



## UMC Audit and Finance Meeting

UMC Trauma Building - Providence Suite - 5th Floor

Las Vegas, NV

## **AGENDA**

**University Medical Center of Southern Nevada  
GOVERNING BOARD  
AUDIT & FINANCE COMMITTEE  
October 23, 2024 2:00 p.m.  
800 Hope Place, Las Vegas, Nevada  
UMC Trauma Building, ProVidence Suite (5<sup>th</sup> Floor)**

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

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

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

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

#### **CALL TO ORDER**

1. Public Comment

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

2. Approval of minutes of the regular meeting of the UMC Governing Board Audit and Finance Committee meeting of September 18, 2024. *(For possible action)*.
3. Approval of Agenda. *(For possible action)*

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

4. Receive a presentation from Ernest Barela, UMC Physician Practice Plan Administrator, on managed medicine at UMC; and direct staff accordingly. *(For possible action)*
5. Receive the monthly financial report for September FY25; and direct staff accordingly. *(For possible action)*

6. Receive the FY24 planning update from BDO USA, LLP, Certified Public Accountants for University Medical Center of Southern Nevada; and direct staff accordingly. *(For possible action)*
7. Receive an update report from the Chief Financial Officer; and direct staff accordingly. *(For possible action)*
8. Review and recommend for ratification by the Governing Board the Second Amendment to Hospital Services Agreement with Health Plan of Nevada, Inc., Sierra Health and Life Insurance Company, Inc. and Sierra Healthcare Options, Inc.; or take action as deemed appropriate. *(For possible action)*
9. Review and receive a report on the emergency repairs of deteriorated sanitary/domestic water main/pipes; or take action as deemed appropriate. *(For possible action)*
10. Review and recommend for approval by the Governing Board the Professional Services Agreement (Clinical Services) for pathology services with Quest Diagnostics Incorporated and Hoffman, M.D., Associated Pathologists, Chartered; 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 Telemedicine Professional Services Agreement (Pediatric Neurology) with Pokroy Medical Group of Nevada, Ltd. d/b/a Pediatrix Medical Group of Nevada; authorize the Chief Executive Officer to exercise any extension options; or take action as deemed appropriate. *(For possible action)*
12. Review and recommend for approval by the Governing Board the Therapeutic Apheresis Services Agreement with Vitalant; authorize the Chief Executive Officer to exercise any extension/renewal options; or take action as deemed appropriate. *(For possible action)*
13. Review and recommend for approval by the Governing Board the Revenue Cycle Assessment Statement of Work with Vizient, Inc.; authorize the Chief Executive Officer to execute the extension option and future amendments within the not-to-exceed amount of this agreement; or take action as deemed appropriate. *(For possible action)*
14. Review and recommend for award by the Governing Board, the RFP No. 2024-07 for Federal and State Advocacy Services to R&R Partners, Inc.; authorize the Chief Executive Officer to sign the Services Agreement, and execute any extension options and future amendments within the not-to-exceed amount of this Agreement; or take action as deemed appropriate. *(For possible action)*
15. Review and recommend for award by the Governing Board the Bid No. 2024-08, UMC 2040 Administrative Office Buildout Floors 3, 4 & 5 Project PWP# CL-2024-521, to Martin-Harris Construction, LLC, the lowest responsive and responsible bidder, contingent upon submission of the required bonds and insurance; authorize the Chief Executive Officer to execute change orders within his delegation of authority; or take action as deemed appropriate. *(For possible action)*
16. Review and recommend for approval by the Board of Hospital Trustees for University Medical Center of Southern Nevada, the Lease Agreement with Tonopah Partners, LLC

for rentable space at 2100 West Charleston Blvd., APN# 13932804013; or take action as deemed appropriate. *(For possible action)*

17. Review and recommend for award by the Board of Hospital Trustees for University Medical Center of Southern Nevada the Bid No. 2024-03, UMC 6 North & 1 South Renovation Project PWP# CL-2024-535, to Builders United, LLC, the lowest responsive and responsible bidder, contingent upon submission of the required bonds and insurance; authorize the Chief Executive Officer to execute change orders within his delegation of authority; or take action as deemed appropriate. *(For possible action)*
18. Review and recommend for approval by the Board of Hospital Trustees for University Medical Center of Southern Nevada, the Amendment Four to Master Professional Services Agreement and its Statement of Work with Medicus Healthcare Solutions, LLC for locum tenens and advanced practitioners staffing services; or take action as deemed appropriate. *(For possible action)*

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

19. 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 18, 2024**

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

The University Medical Center Governing Board Audit and Finance Committee met at the location and date above, at the hour of 2:00 p.m. The meeting was called to order at the hour of 2:04 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  
Harry Hagerty (via WebEx)  
Jeff Ellis (via WebEx)  
Mary Lynn Palenik (via webex)  
Christian Haase (via WebEx)

**Absent:**

None

**Others Present:**

Mason Van Houweling, Chief Executive Officer (WebEx)  
Tony Marinello, Chief Operating Officer  
Jennifer Wakem, Chief Financial Officer  
Kendrick Russell, Chief Human Resource Officer  
Doug Metzger, Controller  
Shaunda Philips, Risk Manager  
Chris Jones, Executive Dir. Of Support Services  
Susan Pitz, General Counsel  
Lia Allen, Assistant General Counsel - Contracts  
Stephanie Ceccarelli, Board Secretary

**SECTION 1. OPENING CEREMONIES**

**ITEM NO. 1 PUBLIC COMMENT**

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

Speaker(s): None

**ITEM NO. 2    Approval of minutes of the regular meeting of the UMC Governing Board Audit and Finance Committee meeting on August 21, 2024. (For possible action)**

**FINAL ACTION:**

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

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

**FINAL ACTION:**

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

**SECTION 2. BUSINESS ITEMS**

**ITEM NO. 4    Receive a presentation regarding insurance coverage at UMC for FY2025 from Shaunda Philips, Director of Administrative Services; and direct staff accordingly. (For possible action)**

**DOCUMENTS SUBMITTED:**

- PowerPoint Presentation

**DISCUSSION:**

Shaunda Philips, Director of Administrative Services, provided a high level overview of the insurance coverage at UMC.

UMC is responsible for ensuring we have all business related coverages, including liability, property coverage, cyber liability insurance and crime coverage. UMC participates in the Clark County self-funded workers' compensation program.

UMC uses a tiered approach for reaching coverage goals and utilizes services of brokers for the development of appropriate coverage programs, to facilitate the purchasing and negotiation of coverages, as well as capturing changes that occur during the coverage year.

The structure of the program may change each year depending of adjustments in coverage needs, such as organizational changes or catastrophic events. Ms. Philips briefly reviewed the causes of increases in coverages. A breakdown of the tiered liability programs for the healthcare facility, cyber and public officials were shown and discussed. Property, crime and military provider programs, which are not tiered, were also discussed.

UMC maintains a Self-Insured Retention (SIR) Program. The SIR acts as the initial layer of coverage for:

- Healthcare Facility General Liability
- Healthcare Facility Professional Liability
- Employee Benefits Liability

- Cyber
- Directors & Officers

Although insurance coverages for UMC renew annually, renewal dates vary. The process for the renewing programs were discussed. In total, UMC expects to spend \$2.1 million for insurance coverage in FY25.

There was continued discussion regarding insurance risks, the level of insurance coverage needed at UMC and our insurance tort cap.

**FINAL ACTION TAKEN:**

None taken.

**ITEM NO. 5 Receive the monthly financial report for August FY25; and direct staff accordingly. *(For possible action)***

**DOCUMENTS SUBMITTED:**

- August FY25 Financials

**DISCUSSION:**

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

Admissions were below budget 7.5%. AADC was 603. Length of stay was 6.24. Hospital acuity was 1.90 and Medicare CMI was 2.64. Inpatient surgeries were below budget, the key driver being cardio vascular. Outpatient surgeries were 2.5% above budget. There were 17 transplants for the month.

ER visits were 5% below budget; adult ED showed the largest decrease in volumes, followed by pediatrics and trauma.

ED to admission/observation was at 22.7%. Two full-time hospitalists' screeners have been implemented to assist in the emergency room. A clinical decision unit has been opened in the observation area to assist with monitoring patient discharges.

Quick care volume was down 9%. The key drivers were the Nellis, Blue Diamond and Peccole locations.

Primary care was above budget 11%; key drivers were Peccole, Aliante and the Medical District locations.

There were 490 telehealth visits in the month and Ortho volume has increased significantly. There were 119 deliveries for the month.

Trended stats showed admissions up slightly for the month. Observation cases were down 60 cases against the 12-month average. Medicare CMI was a record high against the 12-month average. Inpatient surgical cases up 60 cases and outpatient had 79 above the 12-month average. ER cases were down by 29 visits and primary care had a record high. Ortho had a slight decline of 110 visits. There was continued discussion regarding the significant

volume decrease in quick cares over the 12-month average. Ms. Wakem stated that the Rancho quick care closed and the issues at the Nellis location. Mr. Marinello added that the Southern Highlands location was budgeted to open, but there was a delay due to construction. The team will adjust the statistics to normalize.

Payor mix trended for inpatient showed a governmental was up 1% and Medicare was down. ED showed government was up 1% Medicaid was down 2% and Medicare was up 1%. Inpatient surgical showed, Medicaid was down 3% and Medicare was up over 2.5%. Outpatient surgical cases were varied against the 12-month average.

Summary income statement showed total net revenue was \$2.1 million above budget. Other revenue was above budget \$1 million. Total operating revenue was \$3.1 million above budget and operating expenses were above budget \$1.7 million. Earnings before depreciation and amortization was \$4.4 million on a budget of \$3.1 million. For the month, we were \$1.2 million above budget. Trended stats were shown as informational.

Salaries, wages and benefits for August showed labor was above budget \$1.5 million. Paid FTEs were above budget 66 FTEs. SWB as a percent of net was higher than expected.

Trended salaries, wages and benefits showed overtime up slightly. Contract labor dropped in total for the month; the key driver was radiology. Medicus is still being used currently. Overnight coverage in radiology continues to be a challenge. Overtime as a percent of productive is 3%.

All other expenses for August were discussed briefly.

Key financial indicators were reviewed in profitability, labor, liquidity and cash collections. Profitability and labor was in the red. Liquidity and cash collections were in the green. Day's cash on hand was in the green, at 91.3 days. Net days in A/R was at 55.3 days and candidate for bill was up slightly. Point of service collection goal was exceeded.

A new slide highlighting the trends in the organizational goals was reviewed and opportunities for improvement were discussed briefly. The team will continue to provide regular monthly updates on the status of the goals.

Cash flow statement for August shows an increase of cash received of \$25.4 million for the month. Approximately \$48 million was received in supplemental payments were received related to FY24.

The balance sheet cash remains strong. Member Hagerty asked when a report would be received regarding cash flow and the appropriate capital structure.

**FINAL ACTION TAKEN:**

None taken

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

DOCUMENTS SUBMITTED:

- None

DISCUSSION:

- A tentative settlement agreement has been reached with SEIU. This will be a 4-year agreement, in effect until 2028.
- BDO is onsite this week doing testing for the financial audit.
- Update on Strata – this is the data warehouse system which will replace Kauffman Hall.
  - Management reporting is slated to go-live December 2024.
  - Operating budget reporting anticipated go-live in January 2025.
  - Productivity will go-live May 2025 and,
  - Contracts analytics will go-live in January 2026, as well as strategic planning.

Member Hagerty asked if the team could provide a report of the top five issues in SEIU contract negotiations at a future meeting.

FINAL ACTION TAKEN:

None taken

**ITEM NO. 7    Review and recommend for approval by the Governing Board the Seventh Amendment to Provider Services Agreement with Intermountain IPA, LLC for Managed Care Services; or take action as deemed appropriate. *(For possible action)***

DOCUMENTS SUBMITTED:

- Provider Agreement
- Disclosure of Ownership

DISCUSSION:

This amendment will add the Medicare Advantage plans to the agreement. The term remains the same.

FINAL ACTION TAKEN:

A motion was made by Member Mackay to approve the amendment 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 Ninth Amendment to Memorandum of Understanding with Intermountain IPA, LLC for Managed Care Services; or take action as deemed appropriate. *(For possible action)***

DOCUMENTS SUBMITTED:

- Ninth Amendment to Hospital Services Agreement
- Disclosure of Ownership

DISCUSSION:

This amendment will also add Medicare Advantage Plans to the agreement. The terms of the agreement remain the same. The amendment will extend the agreement through May 2026.

FINAL ACTION TAKEN:

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

**ITEM NO. 9    Review and recommend for approval by the Governing Board the Participating Addendum Agreement with Hamilton Medical, Inc. for the purchase of replacement ventilators; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- Medical Agreement
- Sourcing Letter
- Disclosure of Ownership

DISCUSSION:

This is a request to purchase and replace the current respiratory ventilators with new, up to date equipment. The agreement includes clinical training for staff members on the use of the equipment. This is a one-time purchase through HPG purchasing. The agreement has a standard 1-year warranty.

There was continued discussion regarding a secondary market for this type of equipment and the turn-around time of shipping and implementation of using the new equipment.

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. 10    Review and recommend for approval by the Governing Board the Second Amendment to the Master Services Agreement with Savista, LLC for Coding and Auditing Services; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- Master Services Agreement – 2<sup>nd</sup> Amendment
- Disclosure of Ownership

DISCUSSION:

This request to amend the agreement for remote coding and professional auditing. The amendment will increase funding to accommodate staffing increases. The term remains the same.

**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. 11 Review and recommend for award by the Governing Board the RFI No. 2024-12 Non-Emergent Patient Transport Services to multiple transportation providers; approve the RFI No. 2024-12 Service Agreements; authorize the Chief Executive Officer to execute any extension options and future amendments within the not-to-exceed amount of the Agreements; or take action as deemed appropriate. (For possible action)**

**DOCUMENTS SUBMITTED:**

- Carevans – Service Agreement
- GMTCare – Service Agreement
- Medlife Transportation – Service Agreement
- MTC – Service Agreement
- Disclosure of Ownership

**DISCUSSION:**

A notice of interest was posted in August for non-emergent patient transport services. Service would require 24/7 service for pick-up and transport to other medical facilities throughout the Las Vegas valley. Five responders were received. Four of the five were accepted.

These vendors will be use on an as needed basis.

**FINAL ACTION TAKEN:**

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

**ITEM NO. 12 Review and recommend for approval by the Governing Board the BACTEC FX Blood Culture System Acquisition Agreement with Becton, Dickinson & Company; or take action as deemed appropriate. (For possible action)**

**DOCUMENTS SUBMITTED:**

- Acquisition Agreement – Redacted
- Business Associate Agreement
- Disclosure of Ownership

**DISCUSSION:**

This is an agreement that will allow UMC to purchase blood culture bottles/disposables and utilize the equipment for lab testing in the pathology department. This is a purchase agreement commitment to purchase annually. This is a 5-year term and termination upon 90-days' notice.

**FINAL ACTION TAKEN:**

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

**ITEM NO. 13 Review and recommend for approval by the Governing Board the 3M V.A.C. ULTA Therapy Units Master Usage Agreement with First American Bancorp, Inc. and the Facility Agreement to Terms and Conditions for use of 3M V.A.C. Therapy Units with KCI USA Inc.; or take action as deemed appropriate. (For possible action)**

**DOCUMENTS SUBMITTED:**

- Master Usage Agreement and Addendum
- Facility Agreement
- Disclosure of Ownership

**DISCUSSION:**

This is to replace the 12 negative pressure wound therapy machines that are at end-of-life and to replace the high rental usage machines of an average of 15 negative pressure wound therapy machines per day. The agreement includes a five year extended warranty for the products.

**FINAL ACTION TAKEN:**

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

**ITEM NO. 14 Review and recommend for approval by the Governing Board the Da Vinci Surgical System Sales, License, and Service Agreement with Intuitive Surgical, Inc.; authorize the Chief Executive Officer to execute extensions and amendments; or take action as deemed appropriate. (For possible action)**

**DOCUMENTS SUBMITTED:**

- Sales, License, Service Agreement

**DISCUSSION:**

This agreement will allow UMC to replace the current Da Vinci Xi System with the IS5000 Da Vinci System and Da Vinci 5 Console. This is a five-year warranty. This new surgical robot will improve clinical outcomes, reduce length of stay and increase operating room volumes in the service line. A five-year



warranty will also be included. Mr. Marinello and Member Mackay provided more details regarding the equipment and its improved features.

**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 majority vote. Member Hagerty abstained.

**ITEM NO. 15 Review and recommend for approval by the Governing Board the Agreement with Ascend, Inc. for Implementation Services of UKG Dimensions Pro Workforce Management Software; authorize the Chief Executive Officer to execute future change orders or amendments within his delegation of authority; or take action as deemed appropriate. (For possible action)**

**DOCUMENTS SUBMITTED:**

- Statement of Work – Redacted
- Disclosure of Ownership

**DISCUSSION:**

This agreement is for the implementation services for the new Pro Workforce Management software system. The implementation will take approximately 39-weeks and termination can be any time upon 10-days' notice.

**FINAL ACTION TAKEN:**

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

**SECTION 3: EMERGING ISSUES**

**ITEM NO. 16 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)**

Chair Caspersen asked Ms. Wakem to check status of the previous emerging issues requested.

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.

There were none.

**COMMENTS BY THE GENERAL PUBLIC:**

**SPEAKERS(S):** None

There being no further business to come before the Committee at this time, at the hour of 3:20 p.m., Chair Caspersen adjourned the meeting.

MINUTES APPROVED:

Minutes Prepared by: Stephanie Ceccarelli

DRAFT

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

<b>Issue:</b> <b>Managed Medicine Update</b>	<b>Back-up:</b>
<b>Petitioner:</b> Jennifer Wakem, Chief Financial Officer	
<b>Recommendation:</b>  <b>That the Audit and Finance committee receive a presentation from Ernest Barela, UMC Physician Practice Plan Administrator, on managed medicine at UMC; and direct staff accordingly. <i>(For possible action)</i></b>	

**FISCAL IMPACT:**

None

**BACKGROUND:**

The Committee will receive an informational presentation regarding managed medicine at UMC.

Cleared for Agenda  
October 23, 2024

Agenda Item #

**4**

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

<b>Issue:</b> <b>Monthly Financial Reports for September FY25</b>	<b>Back-up:</b>
<b>Petitioner:</b> Jennifer Wakem, Chief Financial Officer	
<b>Recommendation:</b>  <b>That the Governing Board Audit and Finance Committee receive the monthly financial report for September FY25; and direct staff accordingly. <i>(For possible action)</i></b>	

**FISCAL IMPACT:**

None

**BACKGROUND:**

The Chief Financial Officer will present the financial report for September FY25 for the committee's review and direction.

Cleared for Agenda  
October 23, 2024

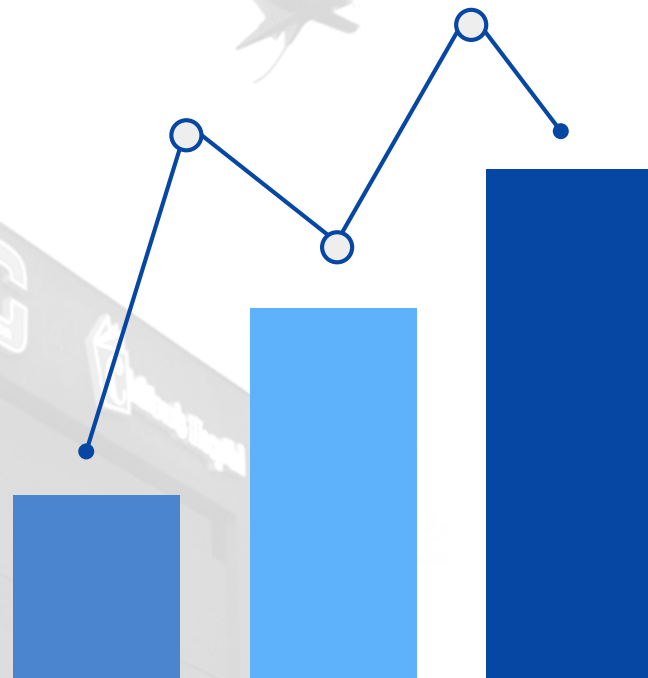
Agenda Item #

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# September 2024 Financials

AFC Meeting



# KEY INDICATORSSEP



Current Month	Actual	Budget	Variance	% Var	Prior Year	Variance	% Var
APDs	18,169	17,392	778	4.47%	17,177	992	5.78%
Total Admissions	1,829	1,973	(144)	(7.30%)	1,897	(68)	(3.58%)
Observation Cases	926	907	19	2.09%	907	19	2.09%
AADC (Hospital)	579	558	21	3.81%	545	34	6.28%
ALOS (Admits)	6.23	5.67	0.56	9.93%	6.57	(0.34)	(5.18%)
ALOS (Obs)	1.30	1.18	0.12	10.04%	1.18	0.12	10.04%
Hospital CMI	1.90	1.83	0.07	3.83%	1.83	0.08	3.83%
Medicare CMI	2.13	2.01	0.12	5.97%	1.99	0.15	7.05%
IP Surgery Cases	836	862	(26)	(3.02%)	799	37	4.63%
OP Surgery Cases	661	619	42	6.79%	550	111	20.18%
Transplants	19	18	1	5.56%	18	1	5.56%
Total ER Visits	8,949	9,134	(185)	(2.03%)	8,955	(6)	(0.07%)
ED to Admission	12.09%	-	-	-	11.88%	0.21%	-
ED to Observation	10.01%	-	-	-	10.11%	(0.09%)	-
ED to Adm/Obs	22.10%	-	-	-	21.99%	0.12%	-
Quick Cares	15,222	15,951	(729)	(4.57%)	14,989	233	1.55%
Primary Care	6,894	6,023	871	14.47%	5,801	1,093	18.84%
UMC Telehealth - QC	456	543	(87)	(15.97%)	532	(76)	(14.29%)
OP Ortho Clinic	1,653	1,170	483	41.29%	1,579	74	4.69%
Deliveries	104	157	(53)	(33.79%)	154	(50)	(32.47%)

# TRENDING STATS



	Sep- 23	Oct- 23	Nov- 23	Dec- 23	Jan- 24	Feb- 24	Mar- 24	Apr- 24	May- 24	Jun- 24	Jul- 24	Aug- 24	Sep- 24	12-Mo Avg	Var
APDs	17,177	17,546	17,894	19,201	18,919	17,882	18,173	18,399	18,211	18,364	18,939	19,364	18,169	18,339	(170)
Total Admissions	1,897	1,898	1,930	1,959	1,838	1,838	1,931	1,877	1,966	1,861	1,897	1,923	1,829	1,901	(72)
Observation Cases	907	922	844	903	822	924	941	900	927	1,001	871	848	926	901	25
AADC (Hospital)	545	538	566	584	584	579	553	581	557	587	584	603	579	572	8
ALOS (Adm)	6.57	5.83	5.75	6.55	6.85	6.34	6.25	6.04	6.22	5.57	6.16	6.24	6.23	6.20	0.03
ALOS (Obs)	1.18	1.23	1.39	1.41	1.42	1.66	1.46	1.28	1.31	1.44	1.41	1.37	1.30	1.38	(0.08)
Hospital CMI	1.83	1.86	1.80	1.92	1.84	1.89	1.92	1.76	1.93	1.92	2.03	1.90	1.90	1.88	0.02
Medicare CMI	1.99	2.10	2.04	2.06	2.05	2.23	2.35	2.03	2.19	2.06	2.15	2.64	2.13	2.16	(0.03)
IP Surgery Cases	799	793	771	794	768	760	814	790	827	800	841	857	836	801	35
OP Surgery Cases	550	557	531	541	604	558	577	589	630	590	674	660	661	588	73
Transplants	18	17	13	15	11	13	18	14	16	18	15	17	19	15	4
Total ER Visits	8,955	9,278	9,054	9,092	9,035	8,329	8,859	9,015	9,470	8,753	8,688	8,951	8,949	8,957	(8)
ED to Admission	11.88%	11.78%	13.32%	12.49%	12.02%	12.95%	12.07%	12.67%	12.08%	11.89%	13.43%	12.99%	12.09%	12.47%	(0.37%)
ED to Observation	10.11%	9.67%	9.05%	9.80%	11.28%	10.96%	11.68%	10.54%	10.13%	11.50%	9.99%	9.73%	10.01%	10.37%	(0.36%)
ED to Adm/Obs	21.99%	21.45%	22.37%	22.29%	23.30%	23.92%	23.75%	23.21%	22.21%	23.40%	23.42%	22.72%	22.10%	22.83%	(0.73%)
Quick Care	15,521	16,700	18,084	20,938	19,879	17,848	18,099	18,467	18,369	15,538	14,205	15,840	15,222	17,457	(2,235)
Primary Care	5,801	6,452	6,523	5,427	7,476	7,537	7,147	7,562	7,753	7,052	7,423	7,903	6,894	7,005	(111)
UMC Telehealth - QC	532	547	633	785	718	575	577	580	566	503	468	490	456	581	(125)
OP Ortho Clinic	1579	1744	1529	1636	2,032	1,751	1,726	2,194	2,141	1,759	2,103	1,688	1,653	1,824	(171)
Deliveries	154	141	125	150	120	118	114	92	82	126	103	119	104	120	(16)

# Payor Mix Trend



## IP- Payor Mix 12 Mo Sep- 24

Fin Class	Sep- 23	Oct- 23	Nov- 23	Dec- 23	Jan- 24	Feb- 24	Mar- 24	Apr- 24	May- 24	Jun- 24	Jul- 24	Aug- 24	Sep- 24	12-Mo Avg	Sep to Avg Var
Commercial	17.69%	17.92%	16.95%	17.39%	16.91%	17.11%	18.53%	17.96%	17.48%	13.69%	15.50%	17.20%	17.56%	17.03%	0.53%
Government	4.16%	4.20%	3.26%	3.88%	3.83%	3.76%	4.75%	4.29%	3.58%	4.19%	4.39%	5.38%	4.30%	4.14%	0.16%
Medicaid	45.49%	44.39%	43.48%	44.58%	45.70%	44.65%	42.06%	40.75%	40.11%	43.05%	44.78%	43.06%	41.22%	43.51%	(2.29%)
Medicare	28.64%	30.44%	31.12%	27.78%	29.78%	29.73%	29.71%	31.47%	34.07%	31.89%	29.78%	29.48%	31.56%	30.32%	1.24%
Self Pay	4.02%	3.05%	5.19%	6.37%	3.78%	4.75%	4.95%	5.53%	4.76%	7.18%	5.55%	4.88%	5.36%	5.00%	0.36%

## ED- Payor Mix 12 Mo Sep- 24

Fin Class	Sep- 23	Oct- 23	Nov- 23	Dec- 23	Jan- 24	Feb- 24	Mar- 24	Apr- 24	May- 24	Jun- 24	Jul- 24	Aug- 24	Sep- 24	12-Mo Avg	Sep to Avg Var
Commercial	18.18%	18.52%	17.60%	18.10%	18.81%	18.89%	19.30%	18.61%	17.37%	17.25%	17.90%	18.17%	18.58%	18.23%	0.36%
Government	4.31%	4.38%	4.75%	4.28%	4.68%	4.44%	4.36%	4.40%	4.52%	5.76%	5.15%	5.83%	6.00%	4.74%	1.26%
Medicaid	50.48%	51.35%	51.55%	51.36%	51.73%	52.65%	50.93%	50.29%	49.48%	47.76%	49.40%	48.51%	47.54%	50.46%	(2.92%)
Medicare	15.05%	15.35%	14.14%	14.23%	14.55%	14.65%	15.15%	15.57%	16.14%	17.19%	16.82%	16.73%	15.64%	15.46%	0.18%
Self Pay	11.98%	10.40%	11.96%	12.03%	10.23%	9.37%	10.26%	11.13%	12.49%	12.04%	10.73%	10.76%	12.24%	11.12%	1.13%



# Payor Mix Trend



## Surg IP- Payor Mix 12 Mo Sep- 24

Surg IP	Sep- 23	Oct- 23	Nov- 23	Dec- 23	Jan- 24	Feb- 24	Mar- 24	Apr- 24	May- 24	Jun- 24	Jul- 24	Aug- 24	Sep- 24	12-Mo Avg	Sep to Avg Var
Commercial	21.32%	23.33%	21.40%	22.29%	21.85%	18.42%	22.36%	24.05%	22.85%	19.38%	19.29%	21.84%	21.48%	21.53%	(0.05%)
Government	8.10%	5.42%	4.15%	5.29%	4.29%	4.47%	5.65%	5.06%	3.26%	7.50%	6.96%	6.33%	8.54%	5.54%	3.00%
Medicaid	38.04%	34.93%	38.52%	36.52%	34.46%	40.66%	38.08%	35.83%	36.64%	37.00%	40.94%	34.00%	37.82%	37.14%	0.68%
Medicare	28.05%	33.55%	31.13%	29.35%	34.07%	32.50%	30.47%	31.90%	30.72%	31.25%	28.74%	33.86%	28.27%	31.30%	(3.03%)
Self Pay	4.49%	2.77%	4.80%	6.55%	5.33%	3.95%	3.44%	3.16%	6.53%	4.87%	4.07%	3.97%	3.89%	4.49%	(0.60%)

## Surg OP- Payor Mix 12 Mo Sep- 24

Surg OP	Sep- 23	Oct- 23	Nov- 23	Dec- 23	Jan- 24	Feb- 24	Mar- 24	Apr- 24	May- 24	Jun- 24	Jul- 24	Aug- 24	Sep- 24	12-Mo Avg	Sep to Avg Var
Commercial	31.45%	33.75%	30.70%	33.46%	32.67%	26.34%	31.72%	34.47%	33.97%	34.75%	30.09%	34.39%	31.76%	32.31%	(0.55%)
Government	8.00%	5.21%	5.27%	5.73%	6.47%	6.27%	6.07%	5.94%	6.83%	4.58%	6.64%	9.12%	7.80%	6.34%	1.46%
Medicaid	36.00%	31.24%	33.52%	35.85%	35.49%	39.07%	31.20%	32.26%	30.79%	36.60%	38.15%	32.46%	35.03%	34.39%	0.64%
Medicare	22.18%	28.55%	29.57%	22.74%	23.88%	27.60%	28.25%	26.32%	26.67%	22.54%	22.99%	19.82%	22.32%	25.09%	(2.77%)
Self Pay	2.37%	1.25%	0.94%	2.22%	1.49%	0.72%	2.76%	1.01%	1.74%	1.53%	2.13%	4.21%	3.09%	1.86%	1.23%

# SUMMARY INCOME STATEMENT SEP



REVENUE	Actual	Budget	Variance	% Variance	
Total Gross Patient Revenue	\$439,181,997	\$432,576,521	\$6,605,476	1.53%	●
Net Patient Revenue	\$80,691,020	\$78,300,890	\$2,390,131	3.05%	●
Other Revenue	\$3,854,291	\$3,454,211	\$400,080	11.58%	●
<b>Total Operating Revenue</b>	<b>\$84,545,311</b>	<b>\$81,755,101</b>	<b>\$2,790,210</b>	<b>3.41%</b>	●
Net Patient Revenue as a % of Gross	18.37%	18.10%	0.27%	-	
EXPENSE	Actual	Budget	Variance	% Variance	
<b>Total Operating Expense</b>	<b>\$87,501,315</b>	<b>\$82,749,212</b>	<b>\$4,752,103</b>	<b>5.74%</b>	●
INCOME FROM OPS	Actual	Budget	Variance	% Variance	
<b>Total Inc from Ops</b>	<b>(\$2,956,004)</b>	<b>(\$994,111)</b>	<b>(\$1,961,893)</b>	<b>(197.35%)</b>	●
Add back: Depr & Amort.	\$4,081,397	\$4,156,022	(\$74,625)	(1.80%)	
<b>Tot Inc from Ops plus Depr &amp; Amort.</b>	<b>\$1,125,393</b>	<b>\$3,161,911</b>	<b>(\$2,036,518)</b>	<b>(64.41%)</b>	●

# SUMMARY INCOME STATEMENT



MTD SEP

REVENUE	Actual	Budget	Variance	% Variance	
Total Gross Patient Revenue	\$1,329,266,907	\$1,311,221,529	\$18,045,378	1.38%	●
Net Patient Revenue	\$243,463,190	\$237,960,293	\$5,502,897	2.31%	●
Other Revenue	\$14,472,690	\$11,035,839	\$3,436,851	31.14%	●
<b>Total Operating Revenue</b>	<b>\$257,935,881</b>	<b>\$248,996,132</b>	<b>\$8,939,748</b>	<b>3.59%</b>	●
Net Patient Revenue as a % of Gross	18.32%	18.15%	0.17%	-	
EXPENSE	Actual	Budget	Variance	% Variance	
<b>Total Operating Expense</b>	<b>\$261,276,036</b>	<b>\$252,023,832</b>	<b>\$9,252,204</b>	<b>3.67%</b>	●
INCOME FROM OPS	Actual	Budget	Variance	% Variance	
<b>Total Inc from Ops</b>	<b>(\$3,340,156)</b>	<b>(\$3,027,699)</b>	<b>(\$312,456)</b>	<b>(10.32%)</b>	●
Add back: Depr & Amort.	\$12,138,347	\$12,468,249	(\$329,903)	(2.65%)	
<b>Tot Inc from Ops plus Depr &amp; Amort.</b>	<b>\$8,798,191</b>	<b>\$9,440,550</b>	<b>(\$642,359)</b>	<b>(6.80%)</b>	●
<b>Operating Margin (w/Depr &amp; Amort.)</b>	<b>3.41%</b>	<b>3.79%</b>	<b>(0.38%)</b>	<b>-</b>	

# SUMMARY INCOME STATEMENT TREND



REVENUE	Sep- 23	Oct- 23	Nov- 23	Dec- 23	Jan- 24	Feb- 24	Mar- 24	Apr- 24	May- 24	Jun- 24	Jul- 24	Aug- 24	Sep- 24	12-Mo Avg	Sep to Avg Var
Total Gross Patient Revenue	\$391,079	\$400,966	\$398,636	\$410,625	\$413,322	\$403,919	\$414,709	\$410,789	\$432,682	\$420,167	\$439,891	\$450,194	\$439,182	\$415,582	\$23,600
Net Patient Revenue	\$75,359	\$74,525	\$72,590	\$76,932	\$86,254	\$75,115	\$83,175	\$75,410	\$80,978	\$80,106	\$80,186	\$82,586	\$80,691	\$78,601	\$2,090
Other Revenue	\$3,310	\$4,386	\$2,770	\$3,080	\$3,592	\$3,672	\$3,192	\$4,207	\$4,155	\$3,965	\$6,098	\$4,520	\$3,854	\$3,912	(\$58)
<b>Total Operating Revenue</b>	<b>\$78,669</b>	<b>\$78,910</b>	<b>\$75,359</b>	<b>\$80,012</b>	<b>\$89,846</b>	<b>\$78,787</b>	<b>\$86,367</b>	<b>\$79,616</b>	<b>\$85,133</b>	<b>\$84,071</b>	<b>\$86,285</b>	<b>\$87,106</b>	<b>\$84,545</b>	<b>\$82,514</b>	<b>\$2,032</b>
Net Patient Revenue as a % of Gross	19.27%	18.59%	18.21%	18.74%	20.87%	18.60%	20.06%	18.36%	18.72%	19.07%	18.23%	18.34%	18.37%	18.92%	(0.55%)
EXPENSE	Sep- 23	Oct- 23	Nov- 23	Dec- 23	Jan- 24	Feb- 24	Mar- 24	Apr- 24	May- 24	Jun- 24	Jul- 24	Aug- 24	Sep- 24	12-Mo Avg	Sep to Avg Var
Salaries, Wages and Benefits	\$46,126	\$47,643	\$44,037	\$50,493	\$50,112	\$49,109	\$51,578	\$50,292	\$50,713	\$47,316	\$53,495	\$54,764	\$55,272	\$49,640	\$5,632
Supplies	\$15,388	\$13,165	\$15,309	\$15,488	\$14,325	\$14,015	\$15,864	\$13,764	\$16,414	\$16,103	\$17,500	\$15,777	\$16,316	\$15,259	\$1,056
Other	\$16,275	\$16,403	\$16,972	\$17,204	\$16,854	\$16,101	\$16,229	\$16,317	\$15,451	\$14,804	\$15,987	\$16,252	\$15,913	\$16,238	(\$324)
<b>Total Operating Expense</b>	<b>\$77,789</b>	<b>\$77,211</b>	<b>\$76,318</b>	<b>\$83,186</b>	<b>\$81,292</b>	<b>\$79,225</b>	<b>\$83,671</b>	<b>\$80,374</b>	<b>\$82,578</b>	<b>\$78,223</b>	<b>\$86,981</b>	<b>\$86,793</b>	<b>\$87,501</b>	<b>\$81,137</b>	<b>\$6,364</b>
INCOME FROM OPS	Sep- 23	Oct- 23	Nov- 23	Dec- 23	Jan- 24	Feb- 24	Mar- 24	Apr- 24	May- 24	Jun- 24	Jul- 24	Aug- 24	Sep- 24	12-Mo Avg	Sep to Avg Var
<b>Total Inc from Ops</b>	<b>\$880</b>	<b>\$1,699</b>	<b>(\$959)</b>	<b>(\$3,174)</b>	<b>\$8,554</b>	<b>(\$438)</b>	<b>\$2,696</b>	<b>(\$757)</b>	<b>\$2,555</b>	<b>\$5,848</b>	<b>(\$697)</b>	<b>\$313</b>	<b>(\$2,956)</b>	<b>\$1,377</b>	<b>(\$4,333)</b>
Add back: Depr & Amort.	\$3,875	\$3,834	\$3,829	\$3,849	\$4,382	\$3,987	\$3,980	\$4,061	\$4,112	\$4,141	\$3,997	\$4,060	\$4,081	\$4,009	\$72
<b>Tot Inc from Ops plus Depr &amp; Amort.</b>	<b>\$4,755</b>	<b>\$5,533</b>	<b>\$2,870</b>	<b>\$675</b>	<b>\$12,937</b>	<b>\$3,549</b>	<b>\$6,677</b>	<b>\$3,303</b>	<b>\$6,667</b>	<b>\$9,989</b>	<b>\$3,300</b>	<b>\$4,373</b>	<b>\$1,125</b>	<b>\$5,386</b>	<b>(\$4,260)</b>
<b>Operating Margin (w/Depr &amp; Amort.)</b>	<b>6.04%</b>	<b>7.01%</b>	<b>3.81%</b>	<b>0.84%</b>	<b>14.40%</b>	<b>4.50%</b>	<b>7.73%</b>	<b>4.15%</b>	<b>7.83%</b>	<b>11.88%</b>	<b>3.82%</b>	<b>5.02%</b>	<b>1.33%</b>	<b>6.53%</b>	<b>(5.20%)</b>

# SALARY & BENEFIT EXPENSE



	Actual	Budget	Variance	% Variance	
Salaries	\$36,108,367	\$33,894,645	\$2,213,722	6.53%	●
Benefits	\$15,869,304	\$15,230,551	\$638,753	4.19%	●
Overtime	\$860,585	\$929,600	(\$69,014)	(7.42%)	●
Contract Labor	\$2,433,953	\$1,663,311	\$770,643	46.33%	●
<b>TOTAL</b>	<b>\$55,272,210</b>	<b>\$51,718,106</b>	<b>\$3,554,104</b>	<b>6.87%</b>	●
Paid FTEs	4,046	3,943	103	2.62%	●
Paid FTEs (Flex)	4,046	4,016	30	0.74%	●
SWB per FTE	\$13,662	\$13,118	\$544	4.15%	●
SWB/APD	\$3,042	\$2,974	\$68	2.30%	●
SWB % of Net	68.50%	66.05%	-	2.45%	●
AEPOB	6.68	6.80	(0.12)	(1.78%)	●

# SALARY & BENEFIT EXPENSE TREND



SALARY & BENEFIT EXPENSE	Sep- 23	Oct- 23	Nov- 23	Dec- 23	Jan- 24	Feb- 24	Mar- 24	Apr- 24	May- 24	Jun- 24	Jul- 24	Aug- 24	Sep- 24	12-Mo Avg	Sep to Avg Var
Salaries	\$30,264	\$31,516	\$30,218	\$32,609	\$32,021	\$31,556	\$33,979	\$31,917	\$32,049	\$30,960	\$34,334	\$36,161	\$36,108	\$32,299	\$3,810
Benefits	\$14,663	\$14,491	\$12,451	\$14,282	\$14,934	\$13,870	\$14,064	\$14,998	\$15,044	\$13,126	\$15,683	\$15,856	\$15,869	\$14,455	\$1,414
Overtime	\$804	\$1,115	\$1,055	\$1,230	\$1,091	\$1,067	\$1,194	\$1,025	\$1,207	\$969	\$1,178	\$1,264	\$861	\$1,100	(\$239)
Contract Labor	\$395	\$520	\$313	\$2,373	\$2,067	\$2,616	\$2,342	\$2,352	\$2,413	\$2,261	\$2,300	\$1,484	\$2,434	\$1,786	\$648
Nursing	\$163	\$151	\$96	\$58	(\$38)	\$85	\$100	\$92	\$122	\$84	\$135	\$69	\$69	\$93	(\$24)
Physician	\$61	\$50	\$42	\$1,947	\$2,213	\$2,124	\$1,655	\$1,998	\$1,895	\$1,808	\$1,663	\$965	\$1,669	\$1,369	\$300
Other	\$171	\$319	\$349	\$367	(\$108)	\$407	\$587	\$262	\$396	\$368	\$501	\$449	\$696	\$339	\$357
<b>TOTAL</b>	<b>\$46,126</b>	<b>\$47,643</b>	<b>\$44,037</b>	<b>\$50,493</b>	<b>\$50,112</b>	<b>\$49,109</b>	<b>\$51,578</b>	<b>\$50,292</b>	<b>\$50,713</b>	<b>\$47,316</b>	<b>\$53,495</b>	<b>\$54,764</b>	<b>\$55,272</b>	<b>\$49,640</b>	<b>\$5,632</b>
Paid FTE	3,816	3,821	3,848	3,908	3,880	3,873	3,892	3,923	3,963	3,912	4,021	4,051	4,046	3,909	137
SWB per FTE	\$12,088	\$12,470	\$11,443	\$12,919	\$12,917	\$12,679	\$13,251	\$12,820	\$12,795	\$12,095	\$13,305	\$13,520	\$13,662	\$12,692	\$970
SWB/APD	\$2,685	\$2,715	\$2,461	\$2,630	\$2,649	\$2,746	\$2,838	\$2,733	\$2,785	\$2,577	\$2,825	\$2,828	\$3,042	\$2,706	\$336
SWB % of Net	<b>61.21%</b>	<b>63.93%</b>	<b>60.67%</b>	<b>65.63%</b>	<b>58.10%</b>	<b>65.38%</b>	<b>62.01%</b>	<b>66.69%</b>	<b>62.63%</b>	<b>59.07%</b>	<b>66.71%</b>	<b>66.31%</b>	<b>68.50%</b>	<b>63.19%</b>	<b>5.30%</b>
OT % of Productive	<b>2.65%</b>	<b>2.79%</b>	<b>3.11%</b>	<b>3.21%</b>	<b>3.12%</b>	<b>3.05%</b>	<b>3.26%</b>	<b>2.99%</b>	<b>3.39%</b>	<b>2.93%</b>	<b>3.09%</b>	<b>3.03%</b>	<b>2.46%</b>	<b>3.05%</b>	<b>(0.59%)</b>
AEPOB	<b>6.66</b>	<b>6.75</b>	<b>6.45</b>	<b>6.31</b>	<b>6.36</b>	<b>6.28</b>	<b>6.64</b>	<b>6.40</b>	<b>6.75</b>	<b>6.39</b>	<b>6.58</b>	<b>6.48</b>	<b>6.68</b>	<b>6.50</b>	<b>0.18</b>

