information.

9. **Billing and Collections.** Contractor shall be solely responsible for billing and collecting for all professional services provided by Practitioners to Patients. Contractor shall cause each Practitioner to accept assignment with respect to services provided to Federal health care program beneficiaries, to the extent permissible under applicable rules and regulations, and shall comply with all applicable Laws in connection with billing and coding for Services provided by Practitioners under this Agreement. Contractor shall comply and shall ensure that any collection agency engaged by Contractor complies, with the Fair Debt Collection Practices Act (15 U.S.C. 1692, *et seq.*).

10. **Term and Termination.**

(a) **Term.** This Agreement shall become effective on the Effective Date and shall continue until the Expiration Date, subject to the termination provisions of this Agreement. Renewals of this Agreement shall be upon mutual written agreement.

(b) **Termination by Hospital.** Upon the occurrence of any one or more of the following events, a Hospital may terminate or withdraw from this Agreement by giving written notice of termination to Contractor, which termination shall be effective as of the date set forth in the Hospital's written notice of termination to Contractor or, if no date is set forth in the notice, the date the notice is delivered to Contractor: (i) Contractor or an Practitioner breaches any representation, warranty or covenant of Contractor set forth in this Agreement; (ii) an Practitioner's performance of Services pursuant to this Agreement, in Hospital's good faith determination, jeopardizes the mental or physical health, safety or well-being of any person or damages the reputation of Hospital; (iii) Contractor or an Practitioner is charged with or convicted of a felony, a misdemeanor involving fraud, dishonesty, controlled substances, or moral turpitude, or any crime relevant to the Services, the provision of

professional services; (iv) Contractor or an Practitioner is excluded or suspended from participation in any Federal health care program; or (v) an Practitioner is the subject of one or more investigations, proceedings or peer review or other disciplinary actions by the Medical Staff.

(c) **Termination Upon Breach.** Each Party may terminate this Agreement upon any breach of this Agreement by the other Party if such breach is not cured to the satisfaction of the non-breaching Party within thirty (30) days after written notice of such breach is given by the non-breaching Party.

(d) **Termination Without Cause.** Each Party may terminate this Agreement without cause, expense or penalty, effective ninety (90) days after written notice of termination is given to the other Party.

(e) **Effect of Termination or Expiration.** Upon any termination or expiration of this Agreement, all rights and obligations of the Parties shall cease except those rights and obligations that have accrued and remain unsatisfied prior to the termination or expiration of this Agreement, and those rights and obligations that expressly survive termination or expiration of this Agreement.

(f) **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 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.

11. Use of Hospital Premises. Contractor and Practitioners shall not use any part of the Department or Hospital for the provision of any services or goods to any person or entity (other than the provision of Services to Patients in accordance with this Agreement), except in an emergency or with the Hospital's prior written consent.

12. Representations and Warranties. Contractor represents and warrants that neither Contractor nor Practitioners have ever been excluded or suspended from participation in, or sanctioned by, any Federal health care program. Contractor further represents and warrants that Practitioners are surgical assist practitioners licensed and/or certified in the State of Nevada who are experienced and qualified to provide cardiothoracic and vascular surgical assist services to Hospital.

13. Independent Contractor. Contractor is and shall at all times be an independent contractor or Vendor with respect to Hospital in the performance of its obligations under this Agreement. Practitioners shall not be entitled to any retirement or welfare plan, or fringe benefits of any kind provided to employees of Hospital, and there shall be no deductions from Contractor's compensation for taxes, benefits or other types of withholdings, except as may be required by applicable Law (as defined below).

14. Referrals. Nothing in this Agreement or in any other written or oral agreement between Hospitals and Contractor or Practitioners, nor any consideration offered or paid in connection with this Agreement, contemplates or requires the admission or referral of any patients or business to a Hospital or any affiliate of Hospital. Neither Contractor nor Practitioners shall refer any Patient to any Contractor of health care services that Contractor or the Practitioner knows or should know is excluded or suspended from participation in, or sanctioned by, any Federal health care program.

15. Contractor Insurance.

(a) Contractor, at Contractor's sole cost and expense, shall maintain Continuous Coverage (as defined below) of policies of professional liability and general liability insurance consistent with the requirements of the Medical Staff Bylaws (as defined below). The insurance policies shall: (i) in the case of the professional liability insurance policy, provide coverage for negligent acts or omissions of each Practitioner in the performance of professional services; (ii) in the case of the general liability insurance policy, provide coverage for bodily injury and property damages resulting from negligent acts or omissions of Contractor and each Practitioner (other than those matters covered by the professional liability insurance policy); (iii) name each Practitioner as a named insured and Hospital as an additional insured party (if permitted by the insurance carrier); (iv) be issued by an insurance company or trust acceptable to Hospital in accordance with Hospital risk services standards and licensed or otherwise qualified to issue professional liability and general liability insurance policies or coverage in the State of Nevada; and (v) provide for minimum coverage limits of not less than \$1,000,000 per claim and \$3,000,000 annual aggregate.

(b) For purposes of this Agreement, the term "**Continuous Coverage**" means the maintenance of required insurance from the Effective Date, continuing during the entire term of this Agreement and expiring not less than five (5) years following the expiration or earlier termination of this Agreement (the "**Insurance Period**"). If for any reason any insurance policy maintained by Contractor pursuant to this Section is terminated, reduced below the minimum coverage requirements set forth in this Section, not renewed or cancelled (whether by action of the insurance company or Contractor) prior to the expiration of the Insurance Period, Contractor shall: (i) cause a replacement insurance policy meeting the requirements of this Section to be in effect as of the effective date of the termination, reduction, non-renewal or cancellation of the prior insurance policy; and (ii) purchase either extended reporting coverage (i.e., "tail" coverage) or prior acts coverage (i.e., "nose" coverage) as necessary to meet the requirements of this Section. "**Tail**" coverage must provide for either an unlimited discovery/reporting period or a discovery/reporting period that would extend through the end of the Insurance Period, and "nose" coverage must provide for a retroactive discovery/reporting period at least as of the start of the Insurance Period.

(c) Contractor shall provide Hospital with certificates of insurance or other written evidence of the insurance policies required by this Section in a form satisfactory to Hospital at the time the signed Agreement is submitted to the Hospital.

(d) This Section 15 shall survive the expiration or termination of this Agreement.

16. Indemnification.

(a) To the extent expressly authorized by Nevada law, Hospital shall indemnify and hold harmless Contractor and Practitioners from and against any and all claims, causes of action, liabilities, losses, damages, penalties, assessments, judgments, awards or costs, including reasonable attorneys' fees and costs, arising out of, resulting from, or relating to (i) the breach of this Agreement by Hospital, or (ii) the negligent acts or omissions or willful misconduct of Hospital or any employee or agent of Hospital in the performance of Hospital's obligations under this Agreement.

(b) Contractor shall indemnify and hold harmless Hospitals, any affiliate of Hospitals, and their respective directors, officers, employees or agents, from and against any and all claims, causes of action, liabilities, losses, damages, penalties, assessments, judgments, awards or costs, including reasonable attorneys' fees and costs (including the reasonable costs of Hospital's in-house counsel), arising out of, resulting from, or relating to (i) the breach of this Agreement by Contractor or a Practitioner, (ii) the negligent acts or omissions or willful misconduct of Contractor or a Practitioner or any employee or agent of Contractor, (iii) wages, salaries, employee benefits, income taxes, FICA, FUTA, SDI and all other payroll, employment or other taxes, withholdings and charges payable by Hospitals or any affiliate of Hospitals to, or on behalf of, Contractor or a Practitioner or any other person employed by or contracted with Contractor, (iv) a Practitioner's failure to respond to the Department in

accordance with the Hospital Rules and Medical Staff Bylaws (as defined below) when providing the Services.

(c) This Section 16 shall survive the expiration or termination of this Agreement.

17. Assignment. Contractor may not assign any of its rights, interests, duties, or obligations under this Agreement without Hospitals' prior written consent, which consent may be given, conditioned or withheld in Hospitals' sole discretion. Any attempted or purported assignment by Contractor in violation of this Section shall be void.

18. Compliance with Laws and Standards. Contractor shall cause each Practitioner to comply with the following to the extent applicable to Practitioner, the provision of the Services, or the obligations of Contractor under this Agreement: (a) each Hospital's corporate integrity program and any corporate integrity agreements; (b) all federal, state and local laws, rules and regulations (collectively, "**Laws**"), including the Emergency Transfer and Active Labor Act and the rules and regulations thereunder ("**EMTALA**"); (c) the bylaws, rules, regulations, guidelines and policies and procedures of Hospital (the "**Hospital Rules**"); and (d) the bylaws, rules and regulations of the Hospital's Medical Staff (the "**Medical Staff Bylaws**").

19. Confidential Information. Each Party shall not and shall cause their respective employees and agents to not use any Confidential Information (as defined below) for any purpose not expressly permitted by this Agreement or disclose any Confidential Information to any person or entity, without the prior written consent of the other Party. Each Party shall protect and shall cause their respective employees and agents to protect, the Confidential Information from unauthorized use, access, or disclosure in the same manner as that Party protects its own confidential or proprietary information of a similar nature and with no less than reasonable care. For purposes of this Agreement, "**Confidential Information**" means the terms of this Agreement, and any proprietary or confidential information of a Party, any Patient's individually identifiable health information (as defined under the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 and all rules and regulations promulgated thereunder ("**HIPAA**")), and any information, records and proceedings of Hospital and/or Medical Staff committees, peer review bodies, quality committees and other committees or bodies charged with the evaluation and improvement of the quality of care. Confidential Information also includes proprietary or confidential information of any third party that may be in a Party's possession. Notwithstanding the foregoing, Contractor 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 documents and records are public documents available for copying and inspection by the public upon request. If Hospital receives a request for the disclosure of any information related to this Agreement that Contractor has claimed to be Confidential Information, Hospital will immediately notify Contractor and Contractor shall immediately notify Hospital if it intends to seek injunctive relief in a Nevada court for protective order. If Contractor requires Hospital to not release such requested records, then Contractor shall indemnify and defend and hold harmless Hospital from any claims or actions, including all associated costs and attorney's fees, demanding the disclosure of Contractor's document(s) in Hospital's custody and control that Contractor claims to be Confidential Information and/or proprietary.

This Section 19 shall survive the expiration or termination of this Agreement.

20. Dispute Resolution. In the event of any dispute, controversy, claim or disagreement arising out of or related to this Agreement or the acts or omissions of the Parties with respect to this Agreement (each, a "**Dispute**"), the Parties shall, as soon as reasonably practicable after one Party gives written notice of a Dispute to the other Party (the "**Dispute Notice**"), meet and confer in good faith regarding such Dispute at such time and place as mutually agreed upon by the Parties (the "**Meet and Confer**"). If any Dispute is not resolved to the mutual satisfaction of the Parties within ten (10) business days after delivery of the Dispute Notice (or such other period as may be mutually agreed upon by the

Parties in writing), either Party may initiate litigation with respect to such Dispute in any state or federal court located within the County in which a Hospital is located. Contractor hereby consents to the jurisdiction of any such court and to venue therein, waives any and all rights under the laws of any other state to object to jurisdiction within the State, and consents to the service of process in any such action or proceedings, in addition to any other manner permitted by applicable Law, by compliance with the notices provision of this Agreement. Contractor also waives the right to demand a jury in any action in which a Hospital is a party with respect to this Agreement. The Parties also waive the right to seek specific performance or any other form of injunctive or other equitable relief or remedy arising out of any Dispute, except that such remedies may be utilized for purposes of enforcing this Section 20 and Sections 19 (Confidential Information), 22 (HIPAA) and 24 (Medicare Books, Documents and Records) of this Agreement. Except as expressly provided herein, upon any determination by a court or by an arbitrator that a Party has breached this Agreement or improperly terminated this Agreement, the other Party shall accept monetary damages, if any, as full and complete relief and remedy, to the exclusion of any specific performance, or injunctive or other equitable relief or remedy. This Section 20 shall survive the expiration or termination of this Agreement.

21. Entire Agreement. This Agreement is the entire understanding and agreement of the Parties regarding its subject matter, and supersedes any prior oral or written agreements, representations, understandings or discussions among the Parties with respect to such subject matter. This Agreement may be modified or amended only by mutual written agreement of the Parties. Any such modification or amendment must be in writing, dated and signed by the Parties, and explicitly indicate that such writing modifies or amends this Agreement.

22. HIPAA. For purposes of this Agreement, Contractor and Practitioners shall be considered "work force members," defined as individuals given access to Hospital's protected health information ("**PHI**"). PHI shall have the meaning assigned by HIPAA at 45 CFR 164.501 and includes any information, whether oral or recorded in any form or medium, created or received by Contractor and/or Practitioners that: (a) relates to the past, present, or future physical or mental condition of any Affiliate patient; the provision of healthcare services to any Hospital patient; or the past, present, or future payment for the provision of healthcare to any Hospital patient; and (b) identifies the patient or with respect to which there is a reasonable basis to believe the information can be used to identify the patient. As members of the workforce, Contractor and Practitioners shall be required to participate in certain education and training related to security and protection of PHI.

23. Non-Discrimination. Contractor shall not differentiate or discriminate, and shall cause each Practitioner to not differentiate or discriminate, in the provision of medical services on the basis of race, color, national origin, ancestry, religion, sex, marital status, sexual orientation, age, medical condition, medical history, genetics, evidence of insurability, or claims history, or any other protected status in violation of any applicable Law or Hospital Rules. Contractor and Hospital shall be in full compliance with Section 504 of the Rehabilitation Act of 1973, Titles VI and VII of the 1964 Civil Rights Act, and all regulations issued pursuant thereto and as may be amended from time to time.

24. Medicare Books, Documents and Records. To the extent required by applicable Law, Contractor shall make available, upon written request from Hospital, to the Secretary of Health and Human Services, the Comptroller General of the United States, or any other duly authorized agent or representative, this Agreement and Contractor's books, documents and records. Contractor shall preserve and make available such books, documents and records for a period of four (4) years after the end of the term of this Agreement. If Contractor is requested to disclose books, documents or records pursuant to this Section for any purpose, Contractor shall notify Hospital of the nature and scope of such request, and Contractor shall make available, upon written request of Hospital, all such books, documents or records.

25. Force Majeure. No Party shall be liable for nonperformance, defective performance or late performance of any of its obligations under this Agreement to the extent and for such periods of time

as such nonperformance, defective performance or late performance is due to reasons outside such Party's control, including acts of God, war (declared or undeclared), terrorism, action of any governmental authority, civil disturbances, riots, revolutions, vandalism, accidents, fire, floods, explosions, sabotage, nuclear incidents, lightning, weather, earthquakes, storms, sinkholes, epidemics, failure of transportation infrastructure, disruption of public utilities, supply chain interruptions, information systems interruptions or failures, breakdown of machinery or strikes (or similar nonperformance, defective performance or late performance of employees, suppliers or subcontractors); provided, however, that in any such event, each Party shall use its good faith efforts to perform its duties and obligations under this Agreement.

26. Notices. All notices or communications required or permitted under this Agreement shall be given in writing and shall be delivered to the Party to whom notice is to be given at the notice address for each Party listed on the signature page of this Agreement, either (a) by personal delivery (in which case such notice shall be deemed given on the date of delivery), (b) by next business day courier service (e.g., Federal Express, UPS or other similar service) (in which case such notice shall be deemed given on the business day following date of deposit with the courier service), or (c) by United States mail, first class, postage prepaid, registered or certified, return receipt requested (in which case such notice shall be deemed given on the third (3rd) day following the date of deposit with the United States Postal Service).

27. Governing Law. This Agreement shall be interpreted and enforced in accordance with the internal laws, and not the law of conflicts, of the State of Nevada.

28. No Third Party Beneficiary Rights. This Agreement shall not confer or be construed to confer any rights or benefits to any person or entity other than the Parties, unless otherwise set forth in this Agreement.

29. Waiver. No delay or failure to require performance of any provision of this Agreement shall constitute a waiver of the performance of such provision. Any waiver granted by a Party must be in writing and shall apply solely to the specific instance expressly stated. A waiver of any term or condition of this Agreement shall not be construed as a waiver of any other terms and conditions of this Agreement, nor shall any waiver constitute a continuing waiver.

30. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument. When signed in pen ink or electronic signature, this Agreement may be delivered by facsimile or by scanned email attachment and said copies shall be treated as original. Amendments to this Agreement shall be similarly executed by the Parties.

EVH NETWORK, LLC, a Nevada limited liability company

Date: 9/19/22

By: 

Name: Timothy Pinkerton CSFA/MBA

Title: Owner

5697 Graystone Ridge Ave.

Las Vegas, NV 89141

432-889-4382

tpinkcfa@yahoo.com

UNIVERSITY MEDICAL CENTER OF SOUTHERN
NEVADA

Date: September 19, 2022

By: 

Mason Van Houweling
Chief Executive Officer
1800 W. Charleston Blvd.
Las Vegas, NV 89102

Exhibit A
Surgical Assistant Services

- Endoscopic Vein Harvesting and open Vein harvesting as needed
- Endoscopic Radial Artery Harvesting and open Radial Artery Harvesting as needed
- Femoral Cutdowns, Isolation and cannula placement as needed per Cardiothoracic Surgeon
- First Assist with all relative Cardiac/Thoracic and Vascular procedures as directed and under Direct Supervision of Cardiovascular Surgeon.
- Work Directly under the Direct Supervision of the Participating Cardiothoracic Surgeon.
- Perform Call Duties (Per First Assistants Provided) per UMC Cardiothoracic Surgeon call schedule. 1 Surgical Assistant on call as needed.
- Surgical Assistant Call Schedule would be coordinated with EVH Network Scheduling and Cardiac Surgeon Call Schedule

Exhibit B
Surgical Assistants

Timothy A. Pinkerton, CSFA

Wesley P. Smith, CSFA

Denis Milko, CSFA

TBD Future CSFA's/CSA's

-(Hire 1)

-(Hire 2)

All Assistants will have rotation and access to UMC Privileges

DISCLOSURE OF OWNERSHIP/PRINCIPALS

| | | | | | | |
|--|--------------------------------------|---|---|---|--|---|
| Business Entity Type (Please select one) | | | | | | |
| <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 checked="" type="checkbox"/> Other S-CORP |
| Business Designation Group (Please select all that apply) | | | | | | |
| <input type="checkbox"/> MBE | <input type="checkbox"/> WBE | <input checked="" type="checkbox"/> SBE | <input type="checkbox"/> PBE | <input checked="" 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 |
| | | | | | | |
| Number of Clark County Nevada Residents Employed: 5 | | | | | | |
| | | | | | | |
| Corporate/Business Entity Name: EVH Network LLC | | | | | | |
| (Include d.b.a., if applicable) | | | | | | |
| Street Address: 5697 Graystone Ridge AVE | | | Website: www.evhnet.com | | | |
| City, State and Zip Code: LAS Vegas, NV 89141 | | | POC Name: Timothy Pinkerton | | | |
| Telephone No: 432-889-4382 | | | Email: tpinkcfa@yahoo.com | | | |
| Nevada Local Street Address: | | | Website: | | | |
| (If different from above) | | | Local Fax No: | | | |
| City, State and Zip Code: | | | Local POC Name: | | | |
| Local Telephone No: | | | Email: | | | |

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) |
|------------------------|-------|---|
| Timothy Alan Pinkerton | Owner | 100 |
| | | |
| | | |

This section is not required for publicly-traded corporations. Are you a publicly-traded corporation?

☐ Yes ☒ No

1. 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.)


2. 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
 Owner
 Title

Timothy Pinkerton
 Print Name
 10/3/22
 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 |
|----------------------------------|--|--|---------------------------------------|
| | | | |
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| | | | |

* 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

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

| | |
|---|---------------------|
| Issue: Award RFI No. 2022-14 Civil Legal Services | Back-up: |
| Petitioner: Jennifer Wakem, Chief Financial Officer | Clerk Ref. # |
| Recommendation: That the Governing Board Audit and Finance Committee review and recommend for award by the Board of Hospital Trustees for University Medical Center of Southern Nevada, RFI No. 2022-14 Civil Legal Services to multiple law firms; approve the Retainer Agreements; authorize the Chief Executive Officer to exercise any extension options; or take action as deemed appropriate. <i>(For possible action)</i> | |

FISCAL IMPACT:

| | |
|--|-------------------------------|
| Fund Number: 5420.000 | Fund Name: UMC Operating Fund |
| Fund Center: 3000867500 | Funded Pgm/Grant: N/A |
| Description: Civil Legal Services | |
| Bid/RFP/CBE: RFI 2022-14 | |
| Term: 12/1/2022 to 11/30/2025 with two, 1-year options | |
| Amount: NTE \$4,500,000 for five (5) years to be shared among the seven (7) law firms | |
| Out Clause: 30 days w/o cause by UMC and 180 days w/o cause by a law firm pursuant to Nevada Rule of Professional Conduct 1.16 | |

BACKGROUND:

On August 3, 2022, a notice of interest was sent out in NGEM allowing various law firms to express their interest in participating in RFI No. 2022-14 for Civil Legal Services. The RFI was also published in the Las Vegas Review Journal on August 7, 2022. On September 8, 2022, responses were received from:

Holley Driggs, Ltd.
Kaempfer Crowell, Ltd.
Koeller, Nebeker, Carlson & Haluck, LLP
Marquis Aurbach, Chtd.
McBride Hall, PC
Parker Nelson & Associates, Chtd.
Saltzman Mugan Dushoff, PLLC

Cleared for Agenda
October 19, 2022

Agenda Item #

10

An ad hoc committee (comprised of UMC Legal, Professional Practice Services and Critical Care Services staff) reviewed the proposals independently and anonymously, and recommends the selection of, and contract approval with the law firms listed above who signed the Retainer Agreement (“Agreement”).

For the not to exceed RFI award of \$4,500,000 for the Term of the Agreement, the seven (7) law firms will provide civil legal representation, support and resources, as well as specialized legal advice to UMC, in excess of the services available in-house in any one or more of the following practice areas listed below:

| | |
|---|---|
| Civil Rights | Personal Injury/Tort Defense |
| Employment/Labor | Bankruptcy |
| Collective Bargaining | General Contract Disputes/Transactional Matters |
| Insurance | Construction and Public Works |
| Professional Negligence/Medical Malpractice | Regulatory Compliance |
| Health Care Law | Guardianship |
| Complex Litigation | Probate Litigation |
| Class Action Litigation | Breach of Contract |

The Agreement Term is from December 1, 2022 through November 30, 2025 with the option to extend for two (2), 1-year periods unless terminated by UMC for its convenience with a 30-day written notice or terminated by a law firm with a 180-day written notice pursuant to Nevada Rule of Professional Conduct 1.16.

Staff also requests authorization for the Hospital CEO, at the end of the initial Term, to exercise the extension option(s) at his discretion if deemed beneficial to UMC.

UMC reserves the right to use the services of any law firm it retains on an as-needed and non-exclusive basis. Execution of the Agreement does not guarantee that any particular level or degree of work will be assigned to the law firm, and nothing in this RFI or any resulting Agreement shall preclude UMC from obtaining services similar to those described herein from other sources.

UMC’s Office of General Counsel has reviewed and recommends award of these Agreements.

All law firms, except Marquis Aurbach, Chtd., currently hold a Clark County business license or vendor registration. Marquis Aurbach, Chtd. is coordinating with the Department of Business License in obtaining a Clark County business license.

RETAINER AGREEMENT

THIS AGREEMENT ("Agreement") is made and entered into this 1st day of December, 2022 ("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 "UMC", and Ronald J. Thompson of the law firm of Holley Driggs, Ltd., hereinafter collectively referred to as "ATTORNEY."

WITNESSETH:

WHEREAS, NRS 41.038 provides that a local government such as UMC, may self-insure against the liability and expense of defending a claim against itself or any of its officers, employees or immune contractors;

WHEREAS UMC may from time to time seek to assign Outside counsel to provide civil legal representation, support and resources, as well as specialized legal advice to UMC, in excess of the services available in-house; and

WHEREAS, ATTORNEY is experienced in providing legal Outside of liability claims in various practice areas, which may include, but not limited to, personal injury/tort Outside, employment Outside, civil rights Outside, medical malpractice, health care law or bankruptcy.

NOW THEREFORE, the parties agree as follows:

I. SCOPE OF SERVICES OF ATTORNEY

- A. UMC hereby retains and employs ATTORNEY to provide Outside legal representation and counsel to UMC and its associated entities, duly authorized officers, employees, and volunteers ("Services").
- B. ATTORNEY will provide these Services in accordance with the UMC Litigation Guidelines which are attached hereto and incorporated herein by this reference as **Attachment A**.
- C. ATTORNEY will work in conjunction with UMC's Legal Department and, if necessary, the Clark County District Attorney's Office in the performance of Services hereunder.
- D. ATTORNEY will observe and abide by the terms and conditions of all applicable laws, regulations, ordinances and rules of the United States, of the State of Nevada, or any political subdivision thereof, or of any duly constituted public authority or agency.
- E. All materials developed, prepared or acquired during the performance of Services under this Agreement, including without limitation, all finished or unfinished documents, research, pleadings, memoranda, briefs, data, studies, surveys, drawings, manuals, maps, models, photographs, and reports (hereinafter collectively called "documents") shall be available to UMC upon request. No documents prepared for UMC shall be released by ATTORNEY to any third (3rd) party without UMC's prior written permission.
- F. The Services provided pursuant to this Agreement are non-exclusive and UMC is not limited by this Agreement from entering into other agreements for legal services with other attorneys or required by this Agreement to assign any specific litigation matters of volume of litigation matters to ATTORNEY.
- G. ATTORNEY will not affect a final compromise or settlement of any matter, nor assert any conflict waivers, without the prior written approval of UMC or its designated representative.
- H. UMC reserves the right to request, and to object to, representation by specific attorneys within ATTORNEY's Firm.
- I. ATTORNEY will execute a Business Associate Agreement pursuant to the Health Insurance Portability and Accountability Act ("HIPAA") requirements.

II. TERM

The term of this Agreement shall be for three (3) years from the Effective Date of this Agreement as approved by the UMC Board of Hospital Trustees ("Initial Term"). Within thirty (30) days prior to the expiration of this Agreement, UMC may exercise the option to renew this Agreement for up to two (2) additional, one (1) year periods (each an "Extension Term"), unless this Agreement is earlier terminated under the provisions hereof. The Initial Term and all Extension Terms shall collectively be referred to herein as the "Term." ATTORNEY will undertake to represent UMC to the conclusion of each matter assigned, even if the conclusion extends beyond the Term of this Agreement.

III. ATTORNEY FEES

ATTORNEY will provide UMC with legal services under this Agreement at the following rates and charges. Hours of Services shall be billed based on increments of one-tenth (1/10) of an hour and should represent actual time spent, rather than a standard charge for the activity performed.

A. Hourly Rates:

| | |
|----------------------------|-------------------|
| 1. Partners | \$210.00 per hour |
| 2. Associates | \$180.00 per hour |
| 3. Paralegals | \$ 90.00 per hour |
| 4. Legal Nurse Consultants | \$ 90.00 per hour |
| 5. Law Clerks | \$ 50.00 per hour |

B. Standard Charges:

| | |
|--------|-----------------|
| Copies | \$0.10 per page |
|--------|-----------------|

C. 1/10 of an Hour Conversion Chart:

| Minutes | Time |
|---------|------|
| 1 – 6 | 0.1 |
| 7 – 12 | 0.2 |
| 13 – 18 | 0.3 |
| 19 – 24 | 0.4 |
| 25 – 30 | 0.5 |
| 31 – 36 | 0.6 |
| 37 – 42 | 0.7 |
| 43 – 48 | 0.8 |
| 49 – 54 | 0.9 |
| 55 – 60 | 1.0 |

IV. COSTS OF ACTION

All costs in connection with legal representation shall be paid by UMC in accordance with the UMC Litigation Guidelines. All single costs in excess of Five Hundred Dollars and Zero Cents (\$500.00) will only be incurred by ATTORNEY after prior written notice is given to UMC's Legal Department, and subject to UMC's right to object to the cost being incurred.

V. BILLING

A. ATTORNEY Fees:

ATTORNEY will provide monthly itemized billings to UMC's Legal Department for all Services provided during the preceding month, in accordance with UMC's Litigation Guidelines. ATTORNEY's invoice shall also include the name or initials of the attorney, paralegal, law clerk or legal nurse consultant who performed each task listed on the invoice and the amount of time spent on each task. UMC agrees to make payment for the ATTORNEY's services and costs within ninety (90) days after receipt of such billings. Billing for ATTORNEY's fees and costs must be submitted to UMC within six (6) months of the date the Services were performed or the costs incurred, in accordance with NRS 244.250.

B. Costs:

Invoices for Outside costs and services incurred by ATTORNEY shall be included on the same monthly itemized billings required under Section A above unless UMC's Legal Department agrees to make payment directly to the provider of such Outside costs and services upon request by ATTORNEY. All single costs in excess of Five Hundred Dollars and Zero Cents (\$500.00) will only be incurred by ATTORNEY after prior written notice is given to UMC's Legal Department, and subject to UMC's right to object to the cost being incurred.

C. Disputes:

UMC's representative shall notify ATTORNEY of any disputed amount included on the invoice. Upon mutual resolution of the disputed amount, ATTORNEY will submit a new invoice for the agreed amount and payment will be made in accordance with Section A above.

- D. Invoicing:
Invoices shall be submitted to University Medical Center of Southern Nevada, Legal Department, Attn: James Conway, Esq., 1800 W. Charleston Blvd., Las Vegas, NV 89102.
- E. Compensation:
For the Term of this Agreement, UMC agrees to pay ATTORNEY the Services performed and other miscellaneous/travel expenses for the not-to-exceed amount of **\$4,500,000.00**.

VI. EXPERTS AND INVESTIGATORS

ATTORNEY may employ experts and investigators only upon **prior** written approval of UMC in accordance with the UMC Litigation Guidelines. Fees and costs charged by such experts and investigators shall be forwarded directly to UMC's Legal Department, and paid by UMC directly to the expert or investigator within ninety (90) days after UMC's receipt of billing for services rendered.

VII. TERMINATION

- A. This Agreement may be terminated by UMC for its convenience by providing thirty (30) days written notice to ATTORNEY. Pursuant to Nevada Rule of Professional Conduct 1.16, ATTORNEY may terminate this Agreement upon one hundred eighty (180) days written notice to UMC's Legal Department.
- B. In the event of termination, ATTORNEY shall be paid compensation for Services performed and properly billed pursuant to the terms of this Agreement up to the effective termination date.
- C. In accordance with Nevada Revised Statutes (NRS 354.626), the financial obligations under this Agreement between UMC and ATTORNEY shall not exceed those monies appropriated and approved by UMC for the then current fiscal year under the Local Government Budget Act. This 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 would become due under this Agreement.

VIII. EVENTS UPON TERMINATION OR EXPIRATION

Upon the expiration or termination of this Agreement, UMC, at its discretion, shall either:

- A. Require ATTORNEY to conclude the handling of all open litigation matters assigned to ATTORNEY during the Term of this Agreement, at the rates set forth in this Agreement, for a period not to exceed two (2) years from the termination or expiration of this Agreement; or
- B. Require ATTORNEY to return all litigation files to UMC or its designated representative and execute the necessary Substitution of Counsel.

IX. RECORDS

All books, records, documents and accounting procedures and practices of ATTORNEY, relevant to this Agreement, shall be subject to inspection, audit and copying by UMC or its authorized representative(s).

X. OWNERSHIP AND RETENTION OF DOCUMENTS

All files, pleadings, discovery, reports, documents and other records prepared or kept by ATTORNEY in the performance of its obligations under this Agreement shall be the exclusive property of UMC and all such materials shall be remitted to UMC by ATTORNEY upon expiration or termination of this Agreement. All such materials shall be retained by ATTORNEY for a minimum of six (6) years from the date any and all appeal rights expire. At the end of this retention term, UMC shall be notified in writing and given sixty (60) days to reclaim the file prior to its destruction by ATTORNEY.

XI. CONFIDENTIALITY

All personnel records, personal data and protected health information ("PHI") received, stored or viewed by ATTORNEY shall be kept in the strictest confidence by ATTORNEY and its employees and contractors. All such information shall be used and disclosed only for the proper management of the litigation assigned and may not be used or further disclosed other than as necessary in furtherance of litigation.

ATTORNEY shall use appropriate safeguards to prevent the use or disclosure of such confidential information outside the scope of the litigation, and shall report to UMC any inappropriate or unauthorized use or disclosure of the information as soon as it learns of such use or disclosure.

ATTORNEY acknowledges that its Services will be subject to termination if it is found to be in violation of the Confidentiality terms of this Agreement.

XII. ASSIGNMENT AND SUBCONTRACTING

ATTORNEY shall neither assign, transfer nor delegate any rights, obligations or duties under this Agreement, nor shall ATTORNEY subcontract the provision of Services under this Agreement, without the prior written consent of UMC.

XIII. AMENDMENT AND MODIFICATION

No provision of this Agreement will be deemed waived, amended or modified by either party unless such waiver, amendment or modification is in writing and signed by the authorized agents of all parties.

XIV. APPLICABLE LAW

This Agreement shall be governed by and interpreted according to the laws of the State of Nevada.

XV. INSURANCE

ATTORNEY will provide UMC with Certificates of Insurance for the coverage as listed below within ten (10) calendar days after approval of this Agreement by the UMC Board of Hospital Trustees, or any extension thereof. Thereafter, current Certificates shall be maintained with UMC so long as insurance is required pursuant to this Agreement. The Certificates for each insurance policy are to be signed by a person authorized by the insurer and licensed by the State of Nevada.

- A. Each insurance company's rating as shown in the latest Best's Key Rating Guide shall be fully disclosed and entered on the required Certificates of Insurance. The adequacy of the insurance supplied by ATTORNEY, including the rating and financial health of each insurance company providing coverage, is subject to the approval of UMC.
- B. With regard to ATTORNEY's Services performed pursuant to this Agreement, ATTORNEY's insurance shall be primary and any other coverage that may be available to UMC, its officers, employees and volunteers shall be excess over the insurance required of ATTORNEY.
- C. The insurance coverage supplied by ATTORNEY must provide for a thirty (30) day notice to UMC before implementation of a proposal to suspend, void, cancel or reduce in coverage or in limits the required insurance coverage. This notice requirement does not waive the insurance requirements contained herein.
- D. All deductibles and self-insured retentions shall be fully disclosed in the Certificate of Insurance. No deductible or self-insured retention may exceed Ten Thousand Dollars and Zero Cents (\$10,000.00) without the written approval of UMC.
- E. If aggregate limits are imposed on the insurance coverage, then the amount of such limits must not be less than twice (2x) the amount of the limits required herein. All aggregates must be fully disclosed and the amount entered on the required Certificate of Insurance. Any notice given to ATTORNEY with respect to exhaustion of limits of insurance shall also be sent to UMC.
- F. ATTORNEY shall obtain and maintain, for the duration of this Agreement, the following insurance against claims which may arise from or in connection with the performance of the work hereunder by ATTORNEY, its agents, representatives, employees or subcontractors. The cost of such insurance shall be borne by ATTORNEY.
 - 1. Professional liability or errors and omissions insurance against claims for injuries or damages arising out of the Services rendered by ATTORNEY, its agents, representatives or employees pursuant to ATTORNEY's agreement with UMC.
 - a. ATTORNEY shall maintain policy limits of no less than One Million Dollars and Zero Cents (\$1,000,000.00).

- b. "Claims made" insurance coverage must continue for a period of three (3) years beyond the termination of this Agreement. Any retroactive date must coincide with or pre-date the beginning of this Agreement and may not be advanced without the written consent of UMC.

- G. If ATTORNEY fails to maintain the insurance coverage required herein, then UMC will have the option to declare ATTORNEY in breach, or may purchase replacement insurance or pay the premiums that are due on existing policies in order that the required coverage may be maintained. ATTORNEY is responsible for any expenses paid by UMC to maintain such insurance and UMC may collect the same from ATTORNEY or deduct the amount paid from any sums due to ATTORNEY under this Agreement.
- H. The insurance requirements specified herein do not relieve ATTORNEY of his responsibility or limit the amount of his liability to UMC or other persons, and ATTORNEY is encouraged to purchase such additional insurance as it deems necessary.

XVI. INDEMNIFICATION

Regardless of the coverage provided by any insurance policy, ATTORNEY shall indemnify, defend, and hold harmless UMC, its officers, agents, employees and volunteers from any and all claims, demands, actions, ATTORNEY's fees, costs and expenses based upon or arising out of alleged errors, omissions or acts of ATTORNEY or his principals, employees, subcontractors, or other agents while performing Services under this Agreement.