# EXPENSES SEP



	Actual	Budget	Variance	% Variance	
Professional Fees	\$2,368,154	\$2,305,571	\$62,582	2.71%	●
Supplies	\$16,315,715	\$15,009,345	\$1,306,371	8.70%	●
Purchased Services	\$6,809,337	\$6,630,216	\$179,121	2.70%	●
Depreciation	\$2,569,872	\$2,571,297	(\$1,425)	(0.06%)	●
Amortization	\$1,511,525	\$1,584,725	(\$73,200)	(4.62%)	●
Repairs & Maintenance	\$810,831	\$920,772	(\$109,941)	(11.94%)	●
Utilities	\$595,261	\$760,256	(\$164,996)	(21.70%)	●
Other Expenses	\$1,070,715	\$1,091,029	(\$20,314)	(1.86%)	●
Rental	\$177,696	\$157,894	\$19,802	12.54%	●
<b>Total Other Expenses</b>	<b>\$32,229,105</b>	<b>\$31,031,106</b>	<b>\$1,197,999</b>	<b>3.86%</b>	●

# KEY FINANCIAL INDICATORSEP

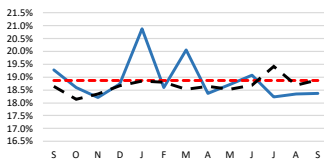


## PROFITABILITY

**18.4%**

Net to Gross Ratio

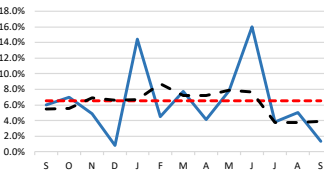
Sep-24 (Rolling 12 Avg: 18.9%)



**1.3%**

Operating Margin

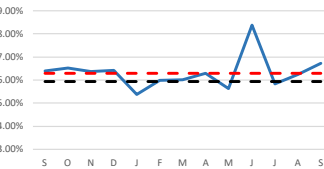
Sep-24 (Rolling 12 Avg: 6.5%)



**6.72%**

Cost to Collect

Sep-24 (Rolling 12 Avg: 6.28%)

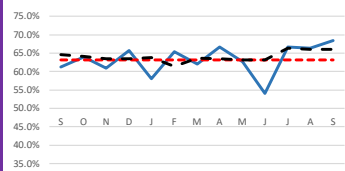


## LABOR

**68.5%**

Salaries, Wages and Benefits as % of Net Patient Revenue  
(Budget 66.1%)

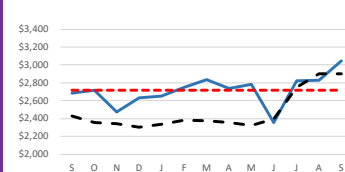
Sep-24



**\$ 3,042**

Salaries, Wages and Benefits/Adjusted Patient Day  
(Budget: 2,902)

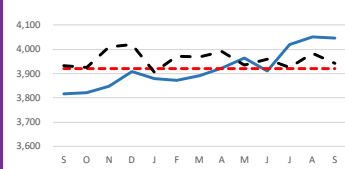
Sep-24



**4,046**

Paid FTEs

Sep-24 (Budget: 3,943)

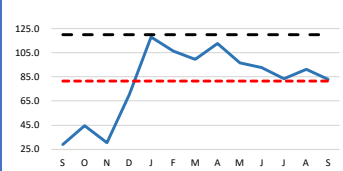


## LIQUIDITY

**83.2**

Days Cash on Hand

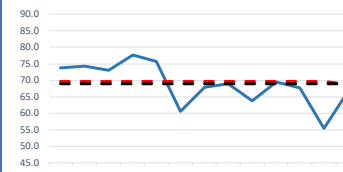
Sep-24 (Rolling 12 Avg: 81.4)



**66.6**

Net Days in Accounts Receivable

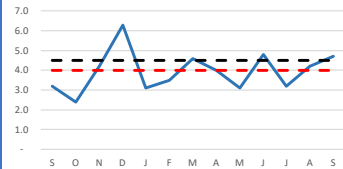
Sep-24 (Rolling 12 Avg: 68.8)



**4.70**

Candidate for Billing Days

Sep-24 (Rolling 12 Avg: 4.00)

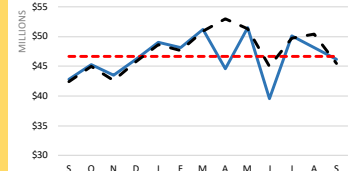


## CASH COLLECTIONS

**101.6%**

Cash Collection Goal

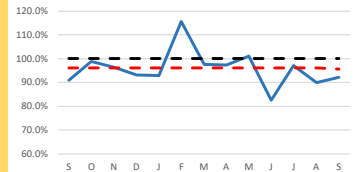
Sep-24 (Rolling 12 Avg: 98.1%)



**92.3%**

Cash Collections as % of Adjusted Net Revenue

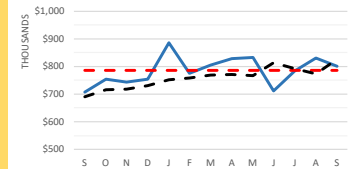
Sep-24 (Rolling 12 Avg: 95.6%)



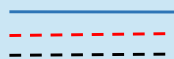
**96.9%**

POS Collection Goal

Sep-24 (Rolling 12 Avg: 103.4%)



Actual  
Rolling Average  
Target





# ORGANIZATIONAL GOALS FINANCE/OPERATIONS SEP



	Jul	Aug	Sep	YTD	Target
Exceed fiscal year budgeted income from operations plus depreciation and amortization.	\$3,299,765	\$4,373,033	\$1,125,393	\$8,798,191	\$9,440,550
Home ALOS with a target equal to or less than 4.25	4.55	4.30	4.70		4.25
ED to Observation target of 8.3%	9.99%	9.73%	10.01%		8.30%
Labor utilization with a target equal to or less than SWB per APD of \$2,907 or Adjusted EPOB of 6.64					
SWB per APD of \$2,907	\$2,825	\$2,828	\$3,042		\$2,907
Adjusted EPOB of 6.64	6.61	6.48	6.68		6.64
OR First Case On Time Start (FCOTS): Target is 80%	61.70%	62.50%	60.00%		80.00%

# FY25 CASH FLOW



## Operating Activities

Cash received from patients and payors  
 Cash paid to vendors  
 Cash paid to employees  
 Other operating receipts/(disbursements)  
 Net cash provided by/(used in) operations

## Investing Activities

Purchase of property and equipment, net  
 Interest received  
 Addition/ (reduction) from/ (to) donor-restricted cash  
 Addition/ (reduction) from/ (to) internally designated cash  
 Net cash provided by/(used in) investing activities

## Financing Activities

From/(to) Clark County  
 Unrestricted donations and other  
 Borrowing/(repayment) of debt  
 Interest paid  
 Other  
 Net cash provided by/(used in) financing activities

Increase/(decrease) in cash  
 Cash beginning of period  
 Cash end of period

Unrestricted cash  
 Cash restricted by donor  
 Internally designated cash

September 2024	August 2024	July 2024	YTD of FY2024
59,905,793	100,376,893	50,804,044	211,086,731
(34,956,674)	(38,078,656)	(36,000,444)	(109,154,079)
(47,545,833)	(41,615,092)	(38,429,396)	(127,472,016)
3,510,823	4,176,872	4,068,531	11,756,226
(19,085,890)	24,860,018	(19,557,266)	(13,783,138)
(863,140)	(2,925,573)	(7,899,393)	(11,688,106)
527,028	1,314,685	5,588,537	7,430,249
-	-	-	-
(21,506,152)	2,169,593	11,513,366	(7,823,194)
(21,842,265)	558,704	9,202,510	(12,081,051)
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	(2)	-	(2)
-	(2)	-	(2)
(40,928,155)	25,418,720	(10,354,756)	(25,864,191)
142,120,866	116,702,146	127,056,902	127,056,902
101,192,711	142,120,866	116,702,146	101,192,710
101,192,711	142,120,866	116,702,146	101,192,710
4,040,522	4,017,108	3,910,747	4,040,522
123,738,870	102,232,718	104,402,310	123,738,870

# FY25BALANCE SHEET HIGHLIGHTS



	Sep 2024	Aug 2024	Jul 2024
<b>CASH</b>			
Unrestricted	\$ 101.2	\$ 142.1	\$ 116.7
Restricted by donor	4.0	4.0	3.9
Internally designated	123.7	102.2	104.4
	<u>\$ 229.0</u>	<u>\$ 248.3</u>	<u>\$ 225.0</u>
<b>NET WORKING CAPITAL</b>	\$ 183.2	\$ 207.6	\$ 205.1
<b>NET PP&amp;E</b>	\$ 275.1	\$ 274.6	\$ 272.2
<b>LONG-TERM DEBT</b>	\$ -	\$ -	\$ -
<b>NET PENSION LIABILITY</b>	\$ 716.8	\$ 716.8	\$ 716.8
<b>NET POSITION</b>	\$ (197.6)	\$ (195.1)	\$ (196.5)

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

<b>Issue:</b> <b>FY24 Planning Update</b>	<b>Back-up:</b>
<b>Petitioner:</b> Jennifer Wakem, Chief Financial Officer	
<b>Recommendation:</b>  <b>That the Governing Board Audit and Finance Committee receive the FY24 Planning update from BDO USA, LLP, Certified Public Accountants for University Medical Center of Southern Nevada; and direct staff accordingly. <i>(For possible action)</i></b>	

**FISCAL IMPACT:**

None

**BACKGROUND:**

The Committee will receive an update regarding the FY24 planning update.

Cleared for Agenda  
October 23, 2024

Agenda Item #

**6**



REPORT TO THOSE CHARGED WITH GOVERNANCE

# UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA

AUDIT PLANNING:  
YEAR ENDING JUNE 30, 2024

# Contents

QUICK ACCESS TO THE  
FULL REPORT

<a href="#">WELCOME</a>	3
<a href="#">EXECUTIVE SUMMARY</a>	4
<a href="#">APPENDIX</a>	18

The following communication was prepared as part of our audit, has consequential limitations, and is intended solely for the information and use of those charged with governance (e.g., Board of Directors and Audit Committee) and, if appropriate, management of the Company, and is not intended and should not be used by anyone other than these specified parties.

# Welcome

October 14, 2024

Those Charged With Governance  
University Medical Center of Southern Nevada

Professional standards require us to communicate with you regarding matters related to the audit that are, in our professional judgment, significant and relevant to your responsibilities in overseeing the financial reporting process. This document provides an overview of our plan for the audit of the financial statements and schedule of expenditures of federal awards of University Medical Center of Southern Nevada (the “Hospital”) as of and for the year ended June 30, 2024, including a summary of the nature, scope, and timing of the planned audit work.

We are pleased to be of service to the Hospital and look forward to discussing our audit plan, as well as other matters that may be of interest to you.

Respectfully,

BDO USA, P.C.

BDO USA, P.C., a Virginia professional corporation, is the U.S. member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO is the brand name for the BDO network and for each of the BDO Member Firms.



**JOHN BARRY**  
Assurance Principal  
714-338-2492 / jbarry@bdo.com



**AARON RIOS**  
Assurance Director  
720-500-0321 / arios@bdo.com



**STEFANIE WRIGHT**  
Assurance Manager  
702-726-3278 / swright@bdo.com



# Executive Summary







# Responsibilities

BDO USA, P.C., as your auditor, is responsible for forming and expressing an opinion(s) about whether the financial statements and the schedule of expenditures of federal awards that have been prepared by management, with your oversight, are prepared, in all material respects, in conformity with accounting principles generally accepted in the United States of America. In addition, our audit will be conducted in accordance with standards for financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance). The audit of the financial statements does not relieve you of your responsibilities and does not relieve management of their responsibilities. The engagement letter, a copy of which has been provided to you, includes specific details regarding the auditor's and management's responsibilities.

# Audit Strategy

Overall, our audit strategy is to assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design further audit procedures responsive to assessed risks. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. In connection with our audit, we will obtain a sufficient understanding of the Hospital's internal control to plan the audit of the financial statements. However, such understanding is required for the purposes of determining our audit procedures and not to provide any assurance concerning such internal control. In addition, *Government Auditing Standards* require that we also plan and perform the audit to obtain reasonable assurance about whether the Hospital has complied with applicable laws, regulations and the terms and conditions of the federal awards that may have a direct and material effect on each of Hospital's major federal programs.

We focus on areas with higher risk of material misstatement (whether due to error or fraud). Our audit strategy includes consideration of:

- ▶ prior year audit results together with current year preliminary analytical review, including discussions with management and those charged with governance regarding the Hospital's operations and risks.
- ▶ inherent risk within the Hospital,
- ▶ recent developments within the industry, regulatory environment, and general economic conditions,
- ▶ recently issued and effective accounting and financial reporting guidance,
- ▶ the Hospital's significant accounting policies and procedures, including those requiring significant management judgments and estimates and those related to significant unusual transactions,
- ▶ the control environment, risk management, and monitoring processes, and the possibility that the control system and procedures may fail to prevent or detect a material error or fraud,
- ▶ information about systems and the computer environment in which the related systems operate,
- ▶ a continual assessment of materiality thresholds based upon qualitative and quantitative factors affecting the Hospital, and
- ▶ internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures.

We will communicate to you any significant changes to the planned audit strategy, or to the significant risks initially identified, that may occur during the audit due to the results of audit procedures or in response to external factors, such as changes in the economic environment.

# The BDOADVANTAGE

At BDO, we are continuously evaluating and improving our methodologies, technologies, and applications to evolve our approach to the audit process.

Our approach to audit technology enriches the experience for our clients, provides better risk assessment and deeper understanding of your business, and contributes to high-quality audits for capital markets.



## AUDIT QUALITY



### WORKING ON WHAT MATTERS

- ▶ Our automations enable our people to focus on more strategic work. The use of cutting-edge data analytics in our risk-based audit approach enables our auditors to target risks and testing to the critical areas of the audit.

### FOCUSED INSIGHT



### CLARITY AND COLLABORATION

- ▶ Our project management tools, and global portal, help prevent surprises and provide a snapshot of audit progress.
- ▶ Our teams have access to dedicated user enablement support to provide a smooth client experience.

### SEAMLESS AUDIT



### PEOPLE AND PROCESS OPTIMIZATION

- ▶ Our engagement level automations, continuous process evaluation, and ongoing improvements help us optimize the workflow and process of the audit. This drives consistency in the execution of the audit.

### GREATER PRECISION



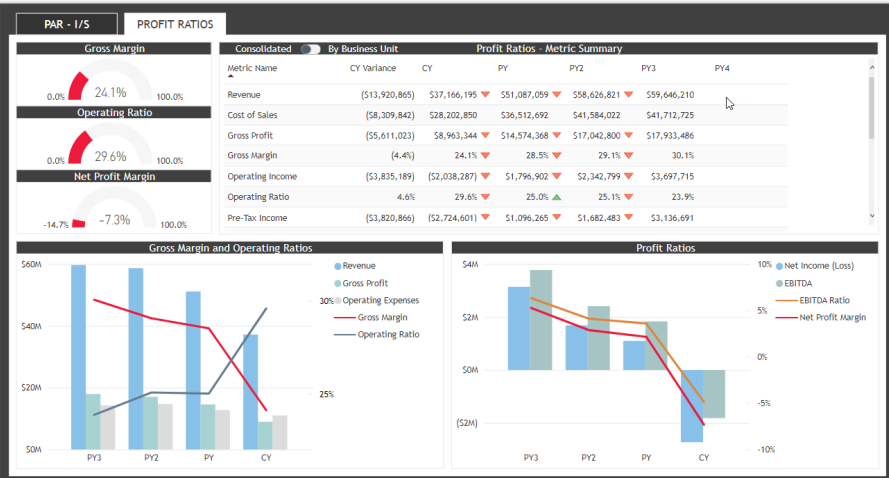
# The BDOADVANTAGE

The **BDOADVANTAGE**, our digital suite of tools, equips our auditors to perform more effective and robust audits. These tools include communications and project management tools to ensure there are no surprises; automations to help our teams focus on risks; and data analytics that allow our auditors to dive deeper into their risk analysis through use of data visualization, correlation, and comparison. The **BDOADVANTAGE** empowers our audit teams to create more industry-focused client insights with greater precision.

Below are two examples of the **BDOADVANTAGE** technology suite:

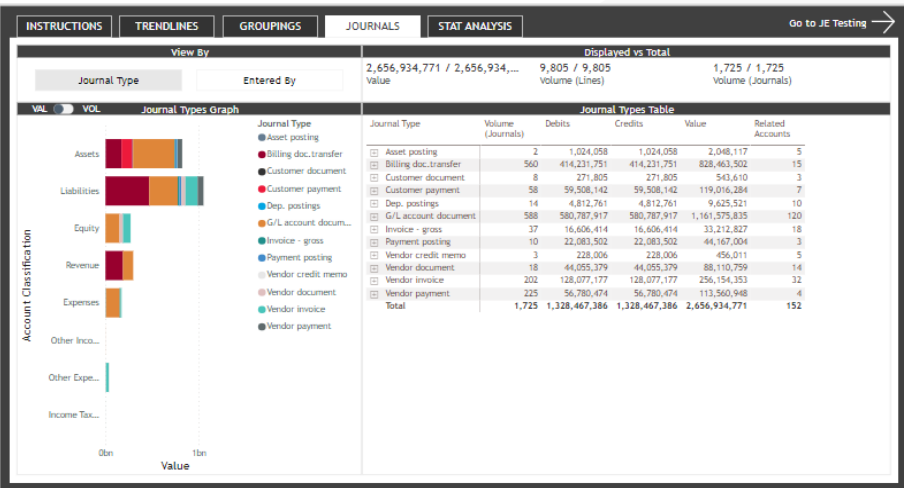
## PRELIMINARY ANALYTICAL REVIEW & RISK ASSESSMENT

- ▶ Visualizes trends for key performance indicators and summarizes key changes in trial balance activity for a high-level overview of fluctuations.
- ▶ Enhances our overall knowledge of company performance and our understanding of the entity.



## JOURNAL ANALYZER

- ▶ Assists with exploring large volumes of transactions within the entity's general ledger for purposes of discovering or analyzing patterns or trends, developing expectations, and identifying areas for further testing.
- ▶ Used to effectively and efficiently perform testing of the entity's journal entries.



# Planned Scope

Based upon our initial assessment, our planned scope for the audit is described below:

- ▶ The areas indicated below relate to significant risks identified during our risk assessment procedures and include a brief description of how we propose to address them:
  - Patient Accounts Receivable and allowance and patient revenue
    - Utilize data analytics to evaluate the value of patient revenues and AR
    - Select a sample of patient accounts for detailed testing
  - Management override of controls
    - Select a sample of journal entries recorded throughout the year
    - Perform a retrospective review over material estimates
  - Single audit in accordance with the Uniform Guidance
    - Select programs to test for compliance
- ▶ We will plan and perform the audit of the financial statements for the year ended June 30, 2024, in accordance with *Government Auditing Standards*.
- ▶ We will consider the Hospital's internal control over financial reporting as a basis for designing audit procedures for the purpose of expressing our opinion(s) on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Hospital's internal control.
- ▶ We will perform tests of 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 is not an objective of our audit.



# Planned Scope (Continued)

- ▶ We will plan and perform the audit of the Schedule of Expenditures of Federal Awards (SEFA) for the year ended June 30, 2024, in accordance with GAS and the Uniform Guidance and will issue an in relation to opinion.
- ▶ We will consider Internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing an opinion on compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance.



## Detail of Significant Risks & Additional Audit Considerations

# Patient Accounts Receivable

## CONSIDERATION

- ▶ High risk due to the following factors:
  - ▶ Economic pressures associated with industry conditions and increased competition
  - ▶ Significant estimates and judgments used to calculate allowances

## APPROACH

- ▶ Understand and perform detailed walkthrough of the control environment surrounding the recording of receivables and estimation of allowances for doubtful accounts.
- ▶ We will compare the 2024 balances with 2023 and determine if the change appears reasonable and consistent with industry trends.
- ▶ Review UMC basis and process for calculating reserves for bad debts and determine if they are reasonable and calculated consistently with management's reserve policy.
- ▶ Perform testing on the allowance for doubtful accounts in assessing the adequacy of the reserves.
- ▶ Perform various audit procedures, including a hindsight review using computer assisted audit techniques based on a realization of 2024 balances to determine historical trends to support the current year balances; ratio analyses, and detailed review of in-house, discharged not final billed and billed trial balances and aging.
- ▶ Review roll-forward of accounts receivable and perform a test on a representative sample of patient receivable balances to verify the existence of the services provided and the related accounts receivable.
- ▶ Test subsequent cash collections to validate the receivable balances.
- ▶ Perform a retrospective review of prior year allowance and reserve calculations through a review of cash collections and write-offs in the current year.



# Patient Revenue

## CONSIDERATION

- ▶ High risk due to the following factors:
  - ▶ Complex accounting rules
  - ▶ Reliance on third party payor contracts
  - ▶ Significant estimates and judgments used to calculate allowances

## APPROACH

- ▶ Understand and perform detailed walkthrough of the control environment surrounding revenue recognition.
- ▶ Work closely with management to discuss terms for significant transactions, changes in the nature, timing or processing of transactions.
- ▶ Perform a test of transactions for UMC's significant revenue streams to determine whether revenue has been appropriately recognized.
- ▶ Perform testing of management's processes for calculation of contractual allowances by payor mix.
- ▶ Test the revenue recorded based on the cash received throughout the year ("cash to revenue proof") and select a sample of underlying cash receipts to ensure proper recording.
- ▶ Select a representative sample from the 2024 patient charges and test balances to billing documentation and medical records to verify the existence and review the charge codes to the Charge Master Index to confirm the billing rate was correct.
- ▶ Perform completeness review by testing transactions after year end to ensure they are recognized in the appropriate period.
- ▶ Perform analytical procedures on key revenue streams.

# Overall Audit Timeline

The following represents our anticipated schedule with regard to our audit of the financial statements of the Hospital:

	Jul	Aug	Sep	Oct	Nov
Planning	✓	✓			
Year-End Fieldwork			✓	✓	✓
Release Reports on Financial Statements					✓



# Independence

Our engagement letter to standards and certain regulatory authorities and *Government Auditing Standards* with regard to independence and the performance of our services. This letter also stipulates the responsibilities of the Hospital with respect to independence as agreed to by the Hospital. Please refer to that letter for further information.

# Audit Firm System of Quality Management

An audit firm’s system of quality control (aka system of quality management) is essential to how the firm conducts audits and is in place to protect investors, shareholders and other users of financial statements.

## QUALITY MANAGEMENT STANDARDS

In June 2022, the AICPA Auditing Standards Board (ASB) issued the following interrelated standards on audit quality management (collectively, the QM standards), which are designed to improve a CPA firm’s risk assessment and audit quality. The effective date of the QM standards is December 15, 2025.

<a href="#">Statement on Quality Management Standards (SQMS) No. 1</a>	<a href="#">Statement on Quality Management Standards (SQMS) No. 2</a>	<a href="#">Statement on Auditing Standards (SAS) No. 146</a>
<i>A Firm’s System of Quality Management</i>	<i>Engagement Quality Reviews</i>	<i>Quality Management for an Engagement Conducted in Accordance With Generally Accepted Auditing Standards</i>

BDO has assessed the requirements of the QM standards and has analyzed our firm’s current system of quality management to identify changes and improvements necessary for compliance. This includes the identification of quality objectives, quality risks and the assessment of those quality risks, and responses to address those risks. We are further working with BDO Global to appropriately integrate processes deployed at a global level into our firm’s system of quality management.



2020 BDO AUDIT QUALITY REPORT

CONTINUING  
TO BUILD  
TRUST

We will continue to provide you with updates on our progress. Currently, you may find discussion of BDO’s system of quality control within our annual [Audit Quality Reports](#), the most recent of which is accessible [here](#).

# Use of Other Auditors and Persons Not Employed by BDO USA

BDO RISE Private Limited (BDO RISE India)

Bellandur, Bengaluru, Karnataka, India

Responsibilities include:

- ▶ Perform internal control testing procedures
  - ▶ Perform substantive audit testing in areas such as cash and fixed assets
- 

*The use of other auditors, outside the core engagement team, including the use of third party-contractors are under the direct supervision of the core engagement team in accordance with applicable auditing standards.*



# Appendix

# Evolving Governance Matters & Communications



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Board Priorities for 2023

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Recent Center for Audit Quality Resources

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# Board Committee Priorities for 2024

## Audit and Risk Committee

- 1.Evolving oversight of financial reporting and the audit
- 2.Oversight of the enterprise risk management (ERM) function
- 3.Evolving risk such as technology, innovation, cybersecurity, fraud, human capital and macroeconomic factors.

## Compensation Committee

- 1.Executive and board compensation considerations
- 2.Human capital oversight
- 3.Stakeholder engagement through communications and reporting

## Nominating & Governance Committee

- 1.CEO succession
- 2.Director succession and refreshment
- 3.Governance processes, policies and documentation
- 4.Reporting and disclosure



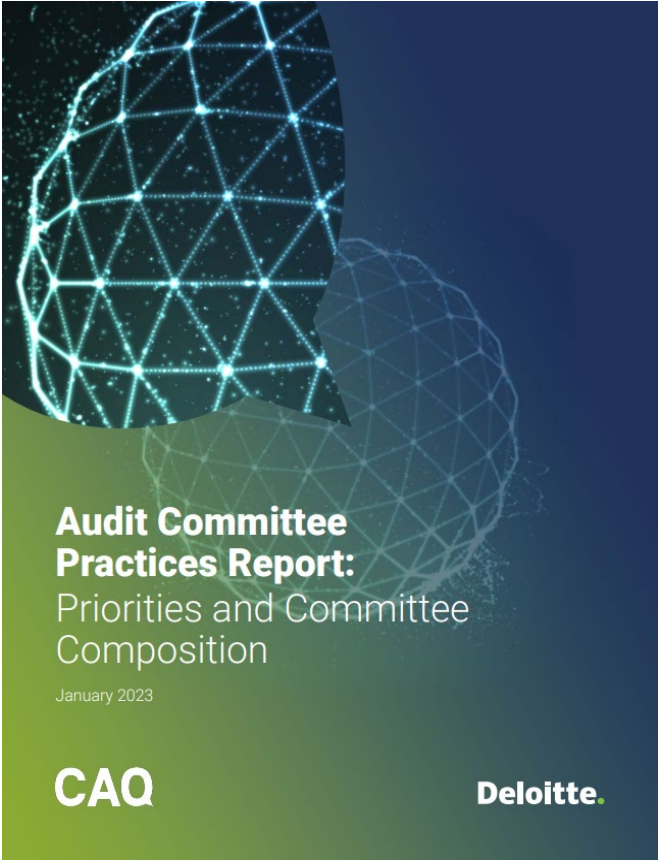


# CAQ - Audit Committee Practices Report: Priorities and Committee Composition

## Key Takeaways:



*\*A total of 164 individuals participated in the entire survey (with higher response rates for certain questions, up to a maximum response rate of 181) from predominantly large (80% > \$700 million), U.S.-based public companies.*



Click [here](#) to view the full publication



# CAQ - Audit Partner Pulse Survey, Fall 2022

The CAQ's survey asked audit partners at some of the largest firms in the US about what they are observing in the industries they audit in terms of economic health indicators, challenges and risks facing businesses within their sectors, and how those businesses are adjusting their strategies in the current environment.

## Key Findings

### ► Economic Outlook

- More than half (57%) of the partners surveyed hold a pessimistic or very pessimistic outlook on the US economy for the next twelve months, a thirteen-point increase since the spring of 2022 survey.
- Most audit partners expect price increases (73%) and inflation (68%) to persist for the next twelve months.
- The audit partners surveyed categorized inflation (75%), labor shortages (48%), and supply chain impacts (44%) as the top three risks affecting US companies.

### ► Strategy

- Audit partners indicated that cost management (53%) remains a top priority, focus on talent/labor and growth decreased, while focus on financial performance increased.

### ► Talent Retention

- According to 85% of the audit partners, business leaders are taking resource scarcity into account when developing their corporate strategies.
- To retain employees, the audit partners reported that businesses are increasing workplace flexibility (66%), increasing compensation (62%) and upskilling their employees (32%).

### ► Emerging Risk

- Audit partners reported that business leaders are preparing for emerging issues including climate change (59%) and for emerging technologies such as blockchain (63%) in their strategies.



Click [here](#) to view the full publication



# Current Business Issues and Risk Considerations



ESG Trends



Strategic Resilience in Economic Volatility



Managing Risk

# ESG Assurance: A Competitive Differentiator

Sustainability is a powerful force in today's economy. [McKinsey & Company](#) estimates that companies will invest \$5 trillion per year in sustainability by 2025.

## What are the key forces driving attention to ESG assurance?

- ▶ Companies all over the world are investing time and money in their ESG efforts and there are many tailwinds behind the growing importance of ESG assurance, including: customers, investors, vendors, competition, regulation and greenwashing prevention.

## How should companies prepare for ESG assurance?

- ▶ ESG assurance requires a methodical approach and begins with taking an inventory of the current state of its ESG reporting. This includes items such as:
  - A materiality assessment and determination of metrics that are important to its stakeholders
  - Review of ESG reporting provided by industry peers
  - Consideration of reporting frameworks to be used
  - Establishing management roles and responsibilities
  - Board oversight
  - Adequacy of processes and controls
  - Resource sufficiency



Click [here](#) to view the full article

## UNITED STATES

# ESG and the Inflation Reduction Act of 2022

- ▶ President Biden signed the Inflation Reduction Act (IRA) of 2022 into law in August, which incentivizes ESG investing and earmarks \$369B for climate change and green energy investment over the next 10 years.
- ▶ From an environmental perspective, the IRA extends and enhances many of the existing energy-related tax credits and incentives, including those for:
  - Renewable electricity investment and production
  - Energy storage
  - Carbon capture
  - Production of clean hydrogen
  - Sustainable aviation and biofuels
  - Electric vehicles and charging infrastructure
  - Advanced domestic manufacturing
  - Greenhouse gas reductions
- ▶ The IRA supports social policies, ties many credit amounts to wage and apprenticeship requirements and incentivizes investment in certain low-income and energy communities; targets job creation in the U.S., provides tax credits for domestic manufacturing, allows tax-exempt entities to take advantage of the tax benefits associated with clean energy investments and provides incentives for the use of domestic content; and modifies many of the current energy-related tax credits.
- ▶ [Learn about base and bonus credit rate structure, credit monetization changes and modifications to nine energy-related tax credits.](#)



Click [here](#) to read the article

# Strategic Resilience:

## A Framework for Navigating Economic Volatility

- ▶ Rising inflation and interest rates have set a course for economic contraction and no economist can predict the depth or duration of a downturn.
- ▶ Organizations with strong balance sheets, solid operations processes, use of innovation, deployment of appropriate talent and strong growth potential can leverage resilience as a strategy for competitive advantage.
- ▶ By leaning into resilience principles, companies in all stages of business health can find opportunity in economic adversity and accelerate growth coming out of it.



Click [here](#) to view the roadmap



# Strategic Resilience:

## Navigating Financial Headwinds, Recession or Not

- ▶ Proper planning for a recession can help your company survive and be prepared for growth thereafter.
- ▶ Here are some considerations:
  - Put together cash flow projections to control cash in a variety of recession scenarios. Executive management needs this information in a usable format and a timely manner to enable them to make critical operating and marketing decisions necessary to survive economic difficulties.
  - Implement price increase programs that restore profitability while maintaining customers.
  - Formulate an accounts receivable collection program that is both considerate of customers and effective at bringing in much-needed cash.
  - Rationalize inventory to get product turning at the same or at a better rate than industry peers in order to avoid stockouts while increasing profitable sales.
  - During the Great Recession of 2008, many companies formulated a loan restructuring plan, an action encouraged and embraced by lenders.
  - Despite company management likely spread thin, it's critical to continue implementing the company's strategic plan and to monitor progress.



Click [here](#) to view the full article

# Cyber Risk

- ▶ Cybercrime is a serious risk regardless of your organization's industry or size.
- ▶ Error continues to be a dominant trend and is responsible for 14% of breaches.
  - People continue to play a very large role in incidents and breaches.
  - This year, 82% of breaches involved the human element, whether it is the use of stolen credentials, phishing, misuse or simply an error.
- ▶ Ransomware has continued its upward trend with an almost 13% increase (for a total of 25% of breaches) — a rise as big as the past five years combined.

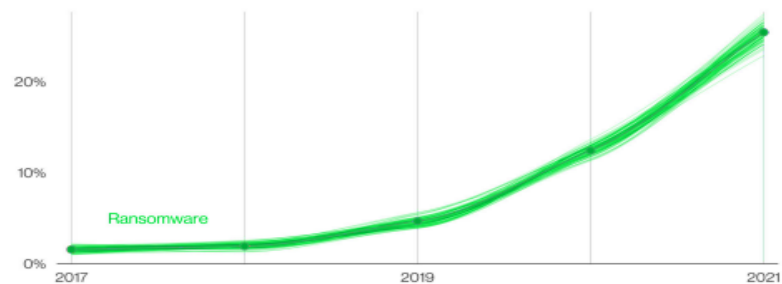


Figure 4. Ransomware over time in breaches

- ▶ Consider taking BDO's [Cyber Risk Assessment](#)



Click [here](#) to view the full publication



# Three Top Cloud Security Challenges Facing Companies

- ▶ Here are three of the top cloud security challenges companies face:



1. Managing identity and access authentication.



2. Storing and encrypting sensitive information.



3. Managing security incidents

- ▶ There are various types of attestation services that can assist in managing cloud security:
  - **SOC 2 Report:** This report includes an examination of an organization's internal controls related to security and can also cover availability, processing integrity, confidentiality and privacy. SOC 2 focuses on the company's controls to address a defined set of security and other requirements for services provided to its customers.
  - **ISO Certification:** ISO security and privacy certifications offer validation that your organization's security or privacy program is operating in accordance with international standards. ISO certification tends to be most applicable to companies with a global customer base.
  - **CSA STAR Assessment:** This is a program developed by the Cloud Security Alliance (CSA) based on requirements defined in the Cloud Controls Matrix (CCM). CSA STAR was developed specifically to address cloud security risks and requirements.

## THREE TOP CLOUD SECURITY CHALLENGES FACING COMPANIES

**BDO**



# Implementation of New GASB Standards

# GASB Statement No. 99, Omnibus 2022

Effective Dates	Date per Pronouncement
	Effective as Noted Below

- ▶ This Statement address practice issues identified during implementation and application of certain GASB Statements and accounting and financial reporting for financial guarantees.
- ▶ Effective Upon Statement Issuance - April 2022:
  - Extension of the period during which LIBOR is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt
  - Accounting of benefits distributed as part of the Supplemental Nutrition Assistance Program (SNAP)
  - Disclosures related to nonmonetary transactions
  - Pledges of future revenues when resources are not received by the pledging government
  - Clarification of provisions of Statement No. 34 related to the focus of the government-wide financial statements
  - Updates to terminology used in Statement No. 53 to refer to resource flow statements and to certain provisions in Statement No. 63
- ▶ Effective for Fiscal Years Beginning After June 15, 2022:
  - Determination of lease term and classification of leases as short-term in accordance with Statement No. 87
  - Clarification related to the determination of Public-Private Partnerships (PPP) term and recognition and measurement of installment payments and the transfer of PPP assets under Statement No. 94
  - Clarification of the provisions of Statement No. 96 related to Subscription Based Information Technology Arrangements (SBITA) term, classification of short-term SBITA, and recognition and measurement of a subscription liability
- ▶ Effective for Fiscal Years Beginning After June 15, 2023:
  - A government extending an exchange or exchange-like financial guarantee should recognize a liability and expense/expenditure related to the guarantee when qualitative factors and historical data indicate that it is more likely than not a government will be required to make a payment related to the guarantee. Statement No. 99 excludes guarantees related to special assessment debt, financial guarantee contracts within the scope of Statement No. 53, or guarantees related to conduit debt obligations.
  - Requirements related to the classification and reporting of derivative instruments within the scope of Statement No. 53 that do not meet the definition of an investment or hedging derivative instrument

# GASB Statement No. 100, *Accounting Changes and Error Corrections* - an amendment of GASB Statement No. 62

Effective Dates	Date per Pronouncement
	Fiscal Years Beginning After 6/15/2023

- ▶ This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes.
- ▶ As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability.
- ▶ This Statement also addresses corrections of errors in previously issued financial statements.
- ▶ This Statement requires that:
  - changes in accounting principles and error corrections be reported retroactively by restating prior periods,
  - changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and
  - changes in accounting estimates be reported prospectively by recognizing the change in the current period.
- ▶ The requirements of this Statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement.
- ▶ Statement No. 100 requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements.
- ▶ This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated.
- ▶ Statement No. 100 also addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). For periods that are earlier than those included in the basic financial statements, information presented in RSI or SI should be restated for error corrections, if practicable, but not for changes in accounting principles.

# GASB Statement No. 101, *Compensated Absences*

Effective Dates	Date per Pronouncement
	Fiscal Years Beginning After 12/15/2023

- ▶ This Statement requires that liabilities for compensated absences be recognized for leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means.
- ▶ Requires recognition of a liability for leave that has not been used if:
  - the leave is attributable to services already rendered,
  - the leave accumulates, and
  - the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.
- ▶ Leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.
- ▶ Statement No. 101 requires that a liability for certain types of compensated absences, including parental leave, military leave, and jury duty leave, not be recognized until the leave commences.
- ▶ In addition, this Statement requires that for specific types of compensated absences, a liability not be recognized until the leave is used.
- ▶ This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee’s pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.
- ▶ With respect to financial statements prepared using the current financial resources measurement focus, Statement No. 101 requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources.
- ▶ Statement No. 101 amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences.

# GASB Statement No. 102, *Certain Risk Disclosures*

Effective Dates	Date per Pronouncement
	Fiscal Years Beginning After 6/15/2024

- ▶ The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government’s vulnerabilities due to certain concentrations or constraints.
- ▶ Statement No. 102 defines a *concentration* as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources.
- ▶ Statement No. 102 defines a *constraint* as a limitation imposed on a government by an external party or by formal action of the government’s highest level of decision-making authority.
- ▶ Requires a government to assess:
  - whether a concentration or constraint is known to the government prior to the issuance of the financial statements,
  - whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact and
  - whether event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.
- ▶ For items meeting the above criteria, required disclosures include descriptions of:
  - the concentration or constraint,
  - each event associated with the concentration or constraint that could cause a substantial impact if the event had occurred or had begun to occur prior to the issuance of the financial statements, and
  - Actions taken by the government prior to the issuance of the financial statements to mitigate the risk.



## Industry Resources



# BDO Center for Corporate Governance

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[BDO's Center for Corporate Governance](#) recognizes board members need easy access to comprehensive information and insights they can rely on. Corporate governance and related risks and opportunities is an evolving landscape encompassing a variety of issues and requires subject matter experts who engage regularly with stakeholders - including regulators, management, board members and thought leaders - and share information directly with client management teams, the board and its committees. Whether you are new to board service, assuming a new role or a seasoned director who wants to remain up to date, we have you covered.

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- ▶ Technical updates and insights on emerging business issues
- ▶ [BDO In the Boardroom](#) podcast series for board of directors and those charged with governance
- ▶ A three-pronged evolving curriculum consisting of upcoming webinars & archived self-studies
- ▶ Opportunities to engage directly with BDO thought leaders
- ▶ External governance community resources



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## ESG: Better Planet. Better Society. Better Business.

As ESG takes center stage in a rapidly changing business landscape, the question is—how is your organization advancing toward true sustainability?

Today, every business has a responsibility - and an opportunity - to address the significant environmental, social and governance (ESG) challenges we face as an interconnected, global society. Not only is it the right thing to do, it is the only thing to do to contribute to a better planet, a better society and a better - and more sustainable - business. At BDO, ESG is a top firm priority and a key component of our strategic vision for the future. We invite you to learn more about BDO's approach to ESG and visit our [BDO ESG Center of Excellence](#).

### With you at every stage of your journey:

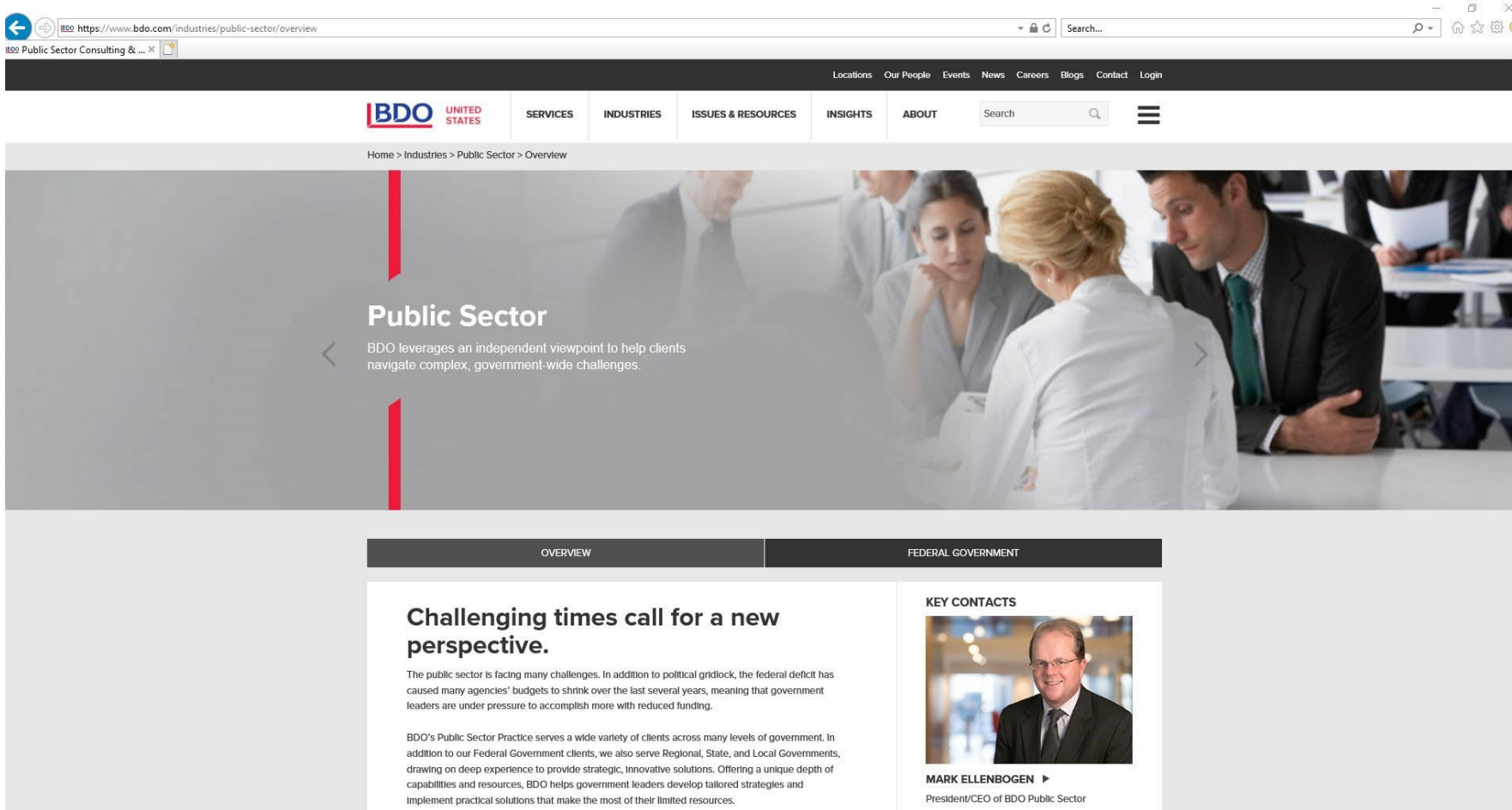
- ▶ ESG Strategy & Program Development
- ▶ ESG Reporting & Attestation
- ▶ Tax Transparency & ESG Tax Strategy
- ▶ Human Capital Management Strategy
- ▶ Supply Chain Sustainability & Resilience
- ▶ Climate Risk
- ▶ Sustainable Finance & Investing
- ▶ Community Resilience
- ▶ ESG Value Creation & Innovation

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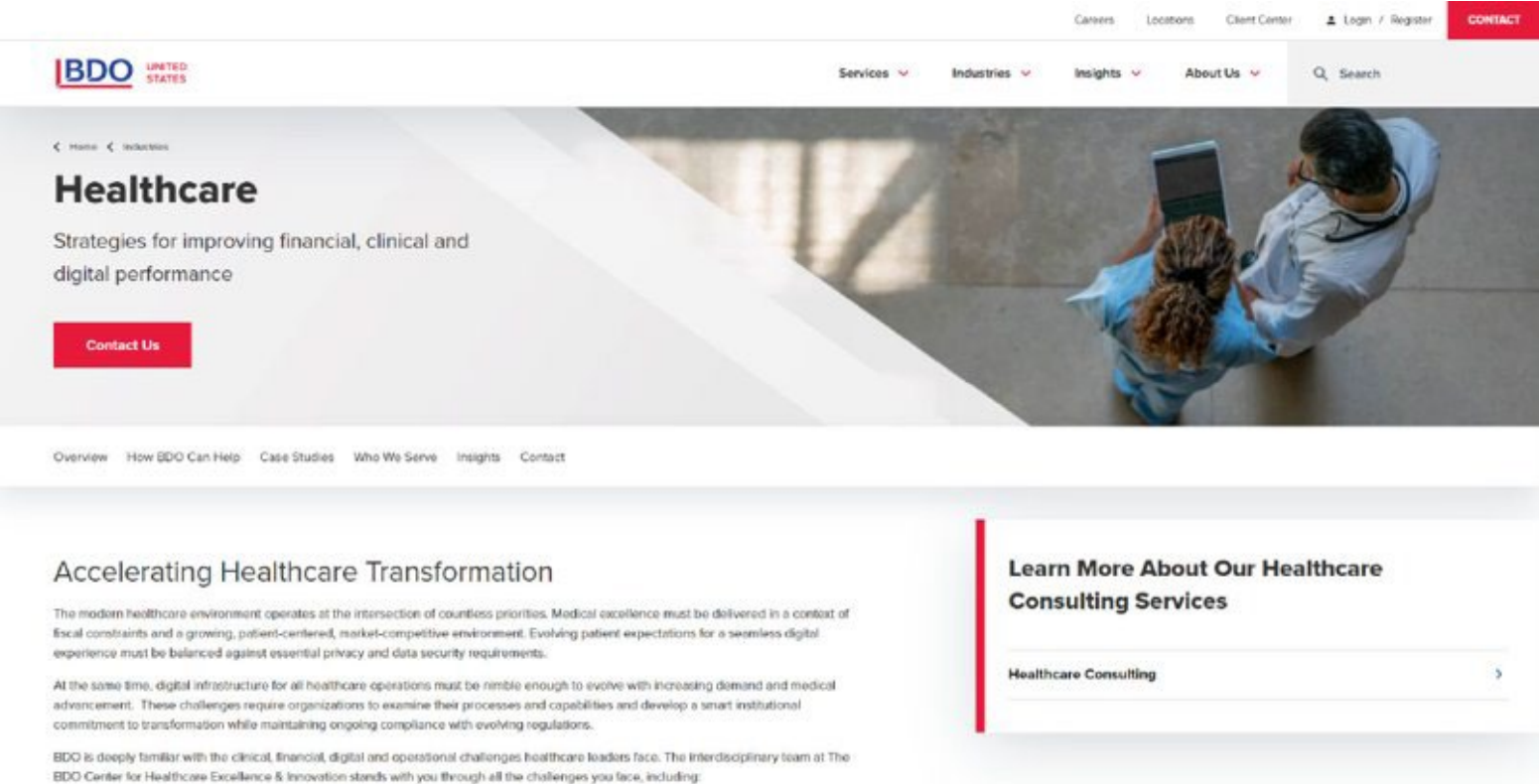
# Industry Risk and Resources

- ▶ BDO's industry focus is part of who we are and how we serve our clients and has been for over a century. We demonstrate our experience through knowledgeable professionals, relevant client work and participation in the industries we serve.
- ▶ Our industry practices bring perspective on trends, opportunities, issues and regulations that frame our services and approach to address your needs and your industry.



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## Meet our Healthcare Industry Leaders



**Brad Boyd**  
Managing Director, Management Consulting

[View Bio](#)



**Karen Fitzsimmons**  
Assurance Partner, Healthcare Industry Co-Leader

[View Bio](#)



# The Healthcare Revenue Cycle Optimization Checklist

According to BDO's 2024 Healthcare CFO Outlook Survey, financial pressures impacting hospital and health systems are of great concern to leaders in the field. Rising labor costs and interest rates combined with a lack of further COVID-19 government relief indicate that healthcare's financial problems aren't going away any time soon.



Click [here](#) to access the publication

# Blockchain for Your Life Sciences & Healthcare Organization

Blockchain is a distributed ledger technology that maintains a digital record of transactions. Data is stored in blocks, and as those blocks are filled, they are linked to the previously completed block, in chronological order. This forms a chain, hence the name “blockchain.”

Blockchain can be a game-changing technology for both life sciences and healthcare, as it offers opportunities for efficient collaboration, transparent data-sharing and enhanced security. This article demonstrates three use cases to help you better understand the value of blockchain for your organization.



Click [here](#) to access the publication

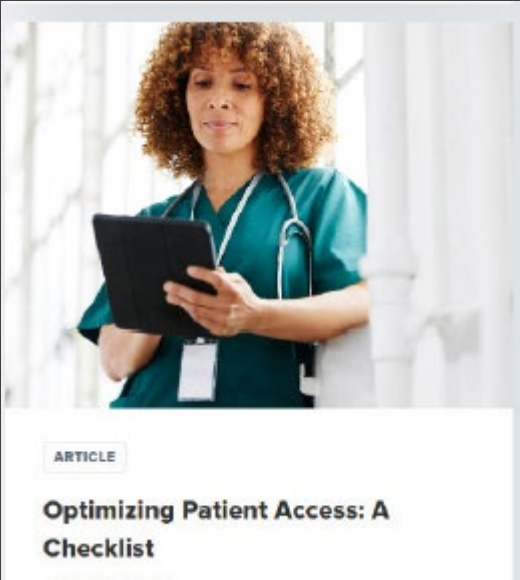
# Optimizing Patient Access: A Checklist

At its core, patient access is about ensuring patients have access to high quality care and information they need in a timely and efficient manner. From a provider perspective, patient access is essential for efficient practice operations, balancing patient demand with clinical resource productivity, managing patient populations and successfully managing value-based contracts.

Patients are increasingly demanding digital options for care access. According to BDO’s 2022 Patient Experience Survey, 81% of U.S. patients have used a patient portal. Of those that use patient portals, 87% find them helpful. At the same time, 39% of healthcare CFOs are planning to decrease investments in patient portals and digital from doors, according to BDO’s 2024 Healthcare CFO Outlook Survey. For providers to be successful, they need to offer the access options that patients prefer.

To ensure patients receive the care they need, provider organizations need to be as easy to navigate as possible. To that end, providers need to analyze key patient-facing systems and tap stakeholders to evaluate performance and implement digital solutions, including patient self-scheduling and online patient symptom evaluation. With the right digital tools, providers can expand patient access to both online and onsite care.

Improving patient access across an organization can be overwhelming. Fortunately, there are actions providers can take now to achieve immediate results for both onsite and virtual care: improve scheduling templates, refine referral strategies and upgrade call centers.

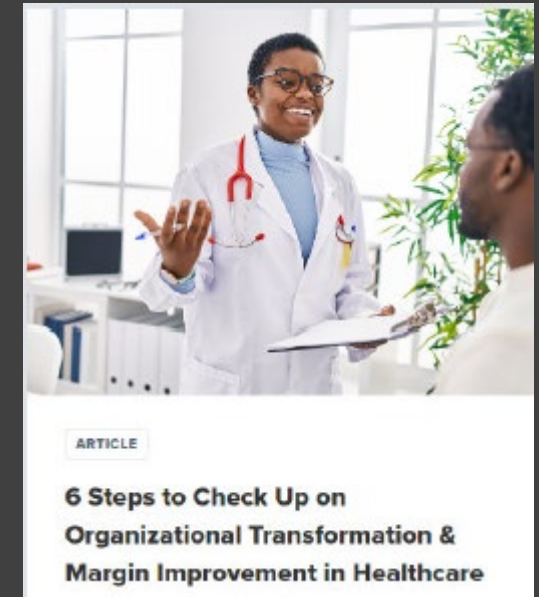


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# 6 Steps to Check Up on Organizational Transformation & Margin Improvement in Healthcare

Today's market environment has created some difficult challenges for healthcare organizations with 69% of health system strategic planners reporting operating margins below pre-pandemic performance in 2022. While contending with the continued impact of COVID, labor shortages, declining reimbursements, evolving payment models, and increased competition from non-traditional players and the migration to ambulatory and home care settings, healthcare organizations are finding that traditional methods of operational cost reduction and revenue enhancement will not be enough to remain viable.

Healthcare leaders will want to consider bold initiatives that extend across the organization to achieve real improvement. These 6 steps can help identify and execute opportunities that drive margin performance and sustainability.



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# 2024 BDO Healthcare CFO Outlook Survey

Nearly four years after the COVID-19 pandemic hit, our healthcare system is on the mend — but there are challenges up ahead that healthcare organizations must be prepared to navigate.

As a healthcare leader, you have some hard decisions to make this year, including:

- ▶ Should you be rethinking your current investment plans?
- ▶ How are you going to address the labor shortage at your organization?
- ▶ Should you make a deal this year?
- ▶ What role should digital solutions play in the future of your organization?

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# Healthcare Webcast Series

## About BDO's 2024 Healthcare Trends & Topics Webcast Series



The BDO Healthcare Trends & Topics Webcast Series is produced and delivered by the BDO Center for Healthcare Excellence and Innovation, which brings together an interdisciplinary group of healthcare executives to address opportunities and risks related to healthcare ESG readiness, financial improvement, digital transformation, implications of private equity and clinical innovation. We're intimately familiar with the challenges healthcare leaders are up against. Please join us and register for the full series today.

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### ASSURANCE:

- KAREN FITZSIMMONS, CPA - Partner - Healthcare Industry Co-Leader - 703-336-1466 [kfitzsimmons@bdo.com](mailto:kfitzsimmons@bdo.com)
- LEE KLUMPP, CPA - National Technical Partner, Industry- 301-354-2549 [lkumpp@bdo.com](mailto:lkumpp@bdo.com)
- CARLA DEMARTINI, CPA - National Technical Partner, Industry - 203-905-6287 [cdemartini@bdo.com](mailto:cdemartini@bdo.com)

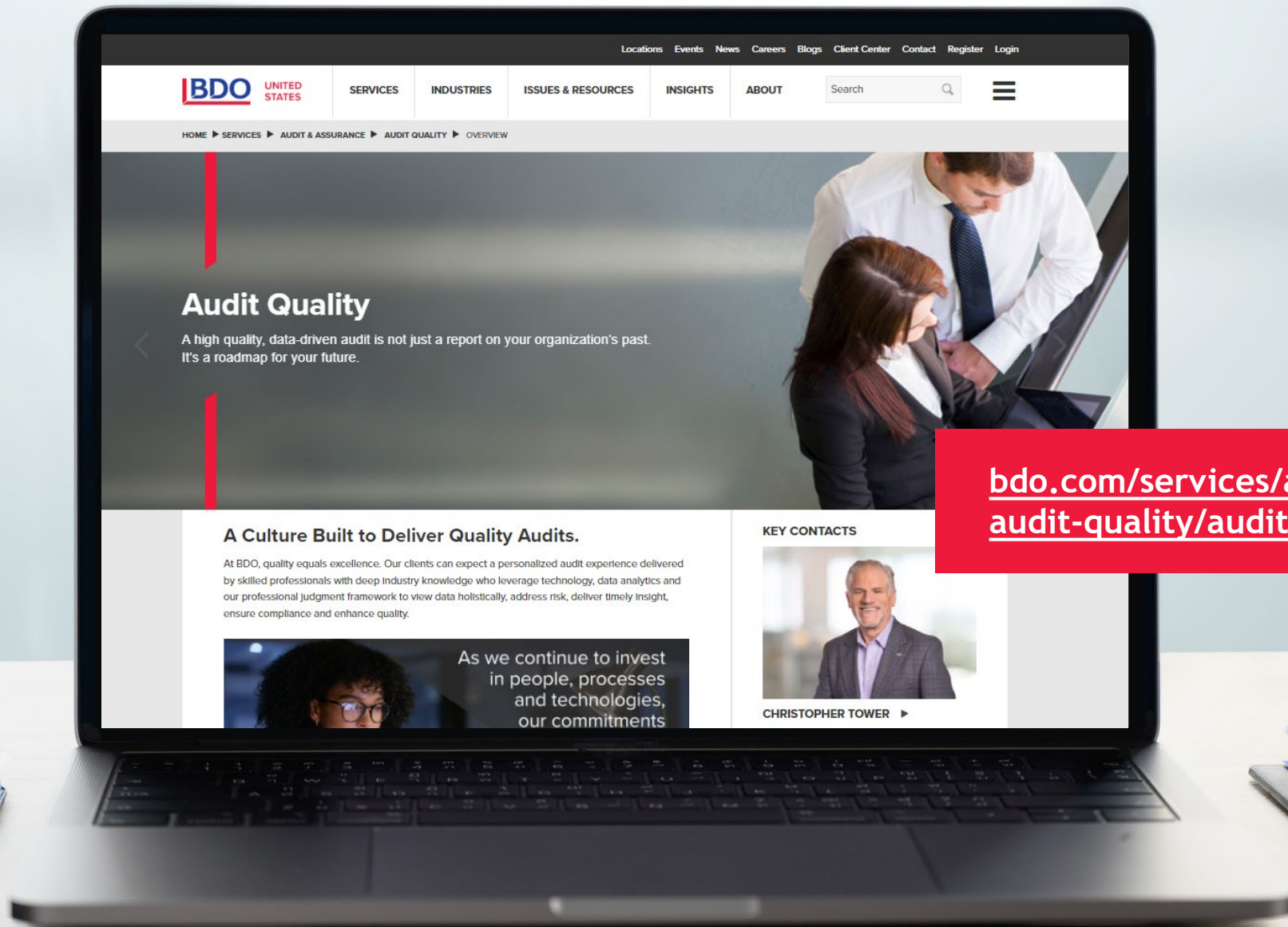
### TAX:

- JIM WHITE, CPA - Tax Practice Leader- 904-224-9775 [JRWhite@bdo.com](mailto:JRWhite@bdo.com)

### ADVISORY:

- BRAD BOYD, CPA - Managing Director, MAS - Healthcare Industry Co-Leader - 617-378-3634 [brad.boyd@bdo.com](mailto:brad.boyd@bdo.com)

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

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

**FISCAL IMPACT:**

None

**BACKGROUND:**

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

Cleared for Agenda  
October 23, 2024

Agenda Item #

**7**

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	NRS 332.115(1)(f)	No	Health Plan of Nevada	Second Amendment	Yes	8/1/2021 - 11/30/24	180 w/out cause	Revenue based on volume	Managed Care	Second Amendment will extend Term until November 30, 2024

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 332.112	No	Martin Harris Construction Report of Emergency Contract Action	Amendment / Utilizing existing #PWP-CL-2024-487	Yes	Until project completion	None	\$697,125	N/A	None	Plant Operations	On June 14, 2024, a failure of a deteriorated metal “main” domestic water line system resulted in emergency repairs to restore water flow to the southern section of the UMC campus. The water line needed to be repaired immediately to prevent further water flow disruption. Since the initial repair, the contractor has identified additional issues far beyond the original problems first encountered. Necessary repairs are required immediately on additional damaged or non-compliant pipes both on sanitary and domestic water lines: a domestic water line leaking under the Reflection room, another deteriorated sewer line, and an 8-inch old fire line which blew out adjacent to the entrance off Charleston Blvd. These additional repairs resulted in a cost to UMC of \$697,126.29.
10	NRS 332.115(1)(b)	No	Quest Diagnostics	New Contract	N/A	3 Years, with two (1)-year renewal options	180 days w/o cause	Professional Fees \$61,440/yr Medical Directorship \$48,000/yr Testing Services \$1,300,000/yr	None	None	Pathology	Quest will provide medical directorship services, laboratory testing services and 24/7 emergency, on-call and consultative pathology services for UMC’s inpatients, outpatients, and Emergency and Trauma patients.
11	NRS 332.115(1)(b)	No	Pokroy Medical Group of Nevada, Ltd. d/b/a Pediatrix Medical Group of Nevada	New Contract	N/A	3 Years, with two (1)-year renewal options	90 days w/o cause	\$300,000 annually	None	None	PEDS	This request is for approval of a new Telemedicine Professional Services Agreement with Pokroy Medical Group of Nevada, Ltd. d/b/a Pediatrix Medical Group of Nevada to provide remote 24/7 consultations and interpretation services as requested by the treating physician to pediatric patients in UMC’s Neonatal Intensive Care Unit.
12	NRS 332.115(1)(b)	No	Vitalant	New Contract	N/A	3 Years, with two (1)-year renewal options	30 days w/o cause	\$3,000,000 for the term with renewal option years	None	N/A	Laboratory Department	Vitalant will provide Therapeutic Apheresis Services to hospital patients on-site. Vitalant will provide the equipment, supplies, and disposals, and qualified medical and technical support personnel to conduct such services. Apheresis is plasma exchange as a treatment for patients. This procedure is performed by skilled nurses with specialized equipment. It is more cost effective for UMC to outsource these services than to perform this in-house.
13	NRS 332.115.1(b)	No	Vizient, Inc.	New SOW	N/A	3 months with an option to extend for up to 2 months	10 days w/o cause	Base SOW NTE \$160,000	None	N/A	IT	This SOW is for Vizient to evaluate UMC’s current clinical documentation quality and identify revenue cycle improvement opportunities that can be implemented across the hospital (i.e., perform a revenue cycle assessment). Specifically, the services will include Vizient’s review of UMC’s: i) end-to-end revenue cycle operations; ii) data; and iii) available benchmarking data to measure hospital’s performance against industry accepted key performance indicators. Vizient will provide an assessment report containing its findings, analysis and recommendations on how to improve UMC’s revenue cycle.
14	Formal RFP (2024 07)	No	R&R Partners, Inc.	New Contract	N/A	3 Years, with two (1)-year renewal options	15 days w/o cause	\$891,000	None	N/A	Administration	R&R Partners, Inc., will provide professional advocacy services to UMC in the presentation of its interests before the federal and state legislatures, and executive branches, which includes developing strategic plans, reviewing regulations, identifying funding sources drafting legislation and amendments, and advising UMC on various issues, among other things.
15	Formal Bid (2024-08) pursuant to 338.1385	No	Martin-Harris Construction, LLC	New Contract	N/A	project estimated to be complete within 126 days	At any time w/o cause	\$1,906,997	\$1,906,997	Savings - \$1,029,998 below capital projection	Plant Operations	This project will primarily take place on Floors 3, 4, and 5 at 2040 W Charleston Blvd, Las Vegas, NV 89102. The referenced floors will have minimal demolition as well as new construction. The scope includes new casework, flooring, ceilings, plumbing fixtures, additional electrical for emergency radios and surface finishes.
16	n/a	No	Tonopah Partners LLC	New Contract	N/A	10 years with five (5) annual renewal options	Budget Act and Fiscal Fund Out	Total Rent \$6,760,296 Total Allowance for Late Fees \$135,205.92 Taxes/Insurance \$70,000/yr	None	N/A	Administration	This request is to approve a new Lease Agreement with Tonopah Partners, LLC (Landlord) to lease approximately 14,658 sq. ft. of a building located on approximately 1.47 acres of land located at the northwest corner of Tonopah Dr. and Charleston Blvd, Las Vegas, Nevada known by its street address of 2100 West Charleston Blvd. and APN# 13932804013.  The Lease Term is for ten (10) years effective on the Lease Commencement Date with the option to renew for five (5)-one (1) year periods. UMC has a right of first refusal to purchase should Landlord receive an offer to purchase from a third party.
17	Formal Bid (2024-03) pursuant to 338.1385	No	Builders United, LLC	New Contract	N/A	project estimated to be complete within 154 days	At any time w/o cause	\$5,659,801	\$5,659,801	Savings - \$518,075 below Capital Amount Projection	Plant Operations	On August 25, 2024, Bid No. 2024-03 was published in the Las Vegas Review-Journal and posted on the Nevada Government eMarketplace (NGEM) Portal, soliciting bid proposals for improvements of a UMC-owned property located at 1800 W Charleston Blvd, Las Vegas, NV 89102. This project is primarily planned to take place within the Main 7 Story Tower and a single level building at the southeast side of the primary UMC campus at the address of 1800 W Charleston Blvd, Las Vegas, NV 89102. The scope includes new casework, flooring, ceilings, plumbing fixtures, sanitary piping, domestic plumbing lines, hydronic lines, and surface finishes.
18	NRS 332.115.1(b)	No	Medicus Healthcare Solutions, LLC	Amendment	No	Through 12/31/2025	60 days w/o cause	Base Agreement NTE \$4,950,000 Previous Amendments & Radiology SOW NTE \$21,050,000 Amendment 4 NTE \$10,000,000 Cumulative Total NTE \$36,000,000	None	Increase NTE \$10,000,000	Radiology Physicians	This Amendment Four requests to (i) extend the Term for one (1) year through 12/31/2025; (ii) add a not-to-exceed funding amount of \$10,000,000; and (iii) update the scope of services and fee schedule for the Radiology SOW, to anticipate continued services provided by Medicus that were not contemplated in the original Agreement. Medicus provides a full range of trauma and/or surgical anesthesiology locum tenens and advanced practitioners staffing services including, but not limited to, UMC’s Departments of Anesthesiology, Trauma, Emergency Room, Radiology, Cardiac Catheterization Lab, Burn Unit and/or Surgery.

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

<b>Issue:</b>	<b>Ratification of Second Amendment to the Hospital Services Agreement with Health Plan of Nevada, Inc., Sierra Health and Life Insurance Company, Inc. and Sierra Healthcare Options, Inc.</b>	<b>Back-up:</b>
<b>Petitioner:</b>	Jennifer Wakem, Chief Financial Officer	<b>Clerk Ref. #</b>
<b>Recommendation:</b>  <b>That the Governing Board Audit and Finance Committee review and recommend for ratification by the Governing Board the Second Amendment to Hospital Services Agreement with Health Plan of Nevada, Inc., Sierra Health and Life Insurance Company, Inc. and Sierra Healthcare Options, Inc.; or take action as deemed appropriate. (<i>For possible action</i>)</b>		

## **FISCAL IMPACT:**

Fund Number: 5420.000  
 Fund Center: 3000850000  
 Description: Managed Care Services  
 Bid/RFP/CBE: NRS 332.115(1)(f) – Insurance  
 Term: Through November 30, 2024  
 Amount: Revenue based on volume  
 Out Clause: 180 days w/o cause

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

## **BACKGROUND:**

Since August 1, 2021, UMC has had a Hospital Services Agreement with Health Plan of Nevada, Inc., Sierra Health and Life Insurance Company, Inc. and Sierra Healthcare Options, Inc., for managed care services (the “Agreement”). The First Amendment to the Agreement extended the term through October 31, 2024.

This Second Amendment will extend the term until November 30, 2024, as the parties are still working together to renegotiate. The Agreement term date is October 31, 2024 and the Amendment needed to be signed prior to its expiration to ensure UMC receives reimbursement of services provided.

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

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

Cleared for Agenda  
October 23, 2024

Agenda Item #

**8**



**HEALTH PLAN OF NEVADA, INC.**  
**SIERRA HEALTH AND LIFE INSURANCE COMPANY, INC.**  
**HOSPITAL AMENDMENT**

THIS AGREEMENT is made and entered into by and between Health Plan of Nevada, Inc., a corporation organized under the laws of the State of Nevada and Sierra Health and Life Insurance Company, Inc., a corporation organized under the laws of the State of Nevada, Sierra Healthcare Options, Inc. a corporation organized under the laws of the State of Nevada (SHO) and other future owned or managed companies (hereinafter, collectively referred to as "HEALTH PLAN") and 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").

**RECITALS**

WHEREAS, pursuant to a HOSPITAL Agreement with an effective date of August 1, 2021 by and between HOSPITAL and HEALTH PLAN, HOSPITAL has agreed to provide certain services for Members/Subscribers of HEALTH PLAN in exchange for certain described compensation.

WHEREAS, HOSPITAL and HEALTH PLAN ("the PARTIES") have agreed to amend the HOSPITAL Agreement to specify terms and conditions of HOSPITAL's provision of services rendered to Members or Subscribers.

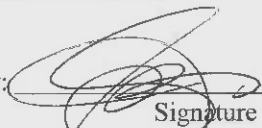
NOW, THEREFORE, in consideration of the above and for other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, HEALTH PLAN and HOSPITAL agree that the HOSPITAL Agreement is amended as follows:

**I. ARTICLE V. TERM AND TERMINATION**, Paragraph A. Term shall be deleted in its entirety and replaced with the following:

"A. Term. This Agreement shall remain in effect until 11:59 pm on November 30, 2024. Both parties agree to work together in good faith to negotiate new terms with an effective date of November 1, 2024.

All other terms and conditions of the agreement as amended shall remain in full force and effect.

**HEALTH PLAN**

By: \_\_\_\_\_  
Signature  
Name: Jean McParlane, Vice President  
Please Print  
Date: 10.11.2024

**HOSPITAL**

By: \_\_\_\_\_  
Signature  
Name: Mason Van Houweling  
Please Print  
Date: 10.11.2024

## DISCLOSURE OF OWNERSHIP/PRINCIPALS

<b>Business Entity Type (Please select one)</b>						
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input type="checkbox"/> Limited Liability Company	<input checked="" type="checkbox"/> Corporation	<input type="checkbox"/> Trust	<input type="checkbox"/> Non-Profit Organization	<input type="checkbox"/> Other
<b>Business Designation Group (Please select all that apply)</b>						
<input type="checkbox"/> MBE	<input type="checkbox"/> WBE	<input type="checkbox"/> SBE	<input type="checkbox"/> PBE	<input type="checkbox"/> VET	<input type="checkbox"/> DVET	<input type="checkbox"/> ESB
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise	Veteran Owned Business	Disabled Veteran Owned Business	Emerging Small Business
<b>Number of Clark County Nevada Residents Employed: 1,300</b>						
<b>Corporate/Business Entity Name:</b>		Health Plan of Nevada				
<b>(Include d.b.a., if applicable)</b>						
<b>Street Address:</b>		2720 N. Tenaya Way		<b>Website:</b>		
<b>City, State and Zip Code:</b>		Las Vegas, NV 89128		<b>POC Name:</b>		
				<b>Email:</b>		
<b>Telephone No:</b>		702-242-7188		<b>Fax No:</b>		
<b>Nevada Local Street Address:</b>				<b>Website:</b>		
<b>(If different from above)</b>						
<b>City, State and Zip Code:</b>				<b>Local Fax No:</b>		
<b>Local Telephone No:</b>				<b>Local POC Name:</b>		
				<b>Email:</b>		

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

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

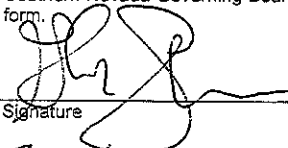
Entities include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations.

Full Name	Title	% Owned (Not required for Publicly Traded Corporations/Non-profit organizations)
Health Plan of Nevada	a Nevada Corporation	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	Glen Stevens Print Name July 20, 2021 Date
Secretary Title	

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

<b>Issue:</b>	<b>Report of an Emergency Contract Action for Water Main/Pipe Repairs</b>	<b>Back-up:</b>
<b>Petitioner:</b>	Jennifer Wakem, Chief Financial Officer	<b>Clerk Ref. #</b>
<b>Recommendation:</b> <b>That the Governing Board Audit and Finance Committee review and receive a report on the emergency repairs of deteriorated sanitary/domestic water main/pipes; or take action as deemed appropriate. (For possible action)</b>		

**FISCAL IMPACT:**

Fund #: 5430.011

Fund Center: 999901

Amount: \$697,126.29 chilled water line repair

Description: Report of an Emergency Contract Action

Fund Name: UMC Operating Fund

Funded Pgm/Grant: N/A

**BACKGROUND:**

On June 14, 2024, a failure of a deteriorated metal “main” domestic water line system resulted in emergency repairs to restore water flow to the southern section of the UMC campus. The water line needed to be repaired immediately to prevent further water flow disruption.

Since the initial repair, the contractor has identified additional issues far beyond the original problems first encountered. Necessary repairs are required immediately on additional damaged or non-compliant pipes both on sanitary and domestic water lines: a domestic water line leaking under the Reflection room, another deteriorated sewer line, and an 8-inch old fire line which blew out adjacent to the entrance off Charleston Blvd. These additional repairs resulted in a cost to UMC of \$697,126.29.

These circumstances meet the definition of an emergency as set forth in NRS 338.011:

Awarded to meet an emergency which results from a natural or artificially created disaster and which threatens the health, safety or welfare of the public.

In accordance with NRS 338.011 (2), if the public body or its authorized representative determines that an emergency exists, a contract or contracts necessary to contend with the emergency may be let without complying with the requirements of this chapter. If such emergency action was taken by the authorized representative, he or she shall report it to the public body at its next regularly scheduled meeting.

These repairs are needed immediately to prevent further water flow disruption to the UMC campus which would compromise patient safety.

Cleared for Agenda  
October 23, 2024

Agenda Item #

**9**



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

<b>Issue:</b>	<b>Professional Services Agreement (Clinical Services) with Quest Diagnostics Incorporated and Hoffman, M.D., Associated Pathologists, Chartered</b>	<b>Back-up:</b>
<b>Petitioner:</b>	Jennifer Wakem, Chief Financial Officer	<b>Clerk Ref. #</b>
<b>Recommendation:</b>  <b>That the Governing Board Audit and Finance Committee review and recommend for approval by the Governing Board the Professional Services Agreement (Clinical Services) for pathology services with Quest Diagnostics Incorporated and Hoffman, M.D., Associated Pathologists, Chartered; authorize the Chief Executive Officer to exercise any extension options; or take action as deemed appropriate. <i>(For possible action)</i></b>		

## FISCAL IMPACT:

Fund Number: 5420.000	Fund Name: UMC Operating Fund
Fund Center: 3000707000	Funded Pgm/Grant: N/A
Description: Pathology Services/Medical Directorship/Technical Component Svcs	
Bid/RFP/CBE: NRS 332.115.1(b) – Professional Services	
Term: 3 years; with two, 1-year renewal options	
Amount:	Professional Services \$5,120.00 monthly; \$61,440.00 annually
	Medical Directorship \$200.00/hr for up to 20 hours/month; NTE \$48,000 annually
	Technical Services \$1,300,000 NTE annually

Out Clause: 180 days w/o cause

## BACKGROUND:

This request is for approval of the Professional Services Agreement (“Agreement”) with Quest Diagnostics (“Quest”) to provide: (i) 24/7 anatomic pathology services for UMC’s inpatients, outpatients, Emergency Department patients and Trauma Department patients, (ii) Medical Directorship services, and (iii) laboratory testing services.

UMC will compensate Provider \$5,120.11 per month for professional services and NTE \$48,000 annually for Medical Directorship services. Testing services will be compensated based on the per-test fee schedule in the Agreement, for an annual not-to-exceed amount of \$1,300,000. The Agreement term is from December 14, 2024 through December 14, 2027, and allows for two (2) additional, 1-year extension options, exercisable at UMC’s direction. 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 23, 2024

Agenda Item #

**10**

Either party may terminate this Agreement for convenience with a 180-day written notice to the other.

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

## **PROFESSIONAL SERVICES AGREEMENT (Clinical Services)**

This Agreement, is made and entered into as of the last date of signature, 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”) **Quest Diagnostics Incorporated and Hoffman, M.D., Associated Pathologists, Chartered** (collectively, "Quest Diagnostics") (hereinafter referred to as “Provider”). Hospital and Provider together shall be referred to individually herein as “party” and collectively as “parties.”

**WHEREAS**, Hospital is the operator of a Pathology Department (the “Department”) located in Hospital which requires certain Services (as defined below);

**WHEREAS**, Hospital recognizes that the proper functioning of the Department requires Services from physicians who have been properly trained and are fully qualified and credentialed to practice medicine as pathologists;

**WHEREAS**, Provider desires to contract for and provide said Services in the specialty of pathology, 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 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. Advanced Practice Professionals to be utilized by Provider for the provision of Services are listed on **Exhibit A-1**, which shall be subject to change from time to time.
- 1.2 Department. Unless the context requires otherwise, Department refers to Hospital’s Department of Pathology.
- 1.3 Director of Laboratory Services. Hospital employs a Director of Laboratory Services that oversees the Department.
- 1.4 Medical Staff. The Medical and Dental Staff of University Medical Center of Southern Nevada.

- 1.5 Medical Director. The Medical Director performs certain administrative services in coordination with Hospital for the Department. Among other administrative duties assigned to the Medical Director, he or she shall be responsible for scheduling the call coverage services detailed in this Agreement and coordinating certain other hospital administrative services related to the operations of Hospital and the Department, as more specifically described herein. Due to the operations of a Pathology Department, Provider shall provide for a Medical Director in this area, as more specifically described in Section 2.2. Charles Burns, MD has been designated as the Medical Director.
- 1.6 Member Physicians. Physician(s) mutually appointed by Provider and Hospital (as listed on Exhibit A-1 and which shall be subject to change from time to time) to provide Services pursuant to this Agreement.
- 1.7 Services. Anatomic pathology services in the specialty of pathology performed for the diagnosis, prevention or treatment of disease or for assessment of a medical condition, including but not limited to, Technical Component Services and the delivery to the Department and Hospital certain Services to patients, twenty-four (24) hours per day/seven (7) days per week, as further described herein.
- 1.8 Technical Component Services. Laboratory testing services performed by Provider may include all or some of the following: grossing, processing, embedding, cutting, coverslipping, and staining.

## **II. PROVIDER'S OBLIGATIONS**

- 2.1 Department Coverage for Services. Provider, by and through its Member Physicians, shall deliver to the Department the following Services:
- a. Provider shall provide professional services in the best interest of Hospital's patients with all due diligence;
  - b. Provider shall conduct and professionally staff the Department in such a manner that Hospital, its Medical Staff, and patients shall at all times have adequate pathology coverage as provided herein. Provider shall render and supervise pathology services and consult with Medical Staff and Hospital upon request;
  - c. Provider shall provide the Services on premises of Hospital on specimens taken from patients in the Department on an emergency and on-call basis with consultative coverage on a twenty-four (24) hours per day, seven (7) days per week basis, including holidays, throughout the Term of this Agreement. This coverage includes all Hospital inpatients, outpatients, Emergency Department patients, Trauma Department patients;
  - d. Provider shall maintain a minimum of two (2) Full Time Equivalent (FTE) pathologists and one (1) FTE specimen processor personnel to process in-house Hospital coverage in fulfilling its obligations pursuant to this Agreement;
  - e. Provider shall coordinate the schedules and assignments of the Member Physicians and Advanced Practice Professionals assigned to the Department. Provider will make



available to Hospital's Director of Laboratory Services, on a monthly basis, a copy of the pathology physician schedule and any on-call schedule;

- f. Provider shall be responsible for any staffing required to assist Member Physicians in carrying out its duties within the Department, so that Hospital, its Medical Staff, and patients shall at all times have adequate Services coverage;
- g. Provider shall cooperate with Hospital to provide formal and informal staff training programs as deemed necessary for the professional staff training and continuing medical education of its Medical Staff;
- h. On an annual basis, Provider shall use reasonable best efforts to create a collaborative plan with Hospital's affiliated medical school(s) for the provision of services in support of the medical resident program; which may include but are not limited to resident lab tours or observations of laboratory procedures. Such plan shall include the involvement of Hospital and will include the residency program's daily patient responsibility;
- i. Provider shall ensure clinical effectiveness by providing direction and supervision for the Department in accordance with the standards and recommendations of Hospital's accreditation body and the Medical Staff Bylaws and related manuals, and any requirements of local, state and national regulatory agencies and accrediting bodies;
- j. Work with Hospital to develop and administer Hospital's care pathways with regard to the Services and enhance such pathways based upon Member Physicians' clinical experience;
- k. Provide consultative interpretations and documentation in accordance with the standards and recommendations of Hospital's accreditation body, the College of American Pathologists, the Bylaws, Rules and Regulations of the Medical Staff, and any policies and procedures of the applicable third party payors, as may then be in effect;
- l. Provider shall coordinate and integrate clinically related pathology activities both inter and intra departmentally within Hospital and its affiliated clinics; and
- m. Provider shall perform such other Services, as more specifically described on **Exhibit A**, attached hereto and incorporated herein by reference.
- n. Provider agrees to maintain all necessary anatomic pathology licenses and certificates.

2.2 **Medical Directorship.** During the Term, in addition to the Services provided by a Member Physician, Provider shall designate a Medical Director for the provision of certain administrative medical directorship services for the Department (the "Medical Directorship Services"). Hospital acknowledges and agrees that certain Medical Directorship Services of the Medical Director may be assigned to another qualified Member Physician acceptable to Hospital provided the same are documented in accordance with Section 5.4. The Medical Director shall provide the following Medical Directorship Services:

- a. Oversee and supervise the overall Pathology program and perform all administrative, supervisory and education functions in relation to the operation of the Services, and as required from time-to-time by Hospital's CEO, or his/her designee;
- b. Provide quarterly standardized reports on metrics, as requested by Hospital's Administration, including the CEO, COO, CNO, Patient Safety and Quality Committees, and/or his or her designees;
- c. Contribute to a positive relationship among Hospital's Administration, the Medical Staff, healthcare providers (i.e., RN's, ancillary providers) and the community;
- d. Promote the growth and development of the Department in conjunction with Hospital with special emphasis on expanding diagnostic and therapeutic pathology services;
- e. Inform the Medical Staff of new pathology equipment and applications, and recommend innovative changes directed toward improved patient services;
- f. Develop and implement guidelines, policies and procedures in accordance with recognized professional medical specialty standards and the requirements of local, state and national regulatory agencies and accrediting bodies;
- g. Recommend the selection and development of appropriate methods, instrumentation and supplies to assure proper utilization of staff and efficient reporting of results;
- h. Represent the Department on the Medical Staff committees and at Hospital department meetings as the need arises;
- i. Participate in Quality Assurance and Performance Improvement activities by monitoring and evaluating care; communicating findings, conclusions, recommendations and actions taken; and using established Hospital mechanisms for appropriate follow up;
- j. Assess and recommend to Hospital's Administration a sufficient number of qualified and competent staff members to provide patient care;
- k. Assess and recommend to Hospital's Administration and to the Department the need for capital expenditure for equipment, supplies and space required to maintain and expand the Department;
- l. Provide for the education of Medical Staff and Hospital personnel regarding the Services in a defined organized structure and as the need presents itself;
- m. Monitor the use of equipment and report any malfunction to Hospital's Administration and the Department;
- n. Assist Hospital in the selection of outside sources for needed medical professional services for the Department;

- o. Assist Hospital in the appeal of any denial of payment of Hospital charges;
- p. Assist Hospital's Administration with the performance of such other administrative duties as necessary to operate the Department;
- q. Consider appropriate test methodology instrumentation, reagents (agents used in laboratory testing), standards, and controls;
- r. Establish test reference values and levels of precision, accuracy, specificity, and sensitivity;
- s. Direct laboratory technical personnel and advise such personnel concerning testing;
- t. Ensure proper performance, recording, and reporting of tests, examinations and procedures;
- u. Interact with Hospital's Medical Staff regarding Department operation, quality, and test issues;
- v. Design test protocols and establish parameters for test performance;
- w. Recommend follow-up diagnostic tests when appropriate;
- x. Direct, perform, and evaluate quality assurance and quality control procedures;
- y. Evaluate clinical Department data and establish a process for review of test results prior to issuing of patient reports;
- z. Consult on effects of medication, other analytes, or disease states on test results;
- aa. Establish turnaround times and determine criteria for urgent applications;
- bb. Prioritize testing and testing sequences;
- cc. The application and response of values which require immediate medical consideration;
- dd. Determine reporting formats;
- ee. Establish referral criteria for review by pathologists and subsequent examination;
- ff. Determine data collection types and storage criteria to be used for particular tests;
- gg. Prevention overuse and improper application of tests; and
- hh. Ensure the Department complies with state licensure laws, certain accreditation standards, and certain federal certification standards.