XVII. ETHICS OF ATTORNEY

ATTORNEY shall abide by and perform his duties in accordance with the ethics of the legal profession and all federal, state and municipal laws, regulations and ordinances regulating the practice of law.

XVIII. CONFLICTS

During the Term of this Agreement, ATTORNEY may not represent a client whose position may be adverse to Clark County or to UMC, and may not personally engage in litigation that is adverse to Clark County or to UMC, without obtaining UMC's Legal Department's prior written consent to the adverse representation in accordance with Nevada Rules of Professional Conduct 1.7 and 1.8.

XIX. INDEPENDENT CONTRACTOR

ATTORNEY is an independent contractor and not an employee of UMC. No permitted or required approval by UMC of documents or Services of ATTORNEY shall be construed as making UMC responsible for the manner in which ATTORNEY performs Services or for any negligence, errors or omissions of ATTORNEY. Such approvals are intended only to give UMC the right to satisfy itself with the quality of service performed by ATTORNEY.

XX. EXCLUSIVE BENEFIT OF THE PARTIES/NO THIRD PARTY RIGHTS

Except as specifically provided in this Section, this Agreement is not intended to create any rights, benefits, powers or interests to any third (3rd) party and this Agreement is entered into for the exclusive benefit of UMC and ATTORNEY. ATTORNEY acknowledges that UMC may enter, or has entered, into a separate self-insurance pooling agreement with other local government entities to mutually provide for liability coverage.

XXI. PUBLICITY

Neither UMC nor ATTORNEY 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.

XXII. NON-DISCRIMINATION

Neither party shall discriminate against any person on the basis of age, color, disability, gender, handicapping condition (including AIDS or AIDS related conditions), national origin, race, religion, sexual orientation, gender identity or expression or any other class protected by law or regulation.

XXIII. SEVERABILITY

If any portion of this Agreement is found to be invalid, the remainder of this Agreement remains in effect.

XXIV. NOTICES

All notices required under this Agreement must be submitted in writing and delivered by U.S. mail, postage prepaid, certified mail, electronic mail or by hand delivery, and directed to the appropriate party as follows:

TO UMC: University Medical Center of Southern Nevada
Legal Department
Attn: James Conway, Esq.
1800 W. Charleston Blvd.
Las Vegas, NV 89102

TO ATTORNEY: Ronald J. Thompson
HOLLEY DRIGGS, Ltd.
300 South Fourth Street, Suite 1600
Las Vegas, Nevada 89101

Either party may, at any time and from time to time, change its representative or address by written notice to the other.

XXV. 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 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 mid-size 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.

- Firm'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 (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

XXVI. PERSONNEL ONSITE

ATTORNEY shall abide by the relevant compliance policies of UMC, including its corporate compliance program, Vendor Access Roles and Responsibilities Policy, I-66 Policy and Code of Ethics, the relevant portions of which are available to ATTORNEY upon request, and UMC's Vaccine Policy, as may be amended from time to time, and must register through UMC's vendor management/credentialing system prior to arriving onsite at any of UMC's facilities. ATTORNEY's employees, agents, subcontractors and/or designees who do not abide by UMC's policies may be barred from physical access to UMC's premises.

XXVII. ENTIRE AGREEMENT

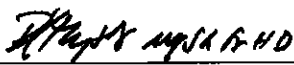
This Agreement constitutes the entire agreement between the parties and may only be modified, supplemented or amended by a written agreement signed by both parties.

XXVIII. EXECUTION

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

ATTORNEY FIRM NAME:
HOLLEY DRIGGS, Ltd.

UNIVERSITY MEDICAL CENTER OF SOUTHERN
NEVADA

By: 

NAME: Ronald J. Thompson
TITLE: Managing Shareholder

Date: July 25, 2022

By: _____

MASON VAN HOUWELING
CHIEF EXECUTIVE OFFICER

Date: _____

DISCLOSURE OF OWNERSHIP/PRINCIPALS

| | | | | | | |
|--|--------------------------------------|--|---|--|--|--------------------------------|
| Business Entity Type (Please select one) | | | | | | |
| <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 |
| Business Designation Group (Please select all that apply) | | | | | | |
| <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 |
| Number of Clark County Nevada Residents Employed: 51 | | | | | | |
| Corporate/Business Entity Name: | | Holley Driggs, Ltd. | | | | |
| (Include d.b.a., if applicable) | | | | | | |
| Street Address: | | 300 South Fourth Street, Suite 1600 | | Website: Nevadaafirm.com | | |
| City, State and Zip Code: | | Las Vegas, Nevada 89101 | | POC Name: Scott Higgins | | |
| | | | | Email: shiggins@nevadaafirm.com | | |
| Telephone No: | | 702-791-0308 | | Fax No: 702-791-1912 | | |
| Nevada Local Street Address: | | | | Website: | | |
| (If different from above) | | | | | | |
| City, State and Zip Code: | | | | Local Fax No: | | |
| Local Telephone No: | | | | Local POC Name: | | |
| | | | | Email: | | |

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) |
|--|-------|---|
| Please see attached sheet for full listing | | |
| | | |
| | | |
| | | |

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.

Scott Higgins

Signature

Print Name

Legal Administrator

July 25, 2022

Title

Date

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

HOLLEY DRIGGS, Ltd. OWNERSHIP DISCLOSURE

| FULL NAME | TITLE | % OWNED |
|------------------------|----------------------|---------|
| Brian W. Boschee | Shareholder Attorney | 7.69% |
| James D. Boyle | Shareholder Attorney | 7.69% |
| Audrey P. Damonte | Shareholder Attorney | 7.69% |
| J. Douglas Driggs | Shareholder Attorney | 7.69% |
| F. Thomas Edwards | Shareholder Attorney | 7.69% |
| Marilyn Fine | Shareholder Attorney | 7.69% |
| Kristol Bradley Ginapp | Shareholder Attorney | 7.69% |
| Richard F. Holley | Shareholder Attorney | 7.69% |
| Michael E. Kearney | Shareholder Attorney | 7.69% |
| Joanna Myers | Shareholder Attorney | 7.69% |
| James W. Puzey | Shareholder Attorney | 7.69% |
| Ronald J. Thompson | Managing Shareholder | 7.69% |
| William P. Volk | Shareholder Attorney | 7.69% |

RETAINER AGREEMENT

THIS AGREEMENT ("Agreement") is made and entered into this 1st day of December, 2022 ("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 "UMC", and Robert McCoy of the law firm of Kaempfer Crowell Ltd., hereinafter collectively referred to as "ATTORNEY."

WITNESSETH:

WHEREAS, NRS 41.038 provides that a local government such as UMC, may self-insure against the liability and expense of defending a claim against itself or any of its officers, employees or immune contractors;

WHEREAS UMC may from time to time seek to assign Outside counsel to provide civil legal representation, support and resources, as well as specialized legal advice to UMC, in excess of the services available in-house; and

WHEREAS, ATTORNEY is experienced in providing legal Outside of liability claims in various practice areas, which may include, but not limited to, personal injury/tort Outside, employment Outside, civil rights Outside, medical malpractice, health care law or bankruptcy.

NOW THEREFORE, the parties agree as follows:

I. SCOPE OF SERVICES OF ATTORNEY

- A. UMC hereby retains and employs ATTORNEY to provide Outside legal representation and counsel to UMC and its associated entities, duly authorized officers, employees, and volunteers ("Services").
- B. ATTORNEY will provide these Services in accordance with the UMC Litigation Guidelines which are attached hereto and incorporated herein by this reference as **Attachment A**.
- C. ATTORNEY will work in conjunction with UMC's Legal Department and, if necessary, the Clark County District Attorney's Office in the performance of Services hereunder.
- D. ATTORNEY will observe and abide by the terms and conditions of all applicable laws, regulations, ordinances and rules of the United States, of the State of Nevada, or any political subdivision thereof, or of any duly constituted public authority or agency.
- E. All materials developed, prepared or acquired during the performance of Services under this Agreement, including without limitation, all finished or unfinished documents, research, pleadings, memoranda, briefs, data, studies, surveys, drawings, manuals, maps, models, photographs, and reports (hereinafter collectively called "documents") shall be available to UMC upon request. No documents prepared for UMC shall be released by ATTORNEY to any third (3rd) party without UMC's prior written permission.
- F. The Services provided pursuant to this Agreement are non-exclusive and UMC is not limited by this Agreement from entering into other agreements for legal services with other attorneys or required by this Agreement to assign any specific litigation matters of volume of litigation matters to ATTORNEY.
- G. ATTORNEY will not affect a final compromise or settlement of any matter, nor assert any conflict waivers, without the prior written approval of UMC or its designated representative.
- H. UMC reserves the right to request, and to object to, representation by specific attorneys within ATTORNEY's Firm.
- I. ATTORNEY will execute a Business Associate Agreement pursuant to the Health Insurance Portability and Accountability Act ("HIPAA") requirements.

II. TERM

The term of this Agreement shall be for three (3) years from the Effective Date of this Agreement as approved by the UMC Board of Hospital Trustees ("Initial Term"). Within thirty (30) days prior to the expiration of this Agreement, UMC may exercise the option to renew this Agreement for up to two (2) additional, one (1) year periods (each an "Extension Term"), unless this Agreement is earlier terminated under the provisions hereof. The Initial Term and all Extension Terms shall collectively be referred to herein as the "Term." ATTORNEY will undertake to represent UMC to the conclusion of each matter assigned, even if the conclusion extends beyond the Term of this Agreement.

III. ATTORNEY FEES

ATTORNEY will provide UMC with legal services under this Agreement at the following rates and charges. Hours of Services shall be billed based on increments of one/tenth (1/10) of an hour and should represent actual time spent, rather than a standard charge for the activity performed.

A. Hourly Rates:

| | |
|----------------------------|-------------------|
| 1. Partners | \$210.00 per hour |
| 2. Associates | \$180.00 per hour |
| 3. Paralegals | \$ 90.00 per hour |
| 4. Legal Nurse Consultants | \$ 90.00 per hour |
| 5. Law Clerks | \$ 50.00 per hour |

B. Standard Charges:

| | |
|--------|-----------------|
| Copies | \$0.10 per page |
|--------|-----------------|

C. 1/10 of an Hour Conversion Chart:

| Minutes | Time |
|---------|------|
| 1 – 6 | 0.1 |
| 7 – 12 | 0.2 |
| 13 – 18 | 0.3 |
| 19 – 24 | 0.4 |
| 25 – 30 | 0.5 |
| 31 – 36 | 0.6 |
| 37 – 42 | 0.7 |
| 43 – 48 | 0.8 |
| 49 – 54 | 0.9 |
| 55 – 60 | 1.0 |

IV. COSTS OF ACTION

All costs in connection with legal representation shall be paid by UMC in accordance with the UMC Litigation Guidelines. All single costs in excess of Five Hundred Dollars and Zero Cents (\$500.00) will only be incurred by ATTORNEY after prior written notice is given to UMC's Legal Department, and subject to UMC's right to object to the cost being incurred.

V. BILLING

A. ATTORNEY Fees:

ATTORNEY will provide monthly itemized billings to UMC's Legal Department for all Services provided during the preceding month, in accordance with UMC's Litigation Guidelines. ATTORNEY's invoice shall also include the name or initials of the attorney, paralegal, law clerk or legal nurse consultant who performed each task listed on the invoice and the amount of time spent on each task. UMC agrees to make payment for the ATTORNEY's services and costs within ninety (90) days after receipt of such billings. Billing for ATTORNEY's fees and costs must be submitted to UMC within six (6) months of the date the Services were performed or the costs incurred, in accordance with NRS 244.250.

B. Costs:

Invoices for Outside costs and services incurred by ATTORNEY shall be included on the same monthly itemized billings required under Section A above unless UMC's Legal Department agrees to make payment directly to the provider of such Outside costs and services upon request by ATTORNEY. All single costs in excess of Five Hundred Dollars and Zero Cents (\$500.00) will only be incurred by ATTORNEY after prior written notice is given to UMC's Legal Department, and subject to UMC's right to object to the cost being incurred.

C. Disputes:

UMC's representative shall notify ATTORNEY of any disputed amount included on the invoice. Upon mutual resolution of the disputed amount, ATTORNEY will submit a new invoice for the agreed amount and payment will be made in accordance with Section A above.

- D. Invoicing:
Invoices shall be submitted to University Medical Center of Southern Nevada, Legal Department, Attn: James Conway, Esq., 1800 W. Charleston Blvd., Las Vegas, NV 89102.
- E. Compensation:
For the Term of this Agreement, UMC agrees to pay ATTORNEY the Services performed and other miscellaneous/travel expenses for the not-to-exceed amount of **\$4,500,000.00**.

VI. EXPERTS AND INVESTIGATORS

ATTORNEY may employ experts and investigators only upon *prior* written approval of UMC in accordance with the UMC Litigation Guidelines. Fees and costs charged by such experts and investigators shall be forwarded directly to UMC's Legal Department, and paid by UMC directly to the expert or investigator within ninety (90) days after UMC's receipt of billing for services rendered.

VII. TERMINATION

- A. This Agreement may be terminated by UMC for its convenience by providing thirty (30) days written notice to ATTORNEY. Pursuant to Nevada Rule of Professional Conduct 1.16, ATTORNEY may terminate this Agreement upon one hundred eighty (180) days written notice to UMC's Legal Department.
- B. In the event of termination, ATTORNEY shall be paid compensation for Services performed and properly billed pursuant to the terms of this Agreement up to the effective termination date.
- C. In accordance with Nevada Revised Statutes (NRS 354.626), the financial obligations under this Agreement between UMC and ATTORNEY shall not exceed those monies appropriated and approved by UMC for the then current fiscal year under the Local Government Budget Act. This 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 would become due under this Agreement.

VIII. EVENTS UPON TERMINATION OR EXPIRATION

Upon the expiration or termination of this Agreement, UMC, at its discretion, shall either:

- A. Require ATTORNEY to conclude the handling of all open litigation matters assigned to ATTORNEY during the Term of this Agreement, at the rates set forth in this Agreement, for a period not to exceed two (2) years from the termination or expiration of this Agreement; or
- B. Require ATTORNEY to return all litigation files to UMC or its designated representative and execute the necessary Substitution of Counsel.

IX. RECORDS

All books, records, documents and accounting procedures and practices of ATTORNEY, relevant to this Agreement, shall be subject to inspection, audit and copying by UMC or its authorized representative(s).

X. OWNERSHIP AND RETENTION OF DOCUMENTS

All files, pleadings, discovery, reports, documents and other records prepared or kept by ATTORNEY in the performance of its obligations under this Agreement shall be the exclusive property of UMC and all such materials shall be remitted to UMC by ATTORNEY upon expiration or termination of this Agreement. All such materials shall be retained by ATTORNEY for a minimum of six (6) years from the date any and all appeal rights expire. At the end of this retention term, UMC shall be notified in writing and given sixty (60) days to reclaim the file prior to its destruction by ATTORNEY.

XI. CONFIDENTIALITY

All personnel records, personal data and protected health information ("PHI") received, stored or viewed by ATTORNEY shall be kept in the strictest confidence by ATTORNEY and its employees and contractors. All such information shall be used and disclosed only for the proper management of the litigation assigned and may not be used or further disclosed other than as necessary in furtherance of litigation.

ATTORNEY shall use appropriate safeguards to prevent the use or disclosure of such confidential information outside the scope of the litigation, and shall report to UMC any inappropriate or unauthorized use or disclosure of the information as soon as it learns of such use or disclosure.

ATTORNEY acknowledges that its Services will be subject to termination if it is found to be in violation of the Confidentiality terms of this Agreement.

XII. ASSIGNMENT AND SUBCONTRACTING

ATTORNEY shall neither assign, transfer nor delegate any rights, obligations or duties under this Agreement, nor shall ATTORNEY subcontract the provision of Services under this Agreement, without the prior written consent of UMC.

XIII. AMENDMENT AND MODIFICATION

No provision of this Agreement will be deemed waived, amended or modified by either party unless such waiver, amendment or modification is in writing and signed by the authorized agents of all parties.

XIV. APPLICABLE LAW

This Agreement shall be governed by and interpreted according to the laws of the State of Nevada.

XV. INSURANCE

ATTORNEY will provide UMC with Certificates of Insurance for the coverage as listed below within ten (10) calendar days after approval of this Agreement by the UMC Board of Hospital Trustees, or any extension thereof. Thereafter, current Certificates shall be maintained with UMC so long as insurance is required pursuant to this Agreement. The Certificates for each insurance policy are to be signed by a person authorized by the insurer and licensed by the State of Nevada.

- A. Each insurance company's rating as shown in the latest Best's Key Rating Guide shall be fully disclosed and entered on the required Certificates of Insurance. The adequacy of the insurance supplied by ATTORNEY, including the rating and financial health of each insurance company providing coverage, is subject to the approval of UMC.
- B. With regard to ATTORNEY's Services performed pursuant to this Agreement, ATTORNEY's insurance shall be primary and any other coverage that may be available to UMC, its officers, employees and volunteers shall be excess over the insurance required of ATTORNEY.
- C. The insurance coverage supplied by ATTORNEY must provide for a thirty (30) day notice to UMC before implementation of a proposal to suspend, void, cancel or reduce in coverage or in limits the required insurance coverage. This notice requirement does not waive the insurance requirements contained herein.
- D. All deductibles and self-insured retentions shall be fully disclosed in the Certificate of Insurance. No deductible or self-insured retention may exceed Ten Thousand Dollars and Zero Cents (\$10,000.00) without the written approval of UMC.
- E. If aggregate limits are imposed on the insurance coverage, then the amount of such limits must not be less than twice (2x) the amount of the limits required herein. All aggregates must be fully disclosed and the amount entered on the required Certificate of Insurance. Any notice given to ATTORNEY with respect to exhaustion of limits of insurance shall also be sent to UMC.
- F. ATTORNEY shall obtain and maintain, for the duration of this Agreement, the following insurance against claims which may arise from or in connection with the performance of the work hereunder by ATTORNEY, its agents, representatives, employees or subcontractors. The cost of such insurance shall be borne by ATTORNEY.
 - 1. Professional liability or errors and omissions insurance against claims for injuries or damages arising out of the Services rendered by ATTORNEY, its agents, representatives or employees pursuant to ATTORNEY's agreement with UMC.
 - a. ATTORNEY shall maintain policy limits of no less than One Million Dollars and Zero Cents (\$1,000,000.00).

- b. "Claims made" insurance coverage must continue for a period of three (3) years beyond the termination of this Agreement. Any retroactive date must coincide with or pre-date the beginning of this Agreement and may not be advanced without the written consent of UMC.

G. If ATTORNEY fails to maintain the insurance coverage required herein, then UMC will have the option to declare ATTORNEY in breach, or may purchase replacement insurance or pay the premiums that are due on existing policies in order that the required coverage may be maintained. ATTORNEY is responsible for any expenses paid by UMC to maintain such insurance and UMC may collect the same from ATTORNEY or deduct the amount paid from any sums due to ATTORNEY under this Agreement.

H. The insurance requirements specified herein do not relieve ATTORNEY of his responsibility or limit the amount of his liability to UMC or other persons, and ATTORNEY is encouraged to purchase such additional insurance as it deems necessary.

XVI. INDEMNIFICATION

Regardless of the coverage provided by any insurance policy, ATTORNEY shall indemnify, defend, and hold harmless UMC, its officers, agents, employees and volunteers from any and all claims, demands, actions, ATTORNEY's fees, costs and expenses based upon or arising out of alleged errors, omissions or acts of ATTORNEY or his principals, employees, subcontractors, or other agents while performing Services under this Agreement.

XVII. ETHICS OF ATTORNEY

ATTORNEY shall abide by and perform his duties in accordance with the ethics of the legal profession and all federal, state and municipal laws, regulations and ordinances regulating the practice of law.

XVIII. CONFLICTS

During the Term of this Agreement, ATTORNEY may not represent a client whose position may be adverse to Clark County or to UMC, and may not personally engage in litigation that is adverse to Clark County or to UMC, without obtaining UMC's Legal Department's prior written consent to the adverse representation in accordance with Nevada Rules of Professional Conduct 1.7 and 1.8.

XIX. INDEPENDENT CONTRACTOR

ATTORNEY is an independent contractor and not an employee of UMC. No permitted or required approval by UMC of documents or Services of ATTORNEY shall be construed as making UMC responsible for the manner in which ATTORNEY performs Services or for any negligence, errors or omissions of ATTORNEY. Such approvals are intended only to give UMC the right to satisfy itself with the quality of service performed by ATTORNEY.

XX. EXCLUSIVE BENEFIT OF THE PARTIES/NO THIRD PARTY RIGHTS

Except as specifically provided in this Section, this Agreement is not intended to create any rights, benefits, powers or interests to any third (3rd) party and this Agreement is entered into for the exclusive benefit of UMC and ATTORNEY. ATTORNEY acknowledges that UMC may enter, or has entered, into a separate self-insurance pooling agreement with other local government entities to mutually provide for liability coverage.

XXI. PUBLICITY

Neither UMC nor ATTORNEY 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.

XXII. NON-DISCRIMINATION

Neither party shall discriminate against any person on the basis of age, color, disability, gender, handicapping condition (including AIDS or AIDS related conditions), national origin, race, religion, sexual orientation, gender identity or expression or any other class protected by law or regulation.

XXIII. SEVERABILITY

If any portion of this Agreement is found to be invalid, the remainder of this Agreement remains in effect.

XXIV. NOTICES

All notices required under this Agreement must be submitted in writing and delivered by U.S. mail, postage prepaid, certified mail, electronic mail or by hand delivery, and directed to the appropriate party as follows:

TO UMC: University Medical Center of Southern Nevada
Legal Department
Attn: James Conway, Esq.
1800 W. Charleston Blvd.
Las Vegas, NV 89102

TO ATTORNEY: Robert McCoy
Kaempfer Crowell Ltd.
1980 Festival Plaza Drive, Suite 650
Las Vegas, NV 89135

Either party may, at any time and from time to time, change its representative or address by written notice to the other.

XXV. 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 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 mid-size 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.

- Firm'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 (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

XXVI. PERSONNEL ONSITE

ATTORNEY shall abide by the relevant compliance policies of UMC, including its corporate compliance program, Vendor Access Roles and Responsibilities Policy, I-66 Policy and Code of Ethics, the relevant portions of which are available to ATTORNEY upon request, and UMC's Vaccine Policy, as may be amended from time to time, and must register through UMC's vendor management/credentialing system prior to arriving onsite at any of UMC's facilities. ATTORNEY's employees, agents, subcontractors and/or designees who do not abide by UMC's policies may be barred from physical access to UMC's premises.

XXVII. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties and may only be modified, supplemented or amended by a written agreement signed by both parties.

XXVIII. EXECUTION

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

ATTORNEY FIRM NAME:

Kaempfer Crowell Ltd.

By: 

NAME: Robert McCoy

TITLE: Partner

Date: August 18, 2022

UNIVERSITY MEDICAL CENTER OF SOUTHERN
NEVADA

By: _____

MASON VAN HOUWELING

CHIEF EXECUTIVE OFFICER

Date: _____

DISCLOSURE OF OWNERSHIP/PRINCIPALS

| | | | | | | |
|--|---|---|---|---|--|---|
| Business Entity Type (Please select one) | | | | | | |
| <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 |
| Business Designation Group (Please select all that apply) | | | | | | |
| <input type="checkbox"/> MBE Minority Business Enterprise | <input type="checkbox"/> WBE Women-Owned Business Enterprise | <input type="checkbox"/> SBE Small Business Enterprise | <input type="checkbox"/> PBE Physically Challenged Business Enterprise | <input type="checkbox"/> VET Veteran Owned Business | <input type="checkbox"/> DVET Disabled Veteran Owned Business | <input type="checkbox"/> ESB Emerging Small Business |
| Number of Clark County Nevada Residents Employed: 53 | | | | | | |
| Corporate/Business Entity Name: | | Kaempfer Crowell Ltd. | | | | |
| (Include d.b.a., if applicable) | | | | | | |
| Street Address: | | 1980 Festival Plaza Drive, Suite 650 | | Website: www.kcnvlaw.com | | |
| City, State and Zip Code: | | Las Vegas, NV 89135 | | POC Name: Robert McCoy Email: rmccoy@kcnvlaw.com | | |
| Telephone No: | | 702-792-7000 | | Fax No: 702-796-7181 | | |
| Nevada Local Street Address: (If different from above) | | | | Website: | | |
| City, State and Zip Code: | | | | Local Fax No: | | |
| Local Telephone No: | | | | Local POC Name: Email: | | |

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) |
|----------------------|----------------------------|---|
| Robert Gronauer | President/shareholder | 9.10% |
| Thomas Amick | Vice President/shareholder | 9.09% |
| Steven Tackes | Secretary/shareholder | 9.09% |
| Severin Carlson | Shareholder | 9.09% |
| Anthony Celeste | Shareholder | 9.09% |
| Joshua Correlli | Shareholder | 9.09% |
| Mark Fiorentino | Shareholder | 9.09% |
| Stephanie Allen | Shareholder | 9.09% |
| Christopher Kaempfer | Shareholder | 9.09% |
| Jennifer Lazovich | Shareholder | 9.09% |
| Robert McCoy | Shareholder | 9.09% |

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

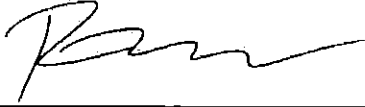
1. Are any individual members, partners, owners or principals, involved in the business entity, a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?

☐ 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.)

2. 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

Robert McCoy

Print Name

Partner

Title

August 18, 2022

Date

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 |
|-------------------------------------|--|--|---|
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| | | | |

* 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

RETAINER AGREEMENT

THIS AGREEMENT ("Agreement") is made and entered into this 1st day of December, 2022 ("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 "UMC", and Andrew Green, of the law firm of Koeller, Nebeker, Carlson & Haluck, LLP, hereinafter collectively referred to as "ATTORNEY."

WITNESSETH:

WHEREAS, NRS 41.038 provides that a local government such as UMC, may self-insure against the liability and expense of defending a claim against itself or any of its officers, employees or immune contractors;

WHEREAS UMC may from time to time seek to assign Outside counsel to provide civil legal representation, support and resources, as well as specialized legal advice to UMC, in excess of the services available in-house; and

WHEREAS, ATTORNEY is experienced in providing legal Outside of liability claims in various practice areas, which may include, but not limited to, personal injury/tort Outside, employment Outside, civil rights Outside, medical malpractice, health care law or bankruptcy.

NOW THEREFORE, the parties agree as follows:

I. SCOPE OF SERVICES OF ATTORNEY

- A. UMC hereby retains and employs ATTORNEY to provide Outside legal representation and counsel to UMC and its associated entities, duly authorized officers, employees, and volunteers ("Services").
- B. ATTORNEY will provide these Services in accordance with the UMC Litigation Guidelines which are attached hereto and incorporated herein by this reference as **Attachment A**.
- C. ATTORNEY will work in conjunction with UMC's Legal Department and, if necessary, the Clark County District Attorney's Office in the performance of Services hereunder.
- D. ATTORNEY will observe and abide by the terms and conditions of all applicable laws, regulations, ordinances and rules of the United States, of the State of Nevada, or any political subdivision thereof, or of any duly constituted public authority or agency.
- E. All materials developed, prepared or acquired during the performance of Services under this Agreement, including without limitation, all finished or unfinished documents, research, pleadings, memoranda, briefs, data, studies, surveys, drawings, manuals, maps, models, photographs, and reports (hereinafter collectively called "documents") shall be available to UMC upon request. No documents prepared for UMC shall be released by ATTORNEY to any third (3rd) party without UMC's prior written permission.
- F. The Services provided pursuant to this Agreement are non-exclusive and UMC is not limited by this Agreement from entering into other agreements for legal services with other attorneys or required by this Agreement to assign any specific litigation matters of volume of litigation matters to ATTORNEY.
- G. ATTORNEY will not affect a final compromise or settlement of any matter, nor assert any conflict waivers, without the prior written approval of UMC or its designated representative.
- H. UMC reserves the right to request, and to object to, representation by specific attorneys within ATTORNEY's Firm.
- I. ATTORNEY will execute a Business Associate Agreement pursuant to the Health Insurance Portability and Accountability Act ("HIPAA") requirements.

II. TERM

The term of this Agreement shall be for three (3) years from the Effective Date of this Agreement as approved by the UMC Board of Hospital Trustees ("Initial Term"). Within thirty (30) days prior to the expiration of this Agreement, UMC may exercise the option to renew this Agreement for up to two (2) additional, one (1) year periods (each an "Extension Term"), unless this Agreement is earlier terminated under the provisions hereof. The Initial Term and all Extension Terms shall collectively be referred to herein as the "Term." ATTORNEY will undertake to represent UMC to the conclusion of each matter assigned, even if the conclusion extends beyond the Term of this Agreement.

III. ATTORNEY FEES

ATTORNEY will provide UMC with legal services under this Agreement at the following rates and charges. Hours of Services shall be billed based on increments of one/tenth (1/10) of an hour and should represent actual time spent, rather than a standard charge for the activity performed.

A. Hourly Rates:

| | |
|----------------------------|-------------------|
| 1. Partners | \$210.00 per hour |
| 2. Associates | \$180.00 per hour |
| 3. Paralegals | \$ 90.00 per hour |
| 4. Legal Nurse Consultants | \$ 90.00 per hour |
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B. Standard Charges:

| | |
|--------|-----------------|
| Copies | \$0.10 per page |
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C. 1/10 of an Hour Conversion Chart:

| Minutes | Time |
|---------|------|
| 1 – 6 | 0.1 |
| 7 – 12 | 0.2 |
| 13 – 18 | 0.3 |
| 19 – 24 | 0.4 |
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| 31 – 36 | 0.6 |
| 37 – 42 | 0.7 |
| 43 – 48 | 0.8 |
| 49 – 54 | 0.9 |
| 55 – 60 | 1.0 |

IV. COSTS OF ACTION

All costs in connection with legal representation shall be paid by UMC in accordance with the UMC Litigation Guidelines. All single costs in excess of Five Hundred Dollars and Zero Cents (\$500.00) will only be incurred by ATTORNEY after prior written notice is given to UMC's Legal Department, and subject to UMC's right to object to the cost being incurred.

V. BILLING

A. ATTORNEY Fees:

ATTORNEY will provide monthly itemized billings to UMC's Legal Department for all Services provided during the preceding month, in accordance with UMC's Litigation Guidelines. ATTORNEY's invoice shall also include the name or initials of the attorney, paralegal, law clerk or legal nurse consultant who performed each task listed on the invoice and the amount of time spent on each task. UMC agrees to make payment for the ATTORNEY's services and costs within ninety (90) days after receipt of such billings. Billing for ATTORNEY's fees and costs must be submitted to UMC within six (6) months of the date the Services were performed or the costs incurred, in accordance with NRS 244.250.

B. Costs:

Invoices for Outside costs and services incurred by ATTORNEY shall be included on the same monthly itemized billings required under Section A above unless UMC's Legal Department agrees to make payment directly to the provider of such Outside costs and services upon request by ATTORNEY. All single costs in excess of Five Hundred Dollars and Zero Cents (\$500.00) will only be incurred by ATTORNEY after prior written notice is given to UMC's Legal Department, and subject to UMC's right to object to the cost being incurred.

C. Disputes:

UMC's representative shall notify ATTORNEY of any disputed amount included on the invoice. Upon mutual resolution of the disputed amount, ATTORNEY will submit a new invoice for the agreed amount and payment will be made in accordance with Section A above.

- D. Invoicing:
Invoices shall be submitted to University Medical Center of Southern Nevada, Legal Department, Attn: James Conway, Esq., 1800 W. Charleston Blvd., Las Vegas, NV 89102.
- E. Compensation:
For the Term of this Agreement, UMC agrees to pay ATTORNEY the Services performed and other miscellaneous/travel expenses for the not-to-exceed amount of **\$4,500,000.00**.

VI. EXPERTS AND INVESTIGATORS

ATTORNEY may employ experts and investigators only upon *prior* written approval of UMC in accordance with the UMC Litigation Guidelines. Fees and costs charged by such experts and investigators shall be forwarded directly to UMC's Legal Department, and paid by UMC directly to the expert or investigator within ninety (90) days after UMC's receipt of billing for services rendered.

VII. TERMINATION

- A. This Agreement may be terminated by UMC for its convenience by providing thirty (30) days written notice to ATTORNEY. Pursuant to Nevada Rule of Professional Conduct 1.16, ATTORNEY may terminate this Agreement upon one hundred eighty (180) days written notice to UMC's Legal Department.
- B. In the event of termination, ATTORNEY shall be paid compensation for Services performed and properly billed pursuant to the terms of this Agreement up to the effective termination date.
- C. In accordance with Nevada Revised Statutes (NRS 354.626), the financial obligations under this Agreement between UMC and ATTORNEY shall not exceed those monies appropriated and approved by UMC for the then current fiscal year under the Local Government Budget Act. This 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 would become due under this Agreement.

VIII. EVENTS UPON TERMINATION OR EXPIRATION

Upon the expiration or termination of this Agreement, UMC, at its discretion, shall either:

- A. Require ATTORNEY to conclude the handling of all open litigation matters assigned to ATTORNEY during the Term of this Agreement, at the rates set forth in this Agreement, for a period not to exceed two (2) years from the termination or expiration of this Agreement; or
- B. Require ATTORNEY to return all litigation files to UMC or its designated representative and execute the necessary Substitution of Counsel.

IX. RECORDS

All books, records, documents and accounting procedures and practices of ATTORNEY, relevant to this Agreement, shall be subject to inspection, audit and copying by UMC or its authorized representative(s).

X. OWNERSHIP AND RETENTION OF DOCUMENTS

All files, pleadings, discovery, reports, documents and other records prepared or kept by ATTORNEY in the performance of its obligations under this Agreement shall be the exclusive property of UMC and all such materials shall be remitted to UMC by ATTORNEY upon expiration or termination of this Agreement. All such materials shall be retained by ATTORNEY for a minimum of six (6) years from the date any and all appeal rights expire. At the end of this retention term, UMC shall be notified in writing and given sixty (60) days to reclaim the file prior to its destruction by ATTORNEY.

XI. CONFIDENTIALITY

All personnel records, personal data and protected health information ("PHI") received, stored or viewed by ATTORNEY shall be kept in the strictest confidence by ATTORNEY and its employees and contractors. All such information shall be used and disclosed only for the proper management of the litigation assigned and may not be used or further disclosed other than as necessary in furtherance of litigation.

ATTORNEY shall use appropriate safeguards to prevent the use or disclosure of such confidential information outside the scope of the litigation, and shall report to UMC any inappropriate or unauthorized use or disclosure of the information as soon as it learns of such use or disclosure.

ATTORNEY acknowledges that its Services will be subject to termination if it is found to be in violation of the Confidentiality terms of this Agreement.

XII. ASSIGNMENT AND SUBCONTRACTING

ATTORNEY shall neither assign, transfer nor delegate any rights, obligations or duties under this Agreement, nor shall ATTORNEY subcontract the provision of Services under this Agreement, without the prior written consent of UMC.

XIII. AMENDMENT AND MODIFICATION

No provision of this Agreement will be deemed waived, amended or modified by either party unless such waiver, amendment or modification is in writing and signed by the authorized agents of all parties.

XIV. APPLICABLE LAW

This Agreement shall be governed by and interpreted according to the laws of the State of Nevada.

XV. INSURANCE

ATTORNEY will provide UMC with Certificates of Insurance for the coverage as listed below within ten (10) calendar days after approval of this Agreement by the UMC Board of Hospital Trustees, or any extension thereof. Thereafter, current Certificates shall be maintained with UMC so long as insurance is required pursuant to this Agreement. The Certificates for each insurance policy are to be signed by a person authorized by the insurer and licensed by the State of Nevada.