The Medical Director shall be required to submit monthly time records which detail with reasonable specificity the time spent performing the Medical Directorship Services as further described in Section 5.4.

2.3 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 2.4 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 to be bound by the terms of this Agreement. In the event that a Member Physician's appointment to Hospital's Medical Staff with clinical privileges is granted solely for purposes of this Agreement, such appointment and clinical privileges shall automatically terminate upon termination of this Agreement or Provider's removal of the physician as a Member Physician.
- b. Provider shall be fully responsible for the performance and supervision of any of its Member Physicians, Advanced Practice Professionals 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's Advanced Practice Professionals Manual. In the event that an Advanced Practice Professional's granting of clinical privileges at Hospital is solely for purposes of this Agreement, such appointment and clinical privileges shall automatically terminate upon termination of this Agreement or Provider's removal of the Advanced Practice Professional under this Agreement.

2.4 Representations of Provider and Member Physicians.

- a. Provider represents and warrants that it:
  1. holds an active business license with Clark County and is currently in good standing with the Nevada Secretary of State and Department of Taxation;
  2. has never been excluded or suspended from participation in, or sanctioned by, a federal or state health care program;
  3. 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;
  4. at all times will comply with all applicable laws and regulations in the performance of the Services;

5. is not restricted under any third party agreement from performing the obligations under this Agreement;
  6. has not materially misrepresented or omitted any facts necessary for Hospital to analyze service level requirements (i.e., FTEs) and compensation paid hereunder; and
  7. will comply with the Standards of Performance, attached hereto as **Exhibit B** and incorporated by reference; and
  8. shall maintain its CLIA certification as well as any applicable state laboratory licenses for its own independent laboratory in Nevada.
- b. Provider, on behalf of each of Provider's Member Physicians (and Advanced Practice Professionals as applicable), represents and warrants to the best of Provider's knowledge after reasonable inquiry that he or she:
1. is Board certified in Pathology;
  2. possesses an active license to practice medicine from the State of Nevada which is in good standing;
  3. 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;
  4. has never been debarred, excluded or suspended from participation in, or sanctioned by, a federal or state health care program;
  5. 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;
  6. has never been denied membership or reappointment to the medical staff of any hospital or healthcare facility;
  7. at all times will comply with all applicable laws and regulations in the performance of the Services;
  8. is not restricted under any third party agreement from performing the obligations under this Agreement; and
  9. will comply with the Standards of Performance, attached hereto as **Exhibit B** and incorporated by reference.

2.5 **Notification Requirements.** The representations contained in this Agreement are ongoing throughout the Term. Provider agrees to notify Hospital in writing within ten (10) business days after Provider becomes aware of any event that occurs that constitutes a breach of the representations and warranties contained in Section 2.4 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 fails to immediately remove any Member Physician or Advanced Practice Professional that fails to meet any of the requirements in this Agreement.

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 Insurance.

- a. During the term of this Agreement, [Quest Diagnostics](#) will maintain, at its sole cost and expense, insurance against claims that may arise from or in connection with the Services provided with at least the following minimum limits of liability. Quest may provide the coverage required by this Agreement through self-insurance. Quest will include Hospital as an additional insured for general liability and automobile liability by a blanket additional insured endorsement, if applicable.

Coverage Type	Minimum Limits of Liability
General Liability	<ul style="list-style-type: none"><li>• \$2,000,000 per occurrence</li><li>• \$4,000,000 general aggregate</li></ul>
Business Automobile Liability	<ul style="list-style-type: none"><li>• \$3,000,000 combined single limit per accident</li></ul>
Worker's Compensation	<ul style="list-style-type: none"><li>• Statutory - In accordance with the laws of the country, state, or province, or territory exercising jurisdiction over employees</li></ul>
Employer's Liability	<ul style="list-style-type: none"><li>• \$1,000,000 each accident/each employee/policy limit</li></ul>
Professional Liability / Errors & Omissions Liability	<ul style="list-style-type: none"><li>• \$5,000,000 each claim</li><li>• \$5,000,000 aggregate</li></ul>
Crime	<ul style="list-style-type: none"><li>• \$1,000,000 each occurrence</li></ul>
Cyber Liability	<ul style="list-style-type: none"><li>• \$5,000,000 each claim</li></ul>

Hospital is owned and operated by Clark County pursuant to the provisions of Chapter 450 of the Nevada Revised Statutes. Clark County is a political subdivision of the State of Nevada. As such, Clark County and Hospital are protected by the limited waiver of sovereign immunity contained in Chapter 41 of the Nevada Revised Statutes. Hospital is self-insured as allowed by Chapter 41 of the Nevada Revised Statutes. Upon request, Hospital will provide Quest Diagnostics with a Certificate of Coverage prepared by its Risk Management Department certifying such self-coverage.

Each Party will continue the coverage (or purchase "tail coverage") which will extend the reporting period for incidents arising out of or related to this Agreement for at least three (3) years beyond the termination of this Agreement. Upon request, each Party will provide the other Party with a current and valid Certificate of insurance evidencing its coverage required by this Agreement and annually thereafter. Cancellation notification is in accordance with policy provisions.

- 2.8 Provider's Personal Expenses. Provider shall be responsible for all its personal expenses, 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 for the Department, 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. For Services that Provider performs at Hospital's request at Provider's independent laboratories, Provider shall retain all records in the manner and for the period of time required by applicable laws and regulations.

- b. As applicable, Provider shall complete all records related to the Services and the Department in a timely manner in accordance with the standards and recommendations of Hospital's accreditation body of the Medical Staff, as may then be in effect.
- c. Provider shall, and shall cause its Member Physicians and/or Advanced Practice Professionals, to promptly, prudently, and professionally complete all medical records and reports of all patients of Hospital for whom Provider performs professional pathology interpretations under this Agreement with the prevailing standards of medical practice in the relevant community. Without limiting the generality of the foregoing, each Member Physicians and/or Advanced Practice Professional employed or engaged by Provider to provide professional interpretation of specimens under this Agreement shall dictate a report regarding his or her analysis, interpretation, and findings of the applicable pathology specimens relating to the Services provided by Provider under this Agreement in a timely fashion.
- d. Provider shall report results to Hospital via electronic interface. Requests for add-on tests shall be faxed to Hospital for authorization.

#### 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: (1) was created or received by either party; (2) 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 (3) 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.

- 2.13 Personnel On-Site. With regard to Services that Provider performs at the Department, 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, UMC Contracted/Non-Employee Requirements Policy, 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 Technical Support, Surveys, Space, Equipment and Supplies.**

- a. Technical Support. Hospital’s Information Technology (IT) Department will provide technical support at levels consistent with all members of the Medical Staff during normal working hours of Monday to Friday, 7:00 am to 5:00 pm, and emergency support for work stoppage issues after hours, weekends and holidays on a twenty-four-seven (24/7), three hundred sixty-five (365) day coverage.
- b. Surveys. Hospital shall provide staff emails for participation in annual feedback survey (i.e., nursing, case management/social work).
- c. Space. Hospital shall provide space within Hospital for the Department (excluding Provider’s private office space) that allows Provider to render the Services in compliance the federal Clinical Laboratory Improvement Amendments (“CLIA”) and applicable Nevada law; however, Provider shall not have exclusivity over any space or equipment provided therein and shall not prioritize use of space or equipment for any purpose over the proper functioning of the Department. Hospital agrees that Provider



may utilize the premises to provide anatomic pathology services to non-Hospital patients under Provider's CLIA certificate.

d. Equipment.

1. 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.
2. Hospital shall maintain and operate its IT system necessary for the proper operation of the Department, provided however, Provider shall be responsible for maintenance and operation of its own system as necessary for the purpose of providing the Services and the requirements under this Agreement.

e. Supplies. 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.

3.3 Personnel. Other than Member Physicians and Advanced Practice Professionals, and provider lab specimen processor, all personnel required for the proper operation of the clinical laboratory within Department shall be employed by Hospital. Technical laboratory services for cytology, histology, and flow cytometry will be referred to Provider.

3.4 Representations of Hospital. Hospital represents and warrants to Provider that neither Hospital, nor to the best of Hospital's knowledge after reasonable inquiry that any of its employees, is:

- a. Currently excluded, debarred, or otherwise ineligible to participate in any of the federal health care programs; or
- b. Convicted of a criminal offense related to the provision of health care items or services but have not yet been excluded, debarred, or otherwise declared ineligible to participate in the federal health care programs.

3.5 Annual Review. Hospital and Provider shall conduct an annual review of Provider's performance of Services.

3.6 Laboratory Licenses. Hospital agrees to maintain all necessary clinical laboratory licenses and certifications, including, without limitation, CLIA certification for high complexity testing under the Clinical Laboratory Improvement Amendments (42 CFR Part 493, "CLIA"), and otherwise operate its clinical laboratory according to all laws and regulations governing the operation of a clinical laboratory. Hospital shall submit tissue samples to Provider in appropriate containers and upon the order of an authorized person. Hospital

shall be responsible for complying with requirements imposed by accrediting organizations related to successful performance and proficiency of Hospital's professional interpretation of the slides and use of its applicable system(s) to report results.

3.7 Medical Director. Hospital shall:

- a. Maintain responsibility of all materials and reports for work performed by Hospital according to all applicable state and federal laws, rules, and regulations.
- b. Maintain all necessary laboratory licenses and certifications, including, without limitation, CLIA certification for the testing performed by Department, and otherwise operate the Department in accordance with all applicable laws, and regulations.
- c. Employ or engage testing personnel who meet CLIA requirements and the applicable provisions of any state law, rules, or regulations where Department is located, and cause all staff to comply with these requirements and any accrediting body standards when performing services.
- d. Provide a supervisor for the Department who meets CLIA requirements, any applicable state laws, rules and regulations where Department is located, and any other requirements.
- e. Maintain enrollment in the Medicare program and assure that the Department is licensed under applicable state laws, rules and regulations and certified under CLIA for each specialty or subspecialty related to the testing performed by Department.
- f. Notify Provider as soon as reasonably practical in writing of any regulatory actions, proceedings, deficiencies or corrective actions that: (1) directly involve or affect the Department; or (2) implicate or violate any Applicable Laws.
- g. Immediately notify Provider in writing of any changes regarding any of the obligations set forth in this section 3.7.

#### **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 at time specimens are submitted for services the usual social security and insurance information to facilitate direct billing. Provider's 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 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 use commercially reasonable efforts to cooperate with Hospital.
- 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 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 have 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 Professional Services. During the Term, and subject to Section 7.5 below, Provider will provide non-anatomic pathology related administrative duties. Hospital will compensate Provider for these Professional Services in monthly payments in the amount of \$5,120.00, for an annual amount of \$61,440.00. Payment shall be made on the third (3<sup>rd</sup>) Friday of each month, or if the third (3<sup>rd</sup>) Friday falls on a holiday, the following Monday, for the previous month's Services.
- 5.2 Compensation for Medical Directorship Services. As compensation for the Medical Directorship Services as described in Section 2.2, Provider shall be entitled to an hourly compensation of \$200.00 per hour for up to twenty (20) hours per month, for an annual not-to-exceed amount of \$48,000.00, as documented and verified pursuant to accurate and complete time records submitted by the Medical Director.
- 5.3 Compensation for Technical Component Services. Provider shall bill Hospital for Technical Component Services it performs according to the fee schedule attached as Exhibit A: Hospital Fee Schedule. In the absence of a fee(s) on Exhibit A, Hospital shall pay Provider according to the Provider list price until negotiated. All pricing contained herein and attached hereto as Exhibit A, shall be in effect for one (1) year from the Effective Date. Thereafter, Provider reserves the right to increase such pricing at any time, but no more frequently than annually, upon thirty (30) days' advance written notice to Hospital. Hospital will provide Provider with all necessary information required by Provider, including, but not limited to, patient demographics to properly invoice and receive payment for Technical

Component Services. Hospital will ensure that such information accompanies each specimen submitted for testing. Hospital will compensate Provider a not-to-exceed annual amount of \$1,300,000 for the Technical Component Services.

- 5.4 Time Studies/Payment. Provider shall record in hourly increments Member Physicians' time spent on the various responsibilities for the Medical Directorship Services on a weekly basis, and via electronic submission utilizing Hospital's time tracking software, or as otherwise instructed by Hospital from time to time. Provider shall submit such time studies to Hospital's Fiscal Services Department by the twelfth (12<sup>th</sup>) of each month for the preceding month. Failure to submit the required time study by the twelfth (12<sup>th</sup>) of each month will delay that month's payment until the time study is received. Provider will be paid on the third (3<sup>rd</sup>) Friday of each month, or if the third (3<sup>rd</sup>) Friday falls on a holiday, the following business day for the previous month's Medical Directorship Services.
- 5.5 Fair Market Value and Annual Amount. The compensation paid under this Agreement has been determined by the parties to be fair market value and commercially reasonable for the Services and the Medical Directorship Services, provided hereunder. Hospital will manage and track the annual amounts for Professional Services, Medical Directorship Services and Technical Component Services. Hospital will notify Provider if annual amount has been exceeded. In the event an annual amount is exceed, Provider and Hospital agree to negotiate in good faith to amend the annual amount so that Provider will be compensated for the services performed. Provider may deny providing services beyond the annual amount if exceeded.

## **VI. TERM/MODIFICATIONS/TERMINATION**

- 6.1 Term of Agreement. This Agreement shall become effective on December 14, 2024, and subject to Section 7.5, shall remain in effect for three (3) years (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"). If this Agreement is terminated with or without cause prior to the first anniversary of the Effective Date, the Parties may not enter into the same or substantially the same arrangement until after the first anniversary of the Effective Date. The Parties' obligation under this provision survives the termination of this Agreement.
- 6.2. Modifications. Within ten (10) business 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 action commenced against Provider which could materially affect this Agreement;  
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 exclusion of Provider from participation in any federal health care program.
- b. Material Breach. Either Party may terminate this Agreement in the event of a material breach by the other Party by giving the breaching Party thirty (30) days written notice identifying the breach. If the breaching Party fails to cure the breach within the thirty (30) day cure period, the non-breaching Party may terminate the Agreement immediately upon written notice to the breaching Party. "Material Breach" includes the occurrence of any one of the following events:
  - 1. 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;
  - 2. 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;
  - 3. 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;
  - 4. 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
  - 5. Breach of any material term or condition of this Agreement; provided the same is not subject to earlier termination elsewhere under this Agreement.
- c. Material Change. Either Party may, upon written notice to the other Party, immediately terminate this Agreement upon the occurrence of any of the following events: (i) the other Party makes an assignment for the benefit of creditors; (ii) a petition in bankruptcy

or any insolvency proceeding is filed by or against the other Party and is not dismissed within thirty (30) days from the date of filing; (iii) all or substantially all of the property of the other Party is levied upon or sold in any judicial proceedings; (iv) the other Party is excluded from participating in any federally funded program; (v) a loss of licensure by the other Party that renders the other Party unable to perform its obligations under this Agreement; or (vi) if the Party determines in good faith that any portion of this Agreement may or does violate any law, rule, regulation or governmental policy, or any interpretation of any law, rule, regulation or governmental policy.

- 6.4 Termination Without Cause. Either party may terminate this Agreement, at any time, without cause, upon One Hundred Eighty (180) days written notice to the other party.

## **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. Notwithstanding the foregoing, Provider may refer work to an affiliated testing facility or to subcontracted providers without prior written consent, however any such referral or assignment will not relieve Provider of its obligations under this Agreement. This Agreement is intended to inure only to the benefit of Provider and Hospital.
- 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 (30<sup>th</sup>) day of June of the then current fiscal year. Termination under this Section shall not relieve Hospital of its obligations incurred through the thirtieth (30<sup>th</sup>) day of June of the fiscal year for which monies were appropriated.

- 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. Notwithstanding the above, Hospital shall redact all pricing information from such copy of this Agreement. 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. Notwithstanding the above, Hospital shall redact all pricing information from such publicly available copy of this Agreement.

- 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, when onsite at Hospital facilities, to use its good faith efforts to comply with the relevant compliance policies of Hospital, including corporate compliance program and Code of Ethics.
- 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 of Hospital 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](mailto: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. No Party to this Agreement shall be liable (i) for failure to perform any duty or obligation that such Party may have under this Agreement where such failure has been caused by any event, foreseen or unforeseen, outside the reasonable control of the Party who had the duty to perform and that renders performance impossible or impracticable, including but not limited to: acts of God; acts of government; natural disasters such as floods, earthquakes and severe weather events such as hurricanes; international or national hostilities, including acts of war (declared or undeclared), insurrection, terrorism, mass casualty events or other intentional violent actions; public health emergencies, including pandemic; fire; power failure; cyberattack or ransomware attack; strike; lockout; riot; civil unrest, inevitable accident, inability to procure labor or materials; or any other event, like or unlike those listed above (collectively, "Force Majeure Event") not within reasonable control of the Party, but only to the extent prevented by the



Force Majeure Event. No such failure or delay shall excuse in any way the obligation of Client to make all payments to AmeriPath provided for by this Agreement.

- 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. Hospital shall, to the extent expressly authorized by Nevada law, indemnify and hold harmless, Provider, 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 Hospital, its employees, representatives, successors or assigns.
- 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, 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: via email to: [NationalContracting@questdiagnostics.com](mailto:NationalContracting@questdiagnostics.com)  
and

In accordance with  
a method above,

Copy To: Quest Diagnostics Incorporated  
Attn: General Counsel  
500 Plaza Drive  
Secaucus, NJ 07094

- 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 Intentionally Omitted.
- 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 Cooperation Regarding Claims. The parties agree to fully cooperate in assisting each other and their duly authorized employees, agents, representatives and attorneys, in investigating, defending or prosecuting incidents involving potential claims or lawsuits arising out of or in connection with the Services rendered pursuant to this Agreement including, without limitation, provision of copies of medical records. This Section will be without prejudice to the prosecution of any claims which any of the parties may have against each other and will not require cooperation in the event of such claims.
- 7.26 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.
- 7.27 General Compliance. Each of the Parties represents and warrants to the other party that it shall comply with all applicable laws, rules or regulations ("Applicable Laws") as they may be amended from time to time. Applicable Laws include, but are not limited to, the federal Physician Self-Referral Law, 42 U.S.C. 1395nn, and the regulations promulgated thereunder (together, the "Stark Law"), similar state physician self-referral laws and regulations (together with the Stark Law, the "Self-Referral Laws"), the federal Medicare/Medicaid Anti-kickback Law and regulations promulgated thereunder (the "Federal Anti-kickback Law") and similar state Anti-kickback laws and regulations (together with the Federal Anti-kickback Law, the "Anti-kickback Laws") and the data privacy and security requirements of HIPAA. This paragraph will survive the termination or expiration of this Agreement to the extent that the Applicable Laws pertain to ongoing obligations of a Party under this Agreement.

**IN WITNESS WHEREOF**, the parties have caused this Agreement to be executed on the day and year first above written.

**PROVIDER:**

**Quest Diagnostics Incorporated**

**HOSPITAL:**

**University Medical Center of Southern Nevada**

By: \_\_\_\_\_  
Darren Wheeler, MD  
VP Pathology & Medical Services

By: \_\_\_\_\_  
Mason Van Houweling  
Chief Executive Officer

## **EXHIBIT A PROFESSIONAL MEDICAL SERVICES**

Provider, by and through its Member Physicians and Advanced Practice Professionals, shall provide all Services, as specifically set forth in Section 2.1 of this Agreement and in this **Exhibit A**, which shall be performed pursuant to the following requirements:

### **Coverage Requirements:**

1. Provide clinical direction of Hospital's main laboratory;
2. Ensure that abnormal smears will be evaluated by a pathologist and kept on file in accordance with applicable laws and regulations;
3. Ensure that Hospital's Transfusion Service is directed by a pathologist knowledgeable in immunohematology and the principles of hemotherapy and blood banking in compliance with guidelines, rules, and regulations established by Hospital's accreditation body, the College of American Pathologists (CAP), and the Association for the Advancement of Blood & Biotherapies (AABB);
4. Ensure that a pathologist is available for Operating Room (OR) diagnosis of frozen sections during routinely scheduled surgeries as well as ensuring timely and accurate transmission of information from Provider to the attending physician;
5. Will make or cause to be made, examinations on all tissues and foreign bodies removed in surgery or any other place at Hospital or its affiliated clinics;
6. In consultation with Medical Director, Provider shall provide or arrange for subcontracting autopsy services for deceased patients upon request of a Medical Staff member or an authorized representative/family member. A deceased patient is one who expires after being admitted as a Hospital inpatient or outpatient but excludes a patient who expires prior to arrival at Hospital. If a Medical Staff member request the autopsy, Hospital shall pay Provider: (1) according to Exhibit A if Provider performs the autopsy; or (2) the amount that Provider paid an outside consultant or facility to perform the autopsy. For autopsies requested by family members, Provider or the performing entity shall bill the representative/family member. Will render a report, in writing, of the results of such autopsies for Hospital's records, for the attending physician and for the Department;
7. Ensure clinical effectiveness by providing direction and supervision in accordance with recognized professional medical specialty standards, and the requirements of local, state, and national regulatory agencies and accrediting bodies;
8. Provide consultative interpretations and documentation in accordance with the standards and recommendations of Hospital's accreditation body, CAP, AABB, and the Bylaws, Rules and Regulations of the Medical Staff, as may then be in effect;
9. Provide ongoing patient contact as medically necessary and appropriate;
10. Carry pagers, cell phones, or other Hospital required communication devices while on-site and respond within five (5) minutes for requests from Critical Care (Leapfrog standard) or thirty (30) minutes from non-critical areas while on site;

11. Provider shall make available a sufficient number of Member Physicians and Advanced Practice Professionals (which has been determined to be a minimum of two (2) Full Time Equivalent (FTE) Member Physicians on-site, five (5) days a week, 8:00 am to 5:00 pm Monday - Friday such that the Services are available to patients for both routine and related emergency care on a twenty-four (24) hour-a-day, seven (7) days-a-week basis (inclusive of all Holidays);
12. Provide twenty-four-seven (24/7) consultative services. This coverage includes all Hospital inpatients, outpatients, Emergency Department patients and Trauma Department patients.
13. Provide Technical Component Services for Hospital pursuant to orders by persons who are authorized under state or federal law to order Technical Component Services. The person ordering the Technical Component Services shall complete all requisitions for Technical Component Services.
14. Provider will provide to Hospital certain specimen collection supplies as part of its charges for its services hereunder to be used solely for the collection of specimens that are to be tested by Provider. Hospital shall ensure that patient specimens referred to Provider are obtained in an appropriate container and in adequate quantity, are properly processed, and are properly packaged for transport. Provider will provide transport of specimen.
15. Provider shall make available the services of a pathologist for scheduled frozen section/anatomic pathology intra-operative consultations. The pathologist shall provide rapid frozen section /anatomic pathology intra-operative consultations on-site.

Fee Schedule:

CPT	NTC	Test Description	Price
88302TC	LTWT1	SURGICAL PATHOLOGY LEVEL II - TC ONLY	\$ 18.95
88304TC	LTHT1	SURGICAL PATHOLOGY LEVEL III - TC ONLY	\$ 23.10
88305TC	LFOT1	SURGICAL PATHOLOGY LEVEL IV - TC ONLY	\$ 25.95
88307TC	LFIT1	SURGICAL PATHOLOGY LEVEL V - TC ONLY	\$ 156.25
88309TC	LSIT1	SURGICAL PATHOLOGY LEVEL VI - TC ONLY	\$ 222.69
88312TC	GIT1	SPECIAL STAINS; GRP I FOR MICROORGANISMS, INCLUDING INTERPRETATIONS & REPORT - TC ONLY	\$ 66.18
88313TC	GTT1	SPEC STAINS; GROUP II, ALL OTH EX IMMUNOCYTO & IMMUNOPEROX STA, INC INT/REP - TC ONLY	\$ 52.69
88341TC or 88342TC	ICSTA1	IMMUNOCYTO 1 AB,TC	\$ 46.39
88311TC	DET1	DECALCIFICATION PROC - TC ONLY	\$ 6.49
88323TC	CRRT1	CONS & REPRT REF MAT REQ PREP SLID - TC ONLY	\$ 20.50
88173TC	FNIT1	EVAL FINE NEEDL ASPIRAT;INTRPT/REP - TC ONLY	\$ 66.96
<b>CPT Code Disclaimer:</b>			
<i>The CPT codes provided are based upon AMA guidelines and are for informational purposes only.</i>			
<i>CPT Codes not listed default to Quest Diagnostics Client List price until negotiated.</i>			

Performance Measures:

1. Communication with the Emergency Department, Trauma Department, Medical Staff and others with turnaround time requirements as follows:

EMERGENCY/TRAUMA DEPARTMENTS		INPATIENT		OUTPATIENT	
Stroke Protocol	< 20 min	STAT	<30 min	Expedited	<4 hours
STAT	< 30 min	Expedited	<4 hours	<b>Routine</b>	< 24 hours
		<b>Routine</b>	< 18 hours		

2. Provider or subcontractor shall have an Autopsy Performance Rate as evidenced by: Uncomplicated Autopsy Reports are to be completed with thirty (30) days of performing the autopsy, and Complicated Autopsy Reports are to be completed within sixty (60) days of performing the autopsy one hundred percent (100%) of the time.
3. Provider shall ensure pathologist availability to Hospital's Department management and staff as assigned at all times. Review of reports, approval of policies/procedures, review of the Quality Control/Quality Assurance and consultations are to be completed within two (2) weeks unless quicker turnaround time is needed. The Medical Director shall establish and publish the office hours for each month and shall be available at those times.
4. Attend at least eighty percent (80%) of appointed committee meetings reasonably assigned, unless absence is previously discussed with appropriate committee members.

Patient Safety and Quality:

1. Assist with the development and follow full implementation of clinical pathways.
2. Critical findings and outcomes to be verified monthly by the parties.
3. Peer review reports to be delivered by Provider on a quarterly basis.
4. Provider shall have a laboratory quality program as evidenced by: Collaboration between the pathologists and Hospital's Department staff to identify, initiate, implement and track outcomes for a minimum of two (2) major quality initiatives per year.
5. Maintain oversight of the Transfusion Service within the Hospital setting. This shall include the selection and application of equipment, reagents, laboratory methods, and quality control procedures.
6. Support a Blood Management Program and demonstrate efficiencies and cost savings associated with said Program. The Chairman of the Blood Utilization Committee shall be responsible for developing and instituting the Program and will act as the Transfusion Safety Officer for Hospital. In the event Hospital employs a Transfusion Safety Officer, the Chairman of the Blood Utilization Committee will assist the Transfusion Safety Officer.

7. Develop a utilization strategy designed to eliminate laboratory testing that does not add value to the care and treatment of Hospital's patients. Provider shall demonstrate cost savings related to the utilization strategy.
8. All policies and procedures will be followed, including verbal orders, charted in Hospital's Electronic Health Record system.

Service Location: All Directorship and intraoperative pathology Services are to be performed at Hospital's main campus location at:

1800 W. Charleston Blvd., Las Vegas, NV 89102

Technical histology and cytology laboratory services will be provided at Quest Diagnostics' independent laboratory.

Member Physicians and Advanced Practice Professionals: See **Exhibit A-1**

## EXHIBIT A-1

### PROVIDER'S MEMBER PHYSICIANS AND ADVANCED PRACTICE PROFESSIONALS

Name of Pathologist	NPI No.
Bindu, Shantala	1306852975
Burns, Charles	1033299631
de Guzman, Mary Jean	1275518201
Garcia, Diana	1659387231
Hedayat, Amin	1922427509
Hoffman, W. Howard	1568479244
Kim, Stacy	1265633077
Li, Yiting	1750641528
Mobini, Narciss	1063420602
Nahas, Elif	1427290626
Qiu, Wansong	1881600484
Scamman, Will	1497761035
Strauss, Brian	1437179306
Strauss, Jonathan	1144237827
Wang, Jeff	1194245100



## **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 Hospital's accreditation body, 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 shall 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 state and federal regulations, State of Nevada, and Hospital's accreditation body guidelines, as evidenced by:
  1. Ongoing participation in preparation for inspections/surveys and timely resolutions of any identified deficiencies for the State of Nevada and Hospital's accreditation body or other regulatory agencies.
  2. No significant findings related to the clinical or administrative practice of pathology.
- e. Provider shall assist Hospital with improvement of patient satisfaction and performance ratings.
- f. Provider shall perform appropriate clinical documentation.
- g. 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").
- h. With regard to Services that Provider performs at the Department, 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.

- i. Provider and all Member Physicians shall comply with Hospital's Affirmative Action/Equal Employment Opportunity Agreement.
- j. 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: (1) the referral relates to services that are not provided by Member Physicians within the scope of this Agreement; (2) the patient expresses a preference for a different provider, practitioner, or supplier; (3) the patient's insurer or other third party payor determines the provider, practitioner, or supplier of the applicable service; or (4) 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").
- k. If applicable to the Services, 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 shall 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.
- l. Provider agrees to participate in the Merit-based Incentive Payment System ("MIPS") 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.
- m. Provider shall work in the development and maintenance of key clinical protocols to standardize patient care.
- n. Provider shall maintain at a minimum ninety-five percent (95%) compliance with all applicable core value based measures.

- o. 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.
- p. 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.

## **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 you perform Services on-site at UMC's facilities and 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 shall 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](mailto: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.

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

**Purpose of the Form**

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

**General Instructions**

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

**Detailed Instructions**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## DISCLOSURE OF OWNERSHIP/PRINCIPALS

<b>Business Entity Type (Please select one)</b>						
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Corporation	<input type="checkbox"/> Trust	<input type="checkbox"/> Non-Profit Organization	<input type="checkbox"/> X Other: Professional corporation
<b>Business Designation Group (Please select all that apply)</b>						
<input type="checkbox"/> MBE	<input type="checkbox"/> WBE	<input type="checkbox"/> SBE	<input type="checkbox"/> PBE	<input type="checkbox"/> VET	<input type="checkbox"/> DVET	<input type="checkbox"/> ESB
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise	Veteran Owned Business	Disabled Veteran Owned Business	Emerging Small Business
<b>Number of Clark County Nevada Residents Employed:</b>						
<b>Corporate/Business Entity Name:</b> Hoffman, M.D., Associated Pathologists, Chartered						
<b>(Include d.b.a., if applicable)</b> AmeriPath Nevada						
<b>Street Address:</b>		4230 Burnham Avenue		<b>Website:</b> Questdiagnostics.com (no unique website for practice)		
<b>City, State and Zip Code:</b>		Las Vegas, NV 89119		<b>POC Name:</b> Brytnee Meyer <b>Email:</b> Brytnee.O.Meyer@Questdiagnostics.com		
<b>Telephone No:</b>		702.733.3752		<b>Fax No:</b> 702.505.4834		
<b>Nevada Local Street Address:</b> (If different from above)				<b>Website:</b>		
<b>City, State and Zip Code:</b>				<b>Local Fax No:</b>		
<b>Local Telephone No:</b>				<b>Local POC Name:</b> <b>Email:</b>		

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

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

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

Full Name	Title	% Owned (Not required for Publicly Traded Corporations/Non-profit organizations)
Darren T. Wheeler, M.D.	Vice President, Pathology and Medical Services	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 ☐ X 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.

<u>Darren Wheeler MD</u> Darren Wheeler MD (Oct 11, 2024 18:26 PDT) Signature	Darren T. Wheeler, M.D. Print Name
Vice President, Pathology and Medical Services Title	Oct 11, 2024 Date



## DISCLOSURE OF RELATIONSHIP

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

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

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

“Consanguinity” is a relationship by blood. “Affinity” is a relationship by marriage.

“To the second degree of consanguinity” applies to the candidate’s first and second degree of blood relatives as follows:

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

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***For UMC Use Only:***

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

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

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

Notes/Comments:

\_\_\_\_\_  
Signature

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

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

<b>Issue:</b>	<b>Telemedicine Professional Services Agreement (Pediatric Neurology) with Pokroy Medical Group of Nevada, Ltd. d/b/a Pediatrix Medical Group of Nevada</b>	<b>Back-up:</b>
<b>Petitioner:</b>	Jennifer Wakem, Chief Financial Officer	<b>Clerk Ref. #</b>
<b>Recommendation:</b>  <b>That the Governing Board Audit and Finance Committee review and recommend for approval by the Governing Board the Telemedicine Professional Services Agreement (Pediatric Neurology) with Pokroy Medical Group of Nevada, Ltd. d/b/a Pediatrix Medical Group of Nevada; authorize the Chief Executive Officer to exercise any extension options; or take action as deemed appropriate. <i>(For possible action)</i></b>		

**FISCAL IMPACT:**

Fund Number: 5420.000  
Fund Center: 3000612000  
Description: Pediatric Tele-Neurology  
Bid/RFP/CBE: NRS 332.115.1(b) – Professional Services  
Term: 11/1/2024 – 10/31/2027  
Amount: NTE \$300,000 annually  
Out Clause: 90 days w/o cause

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

**BACKGROUND:**

This request is for approval of a new Telemedicine Professional Services Agreement (“Agreement”) with Pokroy Medical Group of Nevada, Ltd. d/b/a Pediatrix Medical Group of Nevada (“Pediatrix”) to provide remote 24/7 consultations and interpretation services as requested by the treating physician to pediatric patients in UMC’s Neonatal Intensive Care Unit.

All patient fees collected for the services will be the sole property of UMC as Pediatrix will assign to UMC its right to bill patients under this Agreement. UMC will compensate Pediatrix a monthly fee of \$60,000.00 plus fees for each interpretation and consultation performed. The total estimated amount paid will not exceed \$300,000 per year.

The Agreement term is for three (3) years, from November 1, 2024 through October 31, 2027, and allows for two (2) additional, 1-year extension options, exercisable at UMC’s direction. 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 23, 2024

Agenda Item #

**11**

Either party may terminate this Agreement for convenience 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.

**TELEMEDICINE PROFESSIONAL SERVICES AGREEMENT**  
**[Pediatric Neurology]**

**THIS TELEMEDICINE PROFESSIONAL SERVICES AGREEMENT** (“Agreement”) is entered into as of November 1, 2024 (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 (HOSPITAL (“Hospital”), and POKROY MEDICAL GROUP OF NEVADA, LTD d/b/a Pediatrix Medical Group of Nevada, a professional corporation (“Provider”). Hospital and Provider are hereinafter referred to individually as a “Party” and collectively as the “Parties.”

**RECITALS**

**WHEREAS**, Provider employs or contracts with licensed physicians and advanced practice providers who have the training, qualifications, and experience necessary to provide professional medical services remotely via telecommunication technologies; and

**WHEREAS**, Hospital is the operator of a licensed hospital facility and desires to contract with Provider to offer certain professional medical services for the benefit of Hospital patients under the terms and conditions of this Agreement.

**NOW, THEREFORE**, in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

**1. Duties and Representations of Provider**

- 1.1 Telemedicine Services. Hospital hereby engages Provider for the provision of professional medical services to Hospital and any Hospital-owned facilities to be performed from a remote site via telecommunication technologies in the manner and specialties as set forth in the attached **Schedule A** (“Telemedicine Services”).
  - i. The Telemedicine Services shall be performed by one or more licensed and qualified medical professionals, as listed on **Schedule A** and which shall be subject to change from time to time, which may include, but not be limited to, physicians, nurse practitioners, physician assistants and certified nurse assistants employed by or under contract with Provider (collectively “Practitioners”).
  - ii. Provider, for itself and its Practitioners, 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 medical services;
    - iii. at all times will comply with all applicable laws and regulations in the performance of the Telemedicine Services;

- iv. is not restricted under any third-party agreement from performing the obligations under this Agreement;
  - v. will comply with the standards of performance, attached hereto as **Schedule B** and incorporated by reference; and
  - vi. will meet the requirements regarding board certification, professional qualifications and standards, if any, set forth in Hospital's Medical Staff Bylaws, Rules and Regulations (collectively, "**Medical Staff Bylaws**"), in order to obtain and maintain medical staff membership and clinical privileges at Hospital (by proxy or directly, consistent with the Medical Staff Bylaws), as necessary to provide the Telemedicine Services.
- iii. Provider shall not permit any Practitioner to provide any Telemedicine Services under this Agreement if such Practitioner's:
- i. license to engage in the practice of medicine or other professional health care practice, as applicable, in the state in which Hospital is located is suspended or revoked; or
  - ii. medical staff membership or clinical privileges, as applicable, at Hospital are suspended or revoked in accordance with the Medical Staff Bylaws after Provider receives written notice thereof.
- 1.2 **Notification Requirements.** The representations contained in this Agreement are ongoing throughout the Term. Provider agrees to notify Hospital in writing within three (3) business days of any event that occurs that constitutes a breach of the representations and warranties contained in Section 3, or elsewhere in this Agreement. Hospital shall, in its discretion, have the right to terminate this Agreement if Provider fails to notify the Hospital of such a breach and/or fails to remove any Member Physician that fails to meet any of the requirements in this Agreement after a period of three (3) calendar days.
- 1.3 **Coverage, Scheduling.** Provider shall coordinate sufficient coverage of Practitioners to deliver the Telemedicine Services under this Agreement.
- 1.4 **Maintenance of Records.**
- i. All medical records, histories, charts and other information regarding patients treated or matters handled by Provider hereunder, or any data or data bases 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.
  - ii. Provider shall complete all patient charts in a timely manner in accordance with the standards and recommendations of Hospital's accrediting body and regulations of Hospital's Medical Staff, as may then be in effect.
- 1.5 **Policies and Procedures.** Provider will collaborate with Hospital on the development and implementation of best practices and policies of the Telemedicine Services, as well as consult on software, hardware and electronic medical record workflows to support the provision of the Telemedicine Services.

2. **Duties and Representations of Hospital.**

- 2.1 **Hospital Policies.** Hospital will make available all Hospital policies and procedures applicable to the Telemedicine Services to be provided under this Agreement, including the Medical Staff Bylaws, prior to commencement of services. Hospital agrees that Provider and Practitioners are not subject to policies, rules, or procedures where market practice or reasonableness standards would not apply similar policies, rules or procedures to the provision of the Telemedicine Services where a clinical provider is not physically present at Hospital. For the avoidance of doubt, Hospital acknowledges and agrees that Practitioners will deliver the Telemedicine Services from a remote location offsite from the Hospital and thus are not required to (i) attend Hospital staff meetings; (ii) submit blood work or participate in PPD or other communicable disease tests of Hospital; (iii) participate in Hospital-specific CME or other educational programs; (iv) attend or participate in any other on-site meeting or program of Hospital; or (v) be required to handle emergency department on-call coverage or serve as the specialty consultant of last resort for Hospital.
- 2.2 **Medical Staff Membership; Clinical Privileges.** Hospital shall use its best efforts to assist Practitioners in obtaining medical staff memberships and clinical privileges at Hospital as necessary to provide the Telemedicine Services under this Agreement. Provider shall submit all information requested by Hospital's Credentialing Department. The provision of Telemedicine Services depends, in part, on Practitioners receiving privileges to cover the volume and hours requested. Hospital shall inform Provider as soon as reasonably practical if Hospital restricts, suspends or revokes any Practitioner's medical staff membership or clinical privileges in accordance with the Medical Staff Bylaws or initiates any peer review investigation concerning any Practitioner. 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.
- 2.3 **Facilities; Equipment.** To facilitate the Telemedicine Services, Hospital shall provide and maintain, at its sole expense, the equipment and supplies specified in **Schedule A** ("**Telemedicine Equipment**"), and qualified technicians to operate the Telemedicine Equipment, as needed to render the Telemedicine Services under this Agreement. Hospital shall use commercially reasonable efforts to maintain and keep in good order and repair all Telemedicine Equipment and obtain, as required, any technical assistance relating to the use or maintenance of the Telemedicine Equipment. Upon the deterioration, obsolescence or depletion of the Telemedicine Equipment, Hospital shall procure replacements thereof of similar character and utility or better. Hospital acknowledges and agrees that Provider has no duty to perform the Telemedicine Services set forth herein unless the Telemedicine Equipment is properly calibrated, maintained and used by qualified, appropriately trained Hospital personnel in accordance with the manufacturer and licensor's instructions and applicable industry standards, if any.

2.4 Personnel.

- i. Hospital shall provide sufficient personnel to confirm the functioning of the Telemedicine Equipment and assist such personnel with training and use thereof for purposes of facilitating the Telemedicine Services.
- ii. Hospital shall have sufficient qualified technicians with the appropriate skill, experience and training to operate the Telemedicine Equipment, capture and transmit patient data to Practitioners in the manner specified in Schedule A for the proper delivery of the Telemedicine Services. Each technician shall have the training and credentials specified in Schedule A.
- iii. All Hospital personnel shall be employed and paid by Hospital and Hospital shall exercise full authority, control, supervision, direction over and responsibility for all services rendered by or at the direction of Hospital.

2.5 Informed Consent. Prior to the provision of the Telemedicine Services by Practitioners, Hospital shall obtain and maintain the informed consent and authorizations from each Hospital patient (or their legal representative or guardian) in the method (written/verbal) and with the statements and disclosures as may be required under applicable laws and shall ensure that such consent is documented as part of the patient's medical record.

2.6 Compliance. Hospital is in no way obviated by this Agreement of any regulatory or contractual mandates, duties or responsibilities, and any duties not specifically delegated to Provider under this Agreement shall remain with Hospital, and Hospital will retain all authority placed in it by applicable laws and Medical Staff Bylaws as may be amended.

2.7 Notification. Hospital shall provide immediate notification in writing to Provider and its designated risk management team of any unexpected Hospital patient outcomes with alleged misdiagnosis or delay in care or treatment related to the Telemedicine Services.

**3. Technology; Privacy and Security.**

3.1 Hospital and Provider shall mutually agree upon the applicable infrastructure, technology and equipment to be utilized in establishing the encrypted telecommunications connection between Hospital and Provider to deliver the Telemedicine Services hereunder which may include all property, documents, materials, resources and other components in connection with the operation, delivery and performance of the Telemedicine Services, including, but not limited to, the equipment, accessories, hardware, software, web-based applications, clinical protocols, workflow, marketing, guidelines, licenses, copyrights, patents, trademarks, trade secrets, intellectual property and other proprietary rights, titles and interests to be held or licensed by Hospital or Provider.

3.2 Hospital shall provide all other equipment and technology as needed at each Hospital location to enable Provider to deliver the Telemedicine Services.

3.3 With respect to any patient information transferred to and from the Parties in relation to the Telemedicine Services rendered hereunder (the "Patient Information"), the Parties shall implement and maintain an information security program that includes appropriate administrative, technical and physical safeguards reasonably designed to: (i) ensure the security and confidentiality of Patient Information; (ii) protect against any anticipated

threats or hazards to the security or integrity of such Patient Information; (iii) protect against unauthorized access to or use of such Patient Information that could result in substantial harm or inconvenience to Hospital; and (iv) dispose of such Patient Information in a secure manner.

- 3.4 The Parties agree that all Patient Information stored on any computing device or portable storage medium will be encrypted. Encryption solutions will be consistent and compliant with National Institute of Standards and Technology's (NIST) Federal Information Processing Standards (FIPS) 140-2 (Security Requirements for Cryptographic Modules) and FIPS-197.
- 3.5 Either Party shall notify the other Party in writing as soon as possible and without unreasonable delay after the notifying Party has either actual or constructive knowledge that there has been unauthorized access to, disclosure (whether intentional or accidental), or use of, or any security breach which affects, Patient Information in their possession (an "Incident"). The notifying Party shall have actual or constructive knowledge of an Incident if the Party knows there has been an Incident or if the Party has reasonable basis in facts or circumstances.

#### **4. Medical Records: Access to Records**

Hospital shall provide Provider and Practitioners with all timely access to medical history, demographic information, data and metadata concerning the patient who is the subject of the Telemedicine Services, and all other information reasonably requested by Provider or Practitioners. Provider shall provide or cause to be provided to Hospital written or electronic records and reports of all examinations, treatments and procedures performed during provision of the Telemedicine Services. During the term of this Agreement and at all times thereafter, regardless of expiration or termination, Hospital shall provide Provider with unrestricted access to view, copy and download (i) the patient medical records resulting from all Telemedicine Services which are stored in Hospital's electronic health records systems and (ii) Hospital's telehealth platforms, if applicable, for any lawful and reasonable purpose. Further, Hospital acknowledges and agrees that Provider may retain copies of any record prepared during or resulting from the Telemedicine Services provided under this Agreement when required by applicable law or as otherwise needed.

#### **5. Billing and Coding; Provider Compensation.**

- 5.1 Any compensation paid by Hospital to Provider and Practitioners for the Telemedicine Services rendered under this Agreement shall be set forth in **Schedule A**. The Parties acknowledge and agree that the compensation represents the fair market value for Provider and Practitioners being available to perform the Telemedicine Services, has been negotiated at arms-length, is commercially reasonable to accomplish the business purposes of the Parties, has not been determined in a manner that takes into account any volume or value of any referrals of other business, if any, that may otherwise be generated between the Parties, and does not require or contemplate that Provider or Practitioners will generate any particular volume or value of referrals or other business to Hospital.
- 5.2 Hospital hereby represents, warrants and covenants to Provider that it will comply with all federal, state and local laws, rules and regulations in the performance of the billing and collection activities assumed by Hospital pursuant to the terms of this Agreement (collectively, "Billing Activities"). Hospital shall, to the extent expressly authorized by Nevada law, indemnify and hold Provider and its affiliates and Practitioners harmless from



and against any claim, liability, loss, damage, cost or expense of any kind including, but not limited to, reasonable attorneys' fees, arising out of or related to any act or omission, false statements or misrepresentations of Hospital or its agents related to or arising from the Billing Activities performed by Hospital pursuant to this Agreement.

- 5.3 Hospital shall be entitled to charge separately for the facility fees, if applicable, associated with the Telemedicine Services and for all technical and non-professional services rendered by Hospital and to receive direct payment therefor without any charges made against the same by Provider. Hospital shall perform appropriate billing and collection functions for all such technical and non-professional services. Provider shall take all steps reasonably requested by Hospital to provide information to assist in the billing and collection of fees for those services.

## **6. Term and Termination.**

- 6.1 This Agreement shall have an initial term of Three (3) years, commencing on the date specified on **Schedule A** (the "Commencement Date") and unless otherwise terminated in accordance with this Section, this Agreement may renew for successive one (1) year terms upon mutual written agreement of the parties.
- 6.2 Termination Without Cause. Either Party may terminate this Agreement in its entirety, without cause, by giving the other party at least ninety (90) days prior written notice.
- 6.3 Material Breach. Either Party shall have the right to terminate this Agreement upon thirty (30) days prior written notice if the Party to whom such notice is given materially breaches any provision of this Agreement. The non-breaching Party claiming the right to terminate shall set forth in a written notice delivered to the breaching Party the facts underlying its claim of the material breach of this Agreement ("Material Breach Notice"). The breaching Party shall have thirty (30) days from receipt of the Material Breach Notice to cure the material breach described therein, or, if the material breach is not curable within such period, the Party shall have taken significant steps to cure the material breach within such period to the satisfaction of the non-breaching Party. If the breaching Party fails to cure the material breach or fails to take significant steps to cure the material breach, as applicable, within such period, the non-breaching Party shall have the right to terminate this Agreement upon written notice to the breaching Party.
- 6.4 Immediate Termination. Either Party may terminate this Agreement immediately by written notice to the other Party for the following reasons:
- i. Upon either Party's loss of certification as a Medicare or Medicaid provider;
  - ii. Upon the closure of Hospital or the Telemedicine Service lines;
  - iii. Upon the suspension, revocation, limitation or voluntary relinquishment of Provider's license(s) and/or privilege(s) required to perform the Telemedicine Services contemplated by this Agreement; or
  - iv. Upon either Party's general assignment for the benefit of creditors, either Party's petition for relief in bankruptcy or under similar laws for the

protection of debtors, or upon the initiation of such proceedings against either Party if not dismissed within forty-five (45) days of service.

- 6.5 Obligations upon Termination. Neither Party shall have any further obligation under this Agreement except for (i) obligations accruing prior to the date of termination and (ii) obligations, promises, and covenants that are expressly made to extend beyond the term of this Agreement, including, without limitation, indemnification and insurance obligations.

## **7. Provider Insurance.**

- 7.1 Professional Liability. Provider or Practitioners shall, at their sole expense, maintain professional liability insurance coverage, through the purchase of commercial insurance or through a self-funded program, for the Telemedicine Services rendered by Practitioners pursuant to this Agreement, at Provider's option, either (i) in the amount of at least \$1,000,000 per claim and \$3,000,000 per year, subject to applicable aggregates, or (ii) by enrolling Practitioners in a state mandated patient compensation or similar fund that satisfies Practitioners' legal obligations for malpractice liability in the state in which Hospital is located. Said insurance shall provide coverage only for those duties and services performed by Practitioners pursuant to this Agreement.
- 7.2 Post Termination. Upon the termination or expiration of this Agreement for any reason, Provider shall either continue professional liability insurance or obtain a policy of tail insurance for professional liability claims made after the termination of this Agreement for the Telemedicine Services rendered by Practitioners pursuant to this Agreement during the term of this Agreement. Upon termination of the contractual relationship between a Practitioner and Provider, Provider shall either continue insurance or obtain a policy of tail insurance that covers Provider and Practitioner for professional liability claims made after termination of such contract for the Telemedicine Services rendered by such Practitioner pursuant to this Agreement during the term of this Agreement. All such insurance shall have policy limits identical to those described in the prior Section.
- 7.3 Certificates of Insurance. Upon execution of this Agreement and as reasonably requested, but no greater than annually, Provider shall provide Hospital with certificates of all insurance coverage in this Section and shall endeavor to notify Hospital of any cancellation or non-renewal of said coverage.

## **8. Hospital Insurance.**

- 8.1 Professional and General Liability. Hospital is owned and operated by Clark County pursuant to the provisions of Chapter 450 of the Nevada Revised Statutes. Clark County is a political subdivision of the State of Nevada. As such, Clark County and Hospital are protected by the limited waiver of sovereign immunity contained in Chapter 41 of the Nevada Revised Statutes. Hospital is self-insured as allowed by Chapter 41 of the Nevada Revised Statutes. Upon Agreement execution, Hospital will provide Provider with a Certificate of Coverage prepared by its Risk Management Department certifying such self-coverage.

- 8.2 Cyber and Privacy Liability. Hospital, at its sole expense, shall maintain cyber and privacy liability insurance in the sufficient amount to cover claims and liability arising in connection with this Agreement.
- 8.3 Certificates of Insurance. At the request of Provider, Hospital shall provide Provider with certificates of all insurance coverage in this Section and shall endeavor to notify Provider of any cancellation or non-renewal of said coverage.

**9. Indemnification.**

- 9.1 Each Party specifically reserves any common law right of indemnity and/or contribution which either Party may have against the other. The provisions of this Section shall survive the expiration, non-renewal or termination of this Agreement for any reason.
- 9.2 To the extent permitted by applicable law, unless otherwise set forth herein, each Party shall indemnify and hold the other Party and its officers, directors, shareholders, members, affiliates, employees, agents, attorneys, representatives and independent contractors (“Indemnitees”) harmless from and against any and all claims, demands, actions, suits and proceedings, whether civil, criminal or administrative, and all losses, liabilities, damages, costs, fines, penalties, interest and expenses, whether direct or indirect, (including without limitation, settlement costs and any legal, accounting and other expenses for investigating or defending any actions or threatened actions) (collectively, “Losses”), to the extent arising out of any acts of negligence, gross negligence, willful misconduct or fraud, or any breach by performance or nonperformance of any material term of this Agreement by a Party and its officers, directors, shareholders, members, affiliates, employees, agents, attorneys, representatives and independent contractors, including, without limitation, all subcontractors. Hospital explicitly retains all defenses to indemnification that may exist under Nevada law and will assert the defense of sovereign immunity as appropriate in all cases, including malpractice and indemnity actions. Hospital’s indemnity obligation for actions sounding in tort is limited in accordance with the provisions of NRS 41.035.
- 9.3 In the event any investigation or litigation is commenced or threatened against an indemnified Party for which the indemnified Party is entitled to indemnification hereunder, the indemnified Party shall be entitled to engage legal counsel of its own. The indemnified Party shall be entitled to participate in the response to any investigation and defense of any litigation, remain apprised of the status of any investigation or litigation, and maintain the right to approve or disapprove of any settlement thereof.

**10. Disclaimer of Warranty. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, PROVIDER HEREBY DISCLAIMS ANY AND ALL REPRESENTATIONS AND WARRANTIES, EITHER EXPRESS OR IMPLIED, STATUTORY OR OTHER (INCLUDING ALL WARRANTIES ARISING FROM COURSE OF DEALING, USAGE OR TRADE PRACTICE), AS TO ANY MATTER WHATSOEVER RELATING TO ANY EQUIPMENT, TECHNOLOGY, SOFTWARE AND OTHER PRODUCTS, INFORMATION AND MATERIALS, IF ANY, PROVIDED OR USED BY PROVIDER AND PRACTITIONERS IN CONNECTION WITH THE TELEMEDICINE SERVICES, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT. HOSPITAL ACKNOWLEDGES THAT PROVIDER DOES NOT CONTROL THE TRANSFER OF DATA OVER COMMUNICATIONS FACILITIES, INCLUDING THE INTERNET, AND THAT THE COMMUNICATIONS FACILITIES MAY BE SUBJECT TO LIMITATIONS, DELAYS, AND OTHER PROBLEMS**

INHERENT IN THE USE OF SUCH COMMUNICATIONS FACILITIES TO PROVIDE THE TELEMEDICINE SERVICES. PROVIDER IS NOT RESPONSIBLE OR LIABLE FOR ANY DELAYS, DELIVERY FAILURES, OR OTHER DAMAGES RESULTING FROM SUCH PROBLEMS. HOSPITAL ACKNOWLEDGES AND AGREES THAT PROVIDER WILL NOT BE ORIGINATING ANY THIRD-PARTY CONTENT UNDER THIS AGREEMENT AND WITH RESPECT TO ANY SUCH THIRD-PARTY CONTENT REQUIRED FOR PROVIDER TO DELIVER THE TELEMEDICINE SERVICES, AND PROVIDER SHALL HAVE NO LIABILITY TO HOSPITAL OR ANY THIRD PARTY BASED ON ANY CONTENT TRANSMITTED BY OR THROUGH THE TELEMEDICINE EQUIPMENT OR THIRD-PARTY CONTENT UNDER THIS AGREEMENT. THE PROVISION OF THE TELEMEDICINE SERVICES BY PROVIDER AND PRACTITIONERS IN NO WAY GUARANTEES COVERAGE AND REIMBURSEMENT BY ANY PUBLIC OR PRIVATE THIRD-PARTY PAYOR FOR SUCH SERVICES.

11. **Limitation on Liability.** TO THE EXTENT AUTHORIZED BY LAW, NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, OR ANY LOSS OF PROFITS, REVENUE, BUSINESS OPPORTUNITY, BUSINESS INFORMATION OR DATA USE ARISING OUT OF OR IN CONNECTION WITH THE TELEMEDICINE SERVICES OR TELEMEDICINE EQUIPMENT PROVIDED UNDER THIS AGREEMENT, EVEN IF A PARTY HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE PARTIES AGREE THAT PROVIDER AND PRACTITIONERS SHALL HAVE NO RESPONSIBILITY OR LIABILITY, AND DO NOT ASSUME ANY RESPONSIBILITY OR LIABILITY FOR, ANY DAMAGES ARISING FROM THE USE OF THE TELEMEDICINE EQUIPMENT OR ANY PRODUCT, SERVICE, INSTRUCTION OR INFORMATION PROVIDED BY PROVIDER OR PRACTITIONERS DURING THIS AGREEMENT. NOTWITHSTANDING THE DISCLAIMERS AND WAIVERS SET FORTH HEREIN, THE PARTIES AGREE THAT IN NO EVENT SHALL PROVIDER'S OR PRACTITIONERS' LIABILITY TO HOSPITAL HEREUNDER EXCEED AN AMOUNT EQUAL TO THE AMOUNT RECEIVED BY PROVIDER FOR THE SERVICES RENDERED DURING A TWO (2) MONTH PERIOD IMMEDIATELY PRECEDING THE ACT OR OMISSION RESULTING IN LIABILITY. IN NO EVENT SHALL THE FOREGOING LIMITATIONS APPLY TO A PARTY'S BREACH OF THE HIPAA PROVISIONS OF THIS AGREEMENT OR LOSSES OCCASIONED BY THE FRAUD, WILLFUL MISCONDUCT, OR NEGLIGENCE OF A PARTY.
12. **Confidentiality.** All provisions in this Agreement, including all exhibits and schedules hereto, are strictly confidential. For purposes of this Agreement, "Confidential Information" means any confidential or proprietary information of a Party that is disclosed in any manner to the other Party in connection with or related to this Agreement, and which at the time of disclosure either (i) is marked as being "Confidential" or "Proprietary," (ii) is otherwise reasonably identifiable as the confidential or proprietary information of the disclosing Party, or (iii) under the circumstances of disclosure should reasonably be considered as confidential or proprietary information of the disclosing Party. Confidential Information includes, but is not limited to, the terms and conditions of this Agreement, and all types of proprietary technical or business information, including data, know-how, formulas, algorithms, processes, designs, drawings, schematics, plans, strategies, specifications, requirements, standards and documentation, reports, pricing, market, sales, marketing or demographic information, software, trade secrets, research, analyses, inventions, ideas and other types of nonpublic information. Confidential Information does not include information (i) that is already and separately available in the public domain (without breach of this Agreement by the applicable Party); (ii) approved for disclosure in advance in writing by the non-

disclosing Party; (iii) known to the non-disclosing Party prior to disclosure by the disclosing Party (as evidenced by written records thereof); (iv) independently developed by the non-disclosing Party without reference to or use of the disclosing Party's Confidential Information; or (v) acquired by the non-disclosing Party from a third party that was not prohibited by agreement or otherwise from disclosing the Confidential Information.

- 12.1 Treatment and Protection. Each Party agrees to (i) hold in strict confidence all Confidential Information which it receives from the other Party prior to, or in the course of, this Agreement, (ii) use the Confidential Information solely to perform or to exercise its duties and rights under this Agreement, and (iii) not to transfer, display, or otherwise disclose all or any part of such Confidential Information to any third party without the disclosing Party's written consent. Each Party shall take all measures necessary to protect the Confidential Information as it takes to protect its own confidential information (but in no case less than reasonable measures).
- 12.2 Disclosures Required by Law. The receiving Party may disclose the Confidential Information of the disclosing Party in response to a valid court order, law, rule, regulation or other governmental action, including, without limitation, the provisions of the Nevada Public Records Law, Nevada Revised Statutes 239, provided that the disclosing Party is notified in writing prior to disclosure of the information. In the event that no such protective order or other remedy is obtained, or that the disclosing Party waives compliance with the terms of this Agreement, the requested information will be released.
- 12.3 Remedies. Each Party agrees that the disclosing Party shall have no adequate remedy at law if there is a breach or threatened breach of this Section, and that the disclosing Party shall be entitled to bypass any dispute resolution obligations and seek immediate injunctive or other equitable relief to prevent or remedy such breach, in addition to any legal or equitable remedies available to the disclosing Party.
- 12.4 Return or Destruction. Upon the termination or expiration of this Agreement or upon the earlier request of the disclosing Party, the receiving Party shall (i) at its own expense, promptly return to the disclosing Party all tangible Confidential Information (and all copies thereof) of the disclosing Party, or upon written request from the disclosing Party, destroy such Confidential Information and provide the disclosing Party with written certification of such destruction, and (ii) immediately cease all further use of the other Party's Confidential Information, whether in tangible or intangible form.
- 12.5 Survival. Notwithstanding anything to the contrary in this Agreement, except for Confidential Information not constituting "trade secrets" under applicable law (for which there shall be no time limit for keeping such information confidential), these confidentiality obligations shall survive termination of this Agreement.

### **13. Compliance with Laws**

- 13.1 Compliance with Health Care Laws. The Parties represent and warrant that this Agreement is intended to comply with all applicable federal and state laws and regulations, as well as all compliance guidance published by federal or state agencies, state licensing regulations, and rules and regulations of applicable healthcare accreditation organizations, including, without limitation, the Federal Anti-kickback Statute (42 U.S.C. § 1320a-7b), the federal Physician Self-Referral Statute (42 U.S.C. 1395nn) and the amendments, regulations and administrative rulings thereto ("Stark Law"); the Federal False Claims Act (31 U.S.C. 3729

et seq.) and amendments; the federal Civil Monetary Penalties Law (42 U.S.C. 1320a-7a); the federal Exclusion Authority Statute (42 U.S.C. 1320a-7); the federal Physician Sunshine Act (42 U.S.C. 1320a-7h) and its implementing regulations; the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act of 2009 (42 U.S.C., Section 201 et seq.) and any other laws governing the privacy, security and confidentiality of health care information, (collectively, “Health Care Laws”). The Parties acknowledge that Provider’s use of independent contractors to fulfill the duties under this Agreement will be in compliance with Health Care Laws.

- 13.2 HIPAA Compliance. Provider and Hospital, each as Covered Entities, hereby agree to comply with the applicable provisions of the U.S. Department of Health and Human Services regulations on “Standards for Privacy of Individually Identifiable Health Information” comprising 45 C.F.R. Parts 160 and 164, Subparts A and E (the “Privacy Standards”), “Security Standards for the Protection of Electronic Protected Health Information” comprising 45 C.F.R. Parts 160 and 164, Subpart C (the “Security Standards”), “Standards for Notification in the Case of Breach of Unsecured Protected Health Information” comprising 45 C.F.R. Parts 160 and 164, Subpart D (the “Breach Notification Standards”), and “Rules for Compliance and Investigations, Impositions of Civil Monetary Penalties, and Procedures for Hearings” comprising 45 C.F.R. Part 160, Subparts C, D, and E (the “Enforcement Rule”) promulgated pursuant to the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), the Health Information Technology for Economic and Clinical Health Act (“HITECH Act”), and the Genetic Information and Nondiscrimination Act of 2008 (“GINA”) (the Privacy Standards, the Security Standards, the Breach Notification Standards, and the Enforcement Rule are collectively referred to herein as the “HIPAA Standards”). Provider and Hospital each agree not to use or further disclose any protected health information, as defined in 45 C.F.R. § 160.103 (“PHI”), concerning a patient other than as permitted or required by this Agreement or otherwise authorized under the HIPAA Standards. As permitted under HIPAA, the Parties hereby agree, that by virtue of this Agreement, they are an “organized health care arrangement” for purposes of meeting the Privacy Standards and the authorized use and disclosure of PHI thereunder. Provider agrees to follow the privacy practices adopted by Hospital as detailed in its notice of privacy practices.
- 13.3 No Exclusion. Each Party represents and warrants to the other that neither it nor any person that has a direct or indirect ownership interest (as defined in 42 C.F.R. Section 1001.1001(a)(2)) in the Party or who has an ownership or controlling interest (as defined in Section 1124(a)(3) of the Social Security Act or any regulations promulgated thereunder) in the Party, or who is an officer, director, manager, agent or managing employee (as defined in 42 C.F.R. Section 1001.1001(a)(i)) of the Party: (i) has been excluded, debarred, or otherwise ineligible to participate in the Federal health care programs as defined in 42 USC § 1320a-7b(f) (“FHCP”); (ii) has been convicted of a criminal offense related to the provision of health care items or services but have not yet been excluded, debarred, or otherwise declared ineligible to participate in any FHCP; or (iii) is under investigation or otherwise aware of any circumstances which may result in either Party or their representatives being excluded from participation in any FHCP. This shall be an ongoing representation and warranty during the term of this Agreement and either Party shall notify the other Party within five (5) business days of any change in the status of the representation and warranty set forth in this Section. Any breach of this Section shall give either Party the right to terminate this Agreement immediately for cause.

- 13.4 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, has a Compliance Officer, and operates an anonymous 24-hour, seven-day-a-week compliance Hotline. A Notice Regarding False Claims and Statements is attached to this Agreement as Schedule C. Provider is expected to immediately notify Hospital via a hospital Administrator, department Director, department Manager, and Rani Gill, Compliance Officer, at (702) 383-6211 or at [Rani.Gill@umcsn.com](mailto:Rani.Gill@umcsn.com), or through the Hotline (888) 691-0772, or the website at <http://www.goldenegg.ethicspoint.com>, or in writing, any actions by a medical staff member, Hospital vendor, or Hospital employee 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 bond-fide basis. Hospital is prohibited by law from retaliating in any way against any individual who, in good faith, reports a perceived problem.
14. **Status of Parties.** It is expressly acknowledged by the Parties that Provider and its agents are independent contractors, and nothing in this Agreement is intended nor shall be construed to create a partnership or joint venture relationship between the Parties, or to allow Hospital to exercise control or direction over the manner or method by which Provider and its agents perform the Telemedicine Services that are the subject matter of this Agreement. Each Party shall bear sole responsibility for payment of all applicable payroll taxes, payroll deductions and other similar items, including but not limited to federal and state withholding taxes, worker's compensation, and unemployment insurance related to its agents and employees. Each Party shall direct and control all administrative matters relating to its agents and employees, and shall have the absolute authority to hire, fire, supervise and discipline its employees and agents as required by applicable law or collective bargaining agreements; provided, however, Hospital has the power and discretion to direct Provider to remove Practitioners assigned by Provider to render the Telemedicine Services hereunder. Neither Party is granted an express or implied right of authority by the other Party to assume or create an obligation or responsibility on behalf of or in the name of the other Party or to bind the other Party in any manner or thing whatsoever. Neither Party will assume any liability by virtue of this Agreement for any debts or obligations of either a financial or a legal nature incurred by the other Party, except for the obligations agreed to herein. In the event the United States Internal Revenue Service (the "IRS") should question or challenge the independent contractor status of Provider or any Practitioner, the Parties mutually agree that both Provider and Hospital shall have the right to participate in any discussion or negotiation occurring with the IRS, irrespective of who initiates such discussion or negotiations.
15. **No Employment or Solicitation.** Hospital covenants that during the term of this Agreement (including any renewals thereof) and for such additional period thereafter that Provider may be providing the Telemedicine Services to Hospital (collectively, the "Service Period") and for a period of two (2) years following conclusion of the Service Period for any reason, neither Hospital nor any of its subsidiaries, parents or other affiliates will directly or indirectly (i) employ, hire or otherwise engage any of the Practitioners (collectively, a "Protected Person"); (ii) solicit, pursue or divert (or attempt to solicit, pursue or divert) any Protected Person, or otherwise induce, counsel, advise or encourage any Protected Person to leave the employment or contractual relationship with Provider; or (iii) form a corporation, partnership or joint venture or other entity with any such Protected Person. For the avoidance of any doubt, those individuals who have not provided services to Hospital through this Agreement are excluded from the definition of "Protected Person". Hospital acknowledges and agrees that the restrictive covenants set forth in this Section are reasonable and necessary for the protection of the practice and operations of Provider and violation of any of the covenants set forth in this Section would cause irreparable injury to Provider, and that

the remedy at law for any violation or threatened violation thereof would be inadequate, and that Provider shall be entitled to temporary and permanent injunctive relief or other equitable relief without the necessity of proving actual damages and without the necessity of posting bond. The foregoing remedies of Provider may be exercised without prejudice to (and are cumulative with) Provider's other available rights and remedies at law, in equity or under this Agreement, including Provider's right to monetary damages arising from any breach of this Agreement by Hospital.

## **16. Miscellaneous**

16.1 **Exclusivity.** Hospital agrees not to enter into any contract with any third party for the provision of services that are the same or similar to the Telemedicine Services provided by Provider hereunder or otherwise permit a third party to provide such services to or for the benefit of Hospital patients or physicians and practitioners who provide services at Hospital. Hospital acknowledges that Provider and Practitioners are currently, and will continue to be, involved in performing the same or similar services and other professional medical services provided pursuant to this Agreement for hospitals, facilities, practices and health care organizations other than Hospital. Neither Provider nor Practitioners shall be prohibited from engaging in such activities outside of this Agreement, so long as Provider continues to arrange for the provision of the Telemedicine Services to Hospital consistent with the terms of this Agreement.

16.2 **Notices.** Any notice required or permitted to be given hereunder to either party shall be deemed effective upon receipt if sent by hand delivery, three (3) business days after being sent by registered or certified mail, return receipt requested, or one (1) business day after being sent by overnight mail delivery for which evidence of delivery is obtained by the sender, to such party at:

**Provider:** Pokroy Medical Group of Nevada, LTD  
d/b/a Pediatrix Medical Group of Nevada  
1301 Concord Terrace  
Sunrise, Florida 33323  
Attention: Mary Ann E. Moore, EVP, General Counsel  
[Maryann.moore@pediatrix.com](mailto:Maryann.moore@pediatrix.com)

With an electronic copy to: [LegalNotice@pediatrix.com](mailto:LegalNotice@pediatrix.com)

**Hospital:** University Medical Center of Southern Nevada  
1800 West Charleston Boulevard  
Las Vegas, Nevada 89102  
Attn: Chief Executive Officer

With a copy to: [ContractSpecialist@umcsn.com](mailto:ContractSpecialist@umcsn.com)

16.3 **Limitation of Assignment.** This Agreement shall not be assigned by either Party without the prior express written consent of the other Party. Notwithstanding the foregoing, this Agreement may be assigned to any corporation or other entity of any kind succeeding to the business of Hospital or Provider in connection with the merger, consolidation, sale or transfer of the stock or all or substantially all of the assets and business of Hospital or Provider to such successor or with a corporate reorganization involving Hospital or Provider. This Agreement may also be assigned to any subsidiary, parent corporation or



other affiliate of Hospital or Provider. The provisions of, and obligations arising under, this Agreement shall extend to, be binding upon and inure to the benefit of the successors and permitted assigns of each Party.

- 16.4 Cooperation in Claims. Neither Party nor its employed or otherwise engaged personnel shall act adverse to the interests of the other Party, or any of the other Party's affiliated entities, shareholders, officers, employees, contractors or agents (hereinafter collectively referred to as the "Other Party"), where such Other Party has been, or is expected to be, named as a defendant in a claim or lawsuit asserting negligence, malpractice or professional liability on the part of the Other Party, including situations in which the Party has been, or is expected to be, named as a defendant in the same claim or lawsuit as the Other Party except if the Parties' interests are adverse to each other.
- 16.5 Access to Books, Documents and Records. If required by the applicable provisions of the Social Security Act related to reasonable cost provisions of hospitals, until the expiration of four (4) years after the termination of this Agreement, Provider shall make available, upon written request from the Secretary of the U.S. Department of Health and Human Services, the Comptroller General of the United States, or their duly authorized representatives, a copy of this Agreement and such books, documents and records as are necessary to certify the nature and extent of the cost of the Telemedicine Services provided by Provider under this Agreement. Provider further agrees that if it carries out any of its duties under this Agreement through a subcontract with a related organization with a value or cost of \$10,000.00 or more over a twelve (12) month period, then such contract shall contain a clause similar in scope to this Section.
- 16.6 Severability; Changes in Law. If any part of this Agreement is determined to be invalid, illegal, inoperative, or contrary to law or professional ethics, such part shall be reformed, if possible, to conform to law and ethics; the remaining parts of this Agreement shall be fully effective and operative to the extent reasonably possible. If any restriction contained in this Agreement is held by any court of competent jurisdiction to be unenforceable or unreasonable for any reason, then such restriction shall be modified to the extent required to render it enforceable and the remaining restrictions shall be enforced independently of each other.
- 16.7 Arbitration. Except as provided below, in the event of any controversy or dispute related to or arising out of this Agreement, the Parties agree to meet and confer in good faith to attempt to resolve the controversy or dispute without an adversary proceeding. If the controversy or dispute is not resolved to the mutual satisfaction of the Parties within five (5) business days of notice of the controversy or dispute, with the exception of injunctive relief sought by any Party, any Party shall have the option of submitting the controversy or dispute to binding arbitration, which shall be conducted in the county and the state in which the Hospital is located. If the controversy or dispute is submitted to binding arbitration, the Parties shall select the arbitrator within ten (10) calendar days after notification that the controversy or dispute will be submitted to arbitration. If the Parties are unable to agree on an arbitrator, either Party may petition the American Arbitration Association (the "Arbitration Company") for the appointment of an arbitrator according to the procedures for such appointment provided under the Arbitration Company's rules for commercial arbitration. The costs of such arbitration (excluding the attorneys' fees and costs of each of the Parties) shall be shared equally by the Parties. The arbitration shall commence within a reasonable time after the claim, dispute, or the matter in question has arisen, and in no event shall it commence after the date when institution of legal or equitable proceedings

based on such claim, dispute, or other matters in question would be barred by the applicable statute of limitations. The arbitration shall be conducted in a summary manner upon written briefs of the Parties if the arbitrator believes that such summary procedure will be adequate to resolve all contested issues fairly. The Parties shall submit their briefs to the arbitrator within fifteen (15) calendar days following selection of the arbitrator. The arbitrator shall not be required to observe or carry out formalities or usual procedures such as pleadings or discovery or the strict rules of evidence. The arbitrator shall decide all matters submitted to him or her within twenty-one (21) calendar days following the arbitrator's receipt of briefs or conclusion of any necessary hearings. No disclosure of the award shall be made by the Parties except as required by the law or as necessary or appropriate to effectuate the terms thereof. Judgment on the award rendered by the arbitrator may be entered into in any court having jurisdiction thereof. With the exception of injunctive relief sought by a Party, to the extent permitted by law, the Parties hereby jointly and severally waive any and all right to trial by jury in any action or proceeding arising out of or relating to this Agreement, or the obligations hereunder. The Parties each represent to the other that this waiver is knowingly, willingly and voluntarily given. Controversies or disputes related to Hospital's Medical Executive Committee actions are excluded from the provisions of this section.

- 16.8 Governing Law. This Agreement has been executed and delivered and shall be construed and enforced in accordance with the laws of the state in which Hospital is located. Any action by any Party, whether at law or in equity, shall be exclusively commenced and maintained and venue shall properly be in the state or federal courts located in the state in which Hospital is located.
- 16.9 Waiver of Breach. No provision of this Agreement shall be deemed waived unless evidenced by a written document signed by an authorized officer or agent of the waiving Party. The waiver by either Party of a breach or violation of any provision of this Agreement shall not operate as, or be construed to be, a waiver of any subsequent breach of the same or other provision of this Agreement.
- 16.10 Force Majeure. Neither Party shall be liable for nonperformance or defective 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), action of any governmental authority, riots, revolutions, fire, floods, explosions, sabotage, nuclear incidents, lightning, weather, earthquakes, storms, sinkholes, epidemics, or strikes (or similar nonperformance or defective performance or late performance of employees, suppliers or subcontractors) ("Force Majeure Event"). In the event that a Party ceases to perform its obligations under this Agreement due to the occurrence of a Force Majeure Event, such Party shall: (a) immediately notify the other Party in writing of such Force Majeure Event and its expected duration; and (b) take all reasonable steps to recommence performance of its obligations under this Agreement as soon as possible.
- 16.11 Authority. Each signatory to this Agreement represents and warrants that he or she possesses all necessary capacity and authority to act for, sign and bind the respective entity on whose behalf he or she is signing.
- 16.12 Counterparts. This Agreement and any amendments to this Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. Facsimile and PDF signatures shall be treated as if they are original signatures.

- 16.13 Entirety; Amendments. This Agreement represents the entire and final agreement of the Parties with respect to the subject matter hereof and supersedes all prior negotiations, discussions or agreements with respect to the subject matter hereof. This Agreement may not be amended or modified except by written instrument signed by the Parties hereto.

**[SIGNATURES APPEAR ON THE FOLLOWING PAGE]**

**IN WITNESS WHEREOF**, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the Effective Date.

POKROY MEDICAL GROUP OF NEVADA,  
LTD D/B/A PEDIATRIX MEDICAL GROUP OF  
NEVADA

UNIVERSITY MEDICAL CENTER OF  
SOUTHERN NEVADA

By: \_\_\_\_\_  
Name: Nanette Sanders  
Title: Authorized Signatory

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

## **SCHEDULE A**

### **TELEMEDICINE SERVICES**

**Commencement Date:** November 1, 2024, or as otherwise mutually agreed by the Parties.

#### **Originating Site Locations**

Provider will make the Telemedicine Services available to Hospital at the locations identified below according to the selected service lines and Commencement Dates. This Schedule may be updated by Hospital to reflect the addition or removal of locations or services with notice and approval by Provider at least sixty (60) calendar days in advance.

<b>Facility Location</b>	<b>Service(s)</b>	<b>Commencement Date</b>
University Medical Center of Southern Nevada	Telemed Neurology	November 1, 2024

#### **Telemedicine Services**

Remote Consultation: The term “Remote Consultation” means real-time, consultation with Practitioners located in a remote site via telecommunications technology when the treating physician at Hospital who is responsible for the patient, or a nurse working directly with the treating physician, determines a professional consultation is necessary. Consultations may also occur with the Remote Practitioner and patient or family if requested. The recommendations of Practitioners given during the Remote Consultation will be based solely on the information provided to Practitioners, including but not limited to, relevant vital sign, history and physical, diagnostic, and symptomatic information of the patient. Upon completion of the Remote Consultation, Practitioners will discuss the plan for the patient’s care one-on-one with the treating physician to provide recommendations only. Hospital shall maintain full responsibility for the treatment and care of the patient. Practitioners shall not be responsible for any follow-up care, including procedures, recommended by a Practitioner during the Remote Consultation, which shall be the responsibility of Hospital.

Remote Interpretation: The term “Remote Interpretation” means a diagnostic imaging interpretation or other interpretation of a diagnostic test by Practitioners located in a remote site via telecommunications technology when the treating physician orders the diagnostic procedure for a patient. Upon the completion of the Remote Interpretation, Practitioners will return a professional interpretation report. Practitioners will discuss the plan for the patient’s care one-on-one with the treating physician to provide recommendations only. Hospital shall maintain full responsibility for the treatment and care of the patient. Practitioners shall not be responsible for any follow-up care, including procedures, recommended by a Practitioner during the Remote Interpretation, which shall be the sole responsibility of Hospital.

## 1. **Telehealth – Pediatric Neurology**

### a. Coverage and Duties.

- i. Coverage to be provided twenty-four (24) hours per day, seven (7) days per week.
- ii. Practitioners will provide Remote Consultations and Remote Interpretation services as requested by the treating physician to pediatric patients in the Neonatal Intensive Care Unit, which will include:
  1. remote EEG reading, including cerebral function monitoring (CFM or aEEG), routine EEG and continuous video-EEG;
  2. review of clinical data including laboratory and imaging findings;
  3. discussions with parents and other family members to explain the diagnosis, clinical course, neurologic treatments and prognosis;
  4. consultative services, including a neurological exam aided by appropriate video technology and bedside clinical staff;
  5. education for clinical teams throughout the program; and
  6. hand-off of patients to primary local pediatric neurologist when appropriate.
- iii. Practitioners will respond to requests for non-emergent Remote Consultations within 24 hours.
- iv. Practitioners will provide documentation for the electronic patient record within standards set by Medical Staff Bylaws and Medical Staff Rules & Regulations and Hospital policies.
- v. Practitioners will provide accurate diagnostic and procedural coding and documentation within the timeframe agreed upon by Provider and Hospital.

### b. Telehealth Equipment.

- i. Hospital shall provide and maintain, at its cost and expense, appropriate specialty imaging EEG equipment, related attachments and supplies, and qualified technicians to operate the imaging EEG equipment.
- ii. The parties agree that Practitioners shall access images and EEG data directly from the Hospital's electronic health records system software via devices with secure access and any applicable licenses installed, all as provided to Practitioners by Hospital for this purpose.
- iii. Hospital will provide and maintain, at its cost and expense, required hardware and equipment for telehealth platform to enable a remote physician workstation. Such hardware may include, but is not limited to, laptops, aircards, webcams, speakers and microphones.

### c. Requests for Remote Consultations.

- i. To request a Remote Consultation, the following procedures shall be followed:

1. When a treating physician determines a neurology consult is necessary for a pediatric patient, the treating physician shall order the test and enter such order in the patient's medical record.
  2. After the order is given and entered into the medical record, a qualified staff employed or contracted by Hospital will call by phone the Practitioner's central answering service to provide brief but necessary information requested by the Practitioner.
  3. The Practitioner will call the treating physician for a physician-to-physician discussion on the nature of the consultation and the patient's current status.
- d. Requests for Remote Interpretation.
- i. To request a Remote Interpretation, the following procedures shall be followed:
    1. When a treating physician determines an EEG is necessary for a pediatric patient, the treating physician shall order the test and enter such order in the patient's medical record.
    2. After the order is given and entered into the medical record, a qualified neurodiagnostic technologist employed or contracted by Hospital, who has received the necessary training in the use of the EEG equipment, shall conduct the appropriate test(s) and set it up for optimal remote, real-time review of the EEG with or without synchronized video.
    3. Each Hospital technician shall be a qualified neurodiagnostic technologist for the use of the EEG with or without synchronized video.
    4. The EEG results will be communicated by the Practitioner by written report within a prearranged timeframe and by verbal report as determined by the patient's acuity and urgency. If the EEG is ongoing, the interim EEG findings will be verbally reported to the treating physicians as determined by the patient's condition and acuity, as determined by prior arrangements and understanding by the clinicians.
    5. If aEEG is used, aEEG mostly likely cannot be viewed remotely by the Practitioner since remote reading technology is not typically available for aEEG at the current date. If remote reading is not possible, the Practitioner will assist the treating physician by consulting with "spot checks" on segments of the aEEG that will be transmitted to the Practitioner as screenshot images or video clips. Without remote reading technology, it is practically not possible for the Practitioner to review the entire study, and thus, cannot provide a written report pertaining to the entire study. The treating physician, thus, will be responsible for providing the written report for aEEG. The treating physician will charge the payor for the aEEG procedure, and the Practitioner will charge the Hospital for the "spot checks" per previously determined compensation.
    6. If the results are not in the form or quality sufficient to provide the Remote Interpretation, Practitioners will communicate that fact to Hospital and alternative arrangements will be made. The Hospital will still be charged for the Remote Interpretation even if uninterpretable.

e. Cost.