- A. Each insurance company's rating as shown in the latest Best's Key Rating Guide shall be fully disclosed and entered on the required Certificates of Insurance. The adequacy of the insurance supplied by ATTORNEY, including the rating and financial health of each insurance company providing coverage, is subject to the approval of UMC.
- B. With regard to ATTORNEY's Services performed pursuant to this Agreement, ATTORNEY's insurance shall be primary and any other coverage that may be available to UMC, its officers, employees and volunteers shall be excess over the insurance required of ATTORNEY.
- C. The insurance coverage supplied by ATTORNEY must provide for a thirty (30) day notice to UMC before implementation of a proposal to suspend, void, cancel or reduce in coverage or in limits the required insurance coverage. This notice requirement does not waive the insurance requirements contained herein.
- D. All deductibles and self-insured retentions shall be fully disclosed in the Certificate of Insurance. No deductible or self-insured retention may exceed Ten Thousand Dollars and Zero Cents (\$10,000.00) without the written approval of UMC.
- E. If aggregate limits are imposed on the insurance coverage, then the amount of such limits must not be less than twice (2x) the amount of the limits required herein. All aggregates must be fully disclosed and the amount entered on the required Certificate of Insurance. Any notice given to ATTORNEY with respect to exhaustion of limits of insurance shall also be sent to UMC.
- F. ATTORNEY shall obtain and maintain, for the duration of this Agreement, the following insurance against claims which may arise from or in connection with the performance of the work hereunder by ATTORNEY, its agents, representatives, employees or subcontractors. The cost of such insurance shall be borne by ATTORNEY.
 1. Professional liability or errors and omissions insurance against claims for injuries or damages arising out of the Services rendered by ATTORNEY, its agents, representatives or employees pursuant to ATTORNEY's agreement with UMC.
 - a. ATTORNEY shall maintain policy limits of no less than One Million Dollars and Zero Cents (\$1,000,000.00).

- b. "Claims made" insurance coverage must continue for a period of three (3) years beyond the termination of this Agreement. Any retroactive date must coincide with or pre-date the beginning of this Agreement and may not be advanced without the written consent of UMC.

G. If ATTORNEY fails to maintain the insurance coverage required herein, then UMC will have the option to declare ATTORNEY in breach, or may purchase replacement insurance or pay the premiums that are due on existing policies in order that the required coverage may be maintained. ATTORNEY is responsible for any expenses paid by UMC to maintain such insurance and UMC may collect the same from ATTORNEY or deduct the amount paid from any sums due to ATTORNEY under this Agreement.

H. The insurance requirements specified herein do not relieve ATTORNEY of his responsibility or limit the amount of his liability to UMC or other persons, and ATTORNEY is encouraged to purchase such additional insurance as it deems necessary.

XVI. INDEMNIFICATION

Regardless of the coverage provided by any insurance policy, ATTORNEY shall indemnify, defend, and hold harmless UMC, its officers, agents, employees and volunteers from any and all claims, demands, actions, ATTORNEY's fees, costs and expenses based upon or arising out of alleged errors, omissions or acts of ATTORNEY or his principals, employees, subcontractors, or other agents while performing Services under this Agreement.

XVII. ETHICS OF ATTORNEY

ATTORNEY shall abide by and perform his duties in accordance with the ethics of the legal profession and all federal, state and municipal laws, regulations and ordinances regulating the practice of law.

XVIII. CONFLICTS

During the Term of this Agreement, ATTORNEY may not represent a client whose position may be adverse to Clark County or to UMC, and may not personally engage in litigation that is adverse to Clark County or to UMC, without obtaining UMC's Legal Department's prior written consent to the adverse representation in accordance with Nevada Rules of Professional Conduct 1.7 and 1.8.

XIX. INDEPENDENT CONTRACTOR

ATTORNEY is an independent contractor and not an employee of UMC. No permitted or required approval by UMC of documents or Services of ATTORNEY shall be construed as making UMC responsible for the manner in which ATTORNEY performs Services or for any negligence, errors or omissions of ATTORNEY. Such approvals are intended only to give UMC the right to satisfy itself with the quality of service performed by ATTORNEY.

XX. EXCLUSIVE BENEFIT OF THE PARTIES/NO THIRD PARTY RIGHTS

Except as specifically provided in this Section, this Agreement is not intended to create any rights, benefits, powers or interests to any third (3rd) party and this Agreement is entered into for the exclusive benefit of UMC and ATTORNEY. ATTORNEY acknowledges that UMC may enter, or has entered, into a separate self-insurance pooling agreement with other local government entities to mutually provide for liability coverage.

XXI. PUBLICITY

Neither UMC nor ATTORNEY 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.

XXII. NON-DISCRIMINATION

Neither party shall discriminate against any person on the basis of age, color, disability, gender, handicapping condition (including AIDS or AIDS related conditions), national origin, race, religion, sexual orientation, gender identity or expression or any other class protected by law or regulation.

XXIII. SEVERABILITY

If any portion of this Agreement is found to be invalid, the remainder of this Agreement remains in effect.

XXIV. NOTICES

All notices required under this Agreement must be submitted in writing and delivered by U.S. mail, postage prepaid, certified mail, electronic mail or by hand delivery, and directed to the appropriate party as follows:

TO UMC: University Medical Center of Southern Nevada
Legal Department
Attn: James Conway, Esq.
1800 W. Charleston Blvd.
Las Vegas, NV 89102

TO ATTORNEY: Mark F. Roach
Koeller Nebeker Carlson & Haluck, LLP
300 S. 4th St., Ste. 500
Las Vegas, Nevada 89101

Either party may, at any time and from time to time, change its representative or address by written notice to the other.

XXV. 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 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 mid-size 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.

- Firm'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 (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

XXVI. PERSONNEL ONSITE

ATTORNEY shall abide by the relevant compliance policies of UMC, including its corporate compliance program, Vendor Access Roles and Responsibilities Policy, I-66 Policy and Code of Ethics, the relevant portions of which are available to ATTORNEY upon request, and UMC's Vaccine Policy, as may be amended from time to time, and must register through UMC's vendor management/credentialing system prior to arriving onsite at any of UMC's facilities. ATTORNEY's employees, agents, subcontractors and/or designees who do not abide by UMC's policies may be barred from physical access to UMC's premises.

XXVII. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties and may only be modified, supplemented or amended by a written agreement signed by both parties.

XXVIII. EXECUTION

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

ATTORNEY FIRM NAME:

Koeller Nebeker Carlson & Haluck LLP

By: 

NAME: Andrew C. Green

TITLE: Managing Partner, Las Vegas Office

Date: 8/9/2022

UNIVERSITY MEDICAL CENTER OF SOUTHERN
NEVADA

By: _____

MASON VAN HOUWELING

CHIEF EXECUTIVE OFFICER

Date: _____

DISCLOSURE OF OWNERSHIP/PRINCIPALS

| | | | | | | |
|---|---|---|---|---|--|---|
| Business Entity Type (Please select one) | | | | | | |
| <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 |
| Business Designation Group (Please select all that apply) | | | | | | |
| <input type="checkbox"/> MBE Minority Business Enterprise | <input type="checkbox"/> WBE Women-Owned Business Enterprise | <input type="checkbox"/> SBE Small Business Enterprise | <input type="checkbox"/> PBE Physically Challenged Business Enterprise | <input type="checkbox"/> VET Veteran Owned Business | <input type="checkbox"/> DVET Disabled Veteran Owned Business | <input type="checkbox"/> ESB Emerging Small Business |
| Number of Clark County Nevada Residents Employed: 18 | | | | | | |
| Corporate/Business Entity Name: | | Koeller, Nebeker, Carlson, and Haluck, LLP | | | | |
| (Include d.b.a., if applicable) | | | | | | |
| Street Address: | | 3 Park Plaza Place | | Website: knchlaw.com | | |
| City, State and Zip Code: | | Irvine, California 92614 | | POC Name: Shalla Schaible Email: Shalla.schaible@knchlaw.com | | |
| Telephone No: | | (949) 864-3400 | | Fax No: (949) 864-9000 | | |
| Nevada Local Street Address: (If different from above) | | 300 S. 4th Street, Ste. 500 | | Website: | | |
| City, State and Zip Code: | | Las Vegas, Nevada 89101 | | Local Fax No: (702) 853-5599 | | |
| Local Telephone No: | | (702) 853-5526 | | Local POC Name: Larissa Rudolph Email: Larissa.Rudolph@knchlaw.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) |
|-----------------|------------------|---|
| William Nebeker | Founding Partner | 12.1% |
| Robert Carlson | Founding Partner | 12.1% |
| Megan Dorsey | Equity Partner | 12.1% |
| Mark Newcomb | Managing Partner | 12.1% |
| Chad Dunnigan | Founding Partner | 8% |
| Jerry Satran | Equity Partner | 8% |

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

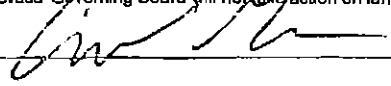
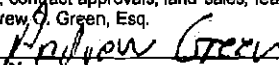
1. Are any individual members, partners, owners or principals, involved in the business entity, a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?

☐ 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.)

2. 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.

| | |
|---|--|
| <p>Signature </p> <p>Managing Partner: Las Vegas Office</p> <p>Title _____</p> | <p>Andrew Green, Esq.</p> <p>Print Name </p> <p>8/9/2022</p> <p>Date _____</p> |
|---|--|

RETAINER AGREEMENT

THIS AGREEMENT ("Agreement") is made and entered into this 1st day of December, 2022 ("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 "UMC", and Marquis Aurbach Chtd. of the law firm of Marquis Aurbach, hereinafter collectively referred to as "ATTORNEY."

WITNESSETH:

WHEREAS, NRS 41.038 provides that a local government such as UMC, may self-insure against the liability and expense of defending a claim against itself or any of its officers, employees or immune contractors;

WHEREAS UMC may from time to time seek to assign Outside counsel to provide civil legal representation, support and resources, as well as specialized legal advice to UMC, in excess of the services available in-house; and

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- D. ATTORNEY will observe and abide by the terms and conditions of all applicable laws, regulations, ordinances and rules of the United States, of the State of Nevada, or any political subdivision thereof, or of any duly constituted public authority or agency.
- E. All materials developed, prepared or acquired during the performance of Services under this Agreement, including without limitation, all finished or unfinished documents, research, pleadings, memoranda, briefs, data, studies, surveys, drawings, manuals, maps, models, photographs, and reports (hereinafter collectively called "documents") shall be available to UMC upon request. No documents prepared for UMC shall be released by ATTORNEY to any third (3rd) party without UMC's prior written permission.
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| 5. Law Clerks | \$ 50.00 per hour |

B. Standard Charges:

| | |
|--------|-----------------|
| Copies | \$0.10 per page |
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C. 1/10 of an Hour Conversion Chart:

| Minutes | Time |
|---------|------|
| 1 – 6 | 0.1 |
| 7 – 12 | 0.2 |
| 13 – 18 | 0.3 |
| 19 – 24 | 0.4 |
| 25 – 30 | 0.5 |
| 31 – 36 | 0.6 |
| 37 – 42 | 0.7 |
| 43 – 48 | 0.8 |
| 49 – 54 | 0.9 |
| 55 – 60 | 1.0 |

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V. BILLING

A. ATTORNEY Fees:

ATTORNEY will provide monthly itemized billings to UMC's Legal Department for all Services provided during the preceding month, in accordance with UMC's Litigation Guidelines. ATTORNEY's invoice shall also include the name or initials of the attorney, paralegal, law clerk or legal nurse consultant who performed each task listed on the invoice and the amount of time spent on each task. UMC agrees to make payment for the ATTORNEY's services and costs within ninety (90) days after receipt of such billings. Billing for ATTORNEY's fees and costs must be submitted to UMC within six (6) months of the date the Services were performed or the costs incurred, in accordance with NRS 244.250.

B. Costs:

Invoices for Outside costs and services incurred by ATTORNEY shall be included on the same monthly itemized billings required under Section A above unless UMC's Legal Department agrees to make payment directly to the provider of such Outside costs and services upon request by ATTORNEY. All single costs in excess of Five Hundred Dollars and Zero Cents (\$500.00) will only be incurred by ATTORNEY after prior written notice is given to UMC's Legal Department, and subject to UMC's right to object to the cost being incurred.

C. Disputes:

UMC's representative shall notify ATTORNEY of any disputed amount included on the invoice. Upon mutual resolution of the disputed amount, ATTORNEY will submit a new invoice for the agreed amount and payment will be made in accordance with Section A above.

- D. Invoicing:
Invoices shall be submitted to University Medical Center of Southern Nevada, Legal Department, Attn: James Conway, Esq., 1800 W. Charleston Blvd., Las Vegas, NV 89102.
- E. Compensation:
For the Term of this Agreement, UMC agrees to pay ATTORNEY the Services performed and other miscellaneous/travel expenses for the not-to-exceed amount of **\$4,500,000.00**.

VI. EXPERTS AND INVESTIGATORS

ATTORNEY may employ experts and investigators only upon *prior* written approval of UMC in accordance with the UMC Litigation Guidelines. Fees and costs charged by such experts and investigators shall be forwarded directly to UMC's Legal Department, and paid by UMC directly to the expert or investigator within ninety (90) days after UMC's receipt of billing for services rendered.

VII. TERMINATION

- A. This Agreement may be terminated by UMC for its convenience by providing thirty (30) days written notice to ATTORNEY. Pursuant to Nevada Rule of Professional Conduct 1.16, ATTORNEY may terminate this Agreement upon one hundred eighty (180) days written notice to UMC's Legal Department.
- B. In the event of termination, ATTORNEY shall be paid compensation for Services performed and properly billed pursuant to the terms of this Agreement up to the effective termination date.
- C. In accordance with Nevada Revised Statutes (NRS 354.626), the financial obligations under this Agreement between UMC and ATTORNEY shall not exceed those monies appropriated and approved by UMC for the then current fiscal year under the Local Government Budget Act. This 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 would become due under this Agreement.

VIII. EVENTS UPON TERMINATION OR EXPIRATION

Upon the expiration or termination of this Agreement, UMC, at its discretion, shall either:

- A. Require ATTORNEY to conclude the handling of all open litigation matters assigned to ATTORNEY during the Term of this Agreement, at the rates set forth in this Agreement, for a period not to exceed two (2) years from the termination or expiration of this Agreement; or
- B. Require ATTORNEY to return all litigation files to UMC or its designated representative and execute the necessary Substitution of Counsel.

IX. RECORDS

All books, records, documents and accounting procedures and practices of ATTORNEY, relevant to this Agreement, shall be subject to inspection, audit and copying by UMC or its authorized representative(s).

X. OWNERSHIP AND RETENTION OF DOCUMENTS

All files, pleadings, discovery, reports, documents and other records prepared or kept by ATTORNEY in the performance of its obligations under this Agreement shall be the exclusive property of UMC and all such materials shall be remitted to UMC by ATTORNEY upon expiration or termination of this Agreement. All such materials shall be retained by ATTORNEY for a minimum of six (6) years from the date any and all appeal rights expire. At the end of this retention term, UMC shall be notified in writing and given sixty (60) days to reclaim the file prior to its destruction by ATTORNEY.

XI. CONFIDENTIALITY

All personnel records, personal data and protected health information ("PHI") received, stored or viewed by ATTORNEY shall be kept in the strictest confidence by ATTORNEY and its employees and contractors. All such information shall be used and disclosed only for the proper management of the litigation assigned and may not be used or further disclosed other than as necessary in furtherance of litigation.

ATTORNEY shall use appropriate safeguards to prevent the use or disclosure of such confidential information outside the scope of the litigation, and shall report to UMC any inappropriate or unauthorized use or disclosure of the information as soon as it learns of such use or disclosure.

ATTORNEY acknowledges that its Services will be subject to termination if it is found to be in violation of the Confidentiality terms of this Agreement.

XII. ASSIGNMENT AND SUBCONTRACTING

ATTORNEY shall neither assign, transfer nor delegate any rights, obligations or duties under this Agreement, nor shall ATTORNEY subcontract the provision of Services under this Agreement, without the prior written consent of UMC.

XIII. AMENDMENT AND MODIFICATION

No provision of this Agreement will be deemed waived, amended or modified by either party unless such waiver, amendment or modification is in writing and signed by the authorized agents of all parties.

XIV. APPLICABLE LAW

This Agreement shall be governed by and interpreted according to the laws of the State of Nevada.

XV. INSURANCE

ATTORNEY will provide UMC with Certificates of Insurance for the coverage as listed below within ten (10) calendar days after approval of this Agreement by the UMC Board of Hospital Trustees, or any extension thereof. Thereafter, current Certificates shall be maintained with UMC so long as insurance is required pursuant to this Agreement. The Certificates for each insurance policy are to be signed by a person authorized by the insurer and licensed by the State of Nevada.

- A. Each insurance company's rating as shown in the latest Best's Key Rating Guide shall be fully disclosed and entered on the required Certificates of Insurance. The adequacy of the insurance supplied by ATTORNEY, including the rating and financial health of each insurance company providing coverage, is subject to the approval of UMC.
- B. With regard to ATTORNEY's Services performed pursuant to this Agreement, ATTORNEY's insurance shall be primary and any other coverage that may be available to UMC, its officers, employees and volunteers shall be excess over the insurance required of ATTORNEY.
- C. The insurance coverage supplied by ATTORNEY must provide for a thirty (30) day notice to UMC before implementation of a proposal to suspend, void, cancel or reduce in coverage or in limits the required insurance coverage. This notice requirement does not waive the insurance requirements contained herein.
- D. All deductibles and self-insured retentions shall be fully disclosed in the Certificate of Insurance. No deductible or self-insured retention may exceed Ten Thousand Dollars and Zero Cents (\$10,000.00) without the written approval of UMC.
- E. If aggregate limits are imposed on the insurance coverage, then the amount of such limits must not be less than twice (2x) the amount of the limits required herein. All aggregates must be fully disclosed and the amount entered on the required Certificate of Insurance. Any notice given to ATTORNEY with respect to exhaustion of limits of insurance shall also be sent to UMC.
- F. ATTORNEY shall obtain and maintain, for the duration of this Agreement, the following insurance against claims which may arise from or in connection with the performance of the work hereunder by ATTORNEY, its agents, representatives, employees or subcontractors. The cost of such insurance shall be borne by ATTORNEY.
 1. Professional liability or errors and omissions insurance against claims for injuries or damages arising out of the Services rendered by ATTORNEY, its agents, representatives or employees pursuant to ATTORNEY's agreement with UMC.
 - a. ATTORNEY shall maintain policy limits of no less than One Million Dollars and Zero Cents (\$1,000,000.00).

- b. "Claims made" insurance coverage must continue for a period of three (3) years beyond the termination of this Agreement. Any retroactive date must coincide with or pre-date the beginning of this Agreement and may not be advanced without the written consent of UMC.

G. If ATTORNEY fails to maintain the insurance coverage required herein, then UMC will have the option to declare ATTORNEY in breach, or may purchase replacement insurance or pay the premiums that are due on existing policies in order that the required coverage may be maintained. ATTORNEY is responsible for any expenses paid by UMC to maintain such insurance and UMC may collect the same from ATTORNEY or deduct the amount paid from any sums due to ATTORNEY under this Agreement.

H. The insurance requirements specified herein do not relieve ATTORNEY of his responsibility or limit the amount of his liability to UMC or other persons, and ATTORNEY is encouraged to purchase such additional insurance as it deems necessary.

XVI. INDEMNIFICATION

Regardless of the coverage provided by any insurance policy, ATTORNEY shall indemnify, defend, and hold harmless UMC, its officers, agents, employees and volunteers from any and all claims, demands, actions, ATTORNEY's fees, costs and expenses based upon or arising out of alleged errors, omissions or acts of ATTORNEY or his principals, employees, subcontractors, or other agents while performing Services under this Agreement.

XVII. ETHICS OF ATTORNEY

ATTORNEY shall abide by and perform his duties in accordance with the ethics of the legal profession and all federal, state and municipal laws, regulations and ordinances regulating the practice of law.

XVIII. CONFLICTS

During the Term of this Agreement, ATTORNEY may not represent a client whose position may be adverse to Clark County or to UMC, and may not personally engage in litigation that is adverse to Clark County or to UMC, without obtaining UMC's Legal Department's prior written consent to the adverse representation in accordance with Nevada Rules of Professional Conduct 1.7 and 1.8.

XIX. INDEPENDENT CONTRACTOR

ATTORNEY is an independent contractor and not an employee of UMC. No permitted or required approval by UMC of documents or Services of ATTORNEY shall be construed as making UMC responsible for the manner in which ATTORNEY performs Services or for any negligence, errors or omissions of ATTORNEY. Such approvals are intended only to give UMC the right to satisfy itself with the quality of service performed by ATTORNEY.

XX. EXCLUSIVE BENEFIT OF THE PARTIES/NO THIRD PARTY RIGHTS

Except as specifically provided in this Section, this Agreement is not intended to create any rights, benefits, powers or interests to any third (3rd) party and this Agreement is entered into for the exclusive benefit of UMC and ATTORNEY. ATTORNEY acknowledges that UMC may enter, or has entered, into a separate self-insurance pooling agreement with other local government entities to mutually provide for liability coverage.

XXI. PUBLICITY

Neither UMC nor ATTORNEY 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.

XXII. NON-DISCRIMINATION

Neither party shall discriminate against any person on the basis of age, color, disability, gender, handicapping condition (including AIDS or AIDS related conditions), national origin, race, religion, sexual orientation, gender identity or expression or any other class protected by law or regulation.

XXIII. SEVERABILITY

If any portion of this Agreement is found to be invalid, the remainder of this Agreement remains in effect.

XXIV. NOTICES

All notices required under this Agreement must be submitted in writing and delivered by U.S. mail, postage prepaid, certified mail, electronic mail or by hand delivery, and directed to the appropriate party as follows:

TO UMC: University Medical Center of Southern Nevada
Legal Department
Attn: James Conway, Esq.
1800 W. Charleston Blvd.
Las Vegas, NV 89102

TO ATTORNEY: Marquis Aurbach Chtd.
Attn: Christian T. Balducci, Esq.
10001 Park Run Drive
Las Vegas, NV 89145

Either party may, at any time and from time to time, change its representative or address by written notice to the other.

XXV. 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 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 mid-size 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.

- Firm'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 (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

XXVI. PERSONNEL ONSITE

ATTORNEY shall abide by the relevant compliance policies of UMC, including its corporate compliance program, Vendor Access Roles and Responsibilities Policy, I-66 Policy and Code of Ethics, the relevant portions of which are available to ATTORNEY upon request, and UMC's Vaccine Policy, as may be amended from time to time, and must register through UMC's vendor management/credentialing system prior to arriving onsite at any of UMC's facilities. ATTORNEY's employees, agents, subcontractors and/or designees who do not abide by UMC's policies may be barred from physical access to UMC's premises.

XXVII. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties and may only be modified, supplemented or amended by a written agreement signed by both parties.

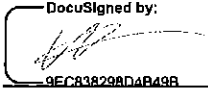
XXVIII. EXECUTION

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

ATTORNEY FIRM NAME:

Marquis Aurbach Chtd.

UNIVERSITY MEDICAL CENTER OF SOUTHERN
NEVADA

By: 9EC83829AD4B49B

NAME: Christian T. Balducci

TITLE: Director

Date: 9-8-2022

By: _____

MASON VAN HOUWELING

CHIEF EXECUTIVE OFFICER

Date: _____

DISCLOSURE OF OWNERSHIP/PRINCIPALS

| | | | | | | |
|--|--------------------------------------|--|---|--|--|--------------------------------|
| Business Entity Type (Please select one) | | | | | | |
| <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 |
| Business Designation Group (Please select all that apply) | | | | | | |
| <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 |
| Number of Clark County Nevada Residents Employed: 63 | | | | | | |
| Corporate/Business Entity Name: | | Marquis Aurbach Chtd. | | | | |
| (Include d.b.a., if applicable) | | Mac Law | | | | |
| Street Address: | | 10001 Park Run Drive | | Website: www.maclaw.com | | |
| City, State and Zip Code: | | Las Vegas, Nevada 89145 | | POC Name: Christian T. Balducci | | |
| | | | | Email: cbalducci@maclaw.com | | |
| Telephone No: | | 702-207-6071 | | Fax No: 702-382-5816 | | |
| Nevada Local Street Address: (If different from above) | | Website: | | | | |
| City, State and Zip Code: | | Local Fax No: | | | | |
| Local Telephone No: | | Local POC Name: | | | | |
| | | Email: | | | | |

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 list

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

1. 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.)

2. 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

Christian T. Balducci

Print Name

Shareholder

9/8/2022

Title

Date

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

| FULL NAME | TITLE | % OWNED |
|-----------------------|------------------------|----------------|
| Avece M. Higbee | Shareholder, President | 7.69 % |
| Scott A. Marquis | Shareholder | 7.69 % |
| Jack Chen Min Juan | Shareholder | 7.69 % |
| Craig R. Anderson | Shareholder | 7.69 % |
| Terry A. Moore | Shareholder | 7.69 % |
| Geraldine Tomich | Shareholder | 7.69 % |
| Nicholas D. Crosby | Shareholder | 7.69 % |
| Tye S. Hanseen | Shareholder | 7.69 % |
| David G. Alleman | Shareholder | 7.69 % |
| Cody S. Mounteer | Shareholder | 7.69 % |
| Chad F. Clement | Shareholder | 7.69 % |
| Christian T. Balducci | Shareholder | 7.69 % |

RETAINER AGREEMENT

THIS AGREEMENT ("Agreement") is made and entered into this 1st day of December, 2022 ("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 "UMC", and HEATHER HALL of the law firm of MCBRIDE HALL, hereinafter collectively referred to as "ATTORNEY."

WITNESSETH:

WHEREAS, NRS 41.038 provides that a local government such as UMC, may self-insure against the liability and expense of defending a claim against itself or any of its officers, employees or immune contractors;

WHEREAS UMC may from time to time seek to assign Outside counsel to provide civil legal representation, support and resources, as well as specialized legal advice to UMC, in excess of the services available in-house; and

WHEREAS, ATTORNEY is experienced in providing legal Outside of liability claims in various practice areas, which may include, but not limited to, personal injury/tort Outside, employment Outside, civil rights Outside, medical malpractice, health care law or bankruptcy.

NOW THEREFORE, the parties agree as follows:

I. SCOPE OF SERVICES OF ATTORNEY

- A. UMC hereby retains and employs ATTORNEY to provide Outside legal representation and counsel to UMC and its associated entities, duly authorized officers, employees, and volunteers ("Services").
- B. ATTORNEY will provide these Services in accordance with the UMC Litigation Guidelines which are attached hereto and incorporated herein by this reference as **Attachment A**.
- C. ATTORNEY will work in conjunction with UMC's Legal Department and, if necessary, the Clark County District Attorney's Office in the performance of Services hereunder.
- D. ATTORNEY will observe and abide by the terms and conditions of all applicable laws, regulations, ordinances and rules of the United States, of the State of Nevada, or any political subdivision thereof, or of any duly constituted public authority or agency.
- E. All materials developed, prepared or acquired during the performance of Services under this Agreement, including without limitation, all finished or unfinished documents, research, pleadings, memoranda, briefs, data, studies, surveys, drawings, manuals, maps, models, photographs, and reports (hereinafter collectively called "documents") shall be available to UMC upon request. No documents prepared for UMC shall be released by ATTORNEY to any third (3rd) party without UMC's prior written permission.
- F. The Services provided pursuant to this Agreement are non-exclusive and UMC is not limited by this Agreement from entering into other agreements for legal services with other attorneys or required by this Agreement to assign any specific litigation matters of volume of litigation matters to ATTORNEY.
- G. ATTORNEY will not affect a final compromise or settlement of any matter, nor assert any conflict waivers, without the prior written approval of UMC or its designated representative.
- H. UMC reserves the right to request, and to object to, representation by specific attorneys within ATTORNEY's Firm.
- I. ATTORNEY will execute a Business Associate Agreement pursuant to the Health Insurance Portability and Accountability Act ("HIPAA") requirements.

II. TERM

The term of this Agreement shall be for three (3) years from the Effective Date of this Agreement as approved by the UMC Board of Hospital Trustees ("Initial Term"). Within thirty (30) days prior to the expiration of this Agreement, UMC may exercise the option to renew this Agreement for up to two (2) additional, one (1) year periods (each an "Extension Term"), unless this Agreement is earlier terminated under the provisions hereof. The Initial Term and all Extension Terms shall collectively be referred to herein as the "Term." ATTORNEY will undertake to represent UMC to the conclusion of each matter assigned, even if the conclusion extends beyond the Term of this Agreement.

III. ATTORNEY FEES

ATTORNEY will provide UMC with legal services under this Agreement at the following rates and charges. Hours of Services shall be billed based on increments of one-tenth (1/10) of an hour and should represent actual time spent, rather than a standard charge for the activity performed.

A. Hourly Rates:

| | |
|----------------------------|-------------------|
| 1. Partners | \$210.00 per hour |
| 2. Associates | \$180.00 per hour |
| 3. Paralegals | \$ 90.00 per hour |
| 4. Legal Nurse Consultants | \$ 90.00 per hour |
| 5. Law Clerks | \$ 50.00 per hour |

B. Standard Charges:

| | |
|--------|-----------------|
| Copies | \$0.10 per page |
|--------|-----------------|

C. 1/10 of an Hour Conversion Chart:

| Minutes | Time |
|---------|------|
| 1 – 6 | 0.1 |
| 7 – 12 | 0.2 |
| 13 – 18 | 0.3 |
| 19 – 24 | 0.4 |
| 25 – 30 | 0.5 |
| 31 – 36 | 0.6 |
| 37 – 42 | 0.7 |
| 43 – 48 | 0.8 |
| 49 – 54 | 0.9 |
| 55 – 60 | 1.0 |

IV. COSTS OF ACTION

All costs in connection with legal representation shall be paid by UMC in accordance with the UMC Litigation Guidelines. All single costs in excess of Five Hundred Dollars and Zero Cents (\$500.00) will only be incurred by ATTORNEY after prior written notice is given to UMC's Legal Department, and subject to UMC's right to object to the cost being incurred.

V. BILLING

A. ATTORNEY Fees:

ATTORNEY will provide monthly itemized billings to UMC's Legal Department for all Services provided during the preceding month, in accordance with UMC's Litigation Guidelines. ATTORNEY's invoice shall also include the name or initials of the attorney, paralegal, law clerk or legal nurse consultant who performed each task listed on the invoice and the amount of time spent on each task. UMC agrees to make payment for the ATTORNEY's services and costs within ninety (90) days after receipt of such billings. Billing for ATTORNEY's fees and costs must be submitted to UMC within six (6) months of the date the Services were performed or the costs incurred, in accordance with NRS 244.250.

B. Costs:

Invoices for Outside costs and services incurred by ATTORNEY shall be included on the same monthly itemized billings required under Section A above unless UMC's Legal Department agrees to make payment directly to the provider of such Outside costs and services upon request by ATTORNEY. All single costs in excess of Five Hundred Dollars and Zero Cents (\$500.00) will only be incurred by ATTORNEY after prior written notice is given to UMC's Legal Department, and subject to UMC's right to object to the cost being incurred.

C. Disputes:

UMC's representative shall notify ATTORNEY of any disputed amount included on the invoice. Upon mutual resolution of the disputed amount, ATTORNEY will submit a new invoice for the agreed amount and payment will be made in accordance with Section A above.

- D. Invoicing:
Invoices shall be submitted to University Medical Center of Southern Nevada, Legal Department, Attn: James Conway, Esq., 1800 W. Charleston Blvd., Las Vegas, NV 89102.
- E. Compensation:
For the Term of this Agreement, UMC agrees to pay ATTORNEY the Services performed and other miscellaneous/travel expenses for the not-to-exceed amount of **\$4,500,000.00**.

VI. EXPERTS AND INVESTIGATORS

ATTORNEY may employ experts and investigators only upon *prior* written approval of UMC in accordance with the UMC Litigation Guidelines. Fees and costs charged by such experts and investigators shall be forwarded directly to UMC's Legal Department, and paid by UMC directly to the expert or investigator within ninety (90) days after UMC's receipt of billing for services rendered.

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- A. This Agreement may be terminated by UMC for its convenience by providing thirty (30) days written notice to ATTORNEY. Pursuant to Nevada Rule of Professional Conduct 1.16, ATTORNEY may terminate this Agreement upon one hundred eighty (180) days written notice to UMC's Legal Department.
- B. In the event of termination, ATTORNEY shall be paid compensation for Services performed and properly billed pursuant to the terms of this Agreement up to the effective termination date.
- C. In accordance with Nevada Revised Statutes (NRS 354.626), the financial obligations under this Agreement between UMC and ATTORNEY shall not exceed those monies appropriated and approved by UMC for the then current fiscal year under the Local Government Budget Act. This 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 would become due under this Agreement.

VIII. EVENTS UPON TERMINATION OR EXPIRATION

Upon the expiration or termination of this Agreement, UMC, at its discretion, shall either:

- A. Require ATTORNEY to conclude the handling of all open litigation matters assigned to ATTORNEY during the Term of this Agreement, at the rates set forth in this Agreement, for a period not to exceed two (2) years from the termination or expiration of this Agreement; or
- B. Require ATTORNEY to return all litigation files to UMC or its designated representative and execute the necessary Substitution of Counsel.

IX. RECORDS

All books, records, documents and accounting procedures and practices of ATTORNEY, relevant to this Agreement, shall be subject to inspection, audit and copying by UMC or its authorized representative(s).

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All personnel records, personal data and protected health information ("PHI") received, stored or viewed by ATTORNEY shall be kept in the strictest confidence by ATTORNEY and its employees and contractors. All such information shall be used and disclosed only for the proper management of the litigation assigned and may not be used or further disclosed other than as necessary in furtherance of litigation.

ATTORNEY shall use appropriate safeguards to prevent the use or disclosure of such confidential information outside the scope of the litigation, and shall report to UMC any inappropriate or unauthorized use or disclosure of the information as soon as it learns of such use or disclosure.

ATTORNEY acknowledges that its Services will be subject to termination if it is found to be in violation of the Confidentiality terms of this Agreement.

XII. ASSIGNMENT AND SUBCONTRACTING

ATTORNEY shall neither assign, transfer nor delegate any rights, obligations or duties under this Agreement, nor shall ATTORNEY subcontract the provision of Services under this Agreement, without the prior written consent of UMC.

XIII. AMENDMENT AND MODIFICATION

No provision of this Agreement will be deemed waived, amended or modified by either party unless such waiver, amendment or modification is in writing and signed by the authorized agents of all parties.

XIV. APPLICABLE LAW

This Agreement shall be governed by and interpreted according to the laws of the State of Nevada.

XV. INSURANCE

ATTORNEY will provide UMC with Certificates of Insurance for the coverage as listed below within ten (10) calendar days after approval of this Agreement by the UMC Board of Hospital Trustees, or any extension thereof. Thereafter, current Certificates shall be maintained with UMC so long as insurance is required pursuant to this Agreement. The Certificates for each insurance policy are to be signed by a person authorized by the insurer and licensed by the State of Nevada.

- A. Each insurance company's rating as shown in the latest Best's Key Rating Guide shall be fully disclosed and entered on the required Certificates of Insurance. The adequacy of the insurance supplied by ATTORNEY, including the rating and financial health of each insurance company providing coverage, is subject to the approval of UMC.
- B. With regard to ATTORNEY's Services performed pursuant to this Agreement, ATTORNEY's insurance shall be primary and any other coverage that may be available to UMC, its officers, employees and volunteers shall be excess over the insurance required of ATTORNEY.
- C. The insurance coverage supplied by ATTORNEY must provide for a thirty (30) day notice to UMC before implementation of a proposal to suspend, void, cancel or reduce in coverage or in limits the required insurance coverage. This notice requirement does not waive the insurance requirements contained herein.
- D. All deductibles and self-insured retentions shall be fully disclosed in the Certificate of Insurance. No deductible or self-insured retention may exceed Ten Thousand Dollars and Zero Cents (\$10,000.00) without the written approval of UMC.
- E. If aggregate limits are imposed on the insurance coverage, then the amount of such limits must not be less than twice (2x) the amount of the limits required herein. All aggregates must be fully disclosed and the amount entered on the required Certificate of Insurance. Any notice given to ATTORNEY with respect to exhaustion of limits of insurance shall also be sent to UMC.
- F. ATTORNEY shall obtain and maintain, for the duration of this Agreement, the following insurance against claims which may arise from or in connection with the performance of the work hereunder by ATTORNEY, its agents, representatives, employees or subcontractors. The cost of such insurance shall be borne by ATTORNEY.
 - 1. Professional liability or errors and omissions insurance against claims for injuries or damages arising out of the Services rendered by ATTORNEY, its agents, representatives or employees pursuant to ATTORNEY's agreement with UMC.
 - a. ATTORNEY shall maintain policy limits of no less than One Million Dollars and Zero Cents (\$1,000,000.00).

- b. "Claims made" insurance coverage must continue for a period of three (3) years beyond the termination of this Agreement. Any retroactive date must coincide with or pre-date the beginning of this Agreement and may not be advanced without the written consent of UMC.

G. If ATTORNEY fails to maintain the insurance coverage required herein, then UMC will have the option to declare ATTORNEY in breach, or may purchase replacement insurance or pay the premiums that are due on existing policies in order that the required coverage may be maintained. ATTORNEY is responsible for any expenses paid by UMC to maintain such insurance and UMC may collect the same from ATTORNEY or deduct the amount paid from any sums due to ATTORNEY under this Agreement.