- i. Hospital will be entitled to bill and collect for the professional fees associated with Provider's provision of the Pediatric Neurology Telehealth Services. Provider shall assign to Hospital its right to bill the patients or their responsible third-party payors for any Pediatric Neurology Telehealth Services rendered by Practitioners to patients under this Agreement. All patient fees collected for such Pediatric Neurology Telehealth Services will be the sole property of Hospital.
- ii. During the term of this Agreement, the Hospital shall pay the Provider **Sixty Thousand and 00/100 Dollars (\$60,000.00)** per year payable in monthly installments of **Five Thousand and No/100 Dollars (\$5,000.00)**, invoiced monthly ("Annual Stipend") and for each interpretation and consultation the fee ("Utilization Fee") as set forth on the schedule below:

Utilization fee per service paid by Hospital to Provider:

- Short-term EEGs (<2 hours) \$250
- Long-term EEGs (2-12 hours) \$500
- Long-term EEGs (>12 hours) \$750
- Consultation with MD/family (per hour) \$250
- "Stat" fee\* \$750

*\*A Stat fee will be added to the service fee for calls requiring a "stat" response within one hour.*

Hospital shall make payment on or before the fifth (5th) day of each month following the month in which Services were rendered. The parties acknowledge and agree that the compensation set forth in this section represents the fair market value for the Telehealth Services rendered by Provider, has been negotiated at arms-length, is commercially reasonable to accomplish the business purposes of the parties, has not been determined in a manner that takes into account any volume or value of any referrals of other business, if any, that may otherwise be generated between the parties, and does not require or contemplate that Provider or its Practitioners will generate any particular volume or value of referrals or other business.

f. Member Physician(s)

Andrew Kim 1699856237

Shanti Thirumalai 1528155132



**SCHEDULE B**  
**STANDARDS OF PERFORMANCE**

Provider shall ensure that all Member Physicians comply with the following Standards of Performance:

- a. Provider promises to adhere to Hospital's established standards and policies for providing exceptional patient care. In addition, Provider shall operate and conduct him/herself 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, Provider shall be free to perform private practice at other offices and hospitals. If Provider is employed 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 assist Hospital with improvement of patient satisfaction and performance ratings.
- e. Provider shall perform appropriate clinical documentation.
- f. Provider 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").
- g. Provider 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 shall comply with all policies and directives related to Just Culture, Ethical Standards, Corporate Compliance/Confidentiality, and any and all applicable policies and/or procedures.
- h. Provider shall comply with Hospital's Affirmative Action/Equal Employment Opportunity Agreement.
- i. 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, and in no event is Provider required to make a referral under any of the following circumstances: (i) the referral relates to services that are not provided by Provider 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 Provider's judgment. The parties agree that this provision concerning referrals by Provider 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").

- j. 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.
- k. Provider shall work in the development and maintenance of key clinical protocols to standardize patient care.

## **SCHEDULE C**

### **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 of 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](mailto: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

<b>Business Entity Type (Please select one)</b>						
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input checked="" type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Corporation	<input type="checkbox"/> Trust	<input type="checkbox"/> Non-Profit Organization	<input type="checkbox"/> Other
<b>Business Designation Group (Please select all that apply)</b> <span style="float: right;">N/A</span>						
<input type="checkbox"/> MBE	<input type="checkbox"/> WBE	<input type="checkbox"/> SBE	<input type="checkbox"/> PBE	<input type="checkbox"/> VET	<input type="checkbox"/> DVET	<input type="checkbox"/> ESB
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise	Veteran Owned Business	Disabled Veteran Owned Business	Emerging Small Business
<b>Number of Clark County Nevada Residents Employed:</b>						
<b>Corporate/Business Entity Name:</b>			Pokroy Medical Group of Nevada LTD			
<b>(Include d.b.a., if applicable)</b>			Pediatrrix Medical Group of Nevada			
<b>Street Address:</b>			1301 Concord Terrace		<b>Website:</b>	
<b>City, State and Zip Code:</b>			Sunrise, FL 33323		<b>POC Name:</b> Linda Chen	
<b>Telephone No:</b>			954-384-0175		<b>Email:</b> Linda.Chen@Pediatrrix.com	
<b>Nevada Local Street Address:</b>					<b>Website:</b>	
<b>(If different from above)</b>						
<b>City, State and Zip Code:</b>					<b>Local Fax No:</b>	
<b>Local Telephone No:</b>					<b>Local POC Name:</b>	
					<b>Email:</b>	

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

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

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

Full Name	Title	% Owned (Not required for Publicly Traded Corporations/Non-profit organizations)
Oscar Ingaramo, MD	President	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.

Kara Munro  
Signature  
VP Business Develop  
Title

Kara Munro  
Print Name  
10.18.24  
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

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

<b>Issue:</b>	<b>Therapeutic Apheresis Services Agreement with Vitalant</b>	<b>Back-up:</b>
<b>Petitioner:</b>	Jennifer Wakem, Chief Financial Officer	<b>Clerk Ref. #</b>
<b>Recommendation:</b>  <b>That the Governing Board Audit and Finance Committee review and recommend for approval by the Governing Board the Therapeutic Apheresis Services Agreement with Vitalant; authorize the Chief Executive Officer to exercise any extension/renewal options; or take action as deemed appropriate. <i>(For possible action)</i></b>		

**FISCAL IMPACT:**

Fund Number: 5420.000  
Fund Center: 3000707000  
Description: Therapeutic Apheresis Services  
Bid/RFP/CBE: NRS 332.115(1)(b) – Professional Services  
Term: Three years; with two, 1-year options  
Amount: \$3,000,000.00 for 5 years  
Out Clause: 30 days w/o cause  
Budget Act and Fiscal Fund Out

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

**BACKGROUND:**

This request is to enter into a new agreement with Vitalant to provide Therapeutic Apheresis Services to hospital patients on-site. Vitalant will provide the equipment, supplies, and disposals, and qualified medical and technical support personnel to conduct such services.

The term of the agreement is for three years; with two, 1-year options to renew. Staff also request Board 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's Laboratory Services Director has reviewed and recommend approval of this Agreement. This Agreement has been approved as to form by UMC's Office of General Counsel.

Cleared for Agenda  
October 23, 2024

Agenda Item #

**12**



## THERAPEUTIC APHERESIS SERVICES AGREEMENT

This Therapeutic Apheresis Provider Service Agreement ("Agreement") is by and between Vitalant, an Arizona nonprofit corporation, ("Vitalant") and University Medical Center of Southern Nevada, a publicly owned and operated hospital created by virtue of Chapter 450 of the Nevada Revised Statutes ("Provider"). VITALANT and Provider may be referred to herein individually as a "Party," or collectively as the "Parties."

### RECITALS

WHEREAS, Provider desires to have VITALANT provide therapeutic apheresis services for patients on Provider's premises under the direction and control of an attending physician with clinical privileges on Provider's Medical Staff ("Attending Physician");

WHEREAS, VITALANT is willing to provide therapeutic apheresis services for Provider's patients, and is willing to provide equipment and technical support to conduct such services; and

WHEREAS, VITALANT and Provider wish to have an agreement setting forth the terms and conditions of providing such services.

NOW THEREFORE, for good and valuable consideration, the Parties hereby agree as follows:

#### 1. Term of Agreement

- 1.1 **Term.** The term of this Agreement shall be begin on July 1<sup>st</sup>, 2024 (the "Effective Date"), and end on June 30<sup>th</sup>, 2027 (hereafter, the "Initial Term"), unless either Party terminates this Agreement pursuant to the provisions of Section 1 herein. The Agreement has the option to renew for for an additional two (2) one(1) -year periods ("Extension Term") upon written notice to VITALANT. The Initial Term and all Extension Terms shall collectively be referred to herein as the "Term". Either Party can provide notice of non-renewal no less than thirty (30) days prior to the expiration of the then current term.
- 1.2 **Termination without Cause.** This Agreement may be terminated without cause by any of the Parties upon thirty (30) days' prior written notice to the other Party.

**Termination for Default.** This Agreement may be terminated by either party upon thirty (30) calendar days' written notice of a material breach of the terms and conditions of the Agreement. If the breaching party fails to cure the breach within the thirty (30) calendar days period, this Agreement shall automatically terminate on the thirty-first (31) day.



## 2. Therapeutic Apheresis Services and VITALANT Responsibilities

- 2.1 **VITALANT Therapeutic Apheresis Services.** Pursuant to a written order from the Attending Physician and upon consent from the patient or the patient's legal representative, VITALANT shall perform therapeutic apheresis services for Provider's patients as described in this Agreement. During the performance of the therapeutic apheresis services, VITALANT personnel will monitor the patient and report any progress and/or complications to the Attending Physician or the Provider's representative. Other than the apheresis services, under no circumstance shall VITALANT perform patient care or treatment duties, which duties shall be the responsibility of the Provider and Attending Physician.
- 2.2 **Technical Personnel and Equipment.** VITALANT shall use its own equipment, supplies and disposables to render therapeutic apheresis services. VITALANT shall provide qualified and trained medical and technical support personnel necessary to operate the therapeutic apheresis equipment. VITALANT shall be responsible for proper equipment maintenance. In the event that Provider requires VITALANT to use Provider's equipment, supplies and disposables to render services under this Agreement, VITALANT is not liable for any maintenance or loss that arises out of the use of such equipment, suppliers or disposables, except to the extent that such maintenance is required or loss results due to VITALANT's misuse of the equipment, supplies or disposables. The Parties agree that the VITALANT technical support personnel shall act under the direction of the VITALANT Medical Director. The procedure will be performed in accordance with VITALANT's policies and procedures and, if applicable, Provider's policies and procedures.
- 2.3 **Medical Director.** Provider and VITALANT agree that the VITALANT Medical Director shall provide consultation services upon the request of the Attending Physician, including: the clinical indications for the therapeutic apheresis procedure, appropriate replacement fluid selection and balance, and other aspects related to the therapeutic apheresis procedure. The VITALANT Medical Director will consult with the Attending Physician, as needed, regarding complications and modification of treatment regimen.
- 2.4 **Informed Consent.** Provider and Attending Physician are responsible for obtaining and documenting informed consent from the patient or patient's legally authorized representative, and assuring that the risks and benefits of therapeutic apheresis services have been adequately explained to the patient. VITALANT may also request informed consent documentation from the patient or patient's legally authorized representative before performing the services.

- 2.5 **Maintenance of Records, Licenses and Permits.** VITALANT warrants the possession of all licenses and/or permits necessary to provide the Services as required by the laws of the United States, the State of Nevada and Clark County. Failure to maintain these licenses and permits shall constitute grounds for the termination of this Agreement by Hospital. VITALANT shall be responsible for assuring the quality of the Services, including monitoring of professional personnel provided by VITALANT, timeliness of service and other regulatory requirements.
- 2.6 **General.** In performing its services and obligations under this Agreement, VITALANT represents and warrants that it shall: (a) render its services in an efficient, professional and high quality manner in accordance with industry standards; (b) perform necessary record keeping functions for the therapeutic apheresis services as the Provider and VITALANT from time to time reasonably prescribe; (c) complete all forms or reports as reasonably requested by the Provider; (d) permit Provider and its representatives at all reasonable times to observe and review the services and equipment relating to therapeutic apheresis; (e) abide by all policies and procedures that Provider may from time to time request be followed in connection with the therapeutic apheresis services; and (f) comply with all applicable laws, rules, regulations, ordinances and orders.

### 3. Provider Responsibilities

- 3.1 **Patient Care.** The ongoing treatment and care of the patient shall be the responsibility of the Provider, its employees and the Attending Physician. The Attending Physician is responsible for determining the medical necessity, type and frequency of the therapeutic apheresis procedure, replacement fluids, and ensuring that informed consent has been obtained. The Attending Physician will be responsible for requesting, ordering and supervising all therapeutic apheresis procedures for both inpatients and outpatients, including any required follow-up care and assessment of clinical efficacy. The Attending Physician will be responsible for placement and maintenance of any central line the patient may require. Provider's physicians shall be active members of the Medical Staff and properly credentialed by the Provider to order and supervise therapeutic apheresis procedures. Additionally, Provider shall ensure that support staff are available as may be reasonably necessary to assist and care for the patient if a medical necessity arises during the provision of apheresis services, including but not limited to, medical and surgical technicians and the resuscitation/code team. Provider shall be responsible for providing all supportive medical services, including, but not limited to, the preparation and supply of replacement fluids prior to performance of therapeutic apheresis services.

- 3.2 **Quality Reviews.** Provider shall include VITALANT or the VITALANT Medical Director in discussions, quality reviews, or critique of the therapeutic apheresis services to facilitate improvements and enhancements in the services.
- 3.3 **Compliance with Law.** Provider shall comply with all applicable laws, rules, ordinances, orders and standards relating to therapeutic apheresis.
- 3.4 **Storage.** Upon the request of VITALANT, and at no additional cost, Provider shall provide VITALANT a safe and secure storage area with adequate temperature monitoring on the premises of the Provider to keep and maintain the technical equipment and related supplies necessary to carry out the terms and conditions of this Agreement. The Provider shall be responsible only for equipment loss or damage during storage, which is caused by gross negligent acts or omissions by the Provider, its agents or employees.
- 3.5 **Technical Personnel and Access.** Provider shall provide security badges, parking access, and access to Provider's premises to perform the services pursuant to this Agreement, subject to VITALANT personnel complying with any reasonable requirements established by the Provider. Provider shall be responsible to train VITALANT technical personnel on applicable Provider policies and procedures. VITALANT technical personnel training shall also include specific software programs and/or manual documentation requirements specific to the Provider's facility.
4. **Service Fees.** The service fees that will be charged by VITALANT for the therapeutic apheresis performed pursuant to this Agreement are set forth on the Therapeutic Apheresis Fee Schedule, attached hereto as Exhibit A. Provider agrees to pay VITALANT within thirty (30) days of receipt of a correct invoice from VITALANT for services provided by VITALANT. If Provider's account is more than thirty (30) days past due, VITALANT reserves the right to require Provider to pay for all future services on a Cash-on-Delivery ("COD") or Cash-in-Advance ("CIA") basis. VITALANT will not bill the Provider's patients or their third-party payors directly.
5. **Invoicing.** VITALANT shall submit an invoice to Provider as services are provided and must be accompanied by back up material. VITALANT shall furnish semi-monthly invoices. Provider shall pay the invoiced amount net 30 days after the date or receipt of a correct invoice. VIALANT understands and agrees that net 30 days means in this case that the check is cut by Provider the first business day after the invoice date and additional days must be allowed for mailing.
- (a) All invoices should identify the following items:

1. Providers contract number and contract name;
2. The date of the invoice;
3. VIALANT's invoice number;
4. VIALANT name;
5. Complete address (including street, city, state and zip code);
6. Telephone number;
7. Contact person for VITALANT; email: [ar@vitalalant.org](mailto:ar@vitalalant.org)
8. Itemized description of services performed and/or products delivered (including quantities) or services rendered (including performance dates covered), referencing the contract item in attached Exhibit A (VITALANT THERAPEUTIC APHERESIS FEE SCHEDULE);
9. Itemized pricing and total amount due (excluding Sales and Use Tax); Rate for Service Provided
10. Date of Service
11. The associated Provider's purchase order number;
12. Company's tax identification number;

Upon reconciliation of all errors, corrections, credits, and disputes, payment to VITALANT will be made in full within net 30 Days as specified above. Invoices received without a valid purchase order number will be returned unpaid. VITALANT shall submit an original invoice to:

University Medical Center of Southern Nevada  
ATTN: Accounts Payable  
1800 West Charleston Blvd.  
Las Vegas, Nevada 89102

(b) Upon termination of this Agreement, VITALANT shall submit a statement summarizing previous billings rendered and payments received and providing any other information necessary for contract close out. Within 30 Days after receipt thereof, the Provider shall pay VITALANT all amounts due.

## **6. Indemnification / Insurance**

- 6.1 Indemnification.** VITALANT shall indemnify and hold Provider, its directors, officers and employees harmless from and against such portion of all losses, damages, liabilities, claims, actions, causes of action, charges, costs, expenses and fees, including reasonable attorney's fees, suffered or incurred by them, as a result of any breach of or default in this Agreement

by VITALANT or as the result of any act or omission of VITALANT or any of its directors, officers, or employees arising from any of VITALANT's responsibilities under this Agreement. This indemnification is contingent upon VITALANT receiving prompt, written notification of any and all occurrences which may result in a claim under this paragraph, and reasonable cooperation in the investigation and response to such occurrences or claims.

6.2 **Insurance.** Each Party shall secure and maintain, at its own expense, professional liability, errors and omissions, commercial general liability, and worker's compensation and employer's liability insurance coverage with limits necessary to satisfy each Party's obligations under this Agreement. Upon request, each Party agrees to provide the other Party with certificates of such insurance coverage. VITALANT understands that Provider has a funded program on self-insurance and is acceptable in lieu of commercial insurance.

7. **Notices.** All notices and communications provided for in this Agreement and given pursuant hereto shall be in writing and shall be delivered, in person or mailed by certified mail, return receipt requested, to the addresses provided below. Notice sent by email, certified mail, or courier will be deemed delivered effective when received by the recipient thereof, with satisfactory evidence of successful delivery. Either party may designate another mailing address for notice at any time upon written notice to the other party delivered as provided herein.

<i>If to</i>	Vitalant	<i>For legal</i>	Vitalant
<i>VITALANT:</i>	Attention: President	<i>notices, with</i>	Attn: EVP, General Counsel
	9305 East Via de Ventura	<i>copy to:</i>	9305 East Via de Ventura
	Scottsdale, AZ 85258		Scottsdale, AZ 85258
	legal@vitalant.org		legal@vitalant.org

<i>If to the</i>	University Medical Center of
<i>Provider:</i>	Southern Nevada
	Attn: Contracts Management
	1800 W. Charleston Blvd.
	Las Vegas, NV 89102

8. **Privacy and Confidentiality.** During the term of this Agreement and for a period of five (5) years after any termination or expiration hereof, VITALANT and Provider acknowledge and agree that all information communicated by one party (the "Disclosing Party") to the other (the "Receiving Party") in connection with this Agreement shall be received in confidence, and shall be used only to carry out the terms of this Agreement. Confidential information, that is not a public record pursuant to Nevada law, shall not be disclosed by the Receiving Party or its

agents or personnel without the prior written consent of the Disclosing Party. The obligations under this Section do not apply to information that: (a) is or becomes generally available to the public other than as a result of disclosure by the Receiving Party, (b) was known to the Receiving Party or had been previously possessed by the Receiving Party without restriction against disclosure at the time of receipt thereof by the Receiving Party, or (c) was independently developed by the Receiving Party without violation of this Agreement. If either party receives a subpoena or other validly issued administrative or judicial demand requiring it to disclose the other party's confidential information, such party shall provide prompt written notice to the other of such demand in order to permit it to seek a protective order.

Notwithstanding any provision in this Agreement to the contrary, VITALANT acknowledges that Provider 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 Provider receives a demand for the disclosure of any information related to this Agreement which VITALANT has claimed to be confidential and proprietary, Provider will immediately notify VITALANT of such demand and VITALANT shall immediately notify Provider of its intention to seek injunctive relief in a Nevada court for protective order. VITALANT shall indemnify, defend and hold harmless Provider from any claims or actions, including all associated cost and attorney's fees, regarding or related to any demand for the disclosure of VITALANT documents in Provider's custody and control in which VITALANT claims to be confidential and proprietary.

Each Party shall comply with all applicable state and federal laws and regulations, professional standards regarding the privacy and confidentiality of patient information. The Parties agree that each Party is a health care provider and the use and disclosure of patient information pursuant to this Agreement is for treatment purposes and does not create a business associate relationship under the Privacy and Security Rules of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"). Each Party shall implement appropriate administrative, physical and technical safeguards to prevent against the unauthorized use or disclosure of patient information.

## **9. General**

**9.1 No waiver.** The failure of a party to complain of any act or omission on the part of the other party, no matter how long the same may continue, will not be deemed a waiver by such party of any of its rights under this Agreement. No waiver by a party, whether express or implied, of any breach of any provision in this Agreement will be deemed a waiver of a breach of any other provision of this Agreement or a consent to any subsequent breach of the

same or any other provision. No acceptance by VITALANT of any partial payment will constitute an accord or satisfaction.

- 9.2 **Use of Name.** No Party to this Agreement shall have the right to use the other Party's name in advertising or promotional material relating to the therapeutic apheresis services without the prior written consent of the Party.
- 9.3 **Entire Agreement.** This Agreement, together with the Exhibits and all other documents incorporated herein by reference, contains the entire understanding between the Parties and supersedes all prior agreements, either oral or in writing, with respect to the subject matter hereof. In the event that any provision of the Agreement conflicts with any Exhibit, the Exhibit shall control with respect to the subject matter of such Exhibit.
- 9.4 **Rights and Remedies.** No right or remedy conferred upon or reserved to the Parties under this Agreement is intended to be or shall be exclusive of any other right or remedy available at law or in equity, but each shall be cumulative of every other right or remedy or may be exercised concurrently, successively or alternatively.
- 9.5 **Severability.** If any term or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereto shall remain in full force and effect and shall in no way be affected, impaired or invalidated as a result of such decision.
- 9.6 **Modifications and Amendments.** Unless otherwise specifically provided herein, this Agreement may be amended or changed only by the written consent of VITALANT and the Provider.
- 9.7 **Rights of Others.** Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon or give to any person or entity, other than the Parties hereto, any rights or remedies under or by reason of any provision of this Agreement.
- 9.8 **Assignment.** Neither Party may assign, delegate, or transfer in any manner the obligations and rights set forth in the Agreement without the written consent of the other Party, which will not be unreasonably withheld. Notwithstanding the foregoing, either Party may assign or transfer this Agreement or its rights, interests or obligation under this Agreement, without consent, to any entity which controls, is controlled by, or is under common control with, the Party. The Party seeking assignment of their obligations must provide notice to the other party in writing no later than 30 (thirty) days before assignment. This Agreement inures to the benefit of and is binding upon the permitted successors and assigns of the parties.

- 9.9 **Access to Books and Records.** Upon reasonable notice, VITALANT shall make those contracts, its books, documents and records relating to services provided hereunder available to the Secretary of the U.S. Department of Health and Human Services (“Secretary”), the U.S. Comptroller-General, or their duly authorized representatives of any of them during business hours until the expiration of four (4) years after the services furnished hereunder; provide, however, if any of VITALANT’s duties hereunder are carried out through a subcontractor, whether a physician or other supplier of services, if said subcontract has a value or cost of Ten Thousand Dollars (\$10,000), or more, over a 12-month period, VITALANT shall obtain a written undertaking of such subcontractor to make the subcontractor’s books, documents and records available to the same parties.
- 9.10 **Independent Contractors.** Each of the Parties shall participate in this Agreement as an independent contractor. Nothing in this Agreement shall create any association, agency, partnership, employer-employee relationship or joint venture between the Parties.
- 9.11 **Exclusion from Federal Health Care Programs.** Each party represents and warrants that (a) neither it nor any of its affiliates that render services pursuant to this Agreement (“Relevant Affiliates”) is an Excluded Person, and (b) to the best of its knowledge, none of its or its Relevant Affiliates’ employees who render billable services in connection with this Agreement (“Relevant Employees”) is an Excluded Person. For purposes of this Agreement, the term “Excluded Person” means a person or entity who has been excluded from participation in federal health care programs as set forth on the Office of Inspector General’s exclusion list (OIG website), the General Services Administration’s Lists of Parties Excluded from Federal Procurement and Non-Procurement Programs (GSA website) for excluded individuals or entities, and applicable state Medicaid exclusion lists. Each party shall provide prompt written notice if it or any of its Relevant Affiliates or Relevant Employees becomes an Excluded Person, and shall promptly remove any Relevant Employees from performing any services pursuant to this Agreement, as soon as it becomes aware of such Excluded Person status. If a party or any Relevant Affiliate becomes an Excluded Person, the other party shall have the right to terminate this Agreement immediately. If a Relevant Employee becomes an Excluded Person, this Agreement may be terminated, pursuant to Section 1.3 of this Agreement; however, if the party or Relevant Affiliate terminates the Relevant Employee’s employment within the notice period afforded in Section 1.3, the Agreement will remain in full force and effect.
- 9.12 **Equal Employment Opportunity.** For purposes of this Section, Provider is referred to as “contractor” and VITALANT as “subcontractor”:



**Equal Employment Opportunity Clause.** To the extent not exempt, this contractor and subcontractor shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status, or disability. In addition, this contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant.

- 9.13 **Counterparts.** This Agreement may be executed in one or more counterparts, all of which shall constitute one and the same Agreement.
- 9.14 **Force Majeure.** Each party shall be excused from any delay in performance or from failure to perform in accordance with the terms of this Agreement to the extent that such delay or failure to perform results from any cause beyond the reasonable control of the Party, regardless of whether foreseeable, including without limitation, shortage of supply of raw materials, labor shortage, labor riot or unrest, strike, acts of regulatory agencies (including FDA withdrawal and recall recommendations), public health emergencies, quarantine restrictions, man-made or natural disasters, acts of God, acts of war, terrorism, public utility interruptions, freight embargoes, unusually severe weather, discontinuance of necessary products, delay in delivery of goods or services by suppliers or subcontractors to such party, loss of goods in transit, governmental or court action, and any other cause or event beyond the reasonable control of the party (the "Force Majeure Event"). Such party shall give notice to the other party promptly in writing upon learning of the Force Majeure Event. Notwithstanding any provision to the contrary, the affected Party shall not be liable for any damages arising out of the Force Majeure Event.
- 9.15 **Governing Law.** This Agreement and all matters relating to it shall be governed, and construed in accordance with, Nevada law upon any claim by Provider of a breach of this Agreement by VITALANT, and in accordance with the laws of the state of Provider's principal place of business upon any claim by VITALANT of a breach of this Agreement by the Provider, without reference to conflicts of law principles.

- 9.16 **Change in Law.** In the event that a change in state or federal law, including applicable regulations, or enforcement of same materially affects the Agreement, the Parties shall negotiate immediately, in good faith, any necessary or appropriate amendment(s) to the Agreement. If the parties fail to reach a mutually agreeable amendment within thirty (30) days, the Agreement shall terminate at the end of such thirty (30) day period.
- 9.17 **Survival.** The provisions of this Agreement which by their terms survive termination or expiration will continue to be enforceable notwithstanding termination.
- 9.18 **Headings.** The titles and headings of the various sections of this Agreement have been inserted only for convenience for reference. They are not part of this Agreement and may not be used to construe or interpret any of the terms of this Agreement.
- 9.19 **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 Provider for the then-current fiscal year under the Local Government Budget Act. This Agreement shall terminate and Provider's obligations under it shall be extinguished at the end of any of Provider's fiscal years in which Provider's governing body fails to appropriate monies for the ensuing fiscal year sufficient for the payment of all amounts which could then become due under this Agreement, provided that Provider gives VITALANT at least one hundred and twenty (120) days' prior written notice termination. Provider 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 Provider of its obligations incurred through the 30th day of June of the fiscal year for which monies were appropriated or for items.

## 10. LIMITATION OF LIABILITY

EXCEPT WITH RESPECT TO INSTANCES OF INTENTIONAL MISCONDUCT, UNDER NO CIRCUMSTANCES AND UNDER NO THEORY OF LIABILITY SHALL EITHER PARTY OR ANY OF ITS OFFICERS, DIRECTORS, OR AGENTS BE LIABLE TO THE OTHER FOR ANY PUNITIVE OR EXEMPLARY DAMAGES ARISING UNDER OR RELATING TO THIS AGREEMENT, REGARDLESS OF WHETHER EITHER PARTY KNEW OR SHOULD HAVE KNOWN OF THE POSSIBILITY OF SUCH DAMAGES. IN CIRCUMSTANCES WHERE ALL OR ANY PORTION OF THE PROVISION OF THIS PARAGRAPH ARE FINALLY JUDICIALLY DETERMINED TO BE UNAVAILABLE, THE AGGREGATE LIABILITY OF EITHER PARTY OR ANY OF ITS OFFICERS, DIRECTORS, SUBCONTRACTORS OR AGENTS SHALL NOT EXCEED AN

**AMOUNT WHICH IS PROPORTIONAL TO THE RELATIVE FAULT THAT THEIR  
CONDUCT BEARS TO ALL OTHER CONDUCT GIVING RISE TO SUCH CLAIM.**

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**IN WITNESS WHEREOF**, the Parties, through their duly authorized officers, have executed this Agreement on the date set forth below to be effective as of the Effective Date.

University Medical Center of Southern  
Nevada  
\_\_\_\_\_  
("Provider")

Vitalant  
\_\_\_\_\_  
"VITALANT"

\_\_\_\_\_  
By (Signature)

*Madhup Kothari*  
\_\_\_\_\_  
By (Signature)

\_\_\_\_\_  
Name (Print)

\_\_\_\_\_  
Madhup Kothari  
\_\_\_\_\_  
Name (Print)

\_\_\_\_\_  
Title (Print)

\_\_\_\_\_  
VP - Clinical Services Administration  
\_\_\_\_\_  
Title (Print)

\_\_\_\_\_  
Date

\_\_\_\_\_  
09/30/2024  
\_\_\_\_\_  
Date

## Exhibit A

### **THERAPEUTIC APHERESIS FEE SCHEDULE\***

**Regular Hours:** Monday – Friday, 9 AM - 5 PM

**On-Call Service Hours:** Monday – Friday, 5 PM - 9 AM; Saturday- Sunday, 24 hours;

**Holidays (Including Days Observed).** (Current Holidays: New Year's Day, Martin Luther King Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day)

Service	Item Number	Description	Price
Plasmapheresis (Therapeutic Plasma Exchange) (TPE)	TA100	Includes therapeutic apheresis equipment, one disposable kit, and a trained operator for up to 4 hours	\$1,600.00
Erythrocytapheresis (RBC Exchange/Depletion) (RBCX)	TA105	Includes therapeutic apheresis equipment, one disposable kit, and a trained operator for up to 4 hours	\$1,600.00
Leukocytapheresis (WBC Depletion) (WBCD)	TA110	Includes therapeutic apheresis equipment, one disposable kit, and a trained operator for up to 4 hours	\$1,600.00
Thrombocytapheresis (Platelet Depletion) (PLTD)	TA115	Includes therapeutic apheresis equipment, one disposable kit, and a trained operator for up to 4 hours	\$1,600.00
Photopheresis (PHOTO)	TA120	Includes photopheresis equipment, one disposable kit, and a trained operator for up to 4 hours	\$4,321.93
RBC Reduction by Phlebotomy (TPB)	TA125	Provides therapeutic phlebotomy supplies, and a dedicated, trained operator to perform a red blood cell reduction by phlebotomy, typically in an in-patient setting	\$525.00
Other Fees	Item Number	Description	Price
Non-Scheduled Service Fee	TA200	For any procedures ordered and started on the same day and/or any procedures performed during on-call service hours, including Holidays	\$400.00
Additional Time	TA210	For additional time requiring the operator to remain on premises for more than 4 hours). (per hour or fraction thereof)	\$250.00

Cancellation Fee	TA220	Charged to cover travel and preparation expenses for procedures aborted or cancelled after the operator has arrived at the hospital	\$309.60
Apheresis Kit Fee	TA300	Charged if a kit is setup and procedure cancelled or aborted or if a second kit is used for the apheresis procedure. Applies to TPE, RBCX, WBCD, PLTD	\$263.80
Photopheresis Kit Fee	TA310	Charged if a kit is set up and procedure cancelled or aborted or if a second kit is used for the photopheresis procedure. Applies to PHOTO	\$2,900.30
Machine Move Fee	TA340	Charged when a machine move is needed to perform requested procedure at hospital	\$628.00
Additional Supplies	All items for routine procedures (such as procedure kit, and ACD-A) are included in price; however, if additional supplies above and beyond normal required amounts are needed, they will be charged appropriately. Hospital to provide ancillary supplies such as PPE, saline, syringes, dressings etc.		

**\*NOTE:** The Therapeutic Apheresis Fee Schedule is subject to change by VITALANT on an annual basis upon thirty (30) days' prior written notice to Provider.

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

**Purpose of the Form**

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

**General Instructions**

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

**Detailed Instructions**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## DISCLOSURE OF OWNERSHIP/PRINCIPALS

<b>Business Entity Type (Please select one)</b>						
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Corporation	<input type="checkbox"/> Trust	<input checked="" type="checkbox"/> Non-Profit Organization	<input type="checkbox"/> Other
<b>Business Designation Group (Please select all that apply)</b>						
<input type="checkbox"/> MBE	<input type="checkbox"/> WBE	<input type="checkbox"/> SBE	<input type="checkbox"/> PBE	<input type="checkbox"/> VET	<input type="checkbox"/> DVET	<input type="checkbox"/> ESB
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise	Veteran Owned Business	Disabled Veteran Owned Business	Emerging Small Business
<b>Number of Clark County Nevada Residents Employed:</b>						
<b>Corporate/Business Entity Name:</b>		VITALANT				
<b>(Include d.b.a., if applicable)</b>						
<b>Street Address:</b>		9305 VIA DE VENTURA		<b>Website:</b> WWW.VITALANTHEALTH.ORG		
<b>City, State and Zip Code:</b>		SCOTTSDALE, AZ 85258		<b>POC Name:</b> <b>Email:</b> George Dimopoulos gdimopoulos@vitalant.org		
<b>Telephone No:</b>		800-288-2199		<b>Fax No:</b> n/a		
<b>Nevada Local Street Address: (If different from above)</b>		6930 W. Charleston Blvd		<b>Website:</b> WWW.VITALANTHEALTH.ORG		
<b>City, State and Zip Code:</b>		Las Vegas, NV 89117		<b>Local Fax No:</b> n/a		
<b>Local Telephone No:</b>		480-675-5563		<b>Local POC Name:</b> <b>Email:</b> Peggy Reid preid@vitalant.org		

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

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


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

Full Name	Title	% Owned (Not required for Publicly Traded Corporations/Non-profit organizations)
David R. Green	President and Chief Executive Officer	
Bhavi A. Shah	Executive VP, Chief Legal Officer and General Counsel	
Maureen Musselman	Executive VP, Chief Financial 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.

 Signature	Madhup Kothari Print Name
VP, Clinical Services Administration Title	10/16/2024 Date



## DISCLOSURE OF RELATIONSHIP

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

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

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

“Consanguinity” is a relationship by blood. “Affinity” is a relationship by marriage.

“To the second degree of consanguinity” applies to the candidate’s first and second degree of blood relatives as follows:

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

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***For UMC Use Only:***

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

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

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

Notes/Comments:

\_\_\_\_\_  
Signature

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

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

<b>Issue:</b>	<b>Revenue Cycle Assessment Statement of Work with Vizient, Inc.</b>	<b>Back-up:</b>
<b>Petitioner:</b>	Jennifer Wakem, Chief Financial Officer	<b>Clerk Ref. #</b>
<b>Recommendation:</b>  <b>That the Governing Board Audit and Finance Committee review and recommend for approval by the Governing Board the Revenue Cycle Assessment Statement of Work with Vizient, Inc.; authorize the Chief Executive Officer to execute the extension option and future amendments within the not-to-exceed amount of this agreement; or take action as deemed appropriate. <i>(For possible action)</i></b>		

**FISCAL IMPACT:**

Fund Number: 5420.000	Fund Name: UMC Operating Fund
Fund Center: 3000854000	Funded Pgm/Grant: N/A
Description: Revenue Cycle Assessment Consulting Services	
Bid/RFP/CBE: NRS 332.115.1(b) – Professional Services	
Term: 10/30/2024 to 1/29/2025 with an option to extend for up to 2 months	
Amount: NTE \$160,000 (\$150,000 for the Assessment and NTE \$10,000 for travel expenses)	
Out Clause: 10 days w/o cause	

**BACKGROUND:**

On January 1, 2021, UMC and Vizient, Inc. entered into a Master Services Agreement and a Statement of Work (SOW) for Clinical Data Base Services. The Master Agreement's term is for five (5) years ending on December 31, 2025 unless there are other SOWs that extend beyond the term; therefore, the Master Agreement's term will automatically extend to the latest expiration date of such SOW. On December 1, 2022, the parties entered into an SOW for Data Connector Services to expire on November 30, 2025.

This request is to enter into a new SOW for Vizient to evaluate UMC's current clinical documentation quality and identify revenue cycle improvement opportunities that can be implemented across the hospital (i.e., perform a revenue cycle assessment). Specifically, the services will include Vizient's review of UMC's: i) end-to-end revenue cycle operations; ii) data; and iii) available benchmarking data to measure hospital's performance against industry accepted key performance indicators. Vizient will provide an assessment report containing its findings, analysis and recommendations on how to improve UMC's revenue cycle. Staff also requests authorization for the Hospital CEO to execute the extension option and future amendments within the not-to-exceed amount of this agreement if deemed beneficial to UMC.

Cleared for Agenda  
October 23, 2024

Agenda Item #

**13**

Hospital will compensate Vizient a NTE amount of \$160,000 from October 30, 2024 through January 29, 2025, with the option to extend for up to two (2) months. UMC has the option to terminate for its convenience with a 10-day written notice to Vizient.

UMC's Chief Information Officer has reviewed and recommends approval of this Revenue Cycle Assessment SOW. This SOW has been approved as to form by UMC's Office of General Counsel.

## UMCSN – Revenue Cycle Assessment

(MID# 41486)



## Revenue Cycle Assessment Statement of Work

**Vizient, Inc.**, a Delaware corporation ("**Vizient**"), will provide the services detailed in this **Revenue Cycle Assessment Statement of Work** ("**SOW**") to **University Medical Center of Southern Nevada**, a publicly owned and operated hospital created by virtue of Chapter 450 of the Nevada Revised Statutes ("**Member**") and its covered facilities set forth in **Exhibit A** ("**Covered Facilities**"), for the Service Fee indicated hereunder. This SOW is made pursuant to the terms and conditions set forth in the **Master Services Agreement** between the Parties dated January 1, 2021, including any amendments or addendums thereto (collectively, the "**Master Agreement**"). As such, all capitalized terms used herein and not otherwise defined in this SOW will have the same meanings ascribed to such terms in the Master Agreement. **This SOW is effective as of October 30, 2024** (the "**Effective Date**"). Vizient and Member are sometimes referred to herein individually as a "**Party**" and collectively as the "**Parties**." Any reference to, or description of any right or obligation of, "**Member**" in this SOW shall also include Covered Facilities unless specifically delineated.

### 1. **Services.**

1.1. **Services Description.** Vizient will provide revenue cycle assessment consulting services designed to assess Member's current clinical documentation quality and identify revenue cycle improvement opportunities for implementation across Member's organization (collectively, the "**Services**"). Specifically, the Services include:

A. **Revenue Cycle Assessment.** Vizient will review: i) Member's end-to-end revenue cycle operations; ii) Member data, including conducting interviews with key Member personnel; and iii) available benchmarking data to measure Member's performance against industry accepted key performance indicators and identify improvement opportunities ideal for implementation (the "**Assessment**"). As part of the Assessment, Vizient will:

- i. Perform onsite review. Vizient and Member will mutually agree to the dates for Vizient's onsite assessment within 30 days of the Effective Date;
- ii. Conduct a revenue cycle assessment and data analysis on the front, middle, and back-end processes, workflows, technologies, and vendors for the hospital settings; and
- iii. Identify improvement strategies to accelerate cash collections, reduce denials, safeguard revenue, maximize operational efficiencies, and align to organizational leadership directives.

B. **Assessment Report.** Vizient will provide a report within 45 days after the onsite review containing assessment findings, comparative data, and benchmarking analysis and corresponding trends based on Member's performance, and identify and recommend revenue cycle improvement initiatives ideal for implementation, including potential barriers to success ("**Assessment Report**"). Vizient will meet with Member to discuss the findings and recommendations set forth in the Assessment Report.

1.2. **Protected Health Information.** The Parties acknowledge and agree that the Services include the use of Protected Health Information ("**PHI**") and thus, any PHI disclosed hereunder shall be subject to the Parties' Business Associate Agreement dated October 30, 2024.

2. **Member's Duties.** Vizient's ability to complete the Services within the Term is based upon Member's cooperation and the timely performance of the following Member duties:

**UMCSN – Revenue Cycle Assessment**

(MID# 41486)

- 2.1. Member will provide Vizient personnel with access to Member's facilities and personnel as reasonably required by Vizient to perform the Services described in this SOW;
- 2.2. Member will provide Vizient with accurate and complete data necessary to complete the Services upon Vizient's reasonable request. This includes any and all interview requests with key Member personnel. Should Member fail to provide accurate and/or complete Member data, Vizient will have no obligation to re-perform or correct the Services; and
- 2.3. Member will designate an employee to: i) coordinate the Services; ii) ensure Member data is accurate, complete, and submitted in a timely manner; and iii) obtain any internal approvals needed for Vizient to perform the Services.

**3. Term and Termination.**

- 3.1. **Term.** The term of this SOW will commence on the Effective Date and will continue through January 29, 2025 ("**Initial Term**"). Member has the option to extend this SOW for up to 2 additional months ("**Extension Term**"), upon mutual written agreement between the Parties prior to expiration of the Initial Term. The Initial Term and Extension Term shall collectively be referred to herein as the "**Term**."
- 3.2. **Termination for Convenience.** Member may terminate this SOW for its convenience by providing 10 days prior written notice to Vizient. If the Master Agreement expires or is terminated prior to the expiration of this SOW, the applicable terms and conditions of the Master Agreement shall survive for the limited purpose of governing this SOW for its remaining Term.
- 3.3. **Termination for Cause.** The Parties may terminate this SOW for material breach in accordance with the terms of the Master Agreement.

**4. Service Fees, Reimbursable Expenses and Invoicing.**

- 4.1. **Service Fees.** Vizient will provide the Services described herein to Member for a total service fee of **\$150,000** ("**Service Fee**").
- 4.2. **Reimbursable Expenses.** Member acknowledges that Services-related expenses for travel, meals and lodging ("**Reimbursable Expenses**") are in addition to the Service Fee set forth hereunder. Reimbursable Expenses will not exceed **\$10,000** and must be pre-approved by Member. Vizient will comply with Member's Travel Reimbursement policy as set forth in Exhibit A of the Master Agreement.
- 4.3. **Invoicing and Payment.** Vizient will invoice the Service Fee in 3 installments: 1) \$50,000 on the Effective Date; 2) \$50,000 on November 30, 2024; and 3) \$50,000 upon completion of the Services. Vizient will invoice Reimbursable Expenses, as incurred, on a monthly basis. Member will pay invoiced balances directly to Vizient within 30 days of the invoice date.