H. The insurance requirements specified herein do not relieve ATTORNEY of his responsibility or limit the amount of his liability to UMC or other persons, and ATTORNEY is encouraged to purchase such additional insurance as it deems necessary.

XVI. INDEMNIFICATION

Regardless of the coverage provided by any insurance policy, ATTORNEY shall indemnify, defend, and hold harmless UMC, its officers, agents, employees and volunteers from any and all claims, demands, actions, ATTORNEY's fees, costs and expenses based upon or arising out of alleged errors, omissions or acts of ATTORNEY or his principals, employees, subcontractors, or other agents while performing Services under this Agreement.

XVII. ETHICS OF ATTORNEY

ATTORNEY shall abide by and perform his duties in accordance with the ethics of the legal profession and all federal, state and municipal laws, regulations and ordinances regulating the practice of law.

XVIII. CONFLICTS

During the Term of this Agreement, ATTORNEY may not represent a client whose position may be adverse to Clark County or to UMC, and may not personally engage in litigation that is adverse to Clark County or to UMC, without obtaining UMC's Legal Department's prior written consent to the adverse representation in accordance with Nevada Rules of Professional Conduct 1.7 and 1.8.

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ATTORNEY is an independent contractor and not an employee of UMC. No permitted or required approval by UMC of documents or Services of ATTORNEY shall be construed as making UMC responsible for the manner in which ATTORNEY performs Services or for any negligence, errors or omissions of ATTORNEY. Such approvals are intended only to give UMC the right to satisfy itself with the quality of service performed by ATTORNEY.

XX. EXCLUSIVE BENEFIT OF THE PARTIES/NO THIRD PARTY RIGHTS

Except as specifically provided in this Section, this Agreement is not intended to create any rights, benefits, powers or interests to any third (3rd) party and this Agreement is entered into for the exclusive benefit of UMC and ATTORNEY. ATTORNEY acknowledges that UMC may enter, or has entered, into a separate self-insurance pooling agreement with other local government entities to mutually provide for liability coverage.

XXI. PUBLICITY

Neither UMC nor ATTORNEY 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.

XXII. NON-DISCRIMINATION

Neither party shall discriminate against any person on the basis of age, color, disability, gender, handicapping condition (including AIDS or AIDS related conditions), national origin, race, religion, sexual orientation, gender identity or expression or any other class protected by law or regulation.

XXIII. SEVERABILITY

If any portion of this Agreement is found to be invalid, the remainder of this Agreement remains in effect.

XXIV. NOTICES

All notices required under this Agreement must be submitted in writing and delivered by U.S. mail, postage prepaid, certified mail, electronic mail or by hand delivery, and directed to the appropriate party as follows:

TO UMC: University Medical Center of Southern Nevada
Legal Department
Attn: James Conway, Esq.
1800 W. Charleston Blvd.
Las Vegas, NV 89102

TO ATTORNEY: McBride Hall
Attn: Heather S. Hall, Esq.
8329 West Sunset Road, Suite 260
Las Vegas, Nevada 89113

Either party may, at any time and from time to time, change its representative or address by written notice to the other.

XXV. 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 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 mid-size 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.

- Firm'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 (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

XXVI. PERSONNEL ONSITE

ATTORNEY shall abide by the relevant compliance policies of UMC, including its corporate compliance program, Vendor Access Roles and Responsibilities Policy, I-86 Policy and Code of Ethics, the relevant portions of which are available to ATTORNEY upon request, and UMC's Vaccine Policy, as may be amended from time to time, and must register through UMC's vendor management/credentialing system prior to arriving onsite at any of UMC's facilities. ATTORNEY's employees, agents, subcontractors and/or designees who do not abide by UMC's policies may be barred from physical access to UMC's premises.

XXVII. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties and may only be modified, supplemented or amended by a written agreement signed by both parties.

XXVIII. EXECUTION

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

ATTORNEY FIRM NAME:

MCBRIDE HALL

By: Heather S. Hall

NAME: HEATHER HALL

TITLE: OWNER / PARTNER

Date: 8/4/2022

UNIVERSITY MEDICAL CENTER OF SOUTHERN
NEVADA

By: _____

MASON VAN HOUWELING

CHIEF EXECUTIVE OFFICER

Date: _____

DISCLOSURE OF OWNERSHIP/PRINCIPALS

| | | | | | | |
|---|--------------------------------------|--|---|--------------------------------|--|--------------------------------|
| Business Entity Type (Please select one) | | | | | | |
| <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 |
| Business Designation Group (Please select all that apply) | | | | | | |
| <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 |
| Number of Clark County Nevada Residents Employed: | | | | | | |
| Corporate/Business Entity Name: <u>MCBRIDE HALL A PROFESSIONAL CORPORATION</u> | | | | | | |
| (Include d.b.a., if applicable) | | | | | | |
| Street Address: <u>8329 W. SUNSET RD. #260</u> | | | Website: <u>WWW.MCBRIDEHALL.COM</u> | | | |
| City, State and Zip Code: <u>LAS VEGAS, NV 89113</u> | | | POC Name: <u>HEATHER HALL</u> | | | |
| Telephone No: <u>702-792-5855</u> | | | Email: <u>ASHALL@MCBRIDEHALL.COM</u> | | | |
| Nevada Local Street Address: <u>SAME AS ABOVE</u> | | | Fax No: <u>702-792-5855</u> | | | |
| (If different from above) | | | Website: <u>"</u> | | | |
| City, State and Zip Code: <u>"</u> | | | Local Fax No: <u>"</u> | | | |
| Local Telephone No: <u>"</u> | | | Local POC Name: <u>"</u> | | | |
| | | | Email: <u>"</u> | | | |

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) |
|-----------------------|-------------------------|---|
| <u>ROBERT MCBRIDE</u> | <u>MANAGING PARTNER</u> | <u>50%</u> |
| <u>HEATHER HALL</u> | <u>MANAGING PARTNER</u> | <u>50%</u> |

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.

Heather S. Hall
 Signature
OWNER / PARTNER
 Title

HEATHER HALL
 Print Name
8/4/2022
 Date

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

RETAINER AGREEMENT

THIS AGREEMENT ("Agreement") is made and entered into this 1st day of December, 2022 ("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 "UMC", and Theodore Parker, III, Esq., of the law firm of PARKER NELSON & ASSOCIATES, CHTD., hereinafter collectively referred to as "ATTORNEY."

WITNESSETH:

WHEREAS, NRS 41.038 provides that a local government such as UMC, may self-insure against the liability and expense of defending a claim against itself or any of its officers, employees or immune contractors;

WHEREAS UMC may from time to time seek to assign Outside counsel to provide civil legal representation, support and resources, as well as specialized legal advice to UMC, in excess of the services available in-house; and

WHEREAS, ATTORNEY is experienced in providing legal Outside of liability claims in various practice areas, which may include, but not limited to, personal injury/tort Outside, employment Outside, civil rights Outside, medical malpractice, health care law or bankruptcy.

NOW THEREFORE, the parties agree as follows:

I. SCOPE OF SERVICES OF ATTORNEY

- A. UMC hereby retains and employs ATTORNEY to provide Outside legal representation and counsel to UMC and its associated entities, duly authorized officers, employees, and volunteers ("Services").
- B. ATTORNEY will provide these Services in accordance with the UMC Litigation Guidelines which are attached hereto and incorporated herein by this reference as **Attachment A**.
- C. ATTORNEY will work in conjunction with UMC's Legal Department and, if necessary, the Clark County District Attorney's Office in the performance of Services hereunder.
- D. ATTORNEY will observe and abide by the terms and conditions of all applicable laws, regulations, ordinances and rules of the United States, of the State of Nevada, or any political subdivision thereof, or of any duly constituted public authority or agency.
- E. All materials developed, prepared or acquired during the performance of Services under this Agreement, including without limitation, all finished or unfinished documents, research, pleadings, memoranda, briefs, data, studies, surveys, drawings, manuals, maps, models, photographs, and reports (hereinafter collectively called "documents") shall be available to UMC upon request. No documents prepared for UMC shall be released by ATTORNEY to any third (3rd) party without UMC's prior written permission.
- F. The Services provided pursuant to this Agreement are non-exclusive and UMC is not limited by this Agreement from entering into other agreements for legal services with other attorneys or required by this Agreement to assign any specific litigation matters of volume of litigation matters to ATTORNEY.
- G. ATTORNEY will not affect a final compromise or settlement of any matter, nor assert any conflict waivers, without the prior written approval of UMC or its designated representative.
- H. UMC reserves the right to request, and to object to, representation by specific attorneys within ATTORNEY's Firm.
- I. ATTORNEY will execute a Business Associate Agreement pursuant to the Health Insurance Portability and Accountability Act ("HIPAA") requirements.

II. TERM

The term of this Agreement shall be for three (3) years from the Effective Date of this Agreement as approved by the UMC Board of Hospital Trustees ("Initial Term"). Within thirty (30) days prior to the expiration of this Agreement, UMC may exercise the option to renew this Agreement for up to two (2) additional, one (1) year periods (each an "Extension Term"), unless this Agreement is earlier terminated under the provisions hereof. The Initial Term and all Extension Terms shall collectively be referred to herein as the "Term." ATTORNEY will undertake to represent UMC to the conclusion of each matter assigned, even if the conclusion extends beyond the Term of this Agreement.

III. ATTORNEY FEES

ATTORNEY will provide UMC with legal services under this Agreement at the following rates and charges. Hours of Services shall be billed based on increments of one-tenth (1/10) of an hour and should represent actual time spent, rather than a standard charge for the activity performed.

A. Hourly Rates:

| | |
|----------------------------|-------------------|
| 1. Partners | \$210.00 per hour |
| 2. Associates | \$180.00 per hour |
| 3. Paralegals | \$ 90.00 per hour |
| 4. Legal Nurse Consultants | \$ 90.00 per hour |
| 5. Law Clerks | \$ 50.00 per hour |

B. Standard Charges:

| | |
|--------|-----------------|
| Copies | \$0.10 per page |
|--------|-----------------|

C. 1/10 of an Hour Conversion Chart:

| Minutes | Time |
|---------|------|
| 1 – 6 | 0.1 |
| 7 – 12 | 0.2 |
| 13 – 18 | 0.3 |
| 19 – 24 | 0.4 |
| 25 – 30 | 0.5 |
| 31 – 36 | 0.6 |
| 37 – 42 | 0.7 |
| 43 – 48 | 0.8 |
| 49 – 54 | 0.9 |
| 55 – 60 | 1.0 |

IV. COSTS OF ACTION

All costs in connection with legal representation shall be paid by UMC in accordance with the UMC Litigation Guidelines. All single costs in excess of Five Hundred Dollars and Zero Cents (\$500.00) will only be incurred by ATTORNEY after prior written notice is given to UMC's Legal Department, and subject to UMC's right to object to the cost being incurred.

V. BILLING

A. ATTORNEY Fees:

ATTORNEY will provide monthly itemized billings to UMC's Legal Department for all Services provided during the preceding month, in accordance with UMC's Litigation Guidelines. ATTORNEY's invoice shall also include the name or initials of the attorney, paralegal, law clerk or legal nurse consultant who performed each task listed on the invoice and the amount of time spent on each task. UMC agrees to make payment for the ATTORNEY's services and costs within ninety (90) days after receipt of such billings. Billing for ATTORNEY's fees and costs must be submitted to UMC within six (6) months of the date the Services were performed or the costs incurred, in accordance with NRS 244.250.

B. Costs:

Invoices for Outside costs and services incurred by ATTORNEY shall be included on the same monthly itemized billings required under Section A above unless UMC's Legal Department agrees to make payment directly to the provider of such Outside costs and services upon request by ATTORNEY. All single costs in excess of Five Hundred Dollars and Zero Cents (\$500.00) will only be incurred by ATTORNEY after prior written notice is given to UMC's Legal Department, and subject to UMC's right to object to the cost being incurred.

C. Disputes:

UMC's representative shall notify ATTORNEY of any disputed amount included on the invoice. Upon mutual resolution of the disputed amount, ATTORNEY will submit a new invoice for the agreed amount and payment will be made in accordance with Section A above.

- D. Invoicing:
Invoices shall be submitted to University Medical Center of Southern Nevada, Legal Department, Attn: James Conway, Esq., 1800 W. Charleston Blvd., Las Vegas, NV 89102.
- E. Compensation:
For the Term of this Agreement, UMC agrees to pay ATTORNEY the Services performed and other miscellaneous/travel expenses for the not-to-exceed amount of **\$4,500,000.00**.

VI. EXPERTS AND INVESTIGATORS

ATTORNEY may employ experts and investigators only upon *prior* written approval of UMC in accordance with the UMC Litigation Guidelines. Fees and costs charged by such experts and investigators shall be forwarded directly to UMC's Legal Department, and paid by UMC directly to the expert or investigator within ninety (90) days after UMC's receipt of billing for services rendered.

VII. TERMINATION

- A. This Agreement may be terminated by UMC for its convenience by providing thirty (30) days written notice to ATTORNEY. Pursuant to Nevada Rule of Professional Conduct 1.16, ATTORNEY may terminate this Agreement upon one hundred eighty (180) days written notice to UMC's Legal Department.
- B. In the event of termination, ATTORNEY shall be paid compensation for Services performed and properly billed pursuant to the terms of this Agreement up to the effective termination date.
- C. In accordance with Nevada Revised Statutes (NRS 354.626), the financial obligations under this Agreement between UMC and ATTORNEY shall not exceed those monies appropriated and approved by UMC for the then current fiscal year under the Local Government Budget Act. This 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 would become due under this Agreement.

VIII. EVENTS UPON TERMINATION OR EXPIRATION

Upon the expiration or termination of this Agreement, UMC, at its discretion, shall either:

- A. Require ATTORNEY to conclude the handling of all open litigation matters assigned to ATTORNEY during the Term of this Agreement, at the rates set forth in this Agreement, for a period not to exceed two (2) years from the termination or expiration of this Agreement; or
- B. Require ATTORNEY to return all litigation files to UMC or its designated representative and execute the necessary Substitution of Counsel.

IX. RECORDS

All books, records, documents and accounting procedures and practices of ATTORNEY, relevant to this Agreement, shall be subject to inspection, audit and copying by UMC or its authorized representative(s).

X. OWNERSHIP AND RETENTION OF DOCUMENTS

All files, pleadings, discovery, reports, documents and other records prepared or kept by ATTORNEY in the performance of its obligations under this Agreement shall be the exclusive property of UMC and all such materials shall be remitted to UMC by ATTORNEY upon expiration or termination of this Agreement. All such materials shall be retained by ATTORNEY for a minimum of six (6) years from the date any and all appeal rights expire. At the end of this retention term, UMC shall be notified in writing and given sixty (60) days to reclaim the file prior to its destruction by ATTORNEY.

XI. CONFIDENTIALITY

All personnel records, personal data and protected health information ("PHI") received, stored or viewed by ATTORNEY shall be kept in the strictest confidence by ATTORNEY and its employees and contractors. All such information shall be used and disclosed only for the proper management of the litigation assigned and may not be used or further disclosed other than as necessary in furtherance of litigation.

ATTORNEY shall use appropriate safeguards to prevent the use or disclosure of such confidential information outside the scope of the litigation, and shall report to UMC any inappropriate or unauthorized use or disclosure of the information as soon as it learns of such use or disclosure.

ATTORNEY acknowledges that its Services will be subject to termination if it is found to be in violation of the Confidentiality terms of this Agreement.

XII. ASSIGNMENT AND SUBCONTRACTING

ATTORNEY shall neither assign, transfer nor delegate any rights, obligations or duties under this Agreement, nor shall ATTORNEY subcontract the provision of Services under this Agreement, without the prior written consent of UMC.

XIII. AMENDMENT AND MODIFICATION

No provision of this Agreement will be deemed waived, amended or modified by either party unless such waiver, amendment or modification is in writing and signed by the authorized agents of all parties.

XIV. APPLICABLE LAW

This Agreement shall be governed by and interpreted according to the laws of the State of Nevada.

XV. INSURANCE

ATTORNEY will provide UMC with Certificates of Insurance for the coverage as listed below within ten (10) calendar days after approval of this Agreement by the UMC Board of Hospital Trustees, or any extension thereof. Thereafter, current Certificates shall be maintained with UMC so long as insurance is required pursuant to this Agreement. The Certificates for each insurance policy are to be signed by a person authorized by the insurer and licensed by the State of Nevada.

- A. Each insurance company's rating as shown in the latest Best's Key Rating Guide shall be fully disclosed and entered on the required Certificates of Insurance. The adequacy of the insurance supplied by ATTORNEY, including the rating and financial health of each insurance company providing coverage, is subject to the approval of UMC.
- B. With regard to ATTORNEY's Services performed pursuant to this Agreement, ATTORNEY's insurance shall be primary and any other coverage that may be available to UMC, its officers, employees and volunteers shall be excess over the insurance required of ATTORNEY.
- C. The insurance coverage supplied by ATTORNEY must provide for a thirty (30) day notice to UMC before implementation of a proposal to suspend, void, cancel or reduce in coverage or in limits the required insurance coverage. This notice requirement does not waive the insurance requirements contained herein.
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- F. ATTORNEY shall obtain and maintain, for the duration of this Agreement, the following insurance against claims which may arise from or in connection with the performance of the work hereunder by ATTORNEY, its agents, representatives, employees or subcontractors. The cost of such insurance shall be borne by ATTORNEY.
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H. The insurance requirements specified herein do not relieve ATTORNEY of his responsibility or limit the amount of his liability to UMC or other persons, and ATTORNEY is encouraged to purchase such additional insurance as it deems necessary.

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Neither UMC nor ATTORNEY 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.

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Neither party shall discriminate against any person on the basis of age, color, disability, gender, handicapping condition (including AIDS or AIDS related conditions), national origin, race, religion, sexual orientation, gender identity or expression or any other class protected by law or regulation.

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If any portion of this Agreement is found to be invalid, the remainder of this Agreement remains in effect.

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Legal Department
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1800 W. Charleston Blvd.
Las Vegas, NV 89102

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PARKER NELSON & ASSOCIATES, CHTD.
2460 Professional Court, Suite 200
Las Vegas, NV 89128

Either party may, at any time and from time to time, change its representative or address by written notice to the other.

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The following are the acceptable travel guidelines for reimbursement of travel costs:
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 - o With copy of executed Agreement highlighting the allowable travel
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- 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

XXVI. PERSONNEL ONSITE

ATTORNEY shall abide by the relevant compliance policies of UMC, including its corporate compliance program, Vendor Access Roles and Responsibilities Policy, I-66 Policy and Code of Ethics, the relevant portions of which are available to ATTORNEY upon request, and UMC's Vaccine Policy, as may be amended from time to time, and must register through UMC's vendor management/credentialing system prior to arriving onsite at any of UMC's facilities. ATTORNEY's employees, agents, subcontractors and/or designees who do not abide by UMC's policies may be barred from physical access to UMC's premises.

XXVII. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties and may only be modified, supplemented or amended by a written agreement signed by both parties.

XXVIII. EXECUTION

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

ATTORNEY FIRM NAME:
PARKER NELSON & ASSOCIATES, CHTD.

UNIVERSITY MEDICAL CENTER OF SOUTHERN
NEVADA

By: 

NAME: Theodore Parker, III, Esq.
TITLE: Owner/Managing Partner

By: _____

MASON VAN HOUWELING
CHIEF EXECUTIVE OFFICER

Date: August 24, 2022

Date: _____

DISCLOSURE OF OWNERSHIP/PRINCIPALS

| | | | | | | |
|---|--------------------------------------|--|---|---|--|--------------------------------|
| Business Entity Type (Please select one) | | | | | | |
| <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 |
| Business Designation Group (Please select all that apply) | | | | | | |
| <input checked="" 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 |
| Number of Clark County Nevada Residents Employed: 17 | | | | | | |
| Corporate/Business Entity Name: | | PARKER NELSON & ASSOCIATES, CHTD. | | | | |
| (Include d.b.a., if applicable) | | | | | | |
| Street Address: | | 2460 Professional Court, Ste 200 | | Website: www.pnalaw.net | | |
| City, State and Zip Code: | | Las Vegas, NV 89128 | | POC Name: Theodore Parker, III, Esq. Email: tparker@pnalaw.net | | |
| Telephone No: | | (702) 868-8000 | | Fax No: (702) 868-8001 | | |
| Nevada Local Street Address: (If different from above) | | same as above | | Website: same as above | | |
| City, State and Zip Code: | | | | Local Fax No: | | |
| Local Telephone No: | | | | Local POC Name: Email: | | |

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) |
|----------------------------|------------------------|---|
| Theodore Parker, III, Esq. | Owner/Managing Partner | 100% |
| | | |
| | | |

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

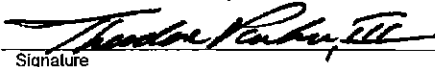
1. Are any individual members, partners, owners or principals, involved in the business entity, a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?

☐ 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.)

2. 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

Theodore Parker, III, Esq.

Print Name

Owner/Managing Partner

August 24, 2022

Title

Date

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

RETAINER AGREEMENT

THIS AGREEMENT ("Agreement") is made and entered into this 1st day of December, 2022 ("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 "UMC", and Matthew T. Dushoff, Esq. of the law firm of Saltzman Mogan Dushoff, PLLC, hereinafter collectively referred to as "ATTORNEY."

WITNESSETH:

WHEREAS, NRS 41.038 provides that a local government such as UMC, may self-insure against the liability and expense of defending a claim against itself or any of its officers, employees or immune contractors;

WHEREAS UMC may from time to time seek to assign Outside counsel to provide civil legal representation, support and resources, as well as specialized legal advice to UMC, in excess of the services available in-house; and

WHEREAS, ATTORNEY is experienced in providing legal Outside of liability claims in various practice areas, which may include, but not limited to, personal injury/tort Outside, employment Outside, civil rights Outside, medical malpractice, health care law or bankruptcy.

NOW THEREFORE, the parties agree as follows:

I. SCOPE OF SERVICES OF ATTORNEY

- A. UMC hereby retains and employs ATTORNEY to provide Outside legal representation and counsel to UMC and its associated entities, duly authorized officers, employees, and volunteers ("Services").
- B. ATTORNEY will provide these Services in accordance with the UMC Litigation Guidelines which are attached hereto and incorporated herein by this reference as **Attachment A**.
- C. ATTORNEY will work in conjunction with UMC's Legal Department and, if necessary, the Clark County District Attorney's Office in the performance of Services hereunder.
- D. ATTORNEY will observe and abide by the terms and conditions of all applicable laws, regulations, ordinances and rules of the United States, of the State of Nevada, or any political subdivision thereof, or of any duly constituted public authority or agency.
- E. All materials developed, prepared or acquired during the performance of Services under this Agreement, including without limitation, all finished or unfinished documents, research, pleadings, memoranda, briefs, data, studies, surveys, drawings, manuals, maps, models, photographs, and reports (hereinafter collectively called "documents") shall be available to UMC upon request. No documents prepared for UMC shall be released by ATTORNEY to any third (3rd) party without UMC's prior written permission.
- F. The Services provided pursuant to this Agreement are non-exclusive and UMC is not limited by this Agreement from entering into other agreements for legal services with other attorneys or required by this Agreement to assign any specific litigation matters of volume of litigation matters to ATTORNEY.
- G. ATTORNEY will not affect a final compromise or settlement of any matter, nor assert any conflict waivers, without the prior written approval of UMC or its designated representative.
- H. UMC reserves the right to request, and to object to, representation by specific attorneys within ATTORNEY's Firm.
- I. ATTORNEY will execute a Business Associate Agreement pursuant to the Health Insurance Portability and Accountability Act ("HIPAA") requirements.

II. TERM

The term of this Agreement shall be for three (3) years from the Effective Date of this Agreement as approved by the UMC Board of Hospital Trustees ("Initial Term"). Within thirty (30) days prior to the expiration of this Agreement, UMC may exercise the option to renew this Agreement for up to two (2) additional, one (1) year periods (each an "Extension Term"), unless this Agreement is earlier terminated under the provisions hereof. The Initial Term and all Extension Terms shall collectively be referred to herein as the "Term." ATTORNEY will undertake to represent UMC to the conclusion of each matter assigned, even if the conclusion extends beyond the Term of this Agreement.

III. ATTORNEY FEES

ATTORNEY will provide UMC with legal services under this Agreement at the following rates and charges. Hours of Services shall be billed based on increments of one-tenth (1/10) of an hour and should represent actual time spent, rather than a standard charge for the activity performed.

A. Hourly Rates:

| | |
|----------------------------|-------------------|
| 1. Partners | \$210.00 per hour |
| 2. Associates | \$180.00 per hour |
| 3. Paralegals | \$ 90.00 per hour |
| 4. Legal Nurse Consultants | \$ 90.00 per hour |
| 5. Law Clerks | \$ 50.00 per hour |

B. Standard Charges:

| | |
|--------|-----------------|
| Copies | \$0.10 per page |
|--------|-----------------|

C. 1/10 of an Hour Conversion Chart:

| Minutes | Time |
|---------|------|
| 1 – 6 | 0.1 |
| 7 – 12 | 0.2 |
| 13 – 18 | 0.3 |
| 19 – 24 | 0.4 |
| 25 – 30 | 0.5 |
| 31 – 36 | 0.6 |
| 37 – 42 | 0.7 |
| 43 – 48 | 0.8 |
| 49 – 54 | 0.9 |
| 55 – 60 | 1.0 |

IV. COSTS OF ACTION

All costs in connection with legal representation shall be paid by UMC in accordance with the UMC Litigation Guidelines. All single costs in excess of Five Hundred Dollars and Zero Cents (\$500.00) will only be incurred by ATTORNEY after prior written notice is given to UMC's Legal Department, and subject to UMC's right to object to the cost being incurred.

V. BILLING

A. ATTORNEY Fees:

ATTORNEY will provide monthly itemized billings to UMC's Legal Department for all Services provided during the preceding month, in accordance with UMC's Litigation Guidelines. ATTORNEY's invoice shall also include the name or initials of the attorney, paralegal, law clerk or legal nurse consultant who performed each task listed on the invoice and the amount of time spent on each task. UMC agrees to make payment for the ATTORNEY's services and costs within ninety (90) days after receipt of such billings. Billing for ATTORNEY's fees and costs must be submitted to UMC within six (6) months of the date the Services were performed or the costs incurred, in accordance with NRS 244.250.

B. Costs:

Invoices for Outside costs and services incurred by ATTORNEY shall be included on the same monthly itemized billings required under Section A above unless UMC's Legal Department agrees to make payment directly to the provider of such Outside costs and services upon request by ATTORNEY. All single costs in excess of Five Hundred Dollars and Zero Cents (\$500.00) will only be incurred by ATTORNEY after prior written notice is given to UMC's Legal Department, and subject to UMC's right to object to the cost being incurred.

C. Disputes:

UMC's representative shall notify ATTORNEY of any disputed amount included on the invoice. Upon mutual resolution of the disputed amount, ATTORNEY will submit a new invoice for the agreed amount and payment will be made in accordance with Section A above.

D. Invoicing:
Invoices shall be submitted to University Medical Center of Southern Nevada, Legal Department, Attn: James Conway, Esq., 1800 W. Charleston Blvd., Las Vegas, NV 89102.

E. Compensation:
For the Term of this Agreement, UMC agrees to pay ATTORNEY the Services performed and other miscellaneous/travel expenses for the not-to-exceed amount of **\$4,500,000.00**.

VI. EXPERTS AND INVESTIGATORS

ATTORNEY may employ experts and investigators only upon **prior** written approval of UMC in accordance with the UMC Litigation Guidelines. Fees and costs charged by such experts and investigators shall be forwarded directly to UMC's Legal Department, and paid by UMC directly to the expert or investigator within ninety (90) days after UMC's receipt of billing for services rendered.

VII. TERMINATION

- A. This Agreement may be terminated by UMC for its convenience by providing thirty (30) days written notice to ATTORNEY. Pursuant to Nevada Rule of Professional Conduct 1.16, ATTORNEY may terminate this Agreement upon one hundred eighty (180) days written notice to UMC's Legal Department.
- B. In the event of termination, ATTORNEY shall be paid compensation for Services performed and properly billed pursuant to the terms of this Agreement up to the effective termination date.
- C. In accordance with Nevada Revised Statutes (NRS 354.626), the financial obligations under this Agreement between UMC and ATTORNEY shall not exceed those monies appropriated and approved by UMC for the then current fiscal year under the Local Government Budget Act. This 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 would become due under this Agreement.

VIII. EVENTS UPON TERMINATION OR EXPIRATION

Upon the expiration or termination of this Agreement, UMC, at its discretion, shall either:

- A. Require ATTORNEY to conclude the handling of all open litigation matters assigned to ATTORNEY during the Term of this Agreement, at the rates set forth in this Agreement, for a period not to exceed two (2) years from the termination or expiration of this Agreement; or
- B. Require ATTORNEY to return all litigation files to UMC or its designated representative and execute the necessary Substitution of Counsel.

IX. RECORDS

All books, records, documents and accounting procedures and practices of ATTORNEY, relevant to this Agreement, shall be subject to inspection, audit and copying by UMC or its authorized representative(s).

X. OWNERSHIP AND RETENTION OF DOCUMENTS

All files, pleadings, discovery, reports, documents and other records prepared or kept by ATTORNEY in the performance of its obligations under this Agreement shall be the exclusive property of UMC and all such materials shall be remitted to UMC by ATTORNEY upon expiration or termination of this Agreement. All such materials shall be retained by ATTORNEY for a minimum of six (6) years from the date any and all appeal rights expire. At the end of this retention term, UMC shall be notified in writing and given sixty (60) days to reclaim the file prior to its destruction by ATTORNEY.

XI. CONFIDENTIALITY

All personnel records, personal data and protected health information ("PHI") received, stored or viewed by ATTORNEY shall be kept in the strictest confidence by ATTORNEY and its employees and contractors. All such information shall be used and disclosed only for the proper management of the litigation assigned and may not be used or further disclosed other than as necessary in furtherance of litigation.

ATTORNEY shall use appropriate safeguards to prevent the use or disclosure of such confidential information outside the scope of the litigation, and shall report to UMC any inappropriate or unauthorized use or disclosure of the information as soon as it learns of such use or disclosure.

ATTORNEY acknowledges that its Services will be subject to termination if it is found to be in violation of the Confidentiality terms of this Agreement.

XII. ASSIGNMENT AND SUBCONTRACTING

ATTORNEY shall neither assign, transfer nor delegate any rights, obligations or duties under this Agreement, nor shall ATTORNEY subcontract the provision of Services under this Agreement, without the prior written consent of UMC.

XIII. AMENDMENT AND MODIFICATION

No provision of this Agreement will be deemed waived, amended or modified by either party unless such waiver, amendment or modification is in writing and signed by the authorized agents of all parties.

XIV. APPLICABLE LAW

This Agreement shall be governed by and interpreted according to the laws of the State of Nevada.

XV. INSURANCE

ATTORNEY will provide UMC with Certificates of Insurance for the coverage as listed below within ten (10) calendar days after approval of this Agreement by the UMC Board of Hospital Trustees, or any extension thereof. Thereafter, current Certificates shall be maintained with UMC so long as insurance is required pursuant to this Agreement. The Certificates for each insurance policy are to be signed by a person authorized by the insurer and licensed by the State of Nevada.

- A. Each insurance company's rating as shown in the latest Best's Key Rating Guide shall be fully disclosed and entered on the required Certificates of Insurance. The adequacy of the insurance supplied by ATTORNEY, including the rating and financial health of each insurance company providing coverage, is subject to the approval of UMC.
- B. With regard to ATTORNEY's Services performed pursuant to this Agreement, ATTORNEY's insurance shall be primary and any other coverage that may be available to UMC, its officers, employees and volunteers shall be excess over the insurance required of ATTORNEY.
- C. The insurance coverage supplied by ATTORNEY must provide for a thirty (30) day notice to UMC before implementation of a proposal to suspend, void, cancel or reduce in coverage or in limits the required insurance coverage. This notice requirement does not waive the insurance requirements contained herein.
- D. All deductibles and self-insured retentions shall be fully disclosed in the Certificate of Insurance. No deductible or self-insured retention may exceed Ten Thousand Dollars and Zero Cents (\$10,000.00) without the written approval of UMC.
- E. If aggregate limits are imposed on the insurance coverage, then the amount of such limits must not be less than twice (2x) the amount of the limits required herein. All aggregates must be fully disclosed and the amount entered on the required Certificate of Insurance. Any notice given to ATTORNEY with respect to exhaustion of limits of insurance shall also be sent to UMC.
- F. ATTORNEY shall obtain and maintain, for the duration of this Agreement, the following insurance against claims which may arise from or in connection with the performance of the work hereunder by ATTORNEY, its agents, representatives, employees or subcontractors. The cost of such insurance shall be borne by ATTORNEY.
 - 1. Professional liability or errors and omissions insurance against claims for injuries or damages arising out of the Services rendered by ATTORNEY, its agents, representatives or employees pursuant to ATTORNEY's agreement with UMC.
 - a. ATTORNEY shall maintain policy limits of no less than One Million Dollars and Zero Cents (\$1,000,000.00).

- b. "Claims made" insurance coverage must continue for a period of three (3) years beyond the termination of this Agreement. Any retroactive date must coincide with or pre-date the beginning of this Agreement and may not be advanced without the written consent of UMC.

- G. If ATTORNEY fails to maintain the insurance coverage required herein, then UMC will have the option to declare ATTORNEY in breach, or may purchase replacement insurance or pay the premiums that are due on existing policies in order that the required coverage may be maintained. ATTORNEY is responsible for any expenses paid by UMC to maintain such insurance and UMC may collect the same from ATTORNEY or deduct the amount paid from any sums due to ATTORNEY under this Agreement.
- H. The insurance requirements specified herein do not relieve ATTORNEY of his responsibility or limit the amount of his liability to UMC or other persons, and ATTORNEY is encouraged to purchase such additional insurance as it deems necessary.

XVI. INDEMNIFICATION

Regardless of the coverage provided by any insurance policy, ATTORNEY shall indemnify, defend, and hold harmless UMC, its officers, agents, employees and volunteers from any and all claims, demands, actions, ATTORNEY's fees, costs and expenses based upon or arising out of alleged errors, omissions or acts of ATTORNEY or his principals, employees, subcontractors, or other agents while performing Services under this Agreement.

XVII. ETHICS OF ATTORNEY

ATTORNEY shall abide by and perform his duties in accordance with the ethics of the legal profession and all federal, state and municipal laws, regulations and ordinances regulating the practice of law.

XVIII. CONFLICTS

During the Term of this Agreement, ATTORNEY may not represent a client whose position may be adverse to Clark County or to UMC, and may not personally engage in litigation that is adverse to Clark County or to UMC, without obtaining UMC's Legal Department's prior written consent to the adverse representation in accordance with Nevada Rules of Professional Conduct 1.7 and 1.8.

XIX. INDEPENDENT CONTRACTOR

ATTORNEY is an independent contractor and not an employee of UMC. No permitted or required approval by UMC of documents or Services of ATTORNEY shall be construed as making UMC responsible for the manner in which ATTORNEY performs Services or for any negligence, errors or omissions of ATTORNEY. Such approvals are intended only to give UMC the right to satisfy itself with the quality of service performed by ATTORNEY.

XX. EXCLUSIVE BENEFIT OF THE PARTIES/NO THIRD PARTY RIGHTS

Except as specifically provided in this Section, this Agreement is not intended to create any rights, benefits, powers or interests to any third (3rd) party and this Agreement is entered into for the exclusive benefit of UMC and ATTORNEY. ATTORNEY acknowledges that UMC may enter, or has entered, into a separate self-insurance pooling agreement with other local government entities to mutually provide for liability coverage.

XXI. PUBLICITY

Neither UMC nor ATTORNEY 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.

XXII. NON-DISCRIMINATION

Neither party shall discriminate against any person on the basis of age, color, disability, gender, handicapping condition (including AIDS or AIDS related conditions), national origin, race, religion, sexual orientation, gender identity or expression or any other class protected by law or regulation.

XXIII. SEVERABILITY

If any portion of this Agreement is found to be invalid, the remainder of this Agreement remains in effect.

XXIV. NOTICES

All notices required under this Agreement must be submitted in writing and delivered by U.S. mail, postage prepaid, certified mail, electronic mail or by hand delivery, and directed to the appropriate party as follows:

TO UMC: University Medical Center of Southern Nevada
Legal Department
Attn: James Conway, Esq.
1800 W. Charleston Blvd.
Las Vegas, NV 89102

TO ATTORNEY: Saltzman Mugan Dushoff, PLLC
Attn: Matthew T. Dushoff, Esq.
1835 Village Center Circle
Las Vegas, NV 89134

Either party may, at any time and from time to time, change its representative or address by written notice to the other.

XXV. 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 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 mid-size 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.

- Firm'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 (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

XXVI. PERSONNEL ONSITE

ATTORNEY shall abide by the relevant compliance policies of UMC, including its corporate compliance program, Vendor Access Roles and Responsibilities Policy, I-66 Policy and Code of Ethics, the relevant portions of which are available to ATTORNEY upon request, and UMC's Vaccine Policy, as may be amended from time to time, and must register through UMC's vendor management/credentialing system prior to arriving onsite at any of UMC's facilities. ATTORNEY's employees, agents, subcontractors and/or designees who do not abide by UMC's policies may be barred from physical access to UMC's premises.

XXVII. ENTIRE AGREEMENT

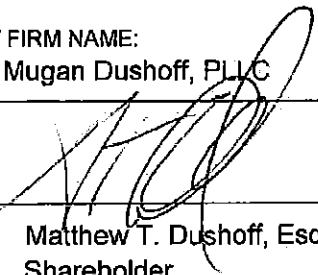
This Agreement constitutes the entire agreement between the parties and may only be modified, supplemented or amended by a written agreement signed by both parties.

XXVIII. EXECUTION

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

ATTORNEY FIRM NAME:

Saltzman Mugan Dushoff, PLLC

By: 

NAME: Matthew T. Dushoff, Esq.

TITLE: Shareholder

Date: August 4, 2022

UNIVERSITY MEDICAL CENTER OF SOUTHERN
NEVADA

By: _____

MASON VAN HOUWELING

CHIEF EXECUTIVE OFFICER

Date: _____

DISCLOSURE OF OWNERSHIP/PRINCIPALS

| | | | | | | |
|--|--------------------------------------|---|---|---|--|--------------------------------|
| Business Entity Type (Please select one) | | | | | | |
| <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 |
| Business Designation Group (Please select all that apply) | | | | | | |
| <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 |
| Number of Clark County Nevada Residents Employed: | | | | | | |
| Corporate/Business Entity Name: | | Saltzman Mughan Dushoff, PLLC | | | | |
| (Include d.b.a., if applicable) | | Saltzman Mughan Dushoff | | | | |
| Street Address: | | 1835 Village Center Circle | | Website: www.nvbusinesslaw.com | | |
| City, State and Zip Code: | | Las Vegas, NV 89134 | | POC Name: Matthew T. Dushoff, Esq. | | |
| | | | | Email: mdushoff@nvbusinesslaw.com | | |
| Telephone No: | | 702-405-8500 | | Fax No: 702-405-8501 | | |
| Nevada Local Street Address: | | | | Website: | | |
| (If different from above) | | | | | | |
| City, State and Zip Code: | | | | Local Fax No: | | |
| Local Telephone No: | | | | Local POC Name: | | |
| | | | | Email: | | |

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) |
|---------------------|---------|--|
| Matthew D. Saltzman | Manager | |
| | | |
| | | |

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.

| | |
|---|---|
| <p> Signature</p> <p>Shareholder Title</p> | <p>Matthew T. Dushoff, Esq. Print Name</p> <p>August 4, 2022 Date</p> |
|---|---|

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

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

| | | |
|--|--|---------------------|
| Issue: | Amendment One to Diagnostic Staffing Service Agreement with Med-Smart, Inc. | Back-up: |
| Petitioner: | Jennifer Wakem, Chief Financial Officer | Clerk Ref. # |
| <p>Recommendation:</p> <p>That the Governing Board Audit and Finance Committee review and recommend for approval by the Governing Board the Amendment One to Diagnostic Staffing Service Agreement with Med-Smart, Inc. for general radiology technologists staffing services; authorize the Chief Executive Officer to add future new services within his yearly delegation of authority and to execute future amendments within the not-to-exceed yearly amounts of this Agreement; or take action as deemed appropriate. <i>(For possible action)</i></p> | | |

FISCAL IMPACT:

| | |
|---|-------------------------------|
| Fund Number: 5420.000 | Fund Name: UMC Operating Fund |
| Fund Center: 3000714000 | Funded Pgm/Grant: N/A |
| Description: General Radiology Technologists Staffing Services | |
| Bid/RFP/CBE: NRS 332.115.1(b) – Professional Services | |
| Term: Amendment 1 – extend through 10/23/2023 | |
| Amount: Amendment 1 – additional NTE \$240,000 per year; potential aggregate since inception of Agreement is \$1,465,000 (includes Amendment 1) | |
| Out Clause: 30 days w/ cause | |

BACKGROUND:

On January 30, 2019, the Governing Board approved the Diagnostic Staffing Service Agreement and Addendum (“Agreement”) with Med-Smart, Inc. to provide onsite licensed imaging technologists to perform electroencephalogram (EEG) exams and echocardiography ultrasound services at a NTE annual cost of \$245,000. Term is from October 24, 2018 through October 23, 2019 with four, 1-year extension options. These technologists will be utilized as supplemental staff at the hospital when there is a need to fill shifts.

Amendment One requests to: (i) extend the Agreement Term through October 23, 2023; and (ii) provide supplemental technologist(s) in CT, MRI, Nuclear Medicine, Ultrasound, X-Ray, Patient Transport and Tech Aide on a 24/7 basis subject to technologist availability. The additional annual NTE cost for Addendum 2 is \$240,000. Staff also requests authorization for the Hospital CEO to be able to add future new services within his yearly delegation of authority and execute future amendments within the not-to-exceed yearly amounts of this Agreement if deemed beneficial to UMC.

Cleared for Agenda
October 19, 2022

Agenda Item #

11

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.

Med-Smart currently holds a Clark County business license.

AMENDMENT ONE TO DIAGNOSTIC STAFFING SERVICE AGREEMENT

This Amendment One ("Amendment") is made and entered into as of this _____ day of October, 2022, 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 MED-SMART, INC. (hereinafter referred to as "MSI").

RECITALS:

WHEREAS, the parties entered into a Diagnostic Staffing Service Agreement effective October 24, 2018, and an Addendum effective January 14, 2019, for electroencephalogram (EEG) exams and echocardiography ultrasound services (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 as follows:

1. Term of Agreement section is hereby amended to reflect a new termination date of October 23, 2023.
2. The attached Diagnostic Staffing Addendum 2 shall be appended to the Agreement and subsequent amendments.
3. This Amendment may be executed in one or more counterparts, each of which shall be considered to be an original for all purposes and all of which together shall constitute one and the same instrument. Any party hereto may deliver its signature to this Amendment electronically (including without limitation by emailing its signature in portable document format [PDF] or similar electronic format), which will be legally effective and enforceable.
4. Except as expressly amended in this Amendment, the remainder of the Agreement shall remain in full force and effect. All references to the Agreement shall include this Amendment.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first set forth above.

Hospital:
UNIVERSITY MEDICAL CENTER
OF SOUTHERN NEVADA

MSI:
MED-SMART, INC.

By: _____
Mason Van Houweling
Chief Executive Officer

By: _____
Mark C. Cannady
President



Diagnostic Staffing Addendum 2

Date: 05/26/2022

Submitted To: University Medical Center of Southern Nevada

This is a service coverage and price Addendum 2 (Addendum) to the existing Diagnostic Staffing Service Agreement between University Medical Center of Southern Nevada (Hospital) and Med-Smart, Inc. (MSI) dated December 11, 2018 (Agreement). This Addendum is to be effective October _____, 2022. All other services, terms, and conditions of the Agreement apply.

Proposal: MSI will provide technologist coverage in: CT, MRI, Nuclear Medicine, Ultrasound, X-Ray, Patient Transport, and Tech Aide services upon request as outlined below. All services are dependent on Technologist availability.

Service Coverage: Services are available seven (7) days per week, twenty-four (24) hours per day. Hourly services must be scheduled in a minimum four (4) hour block of time. On-Call services must be scheduled in a minimum eight (8) hour block of time.

Service Pricing:

| | | |
|-----------------------|----|----------|
| CT: | \$ | per hour |
| MRI: | \$ | per hour |
| Nuclear Medicine: | \$ | per hour |
| Ultrasound: | \$ | per hour |
| Ultrasound On-Call: | \$ | per hour |
| Ultrasound Call Back: | \$ | per exam |
| X-Ray: | \$ | per hour |
| Patient Transport: | \$ | per hour |
| Tech Aide: | \$ | per hour |

Annual Limitation \$240,000.00

IN WITNESSETH WHEREOF, the parties hereto have caused this Addendum to be executed by their respective representatives.

By: _____
(Authorized Signature, Hospital)

By: _____
(Authorized Signature, MSI)

(Printed Name)

(Printed Name)

Date: _____

Date: _____

Med-Smart, Inc.
3185 St. Rose Pkwy. #330
Henderson, NV 89052
Phone: 702-735-5075
Fax: 702-733-0617

DISCLOSURE OF OWNERSHIP/PRINCIPALS

| | | | | | | |
|--|--------------------------------------|--|---|--------------------------------------|--|--------------------------------|
| Business Entity Type (Please select one) | | | | | | |
| <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 |
| Business Designation Group (Please select all that apply) | | | | | | |
| <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 |
| | | | | | | |
| Number of Clark County Nevada Residents Employed: | | | | 550 | | |
| | | | | | | |
| Corporate/Business Entity Name: | | Med-Smart, Inc. | | | | |
| (Include d.b.a., if applicable) | | | | | | |
| Street Address: | | 3185 St. Rose Pkwy #330 | | Website: www.medsmartinc.com | | |
| City, State and Zip Code: | | Henderson, NV 89052 | | POC Name: Brent White | | |
| | | | | Email: bwhile@medsmartinc.com | | |
| Telephone No: | | 702-735-5075 | | Fax No: 702-733-0617 | | |
| Nevada Local Street Address: (If different from above) | | Website: | | | | |
| City, State and Zip Code: | | Local Fax No: | | | | |
| Local Telephone No: | | Local POC Name: | | | | |
| | | Email: | | | | |

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).

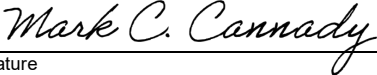
Entities include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations.

| Full Name | Title | % Owned (Not required for Publicly Traded Corporations/Non-profit organizations) |
|-----------------|-------------------|---|
| Mark C. Cannady | President and CEO | 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 | Mark C. Cannady Print Name |
| President and CEO Title | 09/21/2022 Date |

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

| | | |
|---|---|---------------------|
| Issue: | Award of Bid No. 2022-06 Peccole QC Renovation to JMB Construction, Inc. | Back-up: |
| Petitioner: | Jennifer Wakem, Chief Financial Officer | Clerk Ref. # |
| Recommendation: That the Governing Board Audit and Finance Committee review and recommend for award by the Governing Board the Bid No. 2022-06 Peccole QC Renovation to JMB Construction, Inc., 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. (<i>For possible action</i>) | | |

FISCAL IMPACT:

Fund Number: 5430.011 Fund Name: Clark County Capital Equipment Transfer
 Fund Center: 3000999901 Funded Pgm/Grant: N/A
 Description: Award of Bid 2022-06 Peccole QC Renovation
 Bid/RFP/CBE: Formal bid pursuant to NRS 338.1385
 Term: 240 days from Notice to Proceed
 Amount: NTE \$1,038,024.00 including contingency
 Out Clause: Immediate w/o Cause, Budget Act and Fiscal Fund Out

BACKGROUND:

On August 14, 2022, Bid No. 2022-06 was published in the Las Vegas Review-Journal. This project entails tenant improvement remodeling work to the leased premises at 9320 West Sahara Avenue (Peccole Ranch Quick Care and Primary Care). On Thursday, September 22, 2022, UMC received responses from:

| <u>Bids Received</u> | <u>Total Base Bid Amount</u> |
|--------------------------|------------------------------|
| JMB Construction, Inc. | \$ 1,038,024.00 |
| Cobblestone Construction | \$ 1,223,650.00 |
| SHF International | \$ 1,343,731.15 |

All of the above bids were received and opened on September 26, 2022. The apparent low bid of \$1,038,024.00 was received from JMB Construction, Inc. The recommendation of award to JMB Construction, Inc. is in accordance with NRS 338.1385(5), a public body or its authorized representative shall award a contract to the lowest responsive and responsible bidder.

The term of the agreement is 240 days from the date of the Notice to Proceed. UMC may terminate the agreement at any time for its convenience, upon written notice to JMB Construction, Inc.

Cleared for Agenda
October 19, 2022

Agenda Item #

12

Director of Facilities Maintenance and Manager of Facilities Maintenance have reviewed the bid documents and recommend award by the Governing Board.

The bid documents and notice of award have been approved as to form by UMC's Office of General Counsel.

JMB Construction, Inc. currently holds a valid Clark County Business License.

**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

| | | | | | | |
|--|--------------------------------------|--|---|---|--|--------------------------------|
| Business Entity Type (Please select one) | | | | | | |
| <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 |
| Business Designation Group (Please select all that apply) | | | | | | |
| <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 |
| | | | | | | |
| Number of Clark County Nevada Residents Employed: | | | | | | |
| | | | | | | |
| Corporate/Business Entity Name: | | JMB Construction, Inc. | | | | |
| (Include d.b.a., if applicable) | | | | | | |
| Street Address: | | 1118 Sharp Circle #E | | Website: | | |
| City, State and Zip Code: | | North Las Vegas, NV 89030 | | POC Name: Christopher Beard | | |
| | | | | Email: cbeard@jmbconstructioninc.com | | |
| Telephone No: | | 702-642-3600 | | Fax No: 702-642-5050 | | |
| Nevada Local Street Address: | | | | Website: | | |
| (If different from above) | | | | | | |
| City, State and Zip Code: | | | | Local Fax No: | | |
| Local Telephone No: | | | | Local POC Name: | | |
| | | | | Email: | | |

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) |
|-------------|--------------------|---|
| Susan Beard | President | 51% |
| John Beard | Qualified Employee | 49% |
| | | |

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 President Title | Susan Beard  Print Name 4/13/2022 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 |
|-------------------------------------|--|--|---|
| | | | |
| | | | |
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| | | | |
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| | | | |
| | | | |
| | | | |
| | | | |

* 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

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

| | |
|---|---------------------|
| Issue: The Solutions II Agreement for Hospital PC Refresh Project & CDW Government Quote MXHD837 for computer hardware equipment. | Back-up: |
| Petitioner: Jennifer Wakem, Chief Financial Officer | Clerk Ref. # |
| Recommendation: That the Governing Board Audit and Finance Committee review and recommend for approval by the Governing Board the Agreement for Hospital PC Refresh Project with Solutions II, Inc. and CDW Government; exercise any extension options and execute future amendments within his yearly delegation of authority; or take action as deemed appropriate. <i>(For possible action)</i> | |

FISCAL IMPACT:

| | |
|--|--|
| Fund Number: 5430.011 Fund Center: 3000999901 Description: Hospital wide PC refresh project CBE: 332.115.1 (g) Computer Hardware, 450.525 Membership of a hospital in a purchasing group Term: One year after the date of last signature Amount: NTE \$2,336,966.011 Solutions II: \$1,961,316.00 CDW Government: \$375,650.11 Out Clause: Solutions II: 30 days w/o cause by UMC CDW Government: Budget Act and Fiscal Fund Out | Fund Name: UMC Operating Fund Funded Pgm/Grant: N/A |
|--|--|

BACKGROUND:

This request is for approval of an Agreement for Hospital PC Refresh Project with Solutions II, Inc. and a Quote for computer hardware equipment from CDW Government. The objectives are to purchase 1,800 PC workstations, 200 Surface Pro laptops and accessories, 657 monitors, and implementation services from the two vendors listed above for hospital wide distribution.

The quote from CDW is pursuant to HPG contract HPG-2500. HPG is a Group Purchasing Organization of which UMCSN is a member. This request is in compliance with NRS 450.525 and NRS 450.530; attached is the bid summary sheet and a sworn statement from an HPG executive verifying that the pricing was obtained through a competitive bid process.

UMC's Chief Information Officer has reviewed and recommends award approval of these contracts. These contracts have been approved as to form by UMC's Office of General Counsel.

Cleared for Agenda
October 19, 2022

Agenda Item #

13

Both CDW Government & Solutions II, Inc. currently hold a Clark County business license.

AGREEMENT FOR PC REFRESH PROJECT

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 SOLUTIONS II, INC. a Colorado corporation, with a principal address at 8822 S. Ridgeline Blvd. Ste 117, Littleton, CO 80129, (hereinafter referred to as “COMPANY”), for HOSPITAL’S PC REFRESH project (hereinafter referred to as “PROJECT”).

W I T N E S S E T H:

WHEREAS, COMPANY has the personnel and resources necessary to accomplish the PROJECT within the required schedule and with a budget allowance not to exceed \$1,961,316.00 (\$1,892,316.00 for defined product, \$60,000 maximum for 1000 hours of services at \$60.00/hour billed hourly, and \$9,000 for three months of storage) 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 the sooner of one (1) year from the date Purchase Order is issued by HOSPITAL for PROJECT or PROJECT completion (“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 \$1,961,316.00 (\$1,892,316.00 for defined product, \$60,000.00 maximum for 1000 hours of services at \$60.00/hour billed hourly, and \$9,000 for three months of storage), unless agreed upon by both parties in writing. 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 according to the project milestones set forth in Exhibit A. All payments will be due upon thirty (30) days of invoice date.
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 the Total Bid Amount 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 B.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 B.2 above.
4. No penalty will be imposed on HOSPITAL if HOSPITAL fails to pay COMPANY within thirty (30) 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 via email to the Accounts Payable representative listed on the Purchase Order.

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 standard procedures as followed by HOSPITAL's staff in regard to programming changes; testing; change control; and other similar activities, including HOSPITAL's Policy I-66 (Contracted Non-Employees/Allied Health Non- Credentialed /Dependent Allied Health / Temporary Staff / Construction/Third Party

Equipment), as may be amended from time to time. HOSPITAL will provide a copy of said policy upon COMPANY request.

- F. COMPANY shall abide by the relevant compliance policies of Hospital, including its corporate compliance program, Vendor Access Roles and Responsibilities Policy, I-66 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.
- G. 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.
- H. 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.
- I. 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.
- J. 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.

- K. 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, Maria Sexton, Chief Information Officer, 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.

C. .

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 hours 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 Either Party for its convenience; but only after the other party 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.
- c. There is no cancellation of any product associated with this contract.

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.
 - 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. .
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:

TO HOSPITAL: University Medical Center of Southern Nevada
 Attn: Contracts Management
 1800 W. Charleston Blvd.
 Las Vegas, NV 89102

TO COMPANY: Solutions II, Inc.
 Attn: William Todd Bowling
 8822 S Ridgeline Blvd. Ste 117
 Littleton, CO 80129

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

Parties acknowledges that it, and any subcontractors, agents or employees employed by it shall not, under any circumstances, be considered employees of the other party, and that they shall not be entitled to any of the benefits or rights afforded employees, 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. Parties will not provide or pay for any liability or medical insurance, retirement contributions or any other benefits for or on behalf of the other party 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 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.

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

Intentionally omitted.

G. Governing Law

Intentionally omitted.

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 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 Supplier and to verify the nature of the services being invoiced, but does not include the right to review personal information of Supplier's employees, or proprietary information of Supplier, including but not limited to Supplier's underlying cost, markup or overhead rates.

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. 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.

O. 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.

P. 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.

Q. Clark County Business License / Registration

COMPANY warrants that it has a valid Clark County Business License and will maintain such licensure through the duration of this Agreement.

R. 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.

S. Personnel On-Site:

COMPANY shall abide by the relevant compliance policies of Hospital, including its corporate compliance program, Vendor Access Roles and Responsibilities Policy, I-66 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.

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed and effective as of the date of last signature.

HOSPITAL

COMPANY

By: _____

By: _____

Name: Mason Van Houweling

Name: _____

Title: CEO

Title: _____

Date: _____

Date: _____

**EXHIBIT A
PC REFRESH PROJECT
SCOPE OF WORK**

WORK TO BE PERFORMED:

HOSPITAL would like to refresh current PC environment with systems containing the newest technology. COMPANY and Hewlett Packard (“HP”) are providing a tailor-made proposal for consideration that will refresh HOSPITAL’s current PC environment with brand new PCs and Monitors, along with Services for the implementation. This Refresh includes 1800 PCs and 200 Monitors (with WebCams).

In addition, COMPANY is fully responsible for ensuring that the new PC systems are set up and configured appropriately with minimal disruption to the HOSPITAL end user during this refresh. All costs associated with set up and configuration of the new PC systems are the responsibility of COMPANY, and are included in the Not-to-Exceed price listed below.

COMPANY’s Services offering for this project will be comprehensive and complete, providing “white glove” experience for HOSPITAL from start to finish. COMPANY will guarantee the work they do and will not consider the project complete until HOSPITAL is satisfied with the results.

All specific tasks, milestones, and delineation of responsibilities are listed in this Exhibit A.

SOLUTION SPECIFICATIONS

Desktops

| HP Z2 G9 Mini Workstation | |
|---------------------------|-----------------------------------|
| 602L8AV | Z2 MINI G9 RCTO BU |
| 4YQ39AV#ABA | OS LOCALIZATION |
| 4Z6G0AV | OST WIN 11 PRO 64 DG106 |
| 4Z5V1AV | OPERATING SYS LD TO M.2 |
| 4Z6D1AV | INTEL CORE I7-12700 12C 2.10G 65W |
| 4Z6G7AV | 16GB 1X16GB DDR5 4800 SODIMM NECC |
| 4Z5W0AV | 256GB PCIE 2280 VAL M.2 SSD |
| 4Z6J4AV#ABA | USB 320K KB |
| 4Z6F0AV | WRD 320M MSE |
| 4Z6H9AV#ABA | 3/3/3 MINI WTY |
| 4Z5T8AV | DISP PT PT V2 |
| 62C62AV#ABA | C13 1.83M STKR CNVTL DT PWRCORD |
| 4Z6C2AV | 280W STD 7.4MM PFC SMART AC ADPT |
| 289C9AV | NO ADPT NEEDED |
| 4Z6E9AV | SGL UNIT MINI PKAGING |
| 4Z5Y4AV#ABA | Z2 MINI G9 CKIT |

Monitors

Monitors

169L0AA

HP E24mv G4 FHD Conferencing Monitor

ADDITIONAL CLARIFICATION/EXCLUSIONS:

- PC Systems come with a 3-year Warranty, and an additional 2 years of coverage (5 years total) is included in the pricing above.
- Pricing for the PCs and Monitors is protected through January 31, 2023.
- Hardware, software, and maintenance will be invoiced upon shipment from HP.
- Services are Time & Materials (T&M) and will be invoiced at a maximum of 1000 hours of services at \$60.00/hour.
- Taxes will be billed at actual cost unless otherwise noted.
- All shipping costs are included in the Not-to-Exceed price listed below.
- All PCs will be shipped to COMPANY in a designated facility of its choosing, and stored at a cost of \$3,000 per month. Expected total cost for storage is \$9,000 (three months).
- COMPANY assumes full responsibility and all liability for storage and security of the product until the product is delivered to HOSPITAL.
- HOSPITAL is not obligated to pay for any hardware products not delivered in good working condition.
- All payments will be due upon 30 days of invoice date.

PRICING:

| PC Options | | | |
|------------|---------------------------|-------------|--------------------|
| Qty | System Description | Unit Price | 5-Year Total Price |
| 1800 | HP Z2 G9 Mini Workstation | \$ 1,024.03 | \$ 1,843,254 |

| Monitor Options | | | |
|-----------------|----------------------------|------------|--------------------|
| Qty | System Description | Unit Price | 3-Year Total Price |
| 200 | E24MV 23.8 G4 CONF FHD MON | \$ 245.31 | \$ 49,062 |

| Services | |
|---|-----------|
| White Glove Implementation & Project Management | \$ 60,000 |

NOT TO EXCEED (NTE) PRICE: \$1,961,316.00

EXHIBIT B
PC REFRESH PROJECT
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: PC Refresh Project (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: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;"> PHONE (A/C No. Ext): BROKER'S PHONE NUMBER </td> <td style="width: 40%;"> FAX (A/C No.) BROKER'S FAX NUMBER </td> </tr> <tr> <td colspan="2"> E-MAIL ADDRESS: BROKER'S EMAIL ADDRESS </td> </tr> <tr> <td style="width: 60%;">INSURER(S) AFFORDING COVERAGE</td> <td style="width: 40%;">NAIC #</td> </tr> </table> | | PHONE (A/C No. Ext): BROKER'S PHONE NUMBER | FAX (A/C No.) BROKER'S FAX NUMBER | E-MAIL ADDRESS: BROKER'S EMAIL ADDRESS | | INSURER(S) AFFORDING COVERAGE | NAIC # | |
| PHONE (A/C No. Ext): BROKER'S PHONE NUMBER | FAX (A/C No.) BROKER'S FAX NUMBER | | | | | | | | |
| E-MAIL ADDRESS: BROKER'S EMAIL ADDRESS | | | | | | | | | |
| INSURER(S) AFFORDING COVERAGE | NAIC # | | | | | | | | |
| INSURED 2. //TYPE//S NAME ADDRESS PHONE & FAX NUMBERS | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>INSURER A:</td><td rowspan="6" style="text-align: center; vertical-align: middle; font-size: 2em; opacity: 0.5;">COMPANY'S BEST KEY RATING</td></tr> <tr><td>INSURER B:</td></tr> <tr><td>INSURER C:</td></tr> <tr><td>INSURER D:</td></tr> <tr><td>INSURER E:</td></tr> <tr><td>INSURER F:</td></tr> </table> | | INSURER A: | COMPANY'S BEST KEY RATING | INSURER B: | INSURER C: | INSURER D: | INSURER E: | INSURER F: |
| INSURER A: | COMPANY'S BEST KEY RATING | | | | | | | | |
| INSURER B: | | | | | | | | | |
| INSURER C: | | | | | | | | | |
| INSURER D: | | | | | | | | | |
| INSURER E: | | | | | | | | | |
| INSURER F: | | | | | | | | | |

| | | |
|------------------|----------------------------|-----------------|
| 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.

| INS R LT R | TYPE OF INSURANCE | ADD' L INSR | SUB R WV D | POLIC Y NUMB ER | POLICY EFF (MM/DD/ YY) | POLICY EXP (MM/DD/ YY) | LIMITS | |
|---------------------|------------------------|-------------------|---------------------|--------------------------|---------------------------------|---------------------------------|---|-----------------|
| 4. | GENERAL LIABILITY | X | | (A) | (B) | (C) | EACH OCCURRENCE | \$(D) 1,000,000 |
| | X COMMERCIAL LIABILITY | | | | | | DAMAGE TO RENTED PREMISES (Each occurrence) | \$(E) 50,000 |
| | CLAIMS-MADE | | | | | | MED EXP (Any one person) | \$(F) 5,000 |
| | X OCCUR. | | | | | | | |

| | | | | | | | | | | | | |
|---|--|---------------------------------------|----------------------------------|--------------------------|------------------------------|---|---------------------------|------------------|-------------------------------------|------------------------|------------------------|-----------------|
| | | | | | | | PERSONAL & ADV INJURY | \$(G) 1,000,000 | | | | |
| | | | | | | | GENERAL AGGREGATE | \$(H) 2,000,000 | | | | |
| | GEN'L AGGREGATE LIMIT APPLIES PER: | | | | | | PRODUCTS – COMP/OP AGG | \$(I) 2,000,000 | | | | |
| | <input type="checkbox"/> POLICY | <input checked="" type="checkbox"/> X | <input type="checkbox"/> PROJECT | <input type="checkbox"/> | <input type="checkbox"/> LOC | | DEDUCTIBLE MAXIMUM | \$ 25,000 | | | | |
| 5. | AUTOMOBILE LIABILITY | | | | | | (J) | (K) | (L) | | | |
| | <input checked="" type="checkbox"/> X | ANY AUTO | | | | | | | COMBINED SINGLE LIMIT (Ea accident) | \$(M) 1,000,000 | | |
| | <input type="checkbox"/> | ALL OWNED AUTOS | | | | X | | | BODILY INJURY (Per person) | \$ | | |
| | <input type="checkbox"/> | SCHEDULED AUTOS | | | | | | | BODILY INJURY (Per accident) | \$ | | |
| | <input type="checkbox"/> | HIRED AUTOS | | | | | | | PROPERTY DAMAGE (Per accident) | \$ | | |
| | <input type="checkbox"/> | NON-OWNED AUTOS | | | | | | | | \$ | | |
| | | | | | | | | | DEDUCTIBLE MAXIMUM | \$ 25,000 | | |
| 6. | WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY Y/N | | | | | | | | | | | |
| | ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) describe under DESCRIPTION OF OPERATIONS below | | | | | X | | | | WC STAT UTILITY 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 I VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required) | | | | | | | | | | | | |
| Project | | | | | | | | | | | | |

9. CERTIFICATE HOLDER

CANCELLATION

| | |
|--|---|
| UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA C/O CONTRACTS MANAGEMENT 1800 W. CHARLESTON BLVD. LAS VEGAS, NV 89102 | <div> SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. </div> <div> 10. AUTHORIZED REPRESENTATIVE </div> |
|--|---|

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ACORD 25 (2010/05)

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POLICY NUMBER: _____

COMMERCIAL GENERAL AND AUTOMOBILE LIABILITY

CBE NUMBER AND CONTRACT NAME: **Project**

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 **PROJECT**;
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

| | | | | | | |
|--|--------------------------------------|--|---|---|--|--------------------------------|
| Business Entity Type (Please select one) | | | | | | |
| <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 |
| Business Designation Group (Please select all that apply) | | | | | | |
| <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 |
| | | | | | | |
| Number of Clark County Nevada Residents Employed: | | | | | | |
| | | | | | | |
| Corporate/Business Entity Name: | | Solutions II, Inc. | | | | |
| (Include d.b.a., if applicable) | | | | | | |
| Street Address: | | 8822 S. Ridgeline Blvd. Ste 117 | | Website: www.solutions-ii.com | | |
| City, State and Zip Code: | | Littleton, CO 80129 | | POC Name: William Todd Bowling | | |
| | | | | Email: todd.bowling@solutions-ii.com | | |
| Telephone No: | | 303-796-8393 | | Fax No: 303-796-8399 | | |
| Nevada Local Street Address: | | 2285 Corporate Circle Ste 140 | | Website: | | |
| (If different from above) | | | | | | |
| City, State and Zip Code: | | Las Vegas, NV 89074 | | Local Fax No: | | |
| Local Telephone No: | | | | Local POC Name: | | |
| | | | | Email: | | |

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 Todd Bowling | President | 45% |
| David W. Stone | Executive VP | 45% |
| | | |

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 | William Todd Bowling Print Name |
| President Title | 10/6/2022 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 |
|-------------------------------------|--|--|---|
| | | | |
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| | | | |
| | | | |

* 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

QUOTE CONFIRMATION



DEAR RICH MCKOGG,

Thank you for considering CDW•G LLC for your computing needs. The details of your quote are below.
[Click here](#) to convert your quote to an order.

| QUOTE # | QUOTE DATE | QUOTE REFERENCE | CUSTOMER # | GRAND TOTAL |
|----------------|------------------|----------------------|----------------|---------------------|
| MXHD837 | 8/16/2022 | SURFACE QUOTE | 1808271 | \$375,650.11 |

IMPORTANT - PLEASE READ

Special Instructions: The reference to CDW's Terms and Conditions that appear on quotes/orders/invoices are auto-generated. For clarification purposes, product purchases (hardware/software) for UMC of Southern NV shall be governed by the HealthTrust Agreement for Distribution of Computer Products and Services ("the Agreement"). The Agreement will supersede CDW's terms and conditions for the term of the Agreement, and any extensions thereof, and UMC of Southern NV remains an active member of HealthTrust.

The reference to CDW's Terms and Conditions that appear on quotes/orders/invoices are auto-generated. For clarification purposes, product purchases (hardware/software) for UMC of Southern NV shall be governed by the HealthTrust Agreement for Distribution of Computer Products and Services ("the Agreement"). The Agreement will supersede CDW's terms and conditions for the term of the Agreement, and any extensions thereof, and UMC of Southern NV remains an active member of HealthTrust.

QUOTE DETAILS

| ITEM | QTY | CDW# | UNIT PRICE | EXT. PRICE |
|---|-----|---------|------------|------------|
| Microsoft Surface Pro 7+ - 12.3" - Core i7 1165G7 - 16 GB RAM - 256 GB SSD Mfg. Part#: 1NC-00001 Contract: HealthTrust Pricing-Catalog (HPG-2500) | 200 | 6390581 | | |
| Microsoft Surface Dock 2 - Docking Station - Surface Connect - 2 USB-C Mfg. Part#: 1GK-00001 Contract: HealthTrust Pricing-Catalog (HPG-2500) | 200 | 6080326 | | |
| UAG Rugged Case for Surface Pro 7+ 7 6 5 LTE 4 - Metropolis Cobalt Mfg. Part#: UAG-SFPRO4-CBT-VP UNSPSC: 53121705 Contract: HealthTrust Pricing-Catalog (HPG-2500) | 200 | 3879613 | | |

| QUOTE DETAILS (CONT.) | | | | | |
|---|--|-----|---------|--|--|
| Microsoft Surface Pro Type Cover (M1725) - keyboard - with trackpad, accele | | 200 | 4634736 | | |
| Mfg. Part#: FMN-00001 UNSPSC: 43211706 Contract: HealthTrust Pricing-Catalog (HPG-2500) | | | | | |
| UAG Tempered Glass Screen Shield for Surface Pro 7+ 7 6 5 4 3 LTE | | 200 | 4984550 | | |
| Mfg. Part#: SFPRO-SP UNSPSC: 43211621 Contract: HealthTrust Pricing-Catalog (HPG-2500) | | | | | |
| Microsoft Extended Service Plan SVC Agreement for Surface Pro 3 3-Year | | 200 | 3072616 | | |
| Mfg. Part#: A9W-00001 UNSPSC: 81112307 Electronic distribution - NO MEDIA Contract: HealthTrust Pricing-Catalog (HPG-2500) | | | | | |
| HP E24 G4 - E-Series - LED monitor - Full HD (1080p) - 23.8" | | 457 | 6321577 | | |
| Mfg. Part#: 9VF99AA#ABA Contract: HealthTrust Pricing-HP Inc. (HPG-2500) | | | | | |

| PURCHASER BILLING INFO | | SUBTOTAL | | \$375,650.11 |
|--|--|---|--|---------------------|
| Billing Address: UNIVERSITY MEDICAL CENTER OF SO NV ACCOUNTS PAYABLE 1800 W CHARLESTON BLVD LAS VEGAS, NV 89102-2329 Phone: (702) 383-2000 Payment Terms: NET 30-VERBAL | | SHIPPING | | \$0.00 |
| | | SALES TAX | | \$0.00 |
| | | GRAND TOTAL | | \$375,650.11 |
| | | Please remit payments to: CDW Government 75 Remittance Drive Suite 1515 Chicago, IL 60675-1515 | | |
| DELIVER TO | | | | |
| Shipping Address: UNIVERSITY MEDICAL CENTER OF SO NV RECEIVING/PO# 1800 W CHARLESTON BLVD LAS VEGAS, NV 89102-2329 Shipping Method: TForce Messenger Overnite 2:00pm | | | | |

| Need Assistance? CDW•G LLC SALES CONTACT INFORMATION | | | |
|---|-------------|----------------|------------------|
|  | Bill George | (866) 892-9697 | billgeo@cdwg.com |

This quote is subject to CDW's Terms and Conditions of Sales and Service Projects at <http://www.cdwg.com/content/terms-conditions/product-sales.aspx>
 For more information, contact a CDW account manager
 © 2022 CDW•G LLC 200 N. Milwaukee Avenue, Vernon Hills, IL 60061 | 800.808.4239

**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

| | | | | | | |
|--|--------------------------------------|---|---|------------------------------------|--|--------------------------------|
| Business Entity Type (Please select one) | | | | | | |
| <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 |
| Business Designation Group (Please select all that apply) | | | | | | |
| <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 |
| | | | | | | |
| Number of Clark County Nevada Residents Employed: 0 | | | | | | |
| | | | | | | |
| Corporate/Business Entity Name: | | CDW Government LLC | | | | |
| (Include d.b.a., if applicable) | | | | | | |
| Street Address: | | 230 N Milwaukee Ave | | Website: CDWG.com | | |
| City, State and Zip Code: | | Vernon Hills, IL, 60061 | | POC Name: Corrina Hoekwater | | |
| | | | | Email: corhoek@cdwg.com | | |
| Telephone No: | | (847) 465-6000 | | Fax No: (847) 419-6200 | | |
| Nevada Local Street Address: (If different from above) | | | | | | |
| City, State and Zip Code: | | | | | | |
| Local Telephone No: | | | | | | |
| | | Local Fax No: | | | | |
| | | Local POC Name: | | | | |
| | | Email: | | | | |

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) |
|---------------------------------------|-------|--|
| Please see attached list of officers. | | |
| | | |
| | | |
| | | |

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 | Pam Janutolo Print Name |
| Manager, Proposals Title | 11/29/2019 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 | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

* 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

CDW Corporate Structure including International Entities
as of 3/4/2019

| Company | Title or Positions Held | Date of Current Title Change | Outside Boards | |
|---|---|------------------------------|----------------|----------------------|
| | | | Company Name | Profit or Non-Profit |
| CDW GOVERNMENT LLC | | | | |
| Illinois Limited Liability Company - Organized 12/31/2009, Manager Managed (a wholly owned subsidiary of CDW LLC) | | | | |
| Principal Address: 230 N. Milwaukee Avenue, Vernon Hills, IL 60061 | | CIKNo. 0001498446 | | |
| FEIN: 36-4230110 | IL File No. 02909235 | DUNS # 02-615-7235 | NAICS #454113 | |
| BOARD OF MANAGERS | | | | |
| Christine A. Leahy | | 1/1/2019 | | |
| Robert F. Kirby | | 7/2/2018 | | |
| Christina V. Rother | | | | |
| BOARD ELECTED OFFICERS | | | | |
| Christine A. Leahy | Chief Executive Officer | 1/1/2019 | | |
| Robert F. Kirby | President | 8/29/2018 | | |
| Christina V. Rother | Senior Vice President - Integrated Technology Solutions | 12/19/2018 | | |
| Collin B. Kebo | Senior Vice President and Chief Financial Officer | 1/1/2018 | | |
| Neil B. Fairfield | Vice President, Controller and Chief Accounting Officer | | | |
| Robert J. Welyki | Vice President, Treasurer and Assistant Secretary | | | |
| Frederick J. Kulevich | Secretary | | | |
| Pooja Bansal | Assistant Treasurer | | | |
| Timothy F. Chmielewski | Assistant Treasurer | | | |
| Mary Jo C. Georgen | Assistant Secretary | | | |
| Ann G. Mayberry | Assistant Secretary | | | |
| Shannon A. Toolis | Assistant Secretary | | | |



October 12th, 2022

Jesse Ramirez
Contracts Specialist
University Medical Center of Southern Nevada
1800 W. Charleston Blvd.
Las Vegas, NV 89102

Re: Request for competitive bidding information regarding Distribution, IT Products & Services.