Invoices will be addressed to:

<b>Name / Title</b>	Attn: Accounts Payable
<b>Address:</b>	University Medical Center of Southern Nevada
	1800 W. Charleston Blvd.
	Las Vegas, NV 89102

**UMCSN – Revenue Cycle Assessment**

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<b>Email Address for Email Delivery of Invoices</b>	umc_ap@umcsn.com
<b>Name and Email Address(es) for Additional Recipient(s)</b>	

If Member requires specific information (e.g., purchase order number) to be included in each invoice, Member will select the appropriate box below and provide the required information **at the time Member executes this Order Form**, and annually (or as required) thereafter:

- ☒ Purchase Order Number \_\_\_\_\_
- ☐ Contract Identification Number \_\_\_\_\_
- ☐ Other Information \_\_\_\_\_

Questions regarding invoice delivery and/or payment status will be directed to:

<b>Name / Title</b>	Natalie Hartmann, Accounting Tech
<b>Phone</b>	702-383-2453
<b>Email</b>	<a href="mailto:Natalie.Hartmann@umcsn.com">Natalie.Hartmann@umcsn.com</a>

**5. Additional Terms.**

- 5.1.** Vizient shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all services furnished by Vizient, its subcontractors and its and their principals, officers, employees and agents under this SOW. In performing the specified services, Vizient shall follow practices consistent with generally accepted professional and technical standards.
- 5.2.** All materials, information, and documents, whether finished, unfinished, drafted, developed, prepared, completed, or acquired by Vizient for Member 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 Vizient to parties other than Member shall become the property of Member and shall be delivered to Member's representative upon completion or termination of this SOW, whichever comes first. Vizient shall not be liable for damages, claims, and losses arising out of any reuse of any work products on any other project conducted by Member. Member shall have the right to reproduce all documentation supplied pursuant to this SOW.
- 5.3.** Vizient will follow Member's relevant compliance policies as followed by Member's staff including its corporate compliance program, Member's contracted/non-employee requirements policy and Member's vaccine policy, as may be amended from time to time. Member will provide copies of said policies upon Vizient's request. Vizient may be required to (i) register through Member's vendor management/credentialing system prior to arriving onsite at any of Member's facilities; and (ii) complete background checks of employees, agents and/or subcontractors who provide services to Member, the records of which shall be maintained and kept by Vizient. Upon Vizient's request, Member may perform the background check and bill Vizient the actual and incurred cost of same. Should the Services involve a continuous presence by Vizient's employees or agents onsite at Member's facilities, Vizient may be required to complete Member's onboarding process and abide by onboarding requirements of Member's Human Resources Department. Vizient's employees, agents, subcontractors and/or designees who do not abide by Member's policies may be barred from physical access to Member's premises.
- 5.4.** Vizient shall maintain appropriate and sufficient insurance to cover its obligations under this SOW.

Page 3

This is a limited time offer which may expire if an executed SOW is not delivered to Vizient within 90 days of October 15, 2024.

This information is proprietary and highly confidential subject to NRS Chapter 239.

<https://vizientinc.lightning.force.com/lightning/r/Opportunity/0064W00001LURJzQAP/view>

Clinical Operations Consulting: 334

## UMCSN – Revenue Cycle Assessment

(MID# 41486)

IN WITNESS WHEREOF, the Parties have caused this SOW to be executed by their duly authorized representatives as of the Effective Date.

**Vizient, Inc.**

DocuSigned by:

*Aman Sabharwal*

6C2AB741147F42B...

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

Printed Name: Aman Sabharwal

Managing Principal

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

Date: 10/16/2024 | 3:01:33 PM CDT

**University Medical Center of Southern Nevada**

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

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

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

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

## UMCSN – Revenue Cycle Assessment

(MID# 41486)

### Exhibit A – Covered Facilities

Vizient MID	Name	Address	City	ST	ZIP
41486	University Medical Center of Southern Nevada	1800 W. Charleston Blvd.	Las Vegas	NV	89102



## **Business Associate Agreement**

This Agreement is made effective the 30<sup>th</sup> of October, 2024, by and between **University Medical Center of Southern Nevada** (hereinafter referred to as "Covered Entity"), a county hospital duly organized pursuant to Chapter 450 of the Nevada Revised Statutes, with its principal place of business at 1800 West Charleston Boulevard, Las Vegas, Nevada, 89102, and **Vizient, Inc.**, hereinafter referred to as "Business Associate", (individually, a "Party" and collectively, the "Parties").

### **WITNESSETH:**

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

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

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

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

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

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

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

### **I. DEFINITIONS**

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

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

individual; the provision of health care to an individual; or the past, present, or future payment for the provision of health care to an individual; and that identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual. "Protected Health Information" includes without limitation "Electronic Protected Health Information" as defined below.

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

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

## II. ACKNOWLEDGMENTS

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

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

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

## III. USE AND DISCLOSURE OF PROTECTED HEALTH INFORMATION

- (a) Business Associate agrees that all uses and disclosures of Protected Health information shall be subject to the limits set forth in 45 CFR 164.514 regarding Minimum Necessary requirements and limited data sets.
- (b) Business Associate agrees to use or disclose Protected Health Information solely:
  - (i) For meeting its business obligations as set forth in any agreements between the Parties evidencing their business relationship; or
  - (ii) as required by applicable law, rule or regulation, or by accrediting or credentialing organization to whom Covered Entity is required to disclose such information or as otherwise permitted under this Agreement or the Underlying Agreement (if consistent with this Agreement and the HIPAA Rules); or
  - (iii) Unless otherwise limited herein or prohibited by law, and related to its performance under the Underlying Agreement and as otherwise necessary, Business Associate is authorized by this Agreement to use PHI for the proper management and administration of Business Associate and to fulfill any present or future legal responsibilities of Business Associate, provide that (1) such uses are required by law; or

- (2) (a) Business Associate obtains reasonable assurances from the person or entity to whom PHI is disclosed that PHI will be held confidentially and used only as required by law or for the purpose for which it was disclosed to such person or entity; and (b) the person or entity agrees to notify Business Associate of any instances of which the person or entity is aware in which the confidentiality of PHI has been breached; or
- (iv) To the extent requested or required by Covered Entity in connection with the Underlying Agreement, Business Associate may create and transmit limited Data Sets, on behalf of Covered Entity; or
- (v) Business Associate may use PHI for purposes of Data Aggregation relating to the health care operations of Covered Entity and other database participants.
- (c) Where Business Associate is permitted to use Subcontractors that create, receive, maintain, or transmit Protected Health Information; Business Associate agrees to execute a "Business Associate Agreement" with Subcontractor as defined in the HIPAA Rules that includes the same covenants for using and disclosing, safeguarding, auditing, and otherwise administering Protected Health Information as outlined in Sections I through VII of this Agreement (45 CFR 164.314).
- (d) Business Associate will acquire written authorization in the form of an update or amendment to this Agreement and Underlying Agreement prior to:
  - (i) Directly or indirectly receiving any remuneration for the sale or exchange of any Protected Health Information; or
  - (ii) Utilizing Protected Health Information for any activity that might be deemed "Marketing" under the HIPAA rules.

#### IV. SAFEGUARDING PROTECTED HEALTH INFORMATION

- (a) Business Associate agrees:
  - (i) To implement appropriate safeguards and internal controls to prevent the use or disclosure of Protected Health Information other than as permitted in this Agreement or by the HIPAA Rules.
  - (ii) To implement "Administrative Safeguards," "Physical Safeguards," and "Technical Safeguards" as defined in the HIPAA Rules to protect and secure the confidentiality, integrity, and availability of Electronic Protected Health Information (45 CFR 164.308, 164.310, 164.312). Business Associate shall document policies and procedures for safeguarding Electronic Protected Health Information in accordance with 45 CFR 164.316.
  - (iii) To notify Covered Entity of any attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system ("Security Incident") upon discovery of the Security Incident.
- (b) When an impermissible acquisition, access, use, or disclosure of Protected Health Information ("Breach") occurs, Business Associate agrees:

- (i) To notify Covered Entity's Chief Privacy Officer immediately upon discovery of the Breach, and
- (ii) Within 15 business days of the discovery of the Breach, provide Covered Entity with all required content of notification in accordance with 45 CFR 164.410 and 45 CFR 164.404, and
- (iii) To fully cooperate with Covered Entity's analysis and final determination on whether to notify affected individuals, media, or Secretary of the U.S. Department of Health and Human Services, and
- (iv) To pay all costs associated with the notification of affected individuals and costs associated with mitigating potential harmful effects to affected individuals.

V. RIGHT TO AUDIT

- (a) Business Associate agrees:
  - (i) Upon reasonable written notice to Business Associate, Business Associate shall provide Covered Entity with one or more of (1) a copy of its policies and procedures regarding compliance with HIPAA rules and provisions of this Agreement, or (2) copies of opinions and reports provided by independent security assessment firms, or (3) responses to privacy and security self-assessment questionnaires that Covered Entity may send to Business Associate from time to time, provided that Covered Entity agrees that the requested items shall be deemed confidential and subject to the confidentiality provisions of Business Associate's Underlying Agreement with Covered Entity.
  - (ii) That in accordance with the HIPAA Rules, the Secretary of the U.S. Department of Health and Human Services has the right to review, audit, or investigate Business Associate's records, electronic records, facilities, systems, and practices related to safeguarding, use, and disclosure of Protected Health Information to ensure Covered Entity's or Business Associate's compliance with the HIPAA Rules.

VI. COVERED ENTITY REQUESTS AND ACCOUNTING FOR DISCLOSURES

- (a) At the Covered Entity's Request, Business Associate agrees:
  - (i) To comply with any requests for restrictions on certain disclosures of Protected Health Information pursuant to Section 164.522 of the HIPAA Rules to which Covered Entity has agreed and of which Business Associate is notified by Covered Entity.
  - (ii) To make available Protected Health Information to the extent and in the manner required by Section 164.524 of the HIPAA Rules. If Business Associate maintains Protected Health Information electronically, it agrees to make such Protected Health Information electronically available to the Covered Entity.
  - (iii) To make Protected Health Information available for amendment and incorporate any amendments to Protected Health Information in accordance with the requirements of Section 164.526 of the HIPAA Rules.

- (iv) To account for disclosures of Protected Health Information and make an accounting of such disclosures available to Covered Entity as required by Section 164.528 of the HIPAA Rules. Business Associate shall provide any accounting required within 15 business days of request from Covered Entity.

## VII. TERMINATION

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

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

## VIII. NOTICES

Any notice required or permitted to be given under this Agreement shall be in writing, shall specifically refer to this Agreement, and shall be addressed to the appropriate Party at the address specified below.

Covered Entity	Business Associate
<p>Attn: Privacy Officer University Medical Center 1800 W. Charleston Blvd. Las Vegas, NV 89102</p> <p>With a copy to: <a href="mailto:privacy@umcsn.com">privacy@umcsn.com</a></p>	<p>Attn: Legal Department Vizient, Inc. 290 E. John Carpenter Fwy., 7<sup>th</sup> Floor Irving, TX 76062</p> <p>With a copy to: <a href="mailto:privacy@vizientinc.com">privacy@vizientinc.com</a></p>

## IX. MISCELLANEOUS

Except as expressly stated herein or the HIPAA Rules, the Parties to this Agreement do not intend to create any rights in any third parties. The obligations of Business Associate under this Section shall survive the expiration, termination, or cancellation of this Agreement, the Underlying Agreement and/or

the business relationship of the Parties, and shall continue to bind Business Associate, its agents, employees, contractors, successors, and assigns as set forth herein.

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

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

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

COVERED ENTITY:

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

Mason Van Houweling

Title: CEO

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

BUSINESS ASSOCIATE:

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

Name: Aman Sabharwal

Title: Managing Principal

Date: 10/16/2024 | 3:01:33 PM CDT

DocuSigned by:  
*Aman Sabharwal*  
8C2AB741147F42B...

## DISCLOSURE OF OWNERSHIP/PRINCIPALS

<b>Business Entity Type (Please select one)</b>						
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input type="checkbox"/> Limited Liability Company	<input checked="" type="checkbox"/> Corporation	<input type="checkbox"/> Trust	<input type="checkbox"/> Non-Profit Organization	<input type="checkbox"/> Other
<b>Business Designation Group (Please select all that apply)</b>						
<input type="checkbox"/> MBE	<input type="checkbox"/> WBE	<input type="checkbox"/> SBE	<input type="checkbox"/> PBE	<input type="checkbox"/> VET	<input type="checkbox"/> DVET	<input type="checkbox"/> ESB
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise	Veteran Owned Business	Disabled Veteran Owned Business	Emerging Small Business
<b>Number of Clark County Nevada Residents Employed:</b>						
<b>Corporate/Business Entity Name:</b> Vizient, Inc.						
<b>(Include d.b.a., if applicable)</b>						
<b>Street Address:</b>		290 E John Carpenter Fwy		<b>Website:</b> www.vizientinc.com		
<b>City, State and Zip Code:</b>		Irving, TX 75062		<b>POC Name:</b> Travis Coring		
				<b>Email:</b> travis.coring@vizientinc.com		
<b>Telephone No:</b>		(972) 830-0000		<b>Fax No:</b> N/A		
<b>Nevada Local Street Address:</b> (If different from above)				<b>Website:</b>		
<b>City, State and Zip Code:</b>				<b>Local Fax No:</b>		
<b>Local Telephone No:</b>				<b>Local POC Name:</b>		
				<b>Email:</b>		

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

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

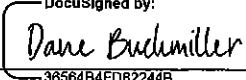
Entities include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations.

Full Name	Title	% Owned (Not required for Publicly Traded Corporations/Non-profit organizations)

**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>DocuSigned by:</p> <p></p> <p>Signature 38564B4FD62244B...</p> <p>SVP, Business Development</p> <p>Title</p>	<p style="text-align: center;">Dane Buchmiller</p> <p>Print Name</p> <p style="text-align: center;">9/24/2024   9:15:01 AM CDT</p> <p>Date</p>
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# UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA GOVERNING BOARD AUDIT AND FINANCE COMMITTEE AGENDA ITEM

<b>Issue:</b>	<b>Award RFP No. 2024-07 Federal and State Advocacy Services to R&amp;R Partners, Inc.</b>	<b>Back-up:</b>
<b>Petitioner:</b>	Jennifer Wakem, Chief Financial Officer	<b>Clerk Ref. #</b>
<b>Recommendation:</b>  <b>That the Governing Board Audit and Finance Committee review and recommend for award by the Governing Board, the RFP No. 2024-07 for Federal and State Advocacy Services to R&amp;R Partners, Inc.; authorize the Chief Executive Officer to sign the Services Agreement, and execute any extension options and future amendments within the not-to-exceed amount of this Agreement; or take action as deemed appropriate. <i>(For possible action)</i></b>		

## FISCAL IMPACT:

Fund Number: 5420.000	Fund Name: UMC Operating Fund
Fund Center: 3000861000	Funded Pgm/Grant: N/A
Description: Federal and State Advocacy Services	
Bid/RFP/CBE: RFP 2024-07	
Term: Three years from January 1, 2025, plus two separate 1-year options	
Amount: \$178,200 per year; Not-to-Exceed: \$891,000	
Out Clause: Termination for convenience with 15 days' prior notice.	

## BACKGROUND:

On August 4, 2024, a request for proposals, RFP 2024-07 Federal and State Advocacy Services, was published in the Las Vegas Review-Journal and posted on the Nevada Government eMarketplace (NGEM) Portal, soliciting bid proposals from the public for lobbying services. On September 13, 2024 a response was received from R&R Partners, Inc.

An ad hoc committee (comprised of UMC's Academic and External Affairs Administrator, Chief Experience Officer, Chief Nursing Officer, and Quality PT Safety and Regulatory Officer) reviewed the proposal submitted by R&R Partners, Inc., independently and anonymously, and recommended the selection of, and contract approval with, R&R Partners, Inc.

For the total not to exceed RFP award of \$891,000 for the term, R&R Partners, Inc., will provide professional advocacy services to UMC in the presentation of its interests before the federal and state legislatures, and executive branches, which includes developing strategic plans, reviewing regulations, identifying funding sources drafting legislation and amendments, and advising UMC on various issues, among other things.

Cleared for Agenda  
October 23, 2024

Agenda Item #

**14**



The term of the agreement is from January 1, 2025 through December 31, 2027, with two separate one-year renewal options exercisable at UMC's discretion. Staff also requests authorization for the UMC CEO, at the end of the initial term, to exercise the extension options at CEO discretion if deemed by UMC staff to be beneficial.

UMC's Academic and External Affairs Administrator has reviewed and recommends award of this agreement. This agreement has been approved as to form by UMC's Office of General Counsel.

R&R Partners, Inc., holds a Clark County vendor registration.

# UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA

## RFP NO. 2024-07 FEDERAL AND STATE ADVOCACY SERVICES AGREEMENT

<b>R&amp;R PARTNERS, INC.</b>
NAME OF FIRM
Pete Ernaut, Chief Government Relations Officer
DESIGNATED CONTACT, NAME AND TITLE (Please type or print)
900 S. Pavilion Center Drive Las Vegas, NV 89144
ADDRESS OF FIRM INCLUDING CITY, STATE AND ZIP CODE
(775) 323-1611
(AREA CODE) AND TELEPHONE NUMBER
<a href="mailto:pete.ernaut@rrpartners.com">pete.ernaut@rrpartners.com</a>
E-MAIL ADDRESS

## RFP NO. 2024-07 FEDERAL AND STATE ADVOCACY SERVICES AGREEMENT

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 R&R PARTNERS, INC., a Nevada corporation (hereinafter referred to as "COMPANY"), for federal and state advocacy services (hereinafter referred to as "PROJECT").

### WITNESSETH:

WHEREAS, COMPANY has the personnel and resources necessary to accomplish the PROJECT within the required schedule and with a budget allowance not to exceed \$891,000 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 January 1, 2025 through December 31, 2027 ("Term"). HOSPITAL shall have two separate options, each for a one-year period, to extend the Term. During the Term, including all option periods, COMPANY agrees to provide services as required by HOSPITAL within the Scope of Work (**Exhibit A**) of this Agreement.

### **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**) as set forth in the Fee Schedule (**Exhibit A-1**). It is expressly understood that the entire Scope of Work defined in **Exhibit A** must be completed by COMPANY, and it shall be COMPANY's responsibility to ensure that hours and tasks are properly budgeted so the entire PROJECT is completed for the said fee.
2. Payment of invoices will be made within sixty (60) calendar days after receipt of an accurate invoice that has been reviewed and approved by HOSPITAL.
3. HOSPITAL, at its discretion, may not approve or issue payment on invoices if COMPANY fails to provide the following information required on each invoice:
  - a. The title of the PROJECT as stated in **Exhibit A**, Scope of Work, itemized description of products delivered or services rendered and amount due, Purchase Order Number, Invoice Date, Invoice Period, Invoice Number, and the Payment Remittance Address.
  - b. Expenses not defined in **Exhibit A**, Scope of Work will not be paid without prior written authorization by HOSPITAL.
  - c. HOSPITAL's representative shall notify COMPANY in writing within fourteen (14) calendar days of any disputed amount included on the invoice. COMPANY must submit a new invoice for the undisputed amount which will be paid in accordance with this paragraph A.2 above. Upon mutual resolution of the disputed amount, COMPANY will submit a new invoice for the agreed amount and payment will be made in accordance with this paragraph A.2 above.
4. No penalty will be imposed on HOSPITAL if HOSPITAL fails to pay COMPANY within ninety (90) calendar days after receipt of a properly documented invoice, and HOSPITAL will receive no discount for payment within that period.
5. HOSPITAL shall subtract from any payment made to COMPANY all damages, costs and expenses caused by COMPANY's negligence, resulting from or arising out of errors or omissions in COMPANY's work products, which have not been previously paid to COMPANY.
6. HOSPITAL shall not provide payment on any invoice COMPANY submits after six (6) months from the date COMPANY performs services, provides deliverables, and/or meets milestones, as agreed upon in **Exhibit A**, Scope of Work.

7. Invoices shall be submitted to: University Medical Center of Southern Nevada, Attn: Accounts Payable, 1800 W. Charleston Blvd., Las Vegas, NV 89102.

**B. HOSPITAL's Fiscal Limitations**

1. The content of this section shall apply to the entire Agreement and shall take precedence over any conflicting terms and conditions, and shall limit HOSPITAL's financial responsibility as indicated in Sections 2 and 3 below.
2. In accordance with the Nevada Revised Statutes (NRS 354.626), the financial obligations under this Agreement between the parties shall not exceed those monies appropriated and approved by HOSPITAL for the then-current fiscal year under the Local Government Budget Act. This Agreement shall terminate and HOSPITAL's obligations under it shall be extinguished at the end of any of HOSPITAL's fiscal years in which HOSPITAL's governing body fails to appropriate monies for the ensuing fiscal year sufficient for the payment of all amounts which could then become due under this Agreement. HOSPITAL agrees that this section shall not be utilized as a subterfuge or in a discriminatory fashion as it relates to this Agreement. In the event this section is invoked, this Agreement will expire on the 30th day of June of the then-current fiscal year. Termination under this section shall not relieve HOSPITAL of its obligations incurred through the 30th day of June of the fiscal year for which monies were appropriated.
3. HOSPITAL's total liability for all charges for services which may become due under this Agreement is limited to the total maximum expenditure(s) authorized in HOSPITAL's purchase order(s) to COMPANY.

**SECTION III: SCOPE OF WORK**

Services to be performed by COMPANY for the PROJECT shall consist of the work described in the Scope of Work as set forth in **Exhibit A** of this Agreement, attached hereto. In the event of a conflict between the terms of this Agreement and the terms in the Scope of Work, the terms of this Agreement shall prevail.

**SECTION IV: CHANGES TO SCOPE OF WORK**

- A. HOSPITAL may at any time, by written order, make changes within the general scope of this Agreement and in the services or work to be performed. If such changes cause an increase or decrease in COMPANY's cost or time required for performance of any services under this Agreement, an equitable adjustment limited to an amount within current unencumbered budgeted appropriations for the PROJECT shall be made and this Agreement shall be modified in writing accordingly. Any claim of COMPANY for the adjustment under this clause must be submitted in writing within thirty (30) calendar days from the date of receipt by COMPANY of notification of change unless HOSPITAL grants a further period of time before the date of final payment under this Agreement.
- B. No services for which an additional compensation will be charged by COMPANY shall be furnished without the written authorization of HOSPITAL.

**SECTION V: RESPONSIBILITY OF COMPANY**

- A. It is understood that in the performance of the services herein provided for, COMPANY shall be, and is, an independent contractor, and is not an agent, representative or employee of HOSPITAL and shall furnish such services in its own manner and method except as required by this Agreement. Further, COMPANY has and shall retain the right to exercise full control over the employment, direction, compensation and discharge of all persons employed by COMPANY in the performance of the services hereunder. COMPANY shall be solely responsible for, and shall indemnify, defend and hold HOSPITAL harmless from all matters relating to the payment of its employees, including compliance with social security, withholding and all other wages, salaries, benefits, taxes, demands, and regulations of any nature whatsoever.
- B. COMPANY shall appoint a Manager, upon written acceptance by HOSPITAL, who will manage the performance of services. All of the services specified by this Agreement shall be performed by the Manager, or by COMPANY's associates and employees under the personal supervision of the Manager. Should the Manager, or any employee of COMPANY be unable to complete his or her responsibility for any reason, COMPANY must obtain written approval by HOSPITAL prior to replacing him or her with another equally qualified person. If COMPANY fails to make a required replacement within fifteen (15) days, HOSPITAL may terminate this Agreement for default.

- C. COMPANY has, or will, retain such employees as it may need to perform the services required by this Agreement. Such employees shall not be employed by the HOSPITAL.
- D. COMPANY agrees that its officers and employees will cooperate with HOSPITAL in the performance of services under this Agreement and will be available for consultation with HOSPITAL at such reasonable times with advance notice as to not conflict with their other responsibilities.
- E. COMPANY will follow HOSPITAL's relevant compliance policies as followed by HOSPITAL's staff including its corporate compliance program, HOSPITAL's Contracted/ Non-Employee Requirements policy and HOSPITAL's Vaccine Policy, as may be amended from time to time. HOSPITAL will provide copies of said policies upon COMPANY request. COMPANY may be required to (i) register through HOSPITAL's vendor management/credentialing system prior to arriving onsite at any of HOSPITAL's facilities; and (ii) complete background checks of employees, agents and/or subcontractors who provide services to HOSPITAL, the records of which shall be maintained and kept by COMPANY. Upon COMPANY request, HOSPITAL may perform the background check and bill COMPANY the actual and incurred cost of same. Should the Project involve a continuous presence by COMPANY's employees or agents onsite at HOSPITAL's facilities, COMPANY may be required to complete HOSPITAL's onboarding process and abide by onboarding requirements of HOSPITAL's Human Resources Department. COMPANY's employees, agents, subcontractors and/or designees who do not abide by HOSPITAL's policies may be barred from physical access to HOSPITAL's premises.
- F. COMPANY shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all services furnished by COMPANY, its subcontractors and its and their principals, officers, employees and agents under this Agreement. In performing the specified services, COMPANY shall follow practices consistent with generally accepted professional and technical standards. COMPANY further agree that for a period of one year following completion of its work, or such longer period as may be indicated in the specification, COMPANY will replace or repair any product it provides or installs because of defects in workmanship or materials, except to the extent the failure results from negligence of HOSPITAL. COMPANY expressly disclaims all other warranties, whether implied or statutory, including but not limited to, any warranty of merchantability or fitness for a particular purpose.
- G. It shall be the duty of COMPANY to assure that all products of its effort are technically sound and in conformance with all pertinent Federal, State and Local statutes, codes, ordinances, resolutions and other regulations. If applicable, COMPANY will not produce a work product which violates or infringes on any copyright or patent rights. COMPANY shall, without additional compensation, correct or revise any errors or omissions in its work products:
1. Permitted or required approval by HOSPITAL of any products or services furnished by COMPANY shall not in any way relieve COMPANY of responsibility for the professional and technical accuracy and adequacy of its work.
  2. HOSPITAL's review, approval, acceptance, or payment for any of COMPANY's services herein shall not be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement, and COMPANY shall be and remain liable in accordance with the terms of this Agreement and applicable law for all damages to HOSPITAL caused by COMPANY's performance or failures to perform under this Agreement.
- H. All materials, information, and documents, whether finished, unfinished, drafted, developed, prepared, completed, or acquired by COMPANY for HOSPITAL relating to the services to be performed hereunder and not otherwise used or useful in connection with services previously rendered, or services to be rendered, by COMPANY to parties other than HOSPITAL shall become the property of HOSPITAL and shall be delivered to HOSPITAL's representative upon completion or termination of this Agreement, whichever comes first. COMPANY shall not be liable for damages, claims, and losses arising out of any reuse of any work products on any other project conducted by HOSPITAL. HOSPITAL shall have the right to reproduce all documentation supplied pursuant to this Agreement.
- I. Drawings and specifications remain the property of COMPANY. Copies of the drawings and specifications retained by HOSPITAL may be utilized only for its use and for occupying the PROJECT for which they were prepared, and not for the construction of any other project. A copy of all materials, information and documents, whether finished, unfinished, or draft, developed, prepared, completed, or acquired by COMPANY during the performance of services for which it has been compensated under this Agreement, shall be delivered to HOSPITAL's representative upon completion or termination of this Agreement, whichever occurs first.

HOSPITAL shall have the right to reproduce all documentation supplied pursuant to this Agreement. COMPANY shall furnish Hospital's representative copies of all correspondence to regulatory agencies for review prior to mailing such correspondence.

- J. The rights and remedies of HOSPITAL provided for under this section are in addition to any other rights and remedies provided by law or under other sections of this Agreement.

#### **SECTION VI: SUBCONTRACTS**

- A. Services specified by this Agreement shall not be subcontracted by COMPANY, without prior written approval of HOSPITAL.
- B. Approval by HOSPITAL of COMPANY's request to subcontract, or acceptance of, or payment for, subcontracted work by HOSPITAL shall not in any way relieve COMPANY of responsibility for the professional and technical accuracy and adequacy of the work. COMPANY shall be and remain liable for all damages to HOSPITAL caused by negligent performance or non-performance of work under this Agreement by COMPANY's subcontractor or its sub-subcontractor.
- C. The compensation due under Section II shall not be affected by HOSPITAL's approval of COMPANY's request to subcontract.

#### **SECTION VII: RESPONSIBILITY OF HOSPITAL**

- A. HOSPITAL agrees that its officers and employees will cooperate with COMPANY in the performance of services under this Agreement and will be available for consultation with COMPANY at such reasonable times with advance notice as to not conflict with their other responsibilities.
- B. The services performed by COMPANY under this Agreement shall be subject to review for compliance with the terms of this Agreement by HOSPITAL's representative, Shana Tello, Academic and External Affairs Administrator, telephone number (702) 383-3842 or her designee. HOSPITAL's representative may delegate any or all of her responsibilities under this Agreement to appropriate staff members, and shall so inform COMPANY by written notice before the effective date of each such delegation.
- C. The review comments of HOSPITAL's representative may be reported in writing as needed to COMPANY. It is understood that HOSPITAL's representative's review comments do not relieve COMPANY from the responsibility for the professional and technical accuracy of all work delivered under this Agreement.
- D. HOSPITAL shall assist COMPANY in obtaining data on documents from public officers or agencies, and from private citizens and/or business firms, whenever such material is necessary for the completion of the services specified by this Agreement.
- E. COMPANY will not be responsible for accuracy of information or data supplied by HOSPITAL or other sources to the extent such information or data would be relied upon by a reasonably prudent COMPANY.

#### **SECTION VIII: TIME SCHEDULE**

- A. Time is of the essence of this Agreement.
- B. If COMPANY's performance of services is delayed or if COMPANY's sequence of tasks is changed, COMPANY shall notify HOSPITAL's representative in writing of the reasons for the delay and prepare a revised schedule for performance of services. The revised schedule is subject to HOSPITAL's written approval.

#### **SECTION IX: SUSPENSION AND TERMINATION**

##### **A. Suspension**

HOSPITAL may suspend performance by COMPANY under this Agreement for such period of time as HOSPITAL, at its sole discretion, may prescribe by providing written notice to COMPANY at least five (5) working days prior to the date on which HOSPITAL wishes to suspend. Upon such suspension, HOSPITAL shall pay COMPANY its compensation, based on the percentage of the PROJECT completed and earned until the effective date of suspension, less all previous payments. COMPANY shall not perform further work under this Agreement after the effective date of suspension until receipt of written notice from HOSPITAL to resume performance. In the event HOSPITAL suspends performance by COMPANY for any cause other than the error or omission of the COMPANY, for an aggregate period in excess of thirty (30) days, COMPANY shall be entitled to an equitable adjustment of the compensation payable to COMPANY under this Agreement to reimburse COMPANY for additional costs occasioned as a result of such suspension of performance by HOSPITAL based on appropriated funds and approval by HOSPITAL.

##### **B. Termination**

1. Termination for Cause

This Agreement may be terminated in whole or in part by either party in the event of substantial failure or default of the other party to fulfill its obligations under this Agreement through no fault of the terminating party; but only after the other party is given:

- a. not less than ten (10) calendar days written notice of intent to terminate; and
- b. an opportunity for consultation with the terminating party prior to termination.

2. Termination for Convenience

- a. This Agreement may be terminated in whole or in part by HOSPITAL for its convenience; but only after COMPANY is given not less than fifteen (15) calendar days written notice of intent to terminate; and
- b. If termination is for HOSPITAL's convenience, HOSPITAL shall pay COMPANY that portion of the compensation which has been earned as of the effective date of termination but no amount shall be allowed for anticipated profit on performed or unperformed services or other work.

3. Effect of Termination

- a. If termination for substantial failure or default is effected by HOSPITAL, HOSPITAL will pay COMPANY that portion of the compensation which has been earned as of the effective date of termination but:
  - i. No amount shall be allowed for anticipated profit on performed or unperformed services or other work; and
  - ii. Any payment due to COMPANY at the time of termination may be adjusted to the extent of any additional costs occasioned to HOSPITAL by reason of COMPANY's default.
- b. Upon receipt or delivery by COMPANY of a termination notice, COMPANY shall promptly discontinue all services affected (unless the notice directs otherwise) and deliver or otherwise make available to HOSPITAL's representative, copies of all deliverables as provided in Section V, paragraph H. Each Party shall return or destroy all originals and copies, except for those copies it may retain for archival purposes, of any confidential information of the other Party regarding the Project, including but not limited to protected health information ("PHI"), and shall certify in writing to the other Party, no later than thirty (30) days after termination, that it has done so.
- c. If after termination for failure of COMPANY to fulfill contractual obligations it is determined that COMPANY has not so failed, the termination shall be deemed to have been effected for the convenience of HOSPITAL.
- d. Upon termination, HOSPITAL may take over the work and prosecute the same to completion by agreement with another party or otherwise. In the event COMPANY shall cease conducting business, HOSPITAL shall have the right to make an unsolicited offer of employment to any employees of COMPANY assigned to the performance of this Agreement.

4. The rights and remedies of HOSPITAL and COMPANY provided in this section are in addition to any other rights and remedies provided by law or under this Agreement.

5. Neither party shall be considered in default in the performance of its obligations hereunder, nor any of them, to the extent that performance of such obligations, nor any of them, is prevented or delayed by any cause, existing or future, which is beyond the reasonable control of such party. Delays arising from the actions or inactions of one or more of COMPANY's principals, officers, employees, agents, subcontractors, vendors or suppliers are expressly recognized to be within COMPANY's control.

## **SECTION X: INSURANCE**

COMPANY shall obtain and maintain the insurance coverage required in **Exhibit B** incorporated herein by this reference. COMPANY shall comply with the terms and conditions set forth in **Exhibit B** and shall include the cost of the insurance coverage in their prices.

## **SECTION XI: NOTICES**

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

TO HOSPITAL: University Medical Center of Southern Nevada  
ATTN: Legal Department  
1800 W. Charleston Blvd.  
Las Vegas, NV 89102

TO COMPANY: R&R Partners, Inc.  
ATTN: Pete Ernaut, Chief Government Relations Officer  
900 S. Pavilion Center Drive  
Las Vegas, NV 89144

## **SECTION XII: MISCELLANEOUS**

### **A. ADA Requirements**

All work performed or services rendered by COMPANY shall comply with the Americans with Disabilities Act standards adopted by Clark County. All facilities built prior to January 26, 1992 must comply with the Uniform Federal Accessibility Standards; and all facilities completed after January 26, 1992 must comply with the Americans with Disabilities Act Accessibility Guidelines.

### **B. Amendments**

No modifications or amendments to this Agreement shall be valid or enforceable unless mutually agreed to in writing by the parties.

### **C. Assignment**

Any attempt by COMPANY to assign or otherwise transfer any interest in this Agreement without the prior written consent of HOSPITAL shall be void.

### **D. Audits**

The performance of this Agreement by COMPANY is subject to review by HOSPITAL to ensure Agreement compliance. COMPANY agrees to provide HOSPITAL any and all information requested that relates to the performance of this Agreement. All requests for information will be in writing to COMPANY. Time is of the essence during the audit process. Failure to provide the information requested within the timeline provided in the written information request may be considered a material breach of Agreement and be cause for suspension and/or termination of the Agreement. The parties hereto further agree that except as otherwise required by law, any audit and inspection rights include only the rights to verify amounts invoiced by COMPANY and to verify the nature of the services being invoiced, but does not include the right to review personal information of COMPANY's employees, or proprietary information of COMPANY, including but not limited to COMPANY's underlying cost, markup or overhead rates.

### **E. Clark County Business License / Registration**

COMPANY warrants that it has a valid Clark County Business License and will maintain such licensure through the duration of this Agreement.

### **F. Complete Agreement**

This Agreement, together with all exhibits, appendices or other attachments, which are incorporated herein by reference, is the sole and entire agreement between the parties relating to the subject matter hereof. This Agreement supersedes all prior understandings, representations, agreements and documentation relating to such subject matter. In the event of a conflict between the provisions of the main body of the Agreement and any attached exhibits, appendices or other materials, the Agreement shall take precedence.

### **G. Confidential Treatment of Information**

COMPANY shall preserve in strict confidence any information obtained, assembled or prepared in connection with the performance of this Agreement and COMPANY represents and warrants that it shall not resell HOSPITAL confidential information. Confidential information does not include information that, under the Health Insurance Portability and Accountability Act (HIPAA) as may be amended from time to time, is protected health information (PHI), in which case the parties agree to handle such health information in accordance with the terms of the terms of Business Associate Agreement (BAA).

### **H. Counterparts**

This Agreement may be executed in one or more counterparts. Each counterpart will be an original, and all such counterparts will



constitute a single instrument.

I. Covenant

COMPANY covenants that it presently has no interest and that it will not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. COMPANY further covenants, to its knowledge and ability, that in the performance of said services no person having any such interest shall be employed.

J. Covenant Against Contingent Fees

COMPANY warrants that no person or selling agency has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide permanent employees. For breach or violation of this warranty, HOSPITAL shall have the right to annul this Agreement without liability or in its discretion to deduct from the Agreement price or consideration or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.

K. Exclusion

COMPANY represents and warrants that neither it, nor any of its employees or other contracted staff (collectively referred to in this paragraph as "employees") has been or is about to be excluded from participation in any Federal Health Care Program (as defined herein). COMPANY agrees to notify HOSPITAL within five (5) business days of COMPANY's receipt of notice of intent to exclude or actual notice of exclusion from any such program. The listing of COMPANY or any of its employees on the Office of Inspector General's exclusion list (OIG website), the General Services Administration's Lists of Parties Excluded from Federal Procurement and Non-procurement Programs (GSA website) for excluded individuals or entities, any state Medicaid exclusion list, or the Office of Foreign Assets Control's (OFAC's) blocked list shall constitute "exclusion" for purposes of this paragraph. In the event that COMPANY or any of its employees is excluded from any Federal Health Care Program or placed on the OFAC's blocked list, it shall be a material breach and this Agreement shall immediately terminate without penalty to HOSPITAL. For the purpose of this paragraph, the term "Federal Health Care Program" means the Medicare program, the Medicaid program, TRICARE, any health care program of the Department of Veterans Affairs, the Maternal and Child Health Services Block Grant program, any state social services block grant program, any state children's health insurance program, or any similar program.

L. Governing Law / Venue

Nevada law shall govern the interpretation of this Agreement. Venue shall be any court of competent jurisdiction in Las Vegas, Nevada.

M. Gratuities

1. HOSPITAL may, by written notice to COMPANY, terminate this Agreement if it is found after notice and hearing by HOSPITAL that gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by COMPANY or any agent or representative of COMPANY to any officer or employee of HOSPITAL with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending or making of any determinations with respect to the performance of this Agreement.
2. In the event this Agreement is terminated as provided in paragraph 1 hereof, HOSPITAL shall be entitled:
  - a. to pursue the same remedies against COMPANY as it could pursue in the event of a breach of this Agreement by COMPANY; and
  - b. as a penalty in addition to any other damages to which it may be entitled by law, to exemplary damages in an amount (as determined by HOSPITAL) which shall be not less than three (3) nor more than ten (10) times the costs incurred by COMPANY in providing any such gratuities to any such officer or employee.
3. The rights and remedies of HOSPITAL provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

N. Immigration Reform and Control Act

In accordance with the Immigration Reform and Control Act of 1986, COMPANY agrees that it will not employ unauthorized aliens in

the performance of this Agreement.

O. Indemnity

COMPANY does hereby agree to defend, indemnify, and hold harmless HOSPITAL and the employees, officers and agents of HOSPITAL from any liabilities, damages, losses, claims, actions or proceedings, including, without limitation, reasonable attorneys' fees, that are caused by the negligence, errors, omissions, recklessness or intentional misconduct of COMPANY or the employees or agents of COMPANY in the performance of this Agreement.

P. Independent Contractor

COMPANY acknowledges that it, COMPANY, and any subcontractors, agents or employees employed by it shall not, under any circumstances, be considered employees of the HOSPITAL, and that they shall not be entitled to any of the benefits or rights afforded employees of HOSPITAL, including, but not limited to, sick leave, vacation leave, holiday pay, Public Employees Retirement System benefits, or health, life, dental, long-term disability or workers' compensation insurance benefits. HOSPITAL will not provide or pay for any liability or medical insurance, retirement contributions or any other benefits for or on behalf of COMPANY or any of its officers, employees or other agents.

Q. Prohibition Against Israel Boycott:

In accordance with Nevada Revised Statute 332.065, COMPANY certifies that it is not refused to deal or to conduct business with, abstained from dealing or conducting business with, terminating business or business activities with or performing any other action that is intended to limit commercial relations with Israel or a person or entity doing business in Israel or in territories controlled by Israel.

R. Public Funds / Non-Discrimination

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

S. Public Records

COMPANY acknowledges that HOSPITAL is a public, county-owned hospital which is subject to the provisions of the Nevada Public Records Act, Nevada Revised Statutes Chapter 239, as may be amended from time to time. As such, its records are public documents available for copying and inspection by the public. If HOSPITAL receives a demand for the disclosure of any information related to this Agreement that COMPANY has claimed to be confidential and proprietary, HOSPITAL will immediately notify COMPANY of such demand and COMPANY shall immediately notify HOSPITAL of its intention to seek injunctive relief in a Nevada court for protective order. COMPANY shall indemnify and defend HOSPITAL from any claims or actions, including all associated costs and attorney's fees, demanding the disclosure of COMPANY document in HOSPITAL's custody and control in which COMPANY claims to be confidential and proprietary.

T. Publicity

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

U. Subcontractor Information

COMPANY shall provide a list of the Minority-Owned Business Enterprise (MBE), Women-Owned Business Enterprise (WBE), Physically-Challenged Business Enterprise (PBE), Small Business Enterprise (SBE), and Nevada Business Enterprise (NBE) subcontractors for this Agreement utilizing the attached format **Exhibit C**. The information provided in **Exhibit C** by COMPANY is for the HOSPITAL's information only.

V. Survival of Terms

Unless otherwise stated, all of HOSPITAL and COMPANY's respective obligations, representations and warranties under this Agreement which are not, by the expressed terms of this Agreement, fully to be performed while this Agreement is in effect shall survive the termination of this Agreement.

W. Travel Policy.

COMPANY will be reimbursed for pre-approved actual travel expenses including airfare, car rental, ground transportation, parking, meals and lodging. All expenses must be reasonable and supported by written receipts. COMPANY agrees to comply with HOSPITAL's Travel Policy as set forth in detail in **Exhibit E** of this Agreement.

X. Waiver; Severability

No term or provision of this Agreement shall be deemed waived and no breach excused unless such waiver or consent is in writing and signed by the party claimed to have waived or consented. If any provision of this Agreement is held invalid, void or unenforceable under any applicable statute or rule of law, it shall to that extent be deemed omitted, and the balance of this Agreement shall be enforceable in accordance with its remaining terms.