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 Distribution, IT Products & 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 Distribution, IT Products & Services category. HealthTrust issued RFPs and received proposals from identified suppliers in the Distribution, IT Products & Services category. A contract was executed with CDW, SHI Intl and Insight Direct USA in November of 2021. 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**

| | |
|--|---------------------|
| Issue: First Amendment to Service Agreement with Philips Healthcare | Back-up: |
| Petitioner: Jennifer Wakem, Chief Financial Officer | Clerk Ref. # |
| Recommendation: That the Governing Board Audit and Finance Committee review and recommend for approval by the Governing Board the First Amendment to Service Agreement with Philips Healthcare to add equipment; or take action as deemed appropriate. <i>(For possible action)</i> | |

FISCAL IMPACT:

Fund Number: 5420.000
Fund Center: 3000709100
Description: Amendment to Warranty Service Agreement

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

Bid/RFP/CBE: GPO
Term: Beginning 9/1/2022 to 11/30/2028
Amount: \$84,518.25
Out Clause: 60 days' notice if equipment is permanently removed from UMC or upon a material breach;
Budget Act and Fiscal Fund Out

BACKGROUND:

On July 20, 2022, the Governing Board approved the Service Agreement with Philips Healthcare to extend service and maintenance warranties for various equipment and systems, including Azurion 7 M20, EPIQ CVx Ultrasounds, IntelliSpace CV 3.X and IntraSight 5 systems, until November 30, 2028. Coverage includes parts and labor, an on-site labor response requirement, and one planned maintenance visit annually per unit.

This First Amendment will add an additional IntraSight system to the equipment schedule in the existing Service Agreement, for an aggregate value of \$1,572,614.39, for all warranties under the Agreement.

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

Cleared for Agenda
October 19, 2022

Agenda Item #

14

**FIRST AMENDMENT
TO PHILIPS SERVICE AGREEMENT
BETWEEN
PHILIPS HEALTHCARE
a division of
PHILIPS NORTH AMERICA LLC
and
UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA**

This First Amendment (this “Amendment”) is made and entered into as of the date of last signature below (the “Effective Date” of this Amendment), 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, located at 1800 W. Charleston Blvd, Las Vegas, NV 89102 (“Customer”) and Philips Healthcare, a division of Philips North America LLC, located at 3000 Minuteman Road, Andover, MA 01810 (“Philips”). Philips and Customer are each also referred to herein individually as a “Party” and collectively as the “Parties.”

Background

Customer and Philips are parties to a Service Agreement (“Agreement”), dated as of July 21, 2022, and pursuant to which Philips has issued Philips Quotation #0056875 to Customer. Philips provides warranty service for various equipment and/or systems as described on Attachment A to the Agreement.

Philips and Customer desire to amend the Agreement as set forth below.

Amendment

The Parties hereby agree to amend the Attachment A to the Agreement to include the following equipment:

| SITE # | SERIAL # | SYSTEM TYPE | LOCATION | CONTRACT COVERAGE | CONTRACT START DATE | CONTRACT END DATE | MONTHLY BILLING VALUE | TOTAL ADDITION ADJUSTMENT |
|----------|----------|-------------------|---------------------------|-------------------|---------------------|-------------------|-------------------------------------|---------------------------|
| 80646722 | 131 | Intrasight System | University Medical Center | Protection | 09/01//2022 | 11/30/2028 | \$1,126.91 (75 monthly payments) | \$84,518.25 |

Purchase Order No. 4800011181-215, issued for the Agreement, remains the same for this Amendment. The monthly billing value of \$1,126.91 will be added to the current billing amount under the Agreement.

Except as specifically amended herein, the Agreement is hereby confirmed and ratified in all respects, and shall remain in full force and effect according to its terms.

///

///

IN WITNESS WHEREOF, the duly authorized representatives of the Parties hereto have cause this First Amendment to the Agreement to be duly executed as of the Amendment Effective Date.

**University Medical Center
of Southern Nevada**

Philips

(Sign here)

Print name: Mason Van Houweling

Title: Chief Executive Officer

Date: _____

(Sign here)

Print name: _____

Title: _____

Date: _____

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

| | | |
|--|---|---------------------|
| Issue: | First Amendment to the Equipment Placement Services Agreement with SmallGuy, LLC dba Integrated Telehealth Solutions | Back-up: |
| Petitioner: | Jennifer Wakem, Chief Financial Officer | Clerk Ref. # |
| Recommendation: That the Governing Board Audit and Finance Committee review and recommend for approval by the Governing Board the First Amendment to the Equipment Placement Services Agreement with SmallGuy, LLC dba Integrated Telehealth Solutions for TeleVisitor™ and TeleTether™ Patient Monitoring System; or take action as deemed appropriate. (<i>For possible action</i>) | | |

FISCAL IMPACT:

Fund Number: 5420.000 & 5430.011

Fund Name: UMC Operating Fund & Clark County Capital Equipment Transfer

Fund Center: 3000612000, 3000609400, 3000723000 & 3000999901

Funded Pgm/Grant: N/A

Description: TeleVisitor™ and TeleTether™ Patient Monitoring System for PEDS

Bid/RFP/CBE: NRS 332.115.1 (g) & (h) – Computer Hardware & Software

Term: Amendment 1 – same Term

Amount: Additional \$56,944.49; \$41,157.88 (Hardware) + \$15,786.61 (Software); New Total since the inception of the Agreement is \$679,003.05

Out Clause: 30 days w/o cause; Budget Act and Fiscal Fund Out

BACKGROUND:

On June 29, 2022 the Governing Board approved the Equipment Placement Services Agreement with SmallGuy, LLC dba Integrated Telehealth Solutions for the placement of equipment at UMC that will assist in telehealth patient observation, scheduling, and conduction of virtual social and clinical visitations, and/or for discharge medication management in conjunction with a pharmacy.

This First Amendment requests to (i) add additional funding of \$56,944.49 wherein the new not-to-exceed total amount is \$682,003.05, and (ii) update Exhibit A Order Form and Fee Schedule to add the Patient Monitoring System for PEDS. All other terms of the Agreement remain unchanged.

UMC's Clinical Director Maternal Child Services, Assistant Chief Nursing Officer and Clinical Manager of the Emergency Department have reviewed and recommends approval of this Amendment. This Amendment has been approved as to form by UMC's Office of General Counsel.

Cleared for Agenda
October 19, 2022

Agenda Item #

15

**First Amendment to the Equipment Placement Service Agreement between
SmallGuy, LLC and
University Medical Center of Southern Nevada**

This First Amendment ("First Amendment") to the Equipment Placement Service Agreement between University Medical Center of Southern Nevada ("Customer") and SmallGuy, LLC d/b/a Integrated Telehealth Solutions, a Nevada Limited Liability Company ("ITS") is effective as of October 1, 2022 ("First Amendment Effective Date").

WHEREAS, ITS and Customer entered into that Equipment Placement Service Agreement having an effective date of June 29, 2022 (the "Agreement"); and

WHEREAS, ITS and Customer desire to amend the Agreement with this First Amendment.

NOW THEREFORE, for good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, ITS and Customer hereby agree as follows:

1. Delete in its entirety Exhibit A and replace with Exhibit A attached hereto.
2. Except as expressly amended in this First Amendment, the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this First Amendment effective of the First Amendment Effective Date.

**UNIVERSITY MEDICAL CENTER
OF SOUTHERN NEVADA**

SMALLGUY, LLC

Signature: _____

Name: Mason Van Houweling

Title: Chief Executive Officer

Date: _____

Signature:  _____

Name: Danny Hark

Title: CEO & Co-Founder

Date: 9-29-2022



EXHIBIT A ORDER FORM AND FEE SCHEDULE

1. Statement of Work.

Customer agrees to the deliverables, roles and responsibilities of the Parties, and timelines as agreed in the attached Statement of Work, herein included as part of this Agreement.

2. Monthly Equipment Fees.

Customer agrees to pay the fees for the Equipment described below as per the following schedule:

| |
|---|
| <p>TeleTether™ Software – Enterprise Package 48 end-user licenses</p> <p>Including functions/features: Initial software configuration Contact loading and management enablement Bidirectional text Outbound broadcast messaging Customizable messaging Scheduling, confirmation, reminders Email Contact loading and management Zoom access for video interactions</p> |
| <p>TeleVisitor™ Robotic Device</p> <p>Seamless integration and auto-pairing with Zoom 300° Pan, 45° Tilt 4-hour battery life Removable base 2.25" W x 2.25" L x 11.75" H Unit weight 340 g</p> <p>Apple iPad Air II 9.7" Wi-Fi or LTE: Display: Type: LED-backlit IPS LCD, capacitive touchscreen, 16M colors Size: 9.7" (~65.1% screen-to-body ratio) Resolution: 1536 x 2048 pixels (~264 ppi pixel density) Multi-touch: Yes; Protection Scratch-resistant glass, oleophobic coating</p> |

| |
|--|
| <p>Cart System - Tripod - ITS mobile Patient Monitoring workstation: This Mobile Height Adjustable Laptop Computer Workstation is perfect for hospital, facility, office, or medical urgent care environments.</p> <p>Specifications:</p> <ul style="list-style-type: none"> • Overall Dimensions: 27"W x 19-11/16"D x 42"H • Base Dimensions: 22"W x 19-11/16"D x 5-3/8"H • Work surface Dimensions: 27"W x 14-1/4"D • Max. Weight Capacity: 132 lbs. • Unit Weight: 40 lbs. |
|--|

| Payment Schedule | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|-----------------|---------------|--------------------|--------------|---------------------------|-----------|----------|-------------|--------------------|-----------|----------|------------|---------------|------------|--------|---------|---------------------|-----------|---------|------------|---------------------|-----------|---------|----------|----------------|----------|-------------|-------------|---------------|----------|------------|------------|------------------------|---------|------------|------------|-------------|--------------|-----|
| Item | Count | One-time Cost | Monthly Investment | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Phase 1: Oncology Department - Oncology North and South- Includes four (4) TeleVisitor™ Cart Devices - Oncology – Location #2 – Includes two (2) TeleVisitor™ Cart Devices | 6 | N/A | \$2,520 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Oncology Department Implementation, Install and Training for staff end user groups - Three (3) Administration panels – stationary - 1 for each of the North and South Oncology nursing stations and 1 for the Additional Oncology location nurse's station | 3 | \$6,720 | N/A | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Med-Surg (General) Intro/Set-up for staff end user group/Depts Forty-five (45) TeleVisitor™ Cart Devices in locations to be specified by UMC | 45 | N/A | \$18,875 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Med-Surg Implementation, Install and– Forty-five (45) Administrative panels – stationary in UMC designated locations | 45 | \$100,800 | N/A | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Phase 1: Security Hardware (2-South & ED) Security camera – equipment and supplies purchase <table> <tr> <td>Axis M55 Camera</td><td>68 / Each</td><td>\$1,584.86</td><td>\$107,770.21</td></tr> <tr> <td>Ceiling grid camera mount</td><td>68 / Each</td><td>\$165.65</td><td>\$11,264.20</td></tr> <tr> <td>Cat6 E roll 1000ft</td><td>16 / Each</td><td>\$394.51</td><td>\$6,312.16</td></tr> <tr> <td>Flex .5 conn.</td><td>128 / Each</td><td>\$0.56</td><td>\$71.68</td></tr> <tr> <td>.5 metal flex 100ft</td><td>80 / Each</td><td>\$81.31</td><td>\$6,504.80</td></tr> <tr> <td>metal box w bracket</td><td>68 / Each</td><td>\$11.88</td><td>\$807.84</td></tr> <tr> <td>NVR 64 channel</td><td>2 / Each</td><td>\$15,786.61</td><td>\$31,573.22</td></tr> <tr> <td>Control board</td><td>1 / Each</td><td>\$4,254.85</td><td>\$4,254.85</td></tr> <tr> <td>Miscellaneous hardware</td><td>1 /Each</td><td>\$9,125.60</td><td>\$9,125.60</td></tr> </table> | Axis M55 Camera | 68 / Each | \$1,584.86 | \$107,770.21 | Ceiling grid camera mount | 68 / Each | \$165.65 | \$11,264.20 | Cat6 E roll 1000ft | 16 / Each | \$394.51 | \$6,312.16 | Flex .5 conn. | 128 / Each | \$0.56 | \$71.68 | .5 metal flex 100ft | 80 / Each | \$81.31 | \$6,504.80 | metal box w bracket | 68 / Each | \$11.88 | \$807.84 | NVR 64 channel | 2 / Each | \$15,786.61 | \$31,573.22 | Control board | 1 / Each | \$4,254.85 | \$4,254.85 | Miscellaneous hardware | 1 /Each | \$9,125.60 | \$9,125.60 | As itemized | \$177,684.56 | N/A |
| Axis M55 Camera | 68 / Each | \$1,584.86 | \$107,770.21 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Ceiling grid camera mount | 68 / Each | \$165.65 | \$11,264.20 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cat6 E roll 1000ft | 16 / Each | \$394.51 | \$6,312.16 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Flex .5 conn. | 128 / Each | \$0.56 | \$71.68 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| .5 metal flex 100ft | 80 / Each | \$81.31 | \$6,504.80 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| metal box w bracket | 68 / Each | \$11.88 | \$807.84 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| NVR 64 channel | 2 / Each | \$15,786.61 | \$31,573.22 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Control board | 1 / Each | \$4,254.85 | \$4,254.85 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Miscellaneous hardware | 1 /Each | \$9,125.60 | \$9,125.60 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| | | | |
|---|-----|---------------------------|----------------------------|
| *Requires a minimum of 25% advanced payment for equipment to be purchased | | | |
| Phase 1 Cont: Security camera installation – Units 2-South and the Emergency Department -2 Installers for 208 hours each @ \$95.65/hour | N/A | \$39,794 | N/A |
| Phase 1 Cont – Security supply and install DVR(s) for backup storage for all cameras as specified and Supply and install control board(s) for constant monitoring capabilities of new system. | N/A | Included in Phase 1 costs | N/A |
| Post Implementation Security System Maintenance and Support | | | \$3,360 |
| TeleTether™ Software License for End-Users | 96 | Included | Included |
| Implementation Specialist, thru implementation phase | 1 | N/A | Included |
| Client Account Manager for life of relationship | 1 | N/A | Included |
| 24/7 Remote equipment and Technical Support – ITS | N/A | N/A | Included |
| 24/7 Technical support – Republic Electric | N/A | N/A | Included |
| Marketing Assistance -One internal facing new initiative awareness/announcement collateral piece -Three patient/visitor informational pieces -Targeted use case collateral pieces (two per use case) | N/A | N/A | Included |
| TOTAL INVESTMENT | | \$324,998.56 | \$ 24,755 Per Month |

| | | | |
|---|--------------|----------------------|---------------------------|
| Payment Schedule (PEDS) | | | |
| Item | Count | One-time Cost | Monthly Investment |
| Med-Surg (PEDS) Implementation, Install Administrative panels – stationary in UMC designated location (PEDS) | 1 | \$1,500 | N/A |
| Phase 1: Security Hardware (PEDS) Security camera – equipment and supplies purchase | | | |
| Axis M55 Camera 6 / Each \$1,784.86 \$10,709.16 | As itemized | \$35,785 | N/A |
| Ceiling grid camera mount 6 / Each \$165.65 \$993.90 | | | |
| Cat6 E roll 1000ft 3 / Each \$394.51 \$1,183.53 | | | |
| Flex .5 conn. 18 / Each \$0.56 \$10.08 | | | |
| .5 metal flex 100ft 8 / Each \$81.31 \$650.48 | | | |
| metal box w bracket 6 / Each \$11.88 \$71.28 | | | |
| NVR 64 channel 1 / Each \$15,786.61 \$15,786.61 | | | |
| Control board 1 / Each \$4,254.85 \$4,254.85 | | | |
| Miscellaneous hardware 1 /Each \$2,125.60 \$2,125.60 | | | |
| *Requires a minimum of 25% advanced payment for equipment to be purchased | | | |

| | | | |
|---|-----|---------------------------|------------------------------|
| PEDS Cont: - Security camera installation – Units 2-South and the Emergency Department -2 Installers for 30 hours each @ \$95.65/hour | N/A | \$5,739 | N/A |
| PEDS Cont: – Security supply and install DVR(s) for backup storage for all cameras as specified and Supply and install control board(s) for constant monitoring capabilities of new system. | N/A | Included in Phase 1 costs | N/A |
| Post Implementation Security System Maintenance and Support | | | \$1160 |
| TeleTether™ Software License for End-Users | 10 | Included | Included |
| Implementation Specialist, thru implementation phase | 1 | N/A | Included |
| Client Account Manager for life of relationship | 1 | N/A | Included |
| 24/7 Remote equipment and Technical Support – ITS | N/A | N/A | Included |
| 24/7 Technical support – Republic Electric | N/A | N/A | Included |
| Marketing Assistance -One internal facing new initiative awareness/announcement collateral piece -Three patient/visitor informational pieces -Targeted use case collateral pieces (two per use case) | N/A | N/A | Included |
| TOTAL INVESTMENT | | \$43,024.00 | \$ 1,160.00 Per Month |

- a. Customer will serve as software administrator for ITS provided equipment. Customer is strongly encouraged to identify a Champion to serve as administrator. ITS will provide Customer administrator with training and education to fulfill role on behalf of Customer.
- b. Training and Education. ITS will provide implementation assistance, including training and education of identified Customer personnel on ITS provided device/equipment usage as per the functions/features noted above and for the use cases as per the attached Statement of Work. After implementation, ongoing end-user training and education resides with the Customer, except that as Customer adds additional use cases or ITS modifies or adds additional features or functionalities to software pertinent to Customer and that warrant additional initial training and education, ITS will provide Customer with such initial training and education.
- c. Technology Support. For ITS provided Equipment, Customer may contact tech support Monday thru Friday, from 8am to 5 pm PST. The team can be reached by text at 775-402-8177 or by email at support@itshqnv.com.

Security system technical support will be provided by ITS 24 hours per day for emergency service requests with maximum two-hour response time. A dedicated local phone number and technician's name will be provided upon completion of the installation. The initial site visit upon receipt of such request will determine if solution can be implemented immediately or if any material, etc. may be needed and expedited for functional repairs to be made. ITS will keep at least one of each item included in the system secured in stock to expedite replacement/repairs and will make every reasonable effort to repair/replace hardware during initial emergency site visit.

3. Professional Services.

- a. Implementation services.
ITS shall provide implementation support services as indicated in attached "Statement of Work."
- b. Customer End-User Support. Customers may contact customer support for implementation, usage, end-

user help, etc. Monday thru Friday, from 9am to 5 pm PST for assistance with ITS provided Equipment. The team can be reached by text at 775-402-8177 or by email at support@itshqnv.com.

c. Consultative services.

- ITS shall offer suggestions for additional use cases that would utilize ITS provided Equipment, as appropriate, during engagement.

d. Reporting

ITS and Customer will track, and report number of uses conducted and the ease of use of the device on staff, patients, and visitors, as mutually determined. If collected, this information will be reviewed at the Mastermind (i.e., status) meetings between the Parties.

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

| | | |
|--|--|---------------------|
| Issue: | Professional Services Agreement (General and Pediatric Dentistry) with UNLV School of Dental Medicine | Back-up: |
| Petitioner: | Jennifer Wakem, Chief Financial Officer | Clerk Ref. # |
| Recommendation: That the Governing Board Audit and Finance Committee review and recommend for approval by the Governing Board the Professional Services Agreement for General and Pediatric Dentistry On-Call Coverage with The Board of Regents of the Nevada System of Higher Education on behalf of the University of Nevada, Las Vegas School of Dental Medicine; authorize the Chief Executive Officer to exercise any extension options; or take action as deemed appropriate. (<i>For possible action</i>) | | |

FISCAL IMPACT:

Fund Number: 5420.000

Fund Name: UMC Operating Fund

Fund Center: 3000723000 & 3000723300

Funded Pgm/Grant: N/A

Description: General and Pediatric Dentistry On-Call Services

Bid/RFP/CBE: NRS 332.115.1(b) – Professional Services

Term: 10/26/2022 to 10/25/2025 with two, 1-year options

Amount:

| | |
|-----------------------------|--|
| Pediatric Dentistry On-Call | \$200 per day; NTE \$73,000 per year or potential aggregate of NTE \$365,000 for five (5) years |
| General Dentistry On-Call | \$300 per day; NTE \$109,500 per year or potential aggregate of NTE \$547,500 for five (5) years |

Out Clause: 30 days w/o cause

BACKGROUND:

Since July 2012, UMC has had an agreement with The Board of Regents of the Nevada System of Higher Education on behalf of the University of Nevada, Las Vegas School of Dental Medicine (“Provider”) to provide general and pediatric dentistry on-call services (“Services”).

This request is to enter into a new Professional Services Agreement for Group On-Call Coverage (“Agreement”) with Provider to continue to provide the Services. Provider will provide 24/7 consultative, emergency and on-call general and pediatric dentistry services for UMC’s inpatients and outpatients, including Emergency Department patients, in accordance with the call schedule maintained by Provider. Staff also requests authorization for the Hospital CEO, at the end of the initial Term, to exercise the extension options at his discretion if deemed beneficial to UMC.

Cleared for Agenda
October 19, 2022

Agenda Item #

16

UMC will compensate Provider \$200 per day or a NTE total of \$73,000 per year for pediatric dentistry on-call services; and \$300 per day or a NTE total of \$109,500 per year for general dentistry on-call services from October 26, 2022 through October 25, 2025, with the option to extend for two, 1-year periods. Either party may terminate this Agreement with a 30-day written notice to the other.

UMC's Support Services Executive Director 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 Provider is not required to obtain a Clark County business license nor a vendor registration since Provider is part of the Nevada System of Higher Education, which is an entity of the State of Nevada.

**PROFESSIONAL SERVICES AGREEMENT
FOR GENERAL AND PEDIATRIC DENTISTRY GROUP ON-CALL COVERAGE**

This Professional Services Agreement (“Agreement”), is made and entered into this 26th day of October, 2022, 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 **The Board of Regents of the Nevada System of Higher Education on behalf of the University of Nevada, Las Vegas School of Dental Medicine** engaged in the practice of dentistry and existing under and by virtue of the laws of the State of Nevada, with its principal place of business at 1001 Shadow Lane, Las Vegas, Nevada 89106 (hereinafter referred to as the “Provider”);

WHEREAS, Hospital is a county and teaching hospital created by the Clark County Board of Commissioners pursuant to Nevada Revised Statutes (“NRS”) 450;

WHEREAS, Hospital is the operator of an acute care hospital which requires certain on-call professional medical services;

WHEREAS, Hospital recognizes that the proper functioning of the Hospital requires general and pediatric on-call services from dentists who have been properly trained and are fully qualified and credentialed to practice dentistry (“Services”);

WHEREAS, Provider 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;

WHEREAS, Provider desires to contract for and provide said Services in the specialty of dentistry to Hospital patients as more specifically described herein; and

WHEREAS, the parties intend for this Agreement to supersede, terminate and wholly replace any prior verbal or written agreements between the parties respecting the subject matter hereof.

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

I. DEFINITIONS

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

- 1.1 Provider. University of Nevada, Las Vegas School of Dental Medicine who employs licensed dentists (“Dentists”).
- 1.2 Services to Patients. Those Services personally rendered by Provider through its employees (licensed Dentists) to the patients.
 - a. To qualify as “Services to patients” services must, in general: (i) be personally furnished by Provider; (ii) contribute directly to the diagnosis

or treatment of the patient; and (iii) ordinarily require performance by a Dentist.

- b. Services to patients include: (i) consultative services; (ii) emergency and on-call services; and (iii) services personally performed by Provider in the administration of procedures to an individual patient, as further described herein.

- 1.3 Provider's Dentists. Dentists mutually appointed by Provider and Hospital (as listed on **Attachment 1** and which shall be subject to change from time to time) to provide Services pursuant to this Agreement.

II. PROVIDER'S OBLIGATIONS

- 2.1 Coverage. Provider hereby agrees to perform the following Services as requested by Hospital and in a manner reasonably satisfactory to Hospital:

- a. Provider shall provide professional services in the best interests of Hospital's patients with all due diligence.
- b. Provider shall provide services on an emergency and on-call basis to meet the needs of Hospital's inpatients and outpatients.
- c. Provider shall timely respond to Hospital's Emergency Department without discrimination based on the patient's age, sex, sexual orientation, race, color, creed, gender identity or expression, disability, national origin, availability and/or type of insurance, financial/economic status, or any other protected status.
- d. Provider will be called at the time the individual completing the Medical Screening Examination identifies the patient's emergency medical condition that requires the services of the on-call Dentist.
- e. On-Call hours shall begin at 7:00 am to 7:00 pm for twelve (12) hour call panelists and 7:00 am for twenty-four (24) hour call panelists.
- f. If Provider is the call panelist for a specific date and time period, Provider shall respond to Hospital's Emergency Department within a reasonable period of time, which is defined as:
 - (i) within ten (10) minutes by telephone; or
 - (ii) within thirty (30) minutes in person, if requested to appear.
- g. The decision as to whether a Dentist must appear in person or consult by telephone is at the sole discretion of the appropriately designated individual who completed the Medical Screening Examination.

- h. The Dentists shall be required to submit monthly time records which detail with reasonable specificity, the time spent performing the Services as further described in Section 5.2.

2.2 Medical Staff Appointment.

- a. Dentists shall at all times hereunder, be members in good standing of Hospital's Medical and Dental Staff ("Medical Staff") with appropriate clinical privileges and appropriate Hospital credentialing. Any Dentist who fails to maintain staff appointment of clinical privileges in good standing will not be permitted to render Services to Hospital's patients and will be replaced promptly by Provider. Provider shall replace a Dentist who is suspended, terminated or expelled from Hospital's Medical Staff, loses his/her license to practice dentistry, tenders his/her resignation, or violates the terms and conditions required of this Agreement, including but not limited to those representations set forth in Section 2.3 below. In the event Provider replaces or adds a Dentist, such new Dentist shall meet all of the conditions set forth herein, and shall agree in writing to be bound by the terms of this Agreement. In the event an appointment to the Medical Staff is granted solely for purposes of this Agreement, such appointment shall automatically terminate upon termination of this Agreement.
- b. Provider shall be fully responsible for the performance and supervision of any of its Dentists or others under its direction and control, in the performance of Services under this Agreement.
- c. Advanced Practice Professionals employed or utilized by Provider, if any, must apply for privileges and remain in good standing in accordance with the University Medical Center of Southern Nevada Advanced Practice Professionals Manual.

2.3 Representations of Provider and Dentists.

- a. Provider represents and warrants that it:
 - (i) has never been excluded or suspended from participation in, or sanctioned by, a federal or state health care program;
 - (ii) has never been convicted of a felony or misdemeanor involving fraud, dishonesty, moral turpitude, controlled substances or any crime related to the provision of dental services;
 - (iii) at all times will comply with all applicable laws and regulations in the performance of the Services;
 - (iv) is not restricted under any third party agreement from performing the obligations under this Agreement;

- (v) has not materially misrepresented or omitted any facts necessary for Hospital to analyze service level requirements (i.e., FTEs) and compensation paid hereunder; and
 - (vi) will comply with the Standards of Performance as set forth in Section 2.4 below.
- b. Provider, on behalf of each Dentist (and Advanced Practice Professional as applicable), represents and warrants that he or she:
 - (i) is Board Certified in Dentistry;
 - (ii) possesses an active license to practice dentistry from the State of Nevada which is in good standing;
 - (iii) has an active and unrestricted license to prescribe controlled substances with the Drug Enforcement Agency and a Nevada Board of Pharmacy registration;
 - (iv) is not and/or has never been subject to any agreement or understanding, written or oral, that he or she will not engage in the practice of dentistry, either temporarily or permanently;
 - (v) has never been excluded or suspended from participation in, or sanctioned by, a federal or state health care program;
 - (vi) has never been convicted of a felony or misdemeanor involving fraud, dishonesty, moral turpitude, controlled substances or any crime related to the provision of dental services;
 - (vii) has never been denied membership or reappointment to the medical staff of any hospital or healthcare facility;
 - (viii) at all times will comply with all applicable laws and regulations in the performance of the Services;
 - (ix) is not restricted under any third party agreement from performing the obligations under this Agreement; and
 - (x) will comply with the Standards of Performance as set forth in Section 2.4 below.

2.4 Standards of Performance.

- a. Provider promises to adhere to Hospital's established standards and policies for providing exceptional patient care. In addition, Provider shall ensure that its Dentists shall also operate and conduct themselves in accordance with the standards and recommendations of The Joint Commission, all applicable national patient safety goals, and the Bylaws, Rules and Regulations of the Medical Staff, as may then be in effect.
- b. Hospital expressly agrees that the professional services of Provider may be performed by such Dentists as Provider may associate with, so long as Provider has obtained the prior written approval of Hospital. So long as Provider is performing the Services required hereby, its employed or contracted Dentists shall be free to perform private practice at other offices and hospitals. If any of Provider's Dentists are employed by

Provider under the J-1 Visa waiver program, Provider will so advise Hospital, and Provider shall be in strict compliance, at all times during the performance of this Agreement, with all federal laws and regulations governing said program and any applicable state guidelines.

- c. Provider shall maintain professional demeanor and not violate Medical Staff Physician's Code of Conduct.
- d. Provider shall be in compliance with all surgical standards, pre-operative, intra-operative, and post-operative as defined by The Joint Commission.
- e. Provider shall be in one-hundred percent (100%) compliance with active participation with time-out (universal protocol).
- f. Provider shall assist Hospital with improvement of patient satisfaction and performance ratings.
- g. Provider shall perform appropriate clinical documentation.
- h. Dentists shall provide medical services to all Hospital patients without regard to the patient's insurance status or ability to pay in a way that complies with all state and federal laws, including but not limited to the Emergency Medical Treatment and Active Labor Act ("EMTALA").
- i. Provider and all Dentists shall comply with the rules, regulations, policies and directives of Hospital, provided that the same (including, without limitation any and all changes, modifications or amendments thereto) are made available to Provider by Hospital. Specifically, Provider and all Dentists shall comply with all policies and directives related to Just Culture, Ethical Standards, Corporate Compliance/Confidentiality, Dress Code, and any and all applicable policies and/or procedures.
- j. Provider and all Dentists shall comply with Hospital's Affirmative Action/Equal Employment Opportunity Agreement.
- k. The parties recognize that as a result of Hospital's patient mix, Hospital has been required to contract with various groups of physicians to provide on-call coverage for numerous medical specialties. In order to ensure patient coverage and continuity of patient care, in the event Provider requires the services of a medical specialist, Provider shall use its best efforts to contact Hospital's contracted provider of such medical specialist services. However, nothing in this Agreement shall be construed to require the referral by Provider or any Dentist, and in no event is a Dentist required to make a referral under any of the following circumstances: (i) the referral relates to services that are not provided by Dentists within the scope of this Agreement; (ii) the patient expresses a preference for a different provider, practitioner, or supplier; (iii) the patient's insurer or

other third party payor determines the provider, practitioner, or supplier of the applicable service; or (iv) the referral is not in the patient's best medical interests in the Dentist's judgment. The parties agree that this provision concerning referrals by Dentists complies with the rule for conditioning compensation on referrals to a particular provider under 42 C.F.R. 411.354(d)(4) of the federal physician self-referral law, 42 U.S.C. § 1395nn (the "Stark Law").

- l. The disposition of patients for whom medical services have been provided, following such treatment, shall be in the sole discretion of the Dentist(s) performing such treatment. Such Dentist(s) may refer such patients for further treatment as is deemed necessary and in the best interests of such patients. Dentists shall facilitate discharges in an appropriate and timely manner. Dentists will provide the patient's Primary Care Physician or dentist with a discharge summary and such other information necessary to facilitate appropriate post-discharge care. However, nothing in this Agreement shall be construed to require a referral by Provider or any Dentist.
- m. Provider agrees to participate in the Physician Quality Reporting Initiative ("PQRI") established by the Centers for Medicare and Medicaid Services ("CMS") to the extent quality measures contained therein are applicable to the medical services provided by Provider pursuant to this Agreement.
- n. Provider shall meet quarterly with Hospital's Administration to discuss and verify inpatient admission data collections.
- o. Provider shall work in the development and maintenance of key clinical protocols to standardize patient care.
- p. Provider shall maintain at a minimum ninety-five percent (95%) compliance with all applicable core value based measures.
- q. Provider shall maintain a minimum of the fiftieth (50th) percentile for all scores of the HCAHPS surveys applicable to Provider.
- r. Provider shall ensure that all medical record charts will be completed and signed as follows: (i) orders related to patient status and admission must be completed and signed in accordance with the timeframes set forth in the UMC Medical Staff Bylaws, and (ii) all other records must be completed and signed within thirty (30) days of treatment, for patients to whom Services were provided. The thirty (30) days is inclusive of all signatures including any residents and the attending physician.
- s. Provider shall provide a quarterly report to include at a minimum the following: (i) inpatient admissions, (ii) observation admissions, (iii) encounters, (iv) encounters per day, (v) average staffed hours per day, (vi)

frequently used procedure codes, (vii) work RVUs per encounter, (viii) payor mix, and (ix) average length of stay unadjusted for inpatient and observation. Additional statistics may be reasonably requested by Hospital's Administration with notice.

- t. Provider shall be in one hundred percent (100%) compliance with Drug Wastage Policy. Provider shall be in one hundred percent (100%) compliance with patient specific Pyxis guidelines (charge capture), to include retrieval of medication/anesthesia agents.
- u. Provider shall collaborate with Hospital leadership to minimize and address staff and patient complaints. Provider shall participate with Hospital's Administration in staff evaluations and joint operating committees.
- v. Provider shall collaborate with Hospital leadership to minimize and address staff and patient complaints. Provider shall participate with Hospital's Administration in staff evaluations and joint operating committees.
- w. Provider shall participate in clinical staff meetings and conferences, and represent the Services on Hospital's Committees, initiatives, and at Hospital Department meetings as appropriate.
- x. Readmission Rate. Provider shall work with Hospital to reduce the thirty (30) day readmission rate for general and pediatric dental patients to meet the national benchmark criteria.

2.5 Notification Requirements. The representations contained in this Agreement are ongoing throughout the Term. Provider agrees to notify Hospital in writing within three (3) calendar days of any event that occurs that constitutes a breach of the representations and warranties contained in Section 2.3, or elsewhere in this Agreement. Hospital shall, in its discretion, have the right to terminate this Agreement if Provider fails to notify Hospital of such a breach and/or fails to remove any Dentist or Advanced Practice Professional that fails to meet any of the requirements in this Agreement after a period of three (3) calendar days.

2.6 Independent Contractor. In the performance of the work duties and obligations performed by Provider under this Agreement, it is mutually understood and agreed that Provider is at all times acting and performing as an independent contractor practicing the profession of medicine. Hospital shall neither have, nor exercise any, control or direction over the methods by which Provider shall perform its work and functions.

2.7 Industrial Insurance.

- a. As an independent contractor, Provider shall be fully responsible for premiums related to accident and compensation benefits for its Dentists and/or Advanced Practice Professionals, shareholders and/or direct employees as required by the industrial insurance laws of the State of Nevada.
- b. Provider agrees, as a condition precedent to the performance of any work under this Agreement and as a precondition to any obligation of Hospital to make any payment under this Agreement, to provide Hospital with a certificate or sufficient documentation of self-insurance in accordance with the industrial insurance laws of the State of Nevada. Provider agrees to maintain coverage for industrial insurance pursuant to the terms of this Agreement. If Provider does not maintain such coverage, Provider agrees that Hospital may withhold payment, order Provider to stop work, suspend this Agreement or terminate this Agreement.

2.8 Professional Liability Insurance. Provider shall carry professional liability insurance on its Dentists and Advanced Practice Professionals, at its own expense in accordance with the minimums established by the applicable law and the Bylaws, Rules and Regulations of Hospital's Medical Staff. Said insurance shall annually be certified to Hospital and Medical Staff, as necessary.

2.9 Provider's Personal Expenses. Provider shall be responsible for all its personal expenses, and those of any Dentists and Advanced Practice Professionals, including, but not limited to, membership fees, dues and expenses of attending conventions and meetings, except those specifically requested and designated by Hospital.

2.10 Maintenance of Records.

- a. All medical records, histories, charts and other information regarding patients treated or matters handled by Provider hereunder, or any data or databases derived therefrom, shall be the property of Hospital regardless of the manner, media or system in which such information is retained. Provider shall have access to and may copy relevant records upon reasonable notice to Hospital.
- b. Provider shall complete all patient charts in a timely manner in accordance with the standards and recommendations of The Joint Commission and Regulations of the Medical Staff, as may then be in effect.

2.11 Health Insurance Portability and Accountability Act of 1996.

- a. For purposes of this Agreement, "Protected Health Information" shall mean any information, whether oral or recorded in any form or medium, that: (i)

was created or received by either party; (ii) relates to the past, present, or future physical 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 (iii) identifies such individual.

- b. Provider agrees to comply with the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 1320d-1329d-8; 42 U.S.C. 1320d-2) (“HIPAA”), and any current and future regulations promulgated thereunder, including, without limitation, the federal privacy regulations contained in 45 C.F.R. Parts 160 and 164 (the “Federal Privacy Regulations”), the federal security standards contained in 45 C.F.R. Part 142 (the “Federal Security Regulations”), the federal standards for electronic transactions contained in 45 C.F.R. Parts 160 and 162, and all the amendments to HIPAA contained in Subtitle D of the Health Information Technology for Economic and Clinical Health Act (“HITECH”), all collectively referred to as “HIPAA Regulations”. Provider shall preserve the confidentiality of Protected Health Information (“PHI”) it receives from Hospital, and shall be permitted only to use and disclose such information in compliance with the HIPAA Regulations and any applicable state law. Provider agrees to execute such further agreements deemed necessary by Hospital to facilitate compliance with the HIPAA Regulations or any applicable state law. Provider shall make its internal practices, books and records relating to the use and disclosure of PHI available to the Secretary of Health and Human Services to the extent required for determining compliance with the Federal Privacy Regulations. Hospital and Provider shall be an Organized Health Care Arrangement (“OHCA”), as such term is defined in the HIPAA Regulations.
- c. Hospital shall, from time to time, obtain applicable privacy notice acknowledgments and/or authorizations from patients and other applicable persons, to the extent required by law, to permit Hospital, Provider and their respective employees and other representatives, to have access to and use of PHI for purposes of the OHCA. Hospital and Provider shall share a common patient’s PHI to enable the other party to provide treatment, seek payment, and engage in quality assessment and improvement activities, population-based activities relating to improving health or reducing health care costs, case management, conducting training programs, and accreditation, certification, licensing or credentialing activities, to the extent permitted by law or by the HIPAA Regulations.

2.12 UMC Contracted/Non-Employee Requirements Policy. Provider shall ensure that its staff and equipment utilized at Hospital, if any, are at all times in compliance with UMC’s Contracted/Non-Employee Requirements Policy, as amended from time to time, which is incorporated and made a part hereof by this reference.

2.13 Personnel On-Site. Provider shall abide by the relevant compliance policies of Hospital, including its corporate compliance program, Vendor Access Roles and

Responsibilities Policy and Code of Ethics, the relevant portions of which are available to Provider upon request, and Hospital's Vaccine Policy, as may be amended from time to time. Provider's employees, agents, subcontractors and/or healthcare workers who do not abide by Hospital's policies may be barred from physical access to Hospital's premises.

III. HOSPITAL'S OBLIGATIONS

3.1 Space, Equipment and Supplies

- a. Provider shall not have exclusivity over any space or equipment provided with Hospital and shall not use the space or equipment for any purpose not related to the proper functioning of the Services to patients.
- b. Hospital shall make available during the Term of this Agreement such equipment as is determined by Hospital to be required for the proper operation and conduct of the Services. Hospital shall also keep and maintain said equipment in good order and repair.
- c. Hospital shall purchase all necessary supplies for the proper operation of the Services for Provider to meet patient care requirements/needs, and shall keep accurate records of the cost thereof.
- d. Provider shall use supplies, equipment, and products provided by Hospital and shall not require special products without prior written approval by Hospital's Value Analysis Team.

- 3.2 Exclusivity of Services. This Agreement does not preclude an attending physician on Hospital's staff from requesting a specific dentist not a party to this Agreement, to provide a specific procedure or consultation, subject to Provider's right to schedule all department procedures and services and provided that such independent dentist is a member of Hospital's Medical Staff.

IV. BILLING

- 4.1 Direct Billing. Except as otherwise specifically provided herein, Provider shall directly bill patients and/or third party payers for all professional components. Hospital shall make available within thirty (30) days of the date of service the usual social security and insurance information to facilitate direct billing. Provider's access to Hospital's Electronic Health Record system qualifies as availability; provided however, in the event such access or information is unavailable, Hospital shall provide timely response to reasonable requests of Provider for information needed to facilitate such direct billing. Unless specifically agreed to in writing or elsewhere in this Agreement, Hospital is not otherwise responsible for the billing or collection of professional component fees. Provider agrees to maintain a mandatory assignment contract with Medicaid and Medicare.

- 4.2 Fees. Fees will not exceed that which are usual, reasonable and customary for the community. Provider shall furnish a list of these fees upon request of Hospital.
- 4.3 Third Party Payors. If Hospital desires to enter into preferred provider, capitated or other managed care contracts, to the extent permitted by law, Provider agrees to cooperate with Hospital and to attempt to negotiate reasonable rates with such managed care payors.
- 4.4 Compliance. The parties agree to comply with all applicable federal and state statutes and regulations (as well as applicable standards and requirements of non-governmental third-party payors) in connection with Provider's submission of claims and retention of funds for Provider's services (i.e., professional components) provided to patients at Hospital's facilities (collectively "Billing Requirements"). In furtherance of the foregoing and without limiting in any way the generality thereof, Provider agrees:
- a. To use its commercially reasonable efforts to ensure that all claims by Provider for Provider's Services provided to patients at Hospital's facilities are complete and accurate;
 - b. To cooperate and communicate with Hospital in the claim preparation and submission process to avoid inadvertent duplication by ensuring that Provider does not bill for any items or services that has been or will be appropriately billed by Hospital as an item or service provided by Hospital at Hospital's facilities; and
 - c. To keep current on applicable Billing Requirements as the same may change from time to time.

V. COMPENSATION

- 5.1 Compensation for On-Call Services. During the Term of this Agreement and subject to Section 7.6, Hospital will compensate Provider **\$200.00 per day for pediatric dentistry on-call services** or for an annual amount not-to-exceed \$73,000.00, and **\$300.00 per day for general dentistry on-call services** or for an annual amount not-to-exceed \$109,500.00. Payment will be made after the submission of an accurate invoice setting forth with reasonable specificity such days the Services were provided during the previous month. Complete and accurate invoices are due by the first (1st) day of each month. Payment will be made on the third (3rd) Friday of each following month, or if the third (3rd) Friday falls on a holiday, the following Monday. Pediatric dentistry on-call services and general dentistry on-call services will be paid by separate checks.
- 5.2 Time Studies/Payment. The Dentists shall record in hourly increments time spent on the various responsibilities for the Services on a weekly basis, via electronic submission utilizing Hospital's time tracking software, or as otherwise instructed by Hospital from time to time. The Dentists shall submit such time studies to

Hospital's Fiscal Services Department by the twelfth (12th) of each month for the preceding month. Failure to submit the required time study by the twelfth (12th) of each month will delay that month's payment until the time study is received. Provider will be paid on the third (3rd) Friday of each month, or if the third (3rd) Friday falls on a holiday, the following Monday, for the previous month's Services.

- 5.3 Failure to respond to a request for consultation via telephone and/or any failure to report to Hospital upon agreeing to do so in accordance with Section 2.1 of this Agreement will result in a forfeiture of that entire day's fee.
- 5.4 Fair Market Value. The compensation paid under this Agreement has been determined by the parties to be fair market value and commercially reasonable for the Services provided hereunder.

VI. TERM/MODIFICATIONS/TERMINATION

- 6.1 Term of Agreement. This Agreement shall become effective on October 26, 2022, and subject to Section 7.6, shall remain in effect through October 25, 2025 (the "Initial Term") unless terminated earlier pursuant to the terms below. At the end of the Initial Term, this Agreement may be renewed, by written mutual agreement of the parties, for two (2) additional one (1) year periods (each a "Successive Term") (together the Initial Term and any Successive Term(s) shall be referred to as the "Term").
- 6.2 Modifications. Within three (3) calendar days, Provider shall notify Hospital in writing of:
 - a. Any change of address of Provider;
 - b. Any change in membership or ownership of Provider's group or professional corporation.
 - c. Any action against the license of any of Provider's Dentists;
 - d. Any action commenced against Provider which could materially affect this Agreement;
 - e. Any exclusionary action initiated or taken by a federal health care program against Provider;
 - f. Any breach of a representation or warranty as required under Section 2.3; or
 - g. Any other occurrence known to Provider that could materially impair the ability of Provider to carry out its duties and obligations under this Agreement.

6.3 Termination For Cause.

- a. This Agreement shall immediately terminate upon written notice by Hospital, upon the occurrence of any one of the following events:
 - (i) The exclusion of Provider from participation in a federal health care program; or
 - (ii) The expulsion, termination, or suspension of Services by any required Dentist as set forth in Section 1.3, unless a substitute Dentist was agreed to in writing by Hospital prior to such expulsion, termination or suspension.

6.4 Termination Without Cause. Either party may terminate this Agreement, without cause, upon thirty (30) days written notice to the other party. If Hospital terminates this Agreement, Provider waives any cause of action or claim for damages arising out of or related to the termination.

VII. MISCELLANEOUS

7.1 Access to Records. Upon written request of the Secretary of Health and Human Services or the Comptroller General or any of their duly authorized representatives, Provider shall, for a period of four (4) years after the furnishing of any service pursuant to this Agreement, make available to them those contracts, books, documents, and records necessary to verify the nature and extent of the costs of providing its services. If Provider carries out any of the duties of this Agreement through a subcontract with a value or cost equal to or greater than \$10,000 or for a period equal to or greater than twelve (12) months, such subcontract shall include this same requirement. This Section is included pursuant to and is governed by the requirements of the Social Security Act, 42 U.S.C. §1395x (v) (1) (I), and the regulations promulgated thereunder.

7.2 Amendments. No modifications or amendments to this Agreement shall be valid or enforceable unless mutually agreed to in writing by the parties.

7.3 Assignment/Binding on Successors. No assignment of rights, duties or obligations of this Agreement shall be made by either party without the express written approval of a duly authorized representative of the other party. Subject to the restrictions against transfer or assignment as herein contained, the provisions of this Agreement shall inure to the benefit of and shall be binding upon the assigns or successors-in-interest of each of the parties hereto and all persons claiming by, through or under them.

7.4 Audits. The performance of this Agreement by Provider is subject to review by Hospital to ensure Agreement compliance. Provider agrees to provide Hospital with any and all information requested that relates to the performance of this Agreement. All requests for information shall be in writing to Provider. 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 and be cause for suspension and/or termination of this Agreement.

- 7.5 Authority to Execute. The individuals signing this Agreement on behalf of the parties have been duly authorized and empowered to execute this Agreement and by their signatures shall bind the parties to perform all the obligations set forth in this Agreement.
- 7.6 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 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 (30th) day of June of the then current fiscal year. Termination under this Section shall not relieve Hospital of its obligations incurred through the thirtieth (30th) day of June of the fiscal year for which monies were appropriated.
- 7.7 Captions/Gender/Number. The articles, captions, and headings herein are for convenience and reference only and should not be used in interpreting any provision of this Agreement. Whenever the context herein requires, the gender of all words shall include the masculine, feminine and neuter and the number of all words shall include the singular and plural.
- 7.8 Confidential Records. All medical records, histories, charts and other information regarding patients, all Hospital statistical, financial, confidential, and/or personnel records and any data or databases derived therefrom shall be the property of Hospital regardless of the manner, media or system in which such information is retained. All such information received, stored or viewed by Provider shall be kept in the strictest confidence by Provider and its employees and contractors.

In addition, Provider 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. For the avoidance of any doubt, Provider hereby acknowledges that this Agreement will be publicly posted for approval by Hospital's governing body.

- 7.9 Corporate Compliance. Provider recognizes that it is essential to the core values of Hospital that its contractors conduct themselves in compliance with all ethical and legal requirements. Therefore, in performing its Services under this Agreement, Provider agrees at all times to comply with all applicable federal, state and local laws and regulations in effect during the Term hereof and further agrees to use its good faith efforts to comply with the relevant compliance policies of Hospital, including its corporate compliance program and Code of Ethics, the relevant portions of which are available to Provider upon request.
- 7.10 Entire Agreement. This document constitutes the entire agreement between the parties, whether written or oral, and as of the effective date hereof, supersedes all other agreements between the parties which provide for the same services as contained in this Agreement. Accepting modifications or amendments as allowed by the terms of this Agreement, no other agreement, statement, or promise not contained in this Agreement shall be valid or binding.
- 7.11 False Claims Act.
- a. The state and federal False Claims Act statutes prohibit knowingly or recklessly submitting false claims to the Government, or causing others to submit false claims. Providers are required to adhere to the provisions of the False Claims Act as defined in 31 U.S. Code § 3729. Violation of the Federal False Claims Act may result in fines for each false claim, treble damages, and possible exclusion from federally-funded health programs. A Notice Regarding False Claims and Statements is attached to this Agreement as **Attachment 2.**
 - b. Hospital is committed to complying with all applicable laws, including but not limited to Federal and State False Claims statutes. As part of this commitment, Hospital has established and will maintain a Compliance Program. Provider is expected to immediately notify Hospital of any actions by a workforce member which Provider believes, in good faith, violates an ethical, professional or legal standard. Hospital shall treat such information confidentially to the extent allowed by applicable law, and will only share such information on a bona fide need to know basis. Hospital is prohibited by law from retaliating in any way against any individual who, in good faith, reports a perceived problem. The Hospital Compliance Officer can be contacted via email at rani.gill@umcsn.com, by calling 702-383-6211, or through the UMC EthicsPoint hotline located at <http://umcintranet/compliancehotline.html>. Hospital's Medical Staff provider hotline, whose phone number is published within the Physician Link website, is also available for Medical Staff reporting.
- 7.12 Federal, State, Local Laws. Provider will comply with all federal, state and local laws and/or regulations relative to its activities in Clark County, Nevada.

- 7.13 Financial Obligation. Provider shall incur no financial obligation on behalf of Hospital without prior written approval of Hospital or the Board of Hospital Trustees or its designee.
- 7.14 Force Majeure. Neither party shall be liable for any delays or failures in performance due to circumstances beyond its control.
- 7.15 Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Nevada.
- 7.16 Mutual Indemnification. Without waiving the limitations of governmental liability set forth in NRS Chapter 41, which each party intends to assert against any third party claims, to the extent that NRS 41.0305 to NRS 41.039 is applicable to this Agreement and to the extent limited in accordance with NRS 41.0305 to NRS 41.039, Provider shall indemnify, defend, and hold harmless Hospital from and against any and all liabilities, claims, losses, lawsuits, judgments, and/or expenses arising either directly or indirectly from any act or failure to act by Provider or any of its officers, agents or employees, which may occur during or which may arise out of the performance of this Agreement. Without waiving the limitations of governmental liability set forth in NRS Chapter 41, which each party intends to assert against any third party claims, to the extent expressly authorized by Nevada law, Hospital shall indemnify, defend, and hold harmless Provider from and against any and all liabilities, claims, losses, lawsuits, judgments, and/or expenses arising either directly or indirectly from any act or failure to act by Hospital or any of its officers, agents or employees, which may occur during or which may arise out of the performance of this Agreement.
- 7.17 Interpretation. Each party hereto acknowledges that there was ample opportunity to review and comment on this Agreement. This Agreement shall be read and interpreted according to its plain meaning and any ambiguity shall not be construed against either party. It is expressly agreed by the parties that the judicial rule of construction that a document should be more strictly construed against the draftsman thereof shall not apply to any provision of this Agreement.
- 7.18 Non-Discrimination. Provider shall not discriminate against any person on the basis of age, color, disability, sex, handicapping condition (including AIDS or AIDS related conditions), disability, national origin, race, religion, sexual orientation, gender identity or expression, or any other class protected by law or regulation.
- 7.19 Notices. All notices required under this Agreement shall be in writing and shall either be served personally or sent by certified mail, return receipt requested or by electronic mail. All mailed notices shall be deemed received three (3) days after mailing. Notices shall be mailed to the following addresses or such other address as either party may specify in writing to the other party:

To Hospital: University Medical Center of Southern Nevada
Attn: Chief Executive Officer
1800 West Charleston Boulevard
Las Vegas, Nevada 89102

To Provider: University of Nevada, Las Vegas School of Dental Medicine
Attn: Interim Dean James K. Mah
1001 Shadow Lane
Las Vegas, Nevada 89106

With Copy to: Director of Purchasing
Attn: Sharrie Mayden
University of Nevada, Las Vegas
4505 South Maryland Parkway, Box 451033
Las Vegas, Nevada 89154

- 7.20 Publicity. Neither Hospital nor Provider 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.
- 7.21 Performance. Time is of the essence in this Agreement.
- 7.22 Severability. In the event any provision of this Agreement is rendered invalid or unenforceable, said provision(s) hereof will immediately be void and may be renegotiated for the sole purpose of rectifying the error. The remainder of the provisions of this Agreement not in question shall remain in full force and effect.
- 7.23 Third Party Interest/Liability. This Agreement is entered into for the exclusive benefit of the undersigned parties and is not intended to create any rights, powers or interests in any third party. Hospital and/or Provider, including any of their respective officers, directors, employees or agents, shall not be liable to third parties by any act or omission of the other party.
- 7.24 Waiver. A party's failure to insist upon strict performance of any covenant or condition of this Agreement, or to exercise any option or right herein contained, shall not act as a waiver or relinquishment of said covenant, condition or right nor as a waiver or relinquishment of any future right to enforce such covenant, condition or right.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

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

| PROVIDER: | HOSPITAL: |
|---|--|
| <p>THE BOARD OF REGENTS OF THE NEVADA SYSTEM OF HIGHER EDUCATION, on behalf of UNIVERSITY OF NEVADA, LAS VEGAS SCHOOL OF DENTAL MEDICINE</p> <p>Recommended by:</p> <p>_____ George J. McAlpine, DDS, MS Director of General Practice Residency</p> <p>_____ William Buhler, DDS MS Director of Advanced Education Program Pediatric Dentistry</p> <p>_____ Dr. James Mah, DMSc, MS, DDS, BS, PhD Interim Dean, School of Dental Medicine</p> <p>_____ Jean M. Vock Senior Vice President/CFO</p> <p>Approved by:</p> <p>_____ Chris L. Heavey, Ph.D. Executive Vice President & Provost</p> | <p>UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA</p> <p>By: _____ Mason Van Houweling Chief Executive Officer</p> <p>Date: _____</p> |

**ATTACHMENT 1
LIST OF PROVIDER DENTISTS**

GPR Faculty

George J. McAlpine, DDS, MS, Director of General Practice Residency
John Gallob, DMD, Deputy Director, GPR

GPR 2022-2023 Residents On Call

Andrew Bower, DMD
Natalie Djansezian, DMD
Margaret Lotowski, DMD
Janice Mach, DMD
Katherine Paulett, DMD
Katarina Behla, DDS

Pediatric Faculty

William Buhler D.D.S., Director of Advanced Education Program Pediatric Dentistry
Lee Roundy
Victoria Sullivan
Manny Rapp
Jeremy Manuele
Larry Hon
Michael Saxe

Pediatric Dental Residents On Call

Melika Shayegh
Justin Vo
Pranetti Sodhi
Audrey Morris
Jacob Ozuna
Andrew Graves
Tatiana Alhwayak
Arash Farhadian
Katelyn Hendricks
Anna Ibberson
Eric Ochoa
Austin Williams

ATTACHMENT 2

NOTICE OF FALSE CLAIMS AND STATEMENTS

UMC's Compliance Program demonstrates its commitment to ethical and legal business practices and ensures service of the highest level of integrity and concern. UMC's Compliance Department provides UMC compliance oversight, education, reporting, investigations and resolution. It conducts routine, independent audits of UMC's business practices and undertakes regular compliance efforts relating to local, state and federal regulatory standards. It is our expectation that as a physician, business associate, contractor, vendor, or agent, your business practices are committed to the same ethical and legal standards.

The purpose of this Notice is to educate you regarding the federal and state false claims statutes and the role of such laws in preventing and detecting fraud, waste, and abuse in federally funded health care programs. As a Medical Staff Member, Vendor, Contractor and/or Agent, you and your employees must abide by UMC's policies insofar as they are relevant and applicable to your interaction with UMC. Additionally, providers found in violation of any regulations regarding false claims or fraudulent acts are subject to exclusion, suspension, or termination of their provider status for participation in federally funded healthcare programs.

Federal False Claims Act

The Federal False Claims Act (the "Act") applies to persons or entities that knowingly submit, cause to be submitted, conspire to submit a false or fraudulent claim, or use a false record or statement in support of a claim for payment to a federally-funded program. The Act applies to all claims submitted by a healthcare provider to a federally funded healthcare program, such as Medicare and Medicaid.

Liability under the Act attaches to any person or organization who, among other actions, "knowingly":

- Presents a false/fraudulent claim for payment/approval;
- Makes or uses a false record or statement to get a false/fraudulent claim paid or approved by the government;
- Conspires to defraud the government by getting a false/fraudulent claim paid/allowed;
- Provides less property or equipment than claimed; or
- Makes or uses a false record to conceal/decrease an obligation to pay/provide money/property.

"Knowingly" means a person has: 1) actual knowledge the information is false; 2) acts in deliberate ignorance of the truth or falsity of the information; or 3) acts in reckless disregard of the truth or falsity of the information. No proof of intent to defraud is required.

A "claim" includes any request/demand (whether or not under a contract), for money/property if the US Government provides/reimburses any portion of the money/property being requested or demanded.

For knowing violations, a civil monetary penalty can be imposed pursuant to the federal False Claims Act, 31 U.S.C. § 3729(a), adjusted as set forth in 28 CFR 85 in accordance with the requirements of the Bipartisan Budget Act of 2015, plus three times (3x) the value of the claim and the costs of any civil action brought. If a provider unknowingly accepts payment in excess of the amount entitled to, the provider may also be required to repay the excess amount.

Criminal penalties are imprisonment for a maximum five (5) years; a maximum fine of \$25,000; or both.

Nevada State False Claims Act

Nevada has a state version of the False Claims Act that mirrors many of the federal provisions. A person is liable under state law, if they, with or without specific intent to defraud, "knowingly:"

- presents or causes to be presented a false claim for payment or approval;

- makes or uses, or causes to be made or used, a false record/statement to obtain payment/approval of a false claim;
- conspires to defraud by obtaining allowance or payment of a false claim;
- has possession, custody or control of public property or money and knowingly delivers or causes to be delivered to the State or a political subdivision less money or property than the amount for which he receives a receipt;
- is authorized to prepare or deliver a receipt for money/property to be used by the State/political subdivision and knowingly prepares or delivers a receipt that falsely represents the money/property;
- buys or receives as security for an obligation, public property from a person who is not authorized to sell or pledge the property; or
- makes, uses, or causes to be made or used, a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the state/political subdivision.

Under state law, a person may also be liable if they are a beneficiary of an inadvertent submission of a false claim to the state, subsequently discovers that the claim is false, and fails to disclose the false claim to the state within a reasonable time after discovery of the false claim.

Civil penalties imposed pursuant to the State False Claims Act for each act correspond to any adjustments in the monetary amount of a civil penalty for a violation of the federal False Claims Act, 31 U.S.C. § 3729(a), plus three times (3x) the amount of damages sustained by the State/political subdivision and the costs of a civil action brought to recover those damages.

Criminal penalties where the value of the false claim(s) is less than \$250, are six (6) months to one (1) year imprisonment in the county jail; a maximum fine of \$1,000 to \$2,000; or both. If the value of the false claim(s) is greater than \$250, the penalty is imprisonment in the state prison from one (1) to four (4) years and a maximum fine of \$5,000.

Non-Retaliation/Whistleblower Protections

Both the federal and state false claims statutes protect employees from retaliation or discrimination in the terms and conditions of their employment based on lawful acts done in furtherance of an action under the Act. UMC policy strictly prohibits retaliation, in any form, against any person making a report, complaint, inquiry, or participating in an investigation in good faith.

An employer is prohibited from discharging, demoting, suspending, harassing, threatening, or otherwise discriminating against an employee for reporting on a false claim or statement or for providing testimony or evidence in a civil action pertaining to a false claim or statement. Any employer found in violation of these protections will be liable to the employee for all relief necessary to correct the wrong, including, if needed:

- reinstatement with the same seniority; or
- damages in lieu of reinstatement, if appropriate; and
- two times the lost compensation, plus interest; and
- any special damage sustained; and
- punitive damages, if appropriate.

Reporting Concerns Regarding Fraud, Waste, Abuse and False Claims

Anyone who suspects a violation of federal or state false claims provisions is required to notify the Compliance Officer. This can be done anonymously via the EthicsPoint Hotline at (888) 691-0772, via the UMC EthicsPoint Website at <http://www.goldenegg.ethicspoint.com>, or by contacting the UMC Compliance Officer at Rani.Gill@umcsn.com or (702) 383-6211.

Retaliation for reporting, in good faith, actual or potential violations or problems, or for cooperating in an investigation is expressly prohibited by UMC policy.

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

| | | |
|---|---|---------------------|
| Issue: | Amended and Restated Professional Services Agreement (Neurological Surgery and Neurological Spine Surgery) with Duke Forage Anson Neurosurgical, LLP | Back-up: |
| Petitioner: | Jennifer Wakem, Chief Financial Officer | Clerk Ref. # |
| Recommendation: That the Governing Board Audit and Finance Committee review and recommend for approval by the Governing Board the Amended and Restated Professional Services Agreement for Neurological Surgery and Neurological Spine Surgery On-Call Coverage with Duke Forage Anson Neurosurgical, LLP; authorize the Chief Executive Officer to exercise any extension options; or take action as deemed appropriate. <i>(For possible action)</i> | | |

FISCAL IMPACT:

Fund Number: 5420.000

Fund Name: UMC Operating Fund

Fund Center: 3000723000

Funded Pgm/Grant: N/A

Description: Neurological Surgery and Neurological Spine Surgery On-Call Services

Bid/RFP/CBE: NRS 332.115.1(b) – Professional Services

Term: 11/1/2022 to 10/31/2025 with two, 1-year options

Amount:

Neurological Surgery – \$3,000 per day for on-call services; NTE \$1,095,000 per year or NTE potential aggregate of \$5,475,000 for five (5) years

Neurological Spine Surgery – \$1,000 per day for on-call services; NTE \$365,000 per year or NTE potential aggregate of \$1,825,000 for five (5) years

Combined yearly total is \$ 1,460,000 for five (5) years

Out Clause: 30 days w/o cause

BACKGROUND:

On September 1, 2020, UMC and Duke Forage Anson Neurosurgical, LLP (“Provider”) entered into a Professional Services Agreement for neurological surgery on-call services (“Prior Agreement”). The Term of the Prior Agreement is through August 31, 2023.

Cleared for Agenda
October 19, 2022

Agenda Item #

17

This request is to enter into an Amended and Restated Professional Services Agreement for group physician on-call coverage (“Agreement”) with Provider to provide neurological surgery and neurological spine surgery services (“Services”) to supersede the Prior Agreement.

Provider will provide 24/7 consultative, emergency and on-call neurological surgery and neurological spine surgery services for UMC’s inpatients and outpatients, including Emergency Department and Trauma Department patients, in accordance with the call schedule maintained by Medical Staff. Staff also requests authorization for the Hospital CEO, at the end of the initial Term, to exercise the extension options at his discretion if deemed beneficial to UMC.

UMC will compensate Provider \$3,000 per day or a NTE total of \$1,095,000 per year for neurological surgery on-call services and \$1,000 per day or a NTE total of \$365,000 per year for neurological spine surgery on-call services from November 1, 2022 through October 31, 2025, with the option to extend for two, 1-year periods. Either party may terminate this Agreement with a 30-day written notice to the other.

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

Provider currently holds a Clark County business license.

**AMENDED AND RESTATED PROFESSIONAL SERVICES AGREEMENT
(Group Physician On-Call Coverage)**

This Amended and Restated Professional Services Agreement (the "Agreement"), is made and entered into this 26th day of October 2022, 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 **Duke Forage Anson Neurosurgical, LLP**, a Nevada professional corporation with its principal place of business at 861 Coronado Center Drive, Suite 200, Henderson, Nevada 89052 (hereinafter referred to as "Provider");

WHEREAS, Hospital is the operator of a Surgery Department (the "Department") located in Hospital which requires certain Services (as defined below);

WHEREAS, Provider, through and by its Member Physicians (as defined below), have been contracted with Hospital to provide neurological surgery services pursuant to that certain Professional Services Agreement effective September 1, 2020 (the "Prior Agreement");

WHEREAS, Hospital and Provider desire to enter into this Agreement to replace and supersede the Prior Agreement for neurological surgery services for Hospital upon the terms and conditions set forth in this Agreement; and

WHEREAS, Provider desires to contract for and provide said Services in the specialty of neurological surgery and neurological spine surgery, as more specifically described herein.

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

I. DEFINITIONS

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

- 1.1 Advanced Practice Professionals. Individuals other than a licensed physician, medical doctor ("M.D."), doctor of osteopathy ("D.O."), chiropractor, or dentist who exercise independent or dependent judgment within the areas of their scope of practice and who are qualified to render patient care services under the supervision of a qualified physician who have been accorded privileges to provide such care in Hospital.
- 1.2 Clinical Services. Services performed for the diagnosis, prevention or treatment of disease or for assessment of a medical condition, including but not limited to neurological surgery and neurological spine surgery.
- 1.3 Department. Unless the context requires otherwise, Department refers to Hospital's Department of Surgery.
- 1.4 Medical Staff. The Medical and Dental Staff of University Medical Center of Southern Nevada.

- 1.5 Member Physician(s). Physician(s) mutually appointed by Provider and Hospital (as listed on Exhibit A and which shall be subject to change from time to time) to provide Services pursuant to this Agreement.
- 1.6 On-Call Services. Emergency and on-call neurological surgery and neurological spine surgery services to Hospital's inpatients and outpatients, twenty-four (24) hours per day/seven (7) days per week in accordance with the neurological surgery and neurological spine surgery rotation schedule maintained by the Medical Staff.

II. PROVIDER'S OBLIGATIONS

- 2.1 Services. Provider shall deliver to the Department and Hospital certain On-Call Services and Clinical Services (collectively the "Services"), as more specifically described on Exhibit A, attached hereto and incorporated herein by reference.

Member Physicians shall be required to submit monthly time records which detail with reasonable specificity, the time spent performing the Services as further described in Section 5.2.

- 2.2 Medical Staff Appointment.

- a. Member Physicians employed or contracted by Provider shall at all times hereunder, be members in good standing of Hospital's Medical Staff with appropriate clinical credentials and appropriate Hospital privileging. Any of Provider's Member Physicians who fail to maintain staff appointment of clinical privileges in good standing will not be permitted to render the Services and will be replaced promptly by Provider. Provider shall replace a Member Physician who is suspended, terminated or expelled from Hospital's Medical Staff, loses his/her license to practice medicine, tenders his/her resignation, or violates the terms and conditions required of this Agreement, including but not limited to those representations set forth in Section 2.3 below. In the event Provider replaces or adds a Member Physician, such new Member Physician shall meet all of the conditions set forth herein, and shall agree in writing to be bound by the terms of this Agreement. In the event an appointment to the Medical Staff is granted solely for purposes of this Agreement, such appointment shall automatically terminate upon termination of this Agreement.
- b. Provider shall be fully responsible for the performance and supervision of any of its Member Physicians or others under its direction and control, in the performance of Services under this Agreement.
- c. Advanced Practice Professionals employed or utilized by Provider, if any, must apply for privileges and remain in good standing in accordance with the University Medical Center of Southern Nevada Advanced Practice Professionals Manual.
- d. If Provider is unavailable to provide the Services when assigned and requests substitute coverage, upon Hospital's prior written consent, Provider shall arrange for an alternate practitioner of Hospital's Medical Staff with equivalent privileges who is appropriately credentialed for the specific service line to provide the

Services.

2.3 Representations of Provider and Member Physicians.

- a. Provider represents and warrants that it:
 - i. holds an active business license with Clark County and is currently in good standing with the Nevada Secretary of State and Department of Taxation;
 - ii. has never been excluded or suspended from participation in, or sanctioned by, a federal or state health care program;
 - iii. has never been convicted of a felony or misdemeanor involving fraud, dishonesty, moral turpitude, controlled substances or any crime related to the provision of medical services;
 - iv. at all times will comply with all applicable laws and regulations in the performance of the Services;
 - v. is not restricted under any third party agreement from performing the obligations under this Agreement;
 - vi. has not materially misrepresented or omitted any facts necessary for Hospital to analyze service level requirements (i.e., FTEs) and compensation paid hereunder; and
 - vii. will comply with the Standards of Performance, attached hereto as **Exhibit B** and incorporated by reference.

- b. Provider, on behalf of each Member Physicians (and Advanced Practice Professionals as applicable), represents and warrants that he or she:
 - i. is Board Certified or Board Eligible (pursuant to the Medical Staff's delineation of privileges) in Neurosurgery;
 - ii. possesses an active license to practice medicine from the State of Nevada which is in good standing;
 - iii. has an active and unrestricted license to prescribe controlled substances with the Drug Enforcement Agency and a Nevada Board of Pharmacy registration;
 - iv. is not and/or has never been subject to any agreement or understanding, written or oral, that he or she will not engage in the practice of medicine, either temporarily or permanently;
 - v. has never been excluded or suspended from participation in, or sanctioned by, a federal or state health care program;
 - vi. has never been convicted of a felony or misdemeanor involving fraud, dishonesty, moral turpitude, controlled substances or any crime related to the provision of medical services;
 - vii. has never been denied membership or reappointment to the medical staff of any hospital or healthcare facility;
 - viii. at all times will comply with all applicable laws and regulations in the performance of the Services;
 - ix. is not restricted under any third party agreement from performing the obligations under this Agreement; and
 - x. will comply with the Standards of Performance, attached hereto as **Exhibit B** and incorporated by reference.

- 2.4 Notification Requirements. The representations contained in this Agreement are ongoing throughout the Term. Provider agrees to notify Hospital in writing within three (3) calendar days of any event that occurs that constitutes a breach of the representations and warranties contained in Section 2.3, or elsewhere in this Agreement. Hospital shall, in its discretion, have the right to terminate this Agreement if Provider fails to notify Hospital of such a breach and/or fails to remove any Member Physician or Advanced Practice Professional that fails to meet any of the requirements in this Agreement after a period of three (3) calendar days.
- 2.5 Independent Contractor. In the performance of the work duties and obligations performed by Provider under this Agreement, it is mutually understood and agreed that Provider is at all times acting and performing as an independent contractor practicing the profession of medicine. Hospital shall neither have, nor exercise any, control or direction over the methods by which Provider shall perform its work and functions.
- 2.6 Industrial Insurance.
- a. As an independent contractor, Provider shall be fully responsible for premiums related to accident and compensation benefits for its Member Physicians and/or Advanced Practice Professionals, shareholders and/or direct employees as required by the industrial insurance laws of the State of Nevada.
 - b. Provider agrees, as a condition precedent to the performance of any work under this Agreement and as a precondition to any obligation of Hospital to make any payment under this Agreement, to provide Hospital with a certificate issued by the appropriate entity in accordance with the industrial insurance laws of the State of Nevada. Provider agrees to maintain coverage for industrial insurance pursuant to the terms of this Agreement. If Provider does not maintain such coverage, Provider agrees that Hospital may withhold payment, order Provider to stop work, suspend this Agreement or terminate this Agreement.
- 2.7 Professional Liability Insurance. Provider shall carry professional liability insurance on its Member Physicians and Advanced Practice Professionals, at its own expense in accordance with the minimums required by applicable law. Said insurance shall annually be certified to Hospital and Medical Staff, as necessary.
- 2.8 Provider's Personal Expenses. Provider shall be responsible for all of Provider's personal expenses, and those of any Member Physicians and Advanced Practice Professionals, including, but not limited to, membership fees, dues and expenses of attending conventions and meetings, except those specifically requested and designated by Hospital.
- 2.9 Maintenance of Records.
- a. All medical records, histories, charts and other information regarding patients treated or matters handled by Provider hereunder, or any data or databases derived therefrom, shall be the property of Hospital regardless of the manner, media or system in which such information is retained. Provider shall have access to and may copy relevant records upon reasonable notice to Hospital.

- b. Provider shall complete all patient charts in a timely manner in accordance with the standards and recommendations of The Joint Commission and Regulations of the Medical Staff, as may then be in effect.

2.10 Health Insurance Portability and Accountability Act of 1996.

- a. For purposes of this Agreement, "Protected Health Information" shall mean any information, whether oral or recorded in any form or medium, that: (i) was created or received by either party; (ii) relates to the past, present, or future physical 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 (iii) identifies such individual.
- b. Provider agrees to comply with the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 1320d-1329d-8; 42 U.S.C. 1320d-2) ("HIPAA"), and any current and future regulations promulgated thereunder, including, without limitation, the federal privacy regulations contained in 45 C.F.R. Parts 160 and 164 (the "Federal Privacy Regulations"), the federal security standards contained in 45 C.F.R. Part 142 (the "Federal Security Regulations"), the federal standards for electronic transactions contained in 45 C.F.R. Parts 160 and 162, and all the amendments to HIPAA contained in Subtitle D of the Health Information Technology for Economic and Clinical Health Act ("HITECH"), all collectively referred to as "HIPAA Regulations". Provider shall preserve the confidentiality of Protected Health Information ("PHI") it receives from Hospital, and shall be permitted only to use and disclose such information in compliance with the HIPAA Regulations and any applicable state law. Provider agrees to execute such further agreements deemed necessary by Hospital to facilitate compliance with the HIPAA Regulations or any applicable state law. Provider shall make its internal practices, books and records relating to the use and disclosure of PHI available to the Secretary of Health and Human Services to the extent required for determining compliance with the Federal Privacy Regulations. Hospital and Provider shall be an Organized Health Care Arrangement ("OHCA"), as such term is defined in the HIPAA Regulations.
- c. Hospital shall, from time to time, obtain applicable privacy notice acknowledgments and/or authorizations from patients and other applicable persons, to the extent required by law, to permit Hospital, Provider and their respective employees and other representatives, to have access to and use of PHI for purposes of the OHCA. Hospital and Provider shall share a common patient's PHI to enable the other party to provide treatment, seek payment, and engage in quality assessment and improvement activities, population-based activities relating to improving health or reducing health care costs, case management, conducting training programs, and accreditation, certification, licensing or credentialing activities, to the extent permitted by law or by the HIPAA Regulations.

2.11 UMC Contracted/Non-Employee Requirements Policy. Provider shall ensure that its staff and equipment utilized at Hospital, if any, are at all times in compliance with UMC's

Contracted/Non-Employee Requirements Policy, as amended from time to time, which is incorporated and made a part hereof by this reference.

- 2.12 Personnel On-Site. Provider shall abide by the relevant compliance policies of Hospital, including its corporate compliance program, Vendor Access Roles and Responsibilities Policy and Code of Ethics, the relevant portions of which are available to Provider upon request, and Hospital's Vaccine Policy, as may be amended from time to time. Provider's employees, agents, subcontractors and/or healthcare workers who do not abide by Hospital's policies may be barred from physical access to Hospital's premises.

III. HOSPITAL'S OBLIGATIONS

3.1 Space, Equipment and Supplies.

- a. Hospital shall provide space within Hospital for Provider to perform the Services under this Agreement (excluding Provider's private office space); however, Provider shall not have exclusivity over any space or equipment provided therein and shall not use the space or equipment for any purpose not related to the proper functioning of the Department.
- b. Hospital shall make available during the Term of this Agreement such equipment as is determined by Hospital to be required for the proper operation and conduct of the Department. Hospital shall also keep and maintain said equipment in good order and repair.
- c. Hospital shall purchase all necessary supplies for the proper operation of the Department and shall keep accurate records of the cost thereof.

- 3.2 Hospital Services. Hospital shall provide the services of other Hospital departments required for the provision of Services, including but not limited to, Accounting, Administration, Engineering, Human Resources, Materials Management, Medical Records and Nursing related to the provisions of the Clinical Services.

- 3.3 Personnel. Other than Member Physicians and Advanced Practice Professionals, all personnel required for the proper operation of the Department shall be employed by Hospital. The selection and retention of such personnel shall be in cooperation with Provider, but Hospital shall have final authority with respect to such selection and retention. Salaries and personnel policies for persons within personnel classifications used in the Department shall be uniform with other Hospital personnel in the same classification insofar as may be consistent with the recognized skills and/or hazards associated with that position, providing that recognition and compensation may be altered or different for personnel with special qualifications in accordance with the personnel policies of Hospital.

IV. BILLING

- 4.1 Direct Billing. Except as otherwise specifically provided herein, Provider shall directly bill patients and/or third party payers for all professional components. Hospital shall make available within thirty (30) days of the date of service the usual social security and insurance information to facilitate direct billing. Provider access to Hospital's Electronic

Health Record system qualifies as availability. Unless specifically agreed to in writing or elsewhere in this Agreement, Hospital is not otherwise responsible for the billing or collection of professional component fees. Provider agrees to maintain a mandatory assignment contract with Medicaid and Medicare.

- 4.2 Fees. Fees to patients and their insurers will not exceed that which are usual, reasonable and customary for the community. Provider shall furnish a list of these fees upon request of Hospital.
- 4.3 Third Party Payors. If Hospital desires to enter into a preferred provider, capitated or other managed care contracts, to the extent permitted by law, Provider agrees to cooperate with Hospital and to attempt to negotiate reasonable rates with such managed care payors.
- 4.4 Compliance. Provider agrees to comply with all applicable federal and state statutes and regulations (as well as applicable standards and requirements of non-governmental third-party payors) in connection with Provider's submission of claims and retention of funds for Provider's services (i.e., professional components) provided to patients at Hospital's facilities (collectively "Billing Requirements"). In furtherance of the foregoing and without limiting in any way the generality thereof, Provider agrees:
- a. To use its commercially reasonable efforts to require that all claims by Provider for Provider's services delivered to patients at Hospital's facilities are complete and accurate;
 - b. To cooperate and communicate with Hospital in the claim preparation and submission process to avoid inadvertent duplication by ensuring that Provider does not bill for any items or services that has been or will be appropriately billed by Hospital as an item or service provided by Hospital at Hospital's facilities; and
 - c. To keep current on applicable Billing Requirements as the same may change from time to time.

V. COMPENSATION

- 5.1 Compensation for Services. During the Term of this Agreement and subject to Section 7.5, Hospital will compensate Provider **\$3,000 per day for Neurological Surgery On-Call Services** or for an annual amount not-to-exceed \$1,095,000 and **\$1,000 per day for Neurological Spine Surgery On-Call Services** or for an annual amount not-to-exceed \$365,000. Payment will be made after the submission of an accurate invoice setting forth with reasonable specificity such days the Services were provided during the previous month and verification of time submitted pursuant to Section 5.2. Complete and accurate invoices are due by the first (1st) day of each month. Payment will be made on the third (3rd) Friday of each following month, or if the third (3rd) Friday falls on a holiday, the following Monday. Clinical Services (which are directly billed by Provider pursuant to Section 4.1) are not separately compensated.
- 5.2 Time Tracking. Member Physicians shall record their time for the On-Call Services via electronic submission utilizing Hospital's time tracking software, or as otherwise instructed by Hospital from time to time.

- 5.3 Failure to respond to a request for consultation via telephone and/or any failure to report to Hospital upon agreeing to do so, in accordance with **Exhibit A**, On-Call Services, subsection (c) of this Agreement will result in a forfeiture of that entire day's fee.
- 5.4 Fair Market Value. The compensation paid under this Agreement has been determined by the parties to be fair market value and commercially reasonable for the Services provided hereunder.

VI. TERM/MODIFICATIONS/TERMINATION

- 6.1 Term of Agreement. This Agreement shall become effective on November 1, 2022, and subject to Section 7.5, shall remain in effect through 11:59 p.m. on October 31, 2025 (the "Initial Term"). At the end of the Initial Term, Hospital has the option to extend this Agreement for two (2) additional one-year periods (each a "Successive Term") (together the Initial Term and any Successive Term(s) shall be referred to as the "Term").
- 6.2. Modifications. Within three (3) calendar days, Provider shall notify Hospital in writing of:
- a. Any change of address of Provider;
 - b. Any change in membership or ownership of Provider's group or professional corporation;
 - c. Any action against the license of any of Provider's Member Physicians;
 - d. Any breach of a representation or warranty as required under Section 2.3; or
 - e. Any other occurrence known to Provider that could materially impair the ability of Provider to carry out its duties and obligations under this Agreement.
- 6.3 Termination For Cause.
- a. This Agreement shall immediately terminate upon the occurrence of any one of the following events:
 - i. The exclusion of Provider from participation in any federal health care program; or
 - ii. The termination of Services by any required Member Physician(s) as set forth in Section 1.5, unless a substitute Member Physician was agreed to in writing by Hospital prior to such termination.
 - b. This Agreement may be terminated by Hospital with written notice, upon the occurrence of any one of the following events which has not been remedied within thirty (30) days (or such earlier time period required under this Agreement) after written notice of said breach:

- i. Professional misconduct by any of Provider's Member Physicians or Advanced Practice Professionals as determined by the Bylaws, Rules and Regulations of the Medical Staff and the appeal processes thereunder wherein such Member Physician or Advanced Practice Professional is not timely removed by Provider;
 - ii. Conduct by any of Provider's Member Physicians or Advanced Practice Professionals which demonstrates an inability to work with others in the institution and such behavior presents a real and substantial danger to the quality of patient care provided at the facility as determined by Hospital or Medical Staff. Upon notice and request by Hospital, Provider shall remove such Member Physician or Advanced Practice Professional from performing any further Services hereunder and will continue to provide adequate staffing for the Services;
 - iii. Disputes among the Member Physicians, partners, owners, principals, or of Provider's group or professional corporation that, in the reasonable discretion of Hospital, are determined to disrupt the provision of good patient care;
 - iv. Absence of any Member Physician required for the provision of Services hereunder, by reason of illness or other cause, for a period of ninety (90) days, unless adequate coverage is furnished by Provider. Such adequacy will be determined by Hospital; or
 - v. Breach of any material term or condition of this Agreement; provided the same is not subject to earlier termination elsewhere under this Agreement.
- c. This Agreement may be terminated by Provider at any time with thirty (30) days written notice, upon the occurrence of any one of the following events which has not been remedied within said thirty (30) days written notice of said breach:
- i. The exclusion of Hospital from participation in a federal health care program;
 - ii. The loss or suspension of Hospital's licensure or any other certification or permit necessary for Hospital to provide services to patients;
 - iii. The failure of Hospital to maintain full accreditation by The Joint Commission;
 - iv. Failure of Hospital to compensate Provider in a timely manner as set forth in Section V, above; or
 - v. Breach of any material term or condition of this Agreement.

6.4 Termination Without Cause. Either party may terminate this Agreement, without cause, upon thirty (30) days written notice to the other party. If Hospital terminates this

Agreement, Provider waives any cause of action or claim for damages arising out of or related to the termination.

VII. MISCELLANEOUS

- 7.1 Access to Records. Upon written request of the Secretary of Health and Human Services or the Comptroller General or any of their duly authorized representatives, Provider shall, for a period of four (4) years after the furnishing of any service pursuant to this Agreement, make available to them those contracts, books, documents, and records necessary to verify the nature and extent of the costs of providing its services. If Provider carries out any of the duties of this Agreement through a subcontract with a value or cost equal to or greater than \$10,000 or for a period equal to or greater than twelve (12) months, such subcontract shall include this same requirement. This Section is included pursuant to and is governed by the requirements of the Social Security Act, 42 U.S.C. Section 1395x (v) (1) (I), and the regulations promulgated thereunder.
- 7.2 Amendments. No modifications or amendments to this Agreement shall be valid or enforceable unless mutually agreed to in writing by the parties.
- 7.3 Assignment/Binding on Successors. No assignment of rights, duties or obligations of this Agreement shall be made by either party without the express written approval of a duly authorized representative of the other party. Subject to the restrictions against transfer or assignment as herein contained, the provisions of this Agreement shall inure to the benefit of and shall be binding upon the assigns or successors-in-interest of each of the parties hereto and all persons claiming by, through or under them.
- 7.4 Authority to Execute. The individuals signing this Agreement on behalf of the parties have been duly authorized and empowered to execute this Agreement and by their signatures shall bind the parties to perform all the obligations set forth in this Agreement.
- 7.5 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 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 (30th) day of June of the then current fiscal year. Termination under this Section shall not relieve Hospital of its obligations incurred through the thirtieth (30th) day of June of the fiscal year for which monies were appropriated.
- 7.6 Captions/Gender/Number. The articles, captions, and headings herein are for convenience and reference only and should not be used in interpreting any provision of this Agreement. Whenever the context herein requires, the gender of all words shall include the masculine, feminine and neuter and the number of all words shall include the singular and plural.

- 7.7 Confidential Records. All medical records, histories, charts and other information regarding patients, all Hospital statistical, financial, confidential, and/or personnel records and any data or databases derived therefrom shall be the property of Hospital regardless of the manner, media or system in which such information is retained. All such information received, stored or viewed by Provider shall be kept in the strictest confidence by Provider and its employees and contractors.

In addition, Provider 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 Provider has claimed to be confidential and proprietary, Hospital will immediately notify Provider of such demand and Provider shall immediately notify Hospital of its intention to seek injunctive relief in a Nevada court for protective order. Provider 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 Provider documents in Hospital's custody and control in which Provider claims to be confidential and proprietary. For the avoidance of any doubt, Provider hereby acknowledges that this Agreement will be publicly posted for approval by Hospital's governing body.

- 7.8 Corporate Compliance. Provider recognizes that it is essential to the core values of Hospital that its contractors conduct themselves in compliance with all ethical and legal requirements. Therefore, in performing its Services under this Agreement, Provider agrees at all times to comply with all applicable federal, state and local laws and regulations in effect during the Term hereof and further agrees to use its good faith efforts to comply with the relevant compliance policies of Hospital, including its corporate compliance program and Code of Ethics, the relevant portions of which are available to Provider upon request.

- 7.9 Entire Agreement. This document constitutes the entire agreement between the parties, whether written or oral, and as of the effective date hereof, supersedes all other agreements between the parties which provide for the same services as contained in this Agreement. Accepting modifications or amendments as allowed by the terms of this Agreement, no other agreement, statement, or promise not contained in this Agreement shall be valid or binding.

- 7.10 False Claims Act.

- a. The state and federal False Claims Act statutes prohibit knowingly or recklessly submitting false claims to the Government, or causing others to submit false claims. Providers are required to adhere to the provisions of the False Claims Act as defined in 31 U.S. Code § 3729. Violation of the Federal False Claims Act may result in fines for each false claim, treble damages, and possible exclusion from federally-funded health programs. A Notice Regarding False Claims and Statements is attached to this Agreement as Attachment 1.
- b. Hospital is committed to complying with all applicable laws, including but not limited to Federal and State False Claims statutes. As part of this commitment, Hospital has established and will maintain a Compliance Program. Provider is

expected to immediately notify Hospital of any actions by a workforce member which Provider believes, in good faith, violates an ethical, professional or legal standard. Hospital shall treat such information confidentially to the extent allowed by applicable law, and will only share such information on a bona fide need to know basis. Hospital is prohibited by law from retaliating in any way against any individual who, in good faith, reports a perceived problem. The Hospital Compliance Officer can be contacted via email at rani.gill@umcsn.com, by calling 702-383-6211, or through the UMC EthicsPoint hotline located at <http://umcintranet/compliancehotline.html>. Hospital's Medical Staff provider hotline, whose phone number is published within the Physician Link website, is also available for Medical Staff reporting.

- 7.11 Federal, State, Local Laws. Provider will comply with all federal, state and local laws and/or regulations relative to its activities in Clark County, Nevada.
- 7.12 Financial Obligation. Provider shall incur no financial obligation on behalf of Hospital without prior written approval of Hospital or the Board of Hospital Trustees or its designee.
- 7.13 Force Majeure. Neither party shall be liable for any delays or failures in performance due to circumstances beyond its control.
- 7.14 Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Nevada.
- 7.15 Indemnification. Provider shall indemnify and hold harmless, Hospital, its officers and employees from any and all claims, demands, actions or causes of action, of any kind or nature, arising out of the negligent or intentional acts or omissions of Provider, its employees, representatives, successors or assigns. Provider shall resist and defend at its own expense any actions or proceedings brought by reason of such claim, action or cause of action.
- 7.16 Interpretation. Each party hereto acknowledges that there was ample opportunity to review and comment on this Agreement. This Agreement shall be read and interpreted according to its plain meaning and any ambiguity shall not be construed against either party. It is expressly agreed by the parties that the judicial rule of construction that a document should be more strictly construed against the draftsman thereof shall not apply to any provision of this Agreement.
- 7.17 Non-Discrimination. Provider shall not discriminate against any person on the basis of age, color, disability, sex, handicapping condition (including AIDS or AIDS related conditions), disability, national origin, race, religion, sexual orientation, gender identity or expression, or any other class protected by law or regulation.
- 7.18 Notices. All notices required under this Agreement must be submitted in writing and delivered by U.S. mail, postage prepaid, certified mail, electronic mail or by hand delivery, and directed to the appropriate party as follows:

To Hospital: University Medical Center of Southern Nevada
Attn: Chief Executive Officer
1800 West Charleston Boulevard
Las Vegas, Nevada 89102

To Provider: Duke Forage Anson Neurosurgical, LLP
Attn: Trina Norton, Controller
861 Coronado Center Drive, Suite 200
Henderson, Nevada 89052

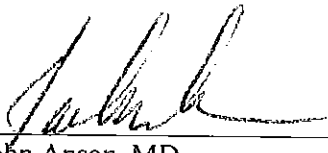
- 7.19 Publicity. Neither Hospital nor Provider shall cause to be published or disseminated any advertising materials, either printed or electronically transmitted which identify the other party or its facilities with respect to this Agreement without the prior written consent of the other party.
- 7.20 Performance. Time is of the essence in this Agreement.
- 7.21 Severability. In the event any provision of this Agreement is rendered invalid or unenforceable, said provision(s) hereof will immediately be void and may be renegotiated for the sole purpose of rectifying the error. The remainder of the provisions of this Agreement not in question shall remain in full force and effect.
- 7.22 Third Party Interest/Liability. This Agreement is entered into for the exclusive benefit of the undersigned parties and is not intended to create any rights, powers or interests in any third party. Hospital and/or Provider, including any of their respective officers, directors, employees or agents, shall not be liable to third parties by any act or omission of the other party.
- 7.23 Waiver. A party's failure to insist upon strict performance of any covenant or condition of this Agreement, or to exercise any option or right herein contained, shall not act as a waiver or relinquishment of said covenant, condition or right nor as a waiver or relinquishment of any future right to enforce such covenant, condition or right.
- 7.24 Other Agreements.
This Agreement supersedes all prior or contemporaneous negotiations, commitments, agreements and writings with respect to the subject matter hereof. All such negotiations, commitments, agreements and writings shall have no further force and effect. Provider and Hospital are parties under certain other agreements set forth below, if any:
- a. Professional Services Agreement (Neurological Surgery) dated September 1, 2020.

[Signature page to follow]

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

Provider:
Duke Forage Anson Neurosurgical, LLP

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

By: 

John Anson, MD
Partner

By: _____
Mason Van Houweling
Chief Executive Officer

EXHIBIT A
SERVICES/MEMBER PHYSICIAN(S)

Provider to provide Neurological Surgery and Neurological Spine Surgery On-Call and Clinical Services in accordance with the following requirements:

On-Call Services:

- a. Provider shall deliver to the Department and Hospital twenty-four (24) hours per day, seven (7) days per week On-Call Services on such days and times assigned under the schedule provided and maintained by the Medical Staff.
- b. Response times for On-Call Services shall be in accordance with Hospital's On-Call Physician Policy, the relevant portions of which are available to Provider upon request.
- c. The decision as to whether Provider must appear in person or consult by telephone is in consultation with the neurological surgeon and/or neurological spine surgeon on-call and the appropriately designated individual who completed the Medical Screening Examination, and provided that the neurological surgeon and/or neurological spine surgeon on-call agrees that this is a reasonable request.

Clinical Services:

- a. All neurological and neurological spine inpatients shall be assessed by the on-call physician within twenty-four (24) hours of admission.
- b. Provider shall provide Clinical Services in the best interests of Hospital's inpatients and outpatients, including but not limited to Hospital's Emergency Department and Trauma Department patients, utilizing all due diligence arising from the emergency and on-call services for inpatient and outpatient neurological and neurological spine patients.
- c. Provider shall provide Hospital with consultative/emergency/on-call coverage on a twenty-four (24) hours per day, seven (7) days per week basis. For this purpose, coverage consists of patient examination/assessment, diagnosis, medical/surgical intervention and follow-up care. This coverage includes all Hospital inpatients and outpatients, Emergency Department patients, and Trauma Department patients.
- d. Provide daily rounds, on-call and consultative coverage to Hospital's inpatients and outpatients of the Department, as well as adult Emergency Department patients and adult Trauma Department patients.
- e. Upon Hospital's request, provide standardized reports on mutually agreed upon metrics.

Service Location: All Services are to be performed at Hospital's main campus location at:

1800 W. Charleston Blvd.
Las Vegas, NV 89102

Member Physicians:

John Anson, MD
James Forage, MD
Keith Blum, DO
Michael Schneier, MD
Michael Seiff, MD
Efrem Cox, MD
Angela Palmer, MD

EXHIBIT B

STANDARDS OF PERFORMANCE

Provider shall ensure that all Member Physicians comply with the Standards of Performance, attached hereto as **Exhibit B** and incorporated by reference.

- a. Provider promises to adhere to Hospital's established standards and policies for providing exceptional patient care. In addition, Provider shall ensure that its Member Physicians shall also operate and conduct themselves in accordance with the standards and recommendations of The Joint Commission, all applicable national patient safety goals, and the Bylaws, Rules and Regulations of the Medical Staff, as may then be in effect.
- b. Hospital expressly agrees that the professional services of Provider may be performed by such physicians as Provider may associate with, so long as Provider has obtained the prior written approval of Hospital. So long as Provider is performing the services required hereby, its employed or contracted physicians shall be free to perform private practice at other offices and hospitals. If any of Provider's Member Physicians are employed by Provider under the J-1 Visa waiver program, Provider will so advise Hospital, and Provider shall be in strict compliance, at all times during the performance of this Agreement, with all federal laws and regulations governing said program and any applicable state guidelines.
- c. Provider shall maintain professional demeanor and not violate Medical Staff Physician's Code of Conduct.
- d. Provider shall be in compliance with all surgical standards, pre-operative, intra-operative, and post-operative as defined by The Joint Commission.
- e. Provider shall be in one hundred percent (100%) compliance with active participation with time-out (universal protocol).
- f. Provider shall assist Hospital with improvement of patient satisfaction and performance ratings.
- g. Provider shall perform appropriate clinical documentation.
- h. Member Physicians shall provide medical services to all Hospital patients without regard to the patient's insurance status or ability to pay in a way that complies with all state and federal laws, including but not limited to the Emergency Medical Treatment and Active Labor Act ("EMTALA").
- i. Provider and all Member Physicians shall comply with the rules, regulations, policies and directives of Hospital, provided that the same (including, without limitation any and all changes, modifications or amendments thereto) are made available to Provider by Hospital. Specifically, Provider and all Member Physicians shall comply with all policies and directives related to Just Culture, Ethical Standards, Corporate Compliance/Confidentiality, Dress Code, and any and

all applicable policies and/or procedures.

- j. Provider and all Member Physicians shall comply with Hospital's Affirmative Action/Equal Employment Opportunity Agreement.
- k. The parties recognize that as a result of Hospital's patient mix, Hospital has been required to contract with various groups of physicians to provide on-call coverage for numerous medical specialties. In order to ensure patient coverage and continuity of patient care, in the event Provider requires the services of a medical specialist, Provider shall use its best efforts to contact Hospital's contracted provider of such medical specialist services. However, nothing in this Agreement shall be construed to require the referral by Provider or any Member Physicians, and in no event is a Member Physician required to make a referral under any of the following circumstances: (i) the referral relates to services that are not provided by Member Physicians within the scope of this Agreement; (ii) the patient expresses a preference for a different provider, practitioner, or supplier; (iii) the patient's insurer or other third party payor determines the provider, practitioner, or supplier of the applicable service; or (iv) the referral is not in the patient's best medical interests in the Member Physician's judgment. The parties agree that this provision concerning referrals by Member Physicians complies with the rule for conditioning compensation on referrals to a particular provider under 42 C.F.R. 411.354(d)(4) of the federal physician self-referral law, 42 U.S.C. § 1395nn (the "Stark Law").
- l. The disposition of patients for whom medical services have been provided, following such treatment, shall be in the sole discretion of the Member Physician(s) performing such treatment. Such Member Physician(s) may refer such patients for further treatment as is deemed necessary and in the best interests of such patients. Member Physicians shall facilitate discharges in an appropriate and timely manner. Member Physicians will provide the patient's Primary Care Physician with a discharge summary and such other information necessary to facilitate appropriate post-discharge care. However, nothing in this Agreement shall be construed to require a referral by Provider or any Member Physician.
- m. Provider agrees to participate in the Physician Quality Reporting Initiative ("PQRI") established by the Centers for Medicare and Medicaid Services ("CMS") to the extent quality measures contained therein are applicable to the medical services provided by Provider pursuant to this Agreement.
- n. Provider shall meet quarterly with Hospital's Administration to discuss and verify inpatient admission data collections.
- o. Provider shall work in the development and maintenance of key clinical protocols to standardize patient care.
- p. Provider shall maintain at a minimum ninety-five percent (95%) compliance with all applicable core value based measures.
- q. Provider shall maintain a minimum of the fiftieth (50th) percentile for all scores of the HCAHPS surveys applicable to Provider.

- r. Provider shall ensure that all medical record charts will be completed and signed as follows: (i) orders related to patient status and admission must be completed and signed in accordance with the timeframes set forth in the UMC Medical Staff Bylaws, and (ii) all other records must be completed and signed within thirty (30) days of treatment, for patients to whom services were provided. The thirty (30) days is inclusive of all signatures including any residents and the attending physician.
- s. Provider shall be in one hundred percent (100%) compliance with Drug Wastage Policy. Provider shall be in one hundred percent (100%) compliance with patient specific Pyxis guidelines (charge capture), to include retrieval of medication/anesthesia agents.
- t. Provider shall collaborate with Hospital leadership to minimize and address staff and patient complaints. Provider shall participate with Hospital's Administration in staff evaluations and joint operating committees.
- u. Provider shall participate in clinical staff meetings and conferences, and represent the Services on Hospital's Committees, initiatives, and at Hospital Department meetings as deemed appropriate.
- v. Readmission Rate. Provider shall work with Hospital to reduce the thirty (30) day readmission rate for neurological surgery and neurological spine surgery patients to meet the national benchmark criteria.

ATTACHMENT 1 NOTICE OF FALSE CLAIMS AND STATEMENTS

UMC's Compliance Program demonstrates its commitment to ethical and legal business practices and ensures service of the highest level of integrity and concern. UMC's Compliance Department provides UMC compliance oversight, education, reporting, investigations and resolution. It conducts routine, independent audits of UMC's business practices and undertakes regular compliance efforts relating to local, state and federal regulatory standards. It is our expectation that as a physician, business associate, contractor, vendor, or agent, your business practices are committed to the same ethical and legal standards.

The purpose of this Notice is to educate you regarding the federal and state false claims statutes and the role of such laws in preventing and detecting fraud, waste, and abuse in federally funded health care programs. As a Medical Staff Member, Vendor, Contractor and/or Agent, you and your employees must abide by UMC's policies insofar as they are relevant and applicable to your interaction with UMC. Additionally, providers found in violation of any regulations regarding false claims or fraudulent acts are subject to exclusion, suspension, or termination of their provider status for participation in federally funded healthcare programs.

Federal False Claims Act

The Federal False Claims Act (the "Act") applies to persons or entities that knowingly submit, cause to be submitted, conspire to submit a false or fraudulent claim, or use a false record or statement in support of a claim for payment to a federally-funded program. The Act applies to all claims submitted by a healthcare provider to a federally funded healthcare program, such as Medicare and Medicaid.

Liability under the Act attaches to any person or organization who, among other actions, "knowingly":

- Presents a false/fraudulent claim for payment/approval;
- Makes or uses a false record or statement to get a false/fraudulent claim paid or approved by the government;
- Conspires to defraud the government by getting a false/fraudulent claim paid/allowed;
- Provides less property or equipment than claimed; or
- Makes or uses a false record to conceal/decrease an obligation to pay/provide money/property.

"Knowingly" means a person has: 1) actual knowledge the information is false; 2) acts in deliberate ignorance of the truth or falsity of the information; or 3) acts in reckless disregard of the truth or falsity of the information. No proof of intent to defraud is required.

A "claim" includes any request/demand (whether or not under a contract), for money/property if the US Government provides/reimburses any portion of the money/property being requested or demanded.

For knowing violations, a civil monetary penalty can be imposed pursuant to the federal False Claims Act, 31 U.S.C. § 3729(a), adjusted as set forth in 28 CFR 85 in accordance with the requirements of the Bipartisan Budget Act of 2015, plus three times (3x) the value of the claim and the costs of any civil action brought. If a provider unknowingly accepts payment in excess of the amount entitled to, the provider may also be required to repay the excess amount.

Criminal penalties are imprisonment for a maximum five (5) years; a maximum fine of \$25,000; or both.

Nevada State False Claims Act

Nevada has a state version of the False Claims Act that mirrors many of the federal provisions. A person is liable under state law, if they, with or without specific intent to defraud, "knowingly:"

- presents or causes to be presented a false claim for payment or approval;
- makes or uses, or causes to be made or used, a false record/statement to obtain payment/approval of a false claim;
- conspires to defraud by obtaining allowance or payment of a false claim;
- has possession, custody or control of public property or money and knowingly delivers or causes to be delivered to the State or a political subdivision less money or property than the amount for which he receives a receipt;
- is authorized to prepare or deliver a receipt for money/property to be used by the State/political subdivision and knowingly prepares or delivers a receipt that falsely represents the money/property;

- buys or receives as security for an obligation, public property from a person who is not authorized to sell or pledge the property; or
- makes, uses, or causes to be made or used, a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the state/political subdivision.

Under state law, a person may also be liable if they are a beneficiary of an inadvertent submission of a false claim to the state, subsequently discovers that the claim is false, and fails to disclose the false claim to the state within a reasonable time after discovery of the false claim.

Civil penalties imposed pursuant to the State False Claims Act for each act correspond to any adjustments in the monetary amount of a civil penalty for a violation of the federal False Claims Act, 31 U.S.C. § 3729(a), plus three times (3x) the amount of damages sustained by the State/political subdivision and the costs of a civil action brought to recover those damages.

Criminal penalties where the value of the false claim(s) is less than \$250, are six (6) months to one (1) year imprisonment in the county jail; a maximum fine of \$1,000 to \$2,000; or both. If the value of the false claim(s) is greater than \$250, the penalty is imprisonment in the state prison from one (1) to four (4) years and a maximum fine of \$5,000.

Non-Retaliation/Whistleblower Protections

Both the federal and state false claims statutes protect employees from retaliation or discrimination in the terms and conditions of their employment based on lawful acts done in furtherance of an action under the Act. UMC policy strictly prohibits retaliation, in any form, against any person making a report, complaint, inquiry, or participating in an investigation in good faith.

An employer is prohibited from discharging, demoting, suspending, harassing, threatening, or otherwise discriminating against an employee for reporting on a false claim or statement or for providing testimony or evidence in a civil action pertaining to a false claim or statement. Any employer found in violation of these protections will be liable to the employee for all relief necessary to correct the wrong, including, if needed:

- reinstatement with the same seniority; or
- damages in lieu of reinstatement, if appropriate; and
- two times the lost compensation, plus interest; and
- any special damage sustained; and
- punitive damages, if appropriate.

Reporting Concerns Regarding Fraud, Waste, Abuse and False Claims

Anyone who suspects a violation of federal or state false claims provisions is required to notify the Compliance Officer. This can be done anonymously via the EthicsPoint Hotline at (888) 691-0772, via the UMC EthicsPoint Website at <http://www.goldenegg.ethicspoint.com>, or by contacting the UMC Compliance Officer at Rani.Gill@umcsn.com or (702) 383-6211.

Retaliation for reporting, in good faith, actual or potential violations or problems, or for cooperating in an investigation is expressly prohibited by UMC policy.

DISCLOSURE OF OWNERSHIP/PRINCIPALS

| | | | | | | |
|--|--------------------------------------|---|---|---------------------------------------|--|--------------------------------|
| Business Entity Type (Please select one) | | | | | | |
| <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 |
| Business Designation Group (Please select all that apply) | | | | | | |
| <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 |
| | | | | | | |
| Number of Clark County Nevada Residents Employed: 28 | | | | | | |
| | | | | | | |
| Corporate/Business Entity Name: | | Duke Forage Anson Neurosurgical, LLP | | | | |
| (Include d.b.a., if applicable) | | The Spine and Brain Institute | | | | |
| Street Address: | | 8530 W. Sunset Rd., Suite 250 | | Website: www.thespinebrain.com | | |
| City, State and Zip Code: | | Las Vegas, NV 89113 | | POC Name: Trina Norton | | |
| | | | | Email: trina@pbsv.net | | |
| Telephone No: | | 702-851-0792 | | Fax No: 702-851-0797 | | |
| Nevada Local Street Address: | | Same as above | | Website: | | |
| (If different from above) | | | | | | |
| City, State and Zip Code: | | | | Local Fax No: | | |
| Local Telephone No: | | | | Local POC Name: | | |
| | | | | Email: | | |

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).

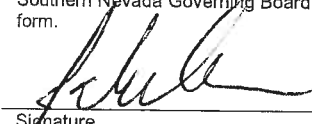
Entities include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations.

| Full Name | Title | % Owned (Not required for Publicly Traded Corporations/Non-profit organizations) |
|------------------------|---------|---|
| John A. Anson, M.D. | Partner | 25% |
| Derek A Duke, M.D. | Partner | 25% |
| James S. Forage, M.D. | Partner | 25% |
| Michael E. Seiff, M.D. | Partner | 25% |

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
 Partner
 Title

John A. Anson, M.D.

Print Name

Date

10/13/22

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

| | |
|--|-----------------|
| Issue: Emerging Issues | Back-up: |
| Petitioner: Jennifer Wakem, Chief Financial Officer | |
| Recommendation: 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> | |

FISCAL IMPACT:

None

BACKGROUND:

None

Cleared for Agenda
October 19, 2022

Agenda Item #

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