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed and effective as of the Effective Date.

HOSPITAL:

**UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA**

By: \_\_\_\_\_  
MASON VAN HOUWELING                      DATE  
Chief Executive Officer

COMPANY:

**R&R PARTNERS, INC.**

By: \_\_\_\_\_  
PETE ERNAUT                                      DATE  
Chief Government Relations Officer

## **EXHIBIT A SCOPE OF WORK**

COMPANY shall provide professional advocacy services to HOSPITAL in the representation of its interests before the federal and state legislature, and executive branches.

### **I. FEDERAL ADVOCACY SERVICES**

Services to be performed by COMPANY for the PROJECT shall consist of the work described as set forth and defined herein.

COMPANY's activities shall include, but are not be limited to, working closely with HOSPITAL's staff to complete the following tasks:

#### **A. Federal Program Development:**

1. In partnership with HOSPITAL, develop a strategic plan for pursuing legislative interests before Congress and the Administration.
2. Identify major issues which may potentially affect HOSPITAL and which are expected to be reviewed by Congress and the Administration.
3. Assist in drafting the Federal Program for HOSPITAL.

#### **B. Advice and Advocacy on Behalf of HOSPITAL:**

1. Review federal executive proposals, proposed and adopted administrative rules, regulations, funding opportunities and other federal developments for impacts on HOSPITAL, and confer with HOSPITAL's staff on any issues that may impact University Medical Center of Southern Nevada.
2. Proactively advise HOSPITAL on issues, which may impact HOSPITAL's policies, programs, or HOSPITAL's long-range success at fulfilling its federal program.
3. Assist to develop draft legislation, amendments, presentations and talking points, in keeping with, or supportive of, HOSPITAL's legislative interests.
4. Communicate HOSPITAL's legislative platform and requests to the appropriate elected representatives, key Committee members, federal agencies, and other persons as appropriate.
5. As requested, assist in preparing testimony before Congressional committees on behalf of HOSPITAL.
6. As requested, coordinate appointments, meetings, or contact between the Board of County Commissioners, and/or HOSPITAL's staff and Congressional representatives or staff.
7. Assist with identifying federal funding sources for HOSPITAL.
8. Routinely inform delegates of the positive accomplishments of HOSPITAL.

#### **C. Federal Agency Assistance:**

1. Inform HOSPITAL of relevant opportunities for federal assistance,
2. Recommend and perform appropriate liaison and follow-up work with federal agencies on behalf of HOSPITAL.
3. Promote HOSPITAL's programs to agencies which might shape future agency funding priorities. Create partnerships toward improving funding opportunities for HOSPITAL.

### **II. STATE OF NEVADA ADVOCACY SERVICES**

COMPANY will be responsible for all personnel and resources, to include all travel, lodging, meals and miscellaneous expenses, while supplementing the work of HOSPITAL's staff in identifying, and helping to prioritize opportunities and challenges for HOSPITAL with respect to issues under consideration by the Nevada State Legislature, the Office of the Governors and relevant state and county agencies. COMPANY shall adhere to NRS 218H in its entirety.

COMPANY's activities shall include, but are not be limited to, working closely with HOSPITAL's staff to complete the following tasks:

#### **A. State Program Development:**

1. In partnership with HOSPITAL, develop a strategic plan for pursuing legislative interests before Legislature and the Administration.
2. Identify major issues which may potentially affect HOSPITAL and which are expected to be debated by Legislation and the Administration.
3. Develop a strategic plan for pursuing legislative interests before the Nevada State Legislature, including the support, opposition, or amendment of proposed legislation or regulations.
4. Develop and draft legislation and amendments in keeping with, or supportive of, HOSPITAL's legislative interests.
5. Consult with HOSPITAL on proposed legislation and policies as well as emerging issues that may affect HOSPITAL.

#### **B. Advice and Advocacy on Behalf of HOSPITAL:**

1. Review state executive proposals, proposed and adopted administrative rules, regulations, grant announcements, appropriations and other state developments for impacts on HOSPITAL, and confer with HOSPITAL's staff on any issues that may impact University Medical Center of Southern Nevada.
2. Proactively advise HOSPITAL on issues which may impact HOSPITAL's policies, programs, or HOSPITAL's long-range success at fulfilling its state program.
3. Communicate HOSPITAL's legislative platform to the appropriate elected representatives, key Committee members, state agencies, and other persons as appropriate.
4. As requested, assist in preparing testimony before Legislation committees on behalf of HOSPITAL.
5. As requested, coordinate appointments, meetings, or contact between the Board of County Commissioners and/or HOSPITAL's staff and Legislation representatives or staff. Coordinate Legislators' visits at University Medical Center of Southern Nevada.
6. Assist with identifying additional state administered funding sources and grant opportunities.

C. State Agency Assistance:

1. Inform HOSPITAL of relevant opportunities for state assistance.
2. Recommend and perform appropriate liaison and follow-up work with state agencies on behalf of HOSPITAL, in a manner HOSPITAL determines to be in its best interest.
3. Promote HOSPITAL's programs to agencies which might shape future agency funding priorities. Create partnerships that might improve funding opportunities for HOSPITAL.
4. Monitor state legislative committee meetings, agency hearings, and meetings prior to and during the regular and special legislative session(s) at which issues, that may affect HOSPITAL, may arise.
5. As needed, testify before state legislative committees on behalf of HOSPITAL during the legislative session and special session(s).
6. Lobby for HOSPITAL's position on legislation, regulatory matters, and matters of interest, including:
  - a. Direct contact and communication with the executive branch;
  - b. Direct contact and communication with state legislators and staff; and
  - c. Direct contact and communication with representatives of state and local agencies; developing documents and talking points on legislation and regulations as directed.
7. As requested, coordinate appointments, meetings, or contact between HOSPITAL's Executive staff, or Administrative Services staff, and state legislators and/or executive office.
8. As requested, provide in-person briefings to HOSPITAL's Executive staff and Government Relations staff on key issues and legislative activity.
9. Routinely inform legislators of the positive accomplishments of HOSPITAL.

III. Conflicts of Interest:

- A. Prior to COMPANY contracting with any new or additional client(s) for federal and/or state or local advocacy, direct or indirect, and lobbying services in healthcare or related industries, COMPANY shall contact HOSPITAL in writing. Hospital will then determine if representation of the new client would pose a significant chance of conflict with HOSPITAL's interest and receive written consent from HOSPITAL prior to engaging in a contract for any new or additional federal, state or local lobbying client in healthcare or related industries.
- B. Should a conflict arise, COMPANY shall notify HOSPITAL in writing of the nature of the conflict and, upon written approval by HOSPITAL, COMPANY may subcontract with or arrange for work defined in the Scope of Work to be completed by an approved agency or contractor. COMPANY shall cease then to represent HOSPITAL on that issue, and COMPANY or subcontractor, as determined by HOSPITAL in its sole discretion, without the conflict should take over that issue. Should both COMPANY and subcontractor have the same conflict, HOSPITAL shall have the right to terminate the contract without prior notice. In the event that such a right to terminate arises and HOSPITAL exercises such right, no amounts shall be due to COMPANY beyond those that arose prior to the effective date of termination.
- C. COMPANY shall provide HOSPITAL with disclosure of promotion of any campaign for political office at any level performed by COMPANY for candidates running for Clark County office.

IV. Initial Project Timetable:

October-December 2024

- Award of contract.
- Full team kickoff meeting to establish HOSPITAL state and federal legislative agenda.
- In-person Integration of COMPANY's team with HOSPITAL counterparts.
- Setting of regular meetings, updates and consultations within teams.
- Finalize deliverables, detailed project schedule and objectives.

V. Training:

COMPANY anticipates conducting ongoing training regarding messaging, media relations, and coaching to prepare HOSPITAL team members for media interviews, legislative hearings, and key stakeholder meetings on an as-needed basis throughout the duration of the agreement and in coordination with HOSPITAL's Public Relations team.

VI. Customer Service:

- A. Support services that COMPANY typically provides are strategic planning and ideation; direct state and federal advocacy services; regular, in-person, conference call and written updates and meetings with a frequency determined by operational necessity; and tracking and coverage of relevant bills, hearings and meetings.
- B. All work on HOSPITAL's behalf will be supervised by COMPANY's team lead, the Chief Government Affairs Officer. Any issue with performance, quality of support staff or customer satisfaction will be addressed by leadership after consultation with the HOSPITAL advocacy team.

VII. Reporting:

- A. COMPANY will customize its reporting documents according to HOSPITAL team's preferences. (Quarterly Reports to include Federal and State Legislative updates.)
- B. As a retainer-based government and public affairs client of COMPANY, COMPANY anticipates reaching a mutually agreeable plan of updates on a regular basis to all appropriate members of HOSPITAL's team, and involving all relevant members of COMPANY's advocacy team. COMPANY anticipates this will take the form of regular conference calls, written reports on at least a monthly basis, and an increased schedule of coordination activities as the legislative session approaches.

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**EXHIBIT A-1  
FEE SCHEDULE**

The fixed Fee Schedule herein is all-inclusive (including, but not limited to: labor, staffing, supplies, equipment, transportation, and per diem for the project/deliverables), as described in the Scope of Work (**Exhibit A**).

	Monthly Cost	Annual Cost
January December 2025	\$14,850	\$178,200
January December 2026	\$14,850	\$178,200
January December 2027	\$14,850	\$178,200
January December 2028 (Option 1)	\$14,850	\$178,200
January December 2029 (Option 2)	\$14,850	\$178,200
<b>Total Extended Cost</b>		<b>\$891,000</b>

[The remainder of this page is intentionally left blank.]

## EXHIBIT B 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: RFP NO. 2024-07 FEDERAL AND STATE ADVOCACY SERVICES (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.

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## CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed.** If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

**PRODUCER**

1. INSURANCE BROKER'S NAME  
ADDRESS

CONTACT  
NAME:PHONE  
(A/C No. Ext): BROKER'S PHONE NUMBERFAX  
(A/C No.) BROKER'S FAX NUMBERE-MAIL  
ADDRESS: BROKER'S EMAIL ADDRESS

INSURER(S) AFFORDING COVERAGE

NAIC #

**INSURED**

2. //TYPE//S NAME  
ADDRESS  
PHONE & FAX NUMBERS

INSURER A:

INSURER B:

INSURER C:

INSURER D:

INSURER E:

INSURER F:

3. COMPANY'S  
BEST KEY  
RATING

**COVERAGES****CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADD'L INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YY)	POLICY EXP (MM/DD/YY)	LIMITS	
4.	GENERAL LIABILITY			(A)	(B)	(C)	EACH OCCURRENCE	\$(D) 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$(E) 50,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR.	X					MED EXP (Any one person)	\$(F) 5,000
							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"/> PROJECT <input type="checkbox"/> LOC						DEDUCTIBLE MAXIMUM	\$ 25,000
5.	AUTOMOBILE LIABILITY			(J)	(K)	(L)	COMBINED SINGLE LIMIT (Ea accident)	\$(M) 1,000,000
	<input checked="" type="checkbox"/> ANY AUTO						BODILY INJURY (Per person)	\$
	<input type="checkbox"/> ALL OWNED AUTOS	X					BODILY INJURY (Per accident)	\$
	<input type="checkbox"/> SCHEDULED AUTOS						PROPERTY DAMAGE (Per accident)	\$
	<input type="checkbox"/> HIRED AUTOS							\$
	<input type="checkbox"/> NON-OWNED AUTOS						DEDUCTIBLE MAXIMUM	\$ 25,000
6.	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY Y/N						WC STATUTORY LIMITS	\$
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) describe under DESCRIPTION OF OPERATIONS below	X					E.L. EACH ACCIDENT	\$
							E.L. DISEASE - E.A. EMPLOYEE	\$
							E.L. DISEASE - POLICY LIMIT	\$
7.	PROFESSIONAL LIABILITY			(N)	(O)	(P)	AGGREGATE	\$(Q) 1,000,000
8.				(R)	(S)	(T)	LIMIT (PER OCCURRENCE)	\$(U) 300,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

RFP NO. 2024-07 FEDERAL AND STATE ADVOCACY SERVICES

**9. CERTIFICATE HOLDER****CANCELLATION**

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA  
C/O CONTRACTS MANAGEMENT  
1800 W. CHARLESTON BLVD.  
LAS VEGAS, NV 89102

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

**10. AUTHORIZED REPRESENTATIVE**

POLICY NUMBER: \_\_\_\_\_

COMMERCIAL GENERAL AND AUTOMOBILE LIABILITY

CBE NUMBER AND CONTRACT NAME: RFP NO. 2024-07 FEDERAL AND STATE ADVOCACY SERVICES

**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.

**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**

## **EXHIBIT D**

[INTENTIONALLY OMITTED]

[The remainder of this page is intentionally left blank.]

## EXHIBIT E TRAVEL POLICY

A. Pursuant to Chapter 2.46 of the Clark County Code, HOSPITAL shall ensure that business travel costs incurred by COMPANY's traveler(s) are kept to an absolute minimum consistent with the effective conduct of business.

B. The following are the acceptable travel guidelines for reimbursement of travel costs:

Reimbursement shall only be for the contract personnel/traveler. **HOSPITAL assumes no obligation to reimburse travelers for expenses that are not pre-approved by HOSPITAL's representative or their designee which are not in compliance with this Travel Policy.**

Airfare: Domestic Airline (Coach Ticket); purchased at least twenty-one (21) days in advance unless exception was granted by HOSPITAL for exceptional circumstances; one (1) checked bag fee. Number of trips must be approved by HOSPITAL.

Parking: Airport parking (Economy Lot only)

Meals: All meal charges will be paid up to and not to exceed \$65 per day per traveler. This includes a 20% tip.

Lodging: Lodging will either be booked by HOSPITAL or reimbursed for costs of a reasonable room rate plus taxes for Las Vegas, NV, not to exceed \$150 per night excluding taxes and fees (Monday to Thursday) and not to exceed \$225 per night excluding taxes and fees (Friday to Sunday).

Rental Vehicles:

- One (1) automobile rental will be authorized per four (4) travelers. Rental must be standard-size or smaller, and must have full insurance coverage through the rental car company (traveler's personal insurance is not permitted). HOSPITAL will reimburse up to \$125 per day.
- Under no circumstances should a traveler allow others to drive a rental car which has been rented in the traveler's name, for the purpose of conducting business at HOSPITAL.
- Travelers may be allowed to rent a car to travel TO their destination when:
  - Air travel is not available
  - The distance to the destination is less than 150 miles
  - Transporting large or bulky materials is more cost effective in a rental car than other means of transportation
- Travelers may be allowed to rent a car AT their destination when:
  - It is less expensive than other transportation modes such as taxis, airport shuttles, ride share, etc.
  - Transporting large or bulky materials
- Rental cars should be returned:
  - To the original rental city unless approved for one-way rental
  - Intact (i.e., no dents, scratches or other damage within the traveler's control)
  - On time, to avoid additional charges
  - With a full tank of gas

Uber/Lyft/Taxi/Shuttle Vehicles: When available, the use of shuttle service is required. Otherwise, Uber/Lyft/Taxi or equivalent ride sharing option can be used. HOSPITAL will reimburse up to \$125 per day.

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. Credit card statements are not considered original receipts and will not be accepted.

- COMPANY's Invoice
  - With copy of executed Agreement highlighting the allowable travel
  - List of travelers
  - Number of days in travel status

- Hotel receipt
- Meal receipts for each meal (must provide itemized receipts)
- Airline receipt
- Car rental receipt (identify driver and passengers)
- Airport parking receipt (traveler's Airport origin)
- Gas receipt(s)
- Ride share receipt(s)

The following are some of the charges that will **NOT** be allowed for reimbursement (not all inclusive):

- Personal vehicle (HOSPITAL will not pay costs associated to driving a personal vehicle in lieu of air travel or if applicable, rental vehicle)
- Baggage fees exceeding one (1) checked bag; overweight charges
- Upgrades for flights (e.g., seat, Pre-Check, priority boarding), transportation, lodging, or vehicles/rentals (e.g., Premium/Luxury rides)
- Alcohol
- Room service
- In-room movie rentals
- In-room beverage/snacks
- Housekeeping gratuity
- Gas for personal vehicles
- Transportation to and from traveler's home and the airport
- Rental vehicle expenses incurred over and above normal charges (i.e., unauthorized drop-off fees, rental dates not identified as official business dates)
- Mileage
- Travel time
- Traveler's regular days off

C. Any other additional expenses not specified herein will not be reimbursed by HOSPITAL.

D. The terms of this Exhibit are in accordance with HOSPITAL's Travel/Education Authorization and Reimbursement Policy, as amended, a copy of which can be provided to COMPANY upon request.

[The remainder of this page is intentionally left blank.]

## DISCLOSURE OF OWNERSHIP/PRINCIPALS

<b>Business Entity Type (Please select one)</b>						
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input type="checkbox"/> Limited Liability Company	<input checked="" type="checkbox"/> Corporation	<input type="checkbox"/> Trust	<input type="checkbox"/> Non-Profit Organization	<input type="checkbox"/> Other
<b>Business Designation Group (Please select all that apply)</b>						
<input type="checkbox"/> MBE	<input type="checkbox"/> WBE	<input type="checkbox"/> SBE	<input type="checkbox"/> PBE	<input type="checkbox"/> VET	<input type="checkbox"/> DVET	<input type="checkbox"/> ESB
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise	Veteran Owned Business	Disabled Veteran Owned Business	Emerging Small Business
<b>Number of Clark County Nevada Residents Employed: 123</b>						
<b>Corporate/Business Entity Name:</b>		R&R Partners, Inc.				
<b>(Include d.b.a., if applicable)</b>						
<b>Street Address:</b>		900 South Pavilion Center Drive		<b>Website:</b> www.rrpartners.com		
<b>City, State and Zip Code:</b>		Las Vegas, NV 89144		<b>POC Name:</b> Morgan Baumgartner <b>Email:</b> morgan.baumgartner@rrpartners.com		
<b>Telephone No:</b>		702-228-0222		<b>Fax No:</b> 702-228-7171		
<b>Nevada Local Street Address:</b> (If different from above)				<b>Website:</b>		
<b>City, State and Zip Code:</b>				<b>Local Fax No:</b>		
<b>Local Telephone No:</b>				<b>Local POC Name:</b> <b>Email:</b>		

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

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

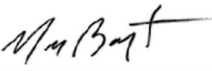
Entities include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations.

Full Name	Title	% of Ownership
Billy Vassiliadis	Chief Executive Officer	44.26
Pete Ernaut	Chief Government Relations Officer	9.96
Michon Martin	President	26.42
Fletcher Whitewell	Chief Media & Publishing Officer	9.68
Matt Mason	Chief Strategist	9.68

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

Morgan Baumgartner  
 Print Name

Executive Vice President, General Counsel  
 Title

September 11, 2024  
 Date



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

<b>Issue:</b>	<b>Award of Bid No. 2024-08, UMC 2040 Administrative Office Buildout Floors 3, 4 &amp; 5 Project PWP# CL-2024-521, to Martin-Harris Construction, LLC</b>	<b>Back-up:</b>
<b>Petitioner:</b>	Jennifer Wakem, Chief Financial Officer	<b>Clerk Ref. #</b>
<b>Recommendation:</b> <b>That the Governing Board Audit and Finance Committee review and recommend for award by the Governing Board the Bid No. 2024-08, UMC 2040 Administrative Office Buildout Floors 3, 4 &amp; 5 Project PWP# CL-2024-521, to Martin-Harris Construction, LLC, the lowest responsive and responsible bidder, contingent upon submission of the required bonds and insurance; authorize the Chief Executive Officer to execute change orders within his delegation of authority; or take action as deemed appropriate. <i>(For possible action)</i></b>		

**FISCAL IMPACT:**

Fund Number: 5420.000

Fund Name: UMC Operating Fund

Fund Center: 3000999901

Funded Pgm/Grant: N/A

Description: Award of Bid 2024-08 UMC 2040 Administrative Office Buildout Floors 3, 4 & 5

Bid/RFP/CBE: Formal bid pursuant to NRS 338.1385.

Term: 126 days from the date provided in a Notice to Proceed from UMC to Vendor, subject to any alteration in days allowed for in subsequently executed change orders, if applicable.

Amount: \$1,906,997.00

Out Clause: UMC has the right to immediately terminate for convenience upon notice.

**BACKGROUND:**

On August 11, 2024, Bid No. 2024-08 was published in the Las Vegas Review-Journal and posted on the Nevada Government eMarketplace (NGEM) Portal, soliciting bid proposals for improvement of a UMC-owned building located at 2040 W Charleston Blvd, Las Vegas, NV 89102. The building is a six story office building. This project will primarily take place on Floors 3, 4, and 5 within the six story structure at the aforementioned address. The referenced floors will have minimal demolition as well as new construction. The scope includes new casework, flooring, ceilings, plumbing fixtures, additional electrical for emergency radios and surface finishes. Access controls and all fire detection systems for the building are, or are to be, provided by Honeywell.

Cleared for Agenda  
October 23, 2024

Agenda Item #

**15**

UMC received responses from:

<u>Bids Received</u>	<u>Total Base Bid Amount</u>
Martin-Harris Construction, LLC	\$ 1,906,997.00
JMB Construction, Inc.	\$ 2,216,842.00
Builders United, LLC	\$ 2,288,000.00
Starke Enterprise, LLC	\$ 2,299,979.00
NOTAJO LLC*	\$ 2,345,942.00
Monument Construction	\$ 2,811,688.46

*\*Bid is recommended for rejection*

All of the above bids were received on or before September 23, 2024 and were opened on September 23, 2024. The apparent low bid of \$1,906,997.00 was received from Martin-Harris Construction, LLC, who correctly submitted all required documentation within the relevant deadlines. The recommendation of award to Martin-Harris Construction, LLC, is in accordance with NRS 338.1385(5), which requires a public body or its authorized representative to award a contract to the lowest responsive and responsible bidder.

The term of the agreement is 126 days from the date provided in a Notice to Proceed from UMC to Vendor, subject to any alteration in days allowed for in subsequently executed change orders, if applicable, plus a 12-month workmanship warranty. UMC may terminate the Agreement for convenience prior to, or during, the performance of the work.

UMC's Director of Facilities Maintenance has reviewed the bid documents and recommends 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.

Martin-Harris Construction, LLC, currently holds a Clark County Business License.



October 30, 2024

Martin-Harris Construction, LLC  
ATTN: Wade Pope, Vice President of Operations  
3030 S Highland Drive  
Las Vegas, NV 89109

**RE: NOTICE OF AWARD**  
**UMC BID NUMBER 2024-08, UMC 2040 Administrative Office Buildout**  
**Floors 3, 4 & 5 Project (PWP NO. CL-2024-521)**

Dear Mr. Pope,

Thank you for submitting all of the required documentation for the above-referenced Bid. All documentation appears to be in order, and this project is hereby awarded to Martin-Harris Construction, LLC, in the amount of \$1,906,997.00. This Notice of Award letter authorizes you to immediately execute the required contracts with your equipment and material supplier(s) and required subcontractor(s). No substitution of listed subcontractor(s) is permitted unless first submitted to University Medical Center of Southern Nevada ("UMC") in writing and in accordance with the contract documents. A copy of the contract document is enclosed for your records. In accordance with the contract documents, if you have not already done so, please provide the following within ten (10) business days of the date of this award: Certificate of Insurance for Builders Risk/Course of Construction; Labor and Material Payment Bond; Performance Bond and Guaranty Bond.

This is not the Notice to Proceed. UMC's Plant Operations department will administer this contract and will contact you in the near future to schedule the project kickoff meeting. They will also coordinate with our Public Safety Office/Officers and Contracts Management teams to ensure you have all of the resources and support needed to complete this project. Further, they will ensure project activities do not unduly disrupt services to our patients, their loved ones, staff and the public.

Thank you for your continued interest in doing business with UMC.

Sincerely,

Mason Van Houweling  
Chief Executive Officer

Enclosure(s): Contract Documents (Bid Document and Contractor's Bid Form)

Cc: Monty Bowen, Plant Operations  
Tamera Hone, Plant Operations  
Stephanie L. Charfauros, Project Management

## BID ATTACHMENT 1

BID NUMBER 2024-08 | PWP#CL-2024-621

BID TITLE UMC 2040 Admin Office Buildout Floors 3, 4 & 5

### Bidder Statement of Authority to Submit Bid

Bidder hereby offers and agrees to furnish the material(s) and service(s) in compliance with all terms, conditions, specifications, and amendments in the Invitation to Bid and any written exceptions in the offer. We understand that the items in this Invitation to Bid, including, but not limited to, all required certificates are fully incorporated herein as a material and necessary part of the contract.

The undersigned hereby states, under penalty of perjury, that all information provided is true, accurate, and complete, and states that he/she has the authority to submit this bid.

I certify, under penalty of perjury, that I have the legal authorization to bind the firm hereunder:

  
SIGNATURE OF AUTHORIZED REPRESENTATIVE

Martinham's Construction, LLC  
LEGAL NAME OF FIRM

Wade Pope Vice President Operations  
NAME AND TITLE OF AUTHORIZED REPRESENTATIVE

3030 S. Highland Dr.  
ADDRESS OF FIRM

702.385.5257  
PHONE NUMBER OF AUTHORIZED REPRESENTATIVE

Las Vegas, NV 89109  
CITY, STATE ZIP

Procurement@Martinham's.com  
EMAIL ADDRESS

9/23/24  
DATE

### BUSINESS LICENSE / CONTRACTORS LICENSE INFORMATION:

CURRENT STATE: NV LICENSE NO. 79469  
CURRENT COUNTY: Clark LICENSE NO. 1002163989  
CURRENT CITY: Las Vegas LICENSE NO. 1002163989

ISSUE DATE: 10/10/2014 EXPIRATION DATE: 10/31/2024  
ISSUE DATE: 5/1/24 EXPIRATION DATE: 10/31/24  
ISSUE DATE: 5/1/24 EXPIRATION DATE: 10/31/24

# BID ATTACHMENT 3

## UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA

### BID FORM

BID NO. 2024-08

UMC 2040 Administrative Office Buildout Floors 3, 4 & 5

PWP NUMBER: CL-2024-521

Martin Harris Construction, LLC

(NAME)

3030 S. Highland Dr. Las Vegas, NV 89109

(ADDRESS)

#### I, THE UNDERSIGNED BIDDER:

1. Agree, if awarded this Contract, I will complete all work for which a Contract may be awarded and to furnish any and all labor, equipment, materials, transportation, and other facilities required for the services as set forth in the Bidding and Contract Documents.
2. Have examined the Contract Documents and the site(s) for the proposed work and satisfied themselves as to the character, quality of work to be performed, materials to be furnished and as to the requirements of the specifications.
3. Have completed all information in the blanks provided and have submitted the following within this Bid:
  - a) BID ATTACHMENT 6: Have listed the name of each Subcontractor which will be paid an amount exceeding five percent (5%) of the Total Base Bid amount.
  - b) BID ATTACHMENT 4: Attached a bid security in the form of, at my option, a Cashier's Check, Certified Check, Money Order, or Bid Bond in favor of the OWNER in the amount of five percent (5%) of the Total Base Bid amount.
  - c) If claiming the preference eligibility, I have submitted a valid Certificate of Eligibility with this Bid.
4. I acknowledge that if I am one of the three apparent low bidders at the bid opening, and if I have listed Subcontractor(s) pursuant to NRS 338.141, I must submit **BID ATTACHMENT 5** within two (2) hours after completion of the bid opening pursuant to the Instructions to Bidders, forms must be submitted via email to [fred.parandi@umcsn.com](mailto:fred.parandi@umcsn.com) and I understand that OWNER shall not be responsible for lists received after the two-hour time limit, regardless of the reason. I understand that submission after the two-hour time limit is not allowed and will be returned to me and the bid will be deemed non-responsive. I acknowledge that for all projects, I will list:
  - a) My firm's name on the list if my firm will perform any work which is more than 1 percent (1%) of the BIDDER's total bid and which is not being performed by a subcontractor. The BIDDER shall also include on the list:
    - 1) A description of the labor or portion of the work that the BIDDER will perform: or
    - 2) A statement that the BIDDER will perform all work other than that being performed by a subcontractor listed.
  - b) The name of each first tier subcontractor who will provide labor or a portion of the work on the public work to the BIDDER for which the first tier subcontractor will be paid an amount exceeding \$250,000.
  - c) If I will employ a first tier subcontractor who will provide labor or a portion of the work on the public work to the BIDDER for which the first tier subcontractor will not be paid an amount exceeding \$250,000, the name of each first tier subcontractor who will provide labor or a portion of the work on the public work to the BIDDER for which the first tier subcontractor will be paid 1 percent (1%) of the BIDDER's total bid or \$50,000, whichever is greater.
5. I acknowledge that if I am one of the three apparent low BIDDER(s) at bid opening, and if I have submitted a valid Certificate of Eligibility as described in 3 (c) above, I must submit **BID ATTACHMENT 7**, Affidavit Pertaining to Preference Eligibility, within two-hours after completion of the bid opening pursuant to the General Conditions. The forms must be submitted via email to [fred.parandi@umcsn.com](mailto:fred.parandi@umcsn.com). OWNER shall not be responsible for lists received after the two-hour time limit, regardless of the reason. I understand that submission of the Certificate after the two-hour time limit is not allowed and it will be returned to me and the bid will be deemed non-responsive.

UMC 2040 Administrative Office Buildout Floors 3, 4 & 5

6. I acknowledge that if I am one of the three apparent low BIDDER(s) for the base bid at the bid opening, I must submit the **BID ATTACHMENT 14 "Disclosure of Ownership/Principals"** form within 24-hours of request.
7. I acknowledge that if I am one of the three apparent low BIDDER(s) for the base bid at the bid opening, I must submit the **BID ATTACHMENT 11, Schedule of Values**, by 5:00 PM of the next business day.
8. I acknowledge that if notified that I am the low BIDDER, I must submit **BID ATTACHMENT 13, Prime Contractor Acknowledgement of UMC Procedures & Practices and the Representations and Certifications** form by 5:00 PM of the next business day.
9. I acknowledge that my bid is based on the current State of Nevada prevailing wages, if applicable.
10. I acknowledge that I have not breached a public work contract for which the cost exceeds \$25,000,000, within the preceding year, for failing to comply with NRS 338.147 and the requirements of a contract in which I have submitted within 2 hours of the bid opening an Affidavit pertaining to preference eligibility.
11. I will provide the following submittals within ten (10) business days from receipt of Notice of Intent to Award:
  - a) Performance Bond, Labor and Material Payment Bond and a Guaranty Bond, for 100% of the Contract amount as required.
  - b) Certificates of insurance for Commercial General Liability in the amount of \$1,000,000, Automobile Liability in the amount of \$1,000,000, Pollution Liability, which includes Asbestos Liability or include an additional Asbestos Liability endorsement in the amount of \$1,000,000 including Asbestos Abatement Liability (proof of subcontractor certificate of insurance must be provided) and Workers' Compensation insurance issued by an insurer qualified to underwrite Workers' Compensation insurance in the State of Nevada, as required by law.
12. I acknowledge that if I do not provide the above submittals on or before the **tenth** business day after Notice of Intent to Award or do not keep the bonds or insurance policies in effect, or allow them to lapse during the performance of the Contract; I will pay over to the OWNER the amount of **\$200.00** per day as liquidated damages.
13. I confirm this bid is genuine and is not a sham or collusive, or made in the interest of, or on behalf of any person not herein named, nor that the Bidder in any manner sought to secure for themselves an advantage over any bidders.
14. I further propose and agree that if my bid is accepted, I will commence to perform the work called for by the contract documents on the date specified in the Notice to Proceed and I will complete all work within the calendar days **specified in the General Conditions**.
15. I further propose and agree that I will accept as full compensation for the work to be performed the price written in the Bid Schedule below.
16. I have carefully checked the figures below and the OWNER will not be responsible for any error or omissions in the preparation or submission of this Bid.
17. I agree no verbal agreement or conversation with an officer, agent or employee of the OWNER, either before or after the execution of the contract, shall affect or modify any of the terms or obligations of this Bid.
18. I am responsible to ascertain the number of addenda issued, and I hereby acknowledge receipt of the following addenda:

Addendum No. <u>1</u>	dated, <u>8/22/24</u>	Addendum No. <u>n/a</u>	dated, <u>n/a</u>
Addendum No. <u>2</u>	dated, <u>8/29/24</u>	Addendum No. <u>n/a</u>	dated, <u>n/a</u>
Addendum No. <u>3</u>	dated, <u>9/23/24</u>	Addendum No. <u>n/a</u>	dated, <u>n/a</u>
Addendum No. <u>n/a</u>	dated, <u>n/a</u>	Addendum No. <u>n/a</u>	dated, <u>n/a</u>

UMC 2040 Administrative Office Buildout Floors 3, 4 & 5

19. I agree to perform all work described in the drawings, specifications, and other documents for the amounts quoted below:

ITEM	DESCRIPTION	DOLLAR AMOUNTS
01	GENERAL REQUIREMENTS/OVERHEAD AND PROFIT INCLUDING SUPERVISION; MOBILIZATION, INCLUDING BONDS, INSURANCES	\$ 228,321.00
02	PERMITS AND FEES	\$ 15,000.00
03	3 <sup>rd</sup> PARTY TESTING/QAA	\$ 5,000.00
04	DEMOLITIONS	\$ 95,852.00
05	WOOD, PLASTICS, AND COMPOSITES	\$
06	THERMAL AND MOISTURE PROTECTION	\$ 4,872.00
07	FINISHES	\$ 315,755.00
08	SPECIALTIES	\$ 15,812.00
09	MILLWORK	\$ 50,859.00
10	DOORS AND HARDWARE	\$ 112,480.00
11	PLUMBING	\$ 21,500.00
12	HVAC	\$ 127,408.00
13	ELECTRICAL	\$ 188,135.00
14	COMMUNICATIONS	\$
15	FIRE SUPPRESSION	\$ 21,350.00
16	DOORS AND HARDWARE	\$
17	CONTROLS	\$ 208,151.00
18	ELECTRONIC SAFETY AND SECURITY ( HONEYWELL)	\$ 205,786.00
19	FIRE ALARM	\$ 92,716.00
20	CONSTRUCTION CONTINGENCY	\$ 198,000.00
	TOTAL BID AMOUNT	\$
	ADD ALTERNATIVES	
01		\$
02		\$
03		\$
04		\$
	ADD ALTERNATES AMOUNT	\$
	GRAND TOTAL BID AMOUNT	\$ 1,906,997.00

PLEASE PHOTOCOPY THIS FORM SHOULD ADDITIONAL SPACES BE REQUIRED

This Schedule of Values for the various portions of the work, aggregating the total contract Amount, shall be divided to facilitate payments to the BIDDER in accordance with the Contract Documents.

Martin Harris Construction, LLC

Legal Name of Firm as it would appear on Contract

BID NO. 2024-08  
UMC 2040 Administrative Office Buildout Floors 3, 4 & 5

Nevada State Contractor's License Number

3030 S. Highland Dr. Las Vegas, NV

Address including City, State and Zip Code

89109

Authorized Signature

Quantities stated are to be used to evaluate proposals and will not alleviate the BIDDER from completing all work as required in the Contract Documents and Plans. Each BIDDER is held responsible for the examination and/ or to have acquainted themselves with any conditions at the job site which would affect their work before submitting a bid. Failure to meet these criteria shall not relieve the BIDDER of the responsibility of completing the Bid without extra cost to the project OWNER. Estimates of quantities of the various items of work and materials, as set forth in the Proposal Form, are approximates only and given solely to be used as a uniform basis for the comparison.

#### ADDITIVE ALTERNATES

The OWNER may exercise the following items subject to the availability of funds. The additive alternate price quoted shall remain firm throughout the Contract term, as detailed in Instruction to Bidders.

Alternative	ITEM DESCRIPTION	TOTAL
1.		\$
2.		\$
3.		\$
4.		\$
5.		\$
6.		\$
7.		\$
	ADD ALTERNATES AMOUNT	\$
	GRAND TOTAL BID AMOUNT	\$



20. BUSINESS ENTERPRISE INFORMATION: N/A

The BIDDER submitting this Bid is a ☐ MBE ☐ WBE ☐ PBE ☐ SBE ☐ VET ☐ DVET ☐ ESB as defined in the Instructions to Bidders.

21. BUSINESS ETHNICITY INFORMATION:

The BIDDER submitting the Bid Ethnicity is ☒ Caucasian (CX) ☐ African American (AA) ☐ Hispanic American (HA) ☐ Asian Pacific American (AX) ☐ Native American (NA) ☐ Pacific Islander (PI)

☐ Other as defined in the Instructions to Bidders.

22. BIDDERS' PREFERENCE Is the Bidder claiming Bidders' Preference?

☒ Yes If yes, the Bidder acknowledges that he/she is required to follow the requirements set forth in the Affidavit (Bid Attachment7).

☐ No I do not have a Certificate of Eligibility to receive preference in bidding.

23. Martin Harris Construction, LLC  
LEGAL NAME OF FIRM AS IT WOULD APPEAR IN CONTRACT

3030 S. Highland Dr. Las Vegas, NV 89109  
ADDRESS OF FIRM

Las Vegas, NV, 89109  
CITY, STATE, ZIP CODE

702.385.5257  
TELEPHONE NUMBER

N/A  
FAX NUMBER

NEVADA STATE CONTRACTORS' BOARD LICENSE INFORMATION:

I certify that the license(s) listed below will be the license(s) used to perform the majority of the work on this project.

LICENSE NUMBER: 79469

LICENSE CLASS: AB

LICENSE LIMIT: Unlimited

ONE TIME LICENSE LIMIT INCREASE \$ N/A IF YES, DATE REQUESTED N/A

DUN & BRADSTREET NUMBER 081336357

CLARK COUNTY BUSINESS LICENSE NO. 1002163989

STATE OF NEVADA BUSINESS LICENSE NO. NV20141509313

Wade Dore Vice President Operations  
AUTHORIZED REPRESENTATIVE  
(PRINT OR TYPE)

procurement@MartinHarris.com  
E-MAIL ADDRESS

[Signature]  
SIGNATURE OF AUTHORIZED REPRESENTATIVE

9/23/24  
TODAY'S DATE

## DISCLOSURE OF OWNERSHIP/PRINCIPALS

<b>Business Entity Type (Please select one)</b>						
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input checked="" type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Corporation	<input type="checkbox"/> Trust	<input type="checkbox"/> Non-Profit Organization	<input type="checkbox"/> Other
<b>Business Designation Group (Please select all that apply)</b> <span style="float: right;">N/A</span>						
<input type="checkbox"/> MBE	<input type="checkbox"/> WBE	<input type="checkbox"/> SBE	<input type="checkbox"/> PBE	<input type="checkbox"/> VET	<input type="checkbox"/> DVET	<input type="checkbox"/> ESB
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise	Veteran Owned Business	Disabled Veteran Owned Business	Emerging Small Business
<b>Number of Clark County Nevada Residents Employed: 287</b>						
<b>Corporate/Business Entity Name:</b>		MARTIN HARRIS CONSTRUCTION, LLC				
<b>(Include d.b.a., if applicable)</b>						
<b>Street Address:</b>		3030 S HIGHLAND DRIVE		<b>Website:</b> WWW.MARTINHARRIS.COM		
<b>City, State and Zip Code:</b>		LAS VEGAS, NV 89109		<b>POC Name:</b> FRANK 'GUY' MARTIN		
				<b>Email:</b> PROCUREMENT@MARTINHARRIS.COM		
<b>Telephone No:</b>		702-385-5257		<b>Fax No:</b> 702-384-7736		
<b>Nevada Local Street Address:</b> (If different from above)				<b>Website:</b>		
<b>City, State and Zip Code:</b>				<b>Local Fax No:</b>		
<b>Local Telephone No:</b>				<b>Local POC Name:</b>		
				<b>Email:</b>		

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

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

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

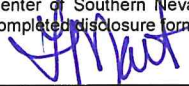
Full Name	Title	% Owned (Not required for Publicly Traded Corporations/Non-profit organizations)
JACK LIVINGOOD	CHAIRMAN	68%
ROB MOORE	CEO	7%
CORY MOORE	PRESIDENT	6%

**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.)

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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

FRANK 'GUY' MARTIN  
 Print Name  
 3/10/2022  
 Date

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

<b>Issue:</b> <b>Lease Agreement with Tonopah Partners, LLC</b>	<b>Back-up:</b>
<b>Petitioner:</b> Jennifer Wakem, Chief Financial Officer	<b>Clerk Ref. #</b>
<b>Recommendation:</b>  <b>That the Governing Board Audit and Finance Committee review and recommend for approval by the Board of Hospital Trustees for University Medical Center of Southern Nevada, the Lease Agreement with Tonopah Partners, LLC for rentable space at 2100 West Charleston Blvd., APN# 13932804013; or take action as deemed appropriate. (<i>For possible action</i>)</b>	

**FISCAL IMPACT:**

Fund Number: 5420.000	Fund Name: UMC Operating Fund
Fund Center: 30000739000	Funded Pgm/Grant: N/A
Description: Lease Agreement - 2100 W. Charleston	
Bid/RFP/CBE: N/A	
Term: 10 years with five annual renewal options	
Amount: \$7,945,501.92 - Monthly Base Rent/Taxes/Insurance (years 1-15)	
Out Clause: Budget Act and Fiscal Fund Out	

**BACKGROUND:**

This request is to approve a new Lease Agreement with Tonopah Partners, LLC (Landlord) to lease approximately 14,658 sq. ft. of a building located on approximately 1.47 acres of land located at the northwest corner of Tonopah Dr. and Charleston Blvd, Las Vegas, Nevada known by its street address of 2100 West Charleston Blvd. and APN# 13932804013.

The Lease Term is for ten (10) years effective on the Lease Commencement Date with the option to renew for five (5)-one (1) year periods. UMC has a right of first refusal to purchase should Landlord receive an offer to purchase from a third party.

UMC's Chief Operating Officer has reviewed and recommends approval of this Lease Agreement. This Lease Agreement has been approved as to form by UMC's Office of General Counsel.

Cleared for Agenda  
October 23, 2024

Agenda Item #

**16**

**LEASE AGREEMENT**

**BY AND BETWEEN**

**TONOPAH PARTNERS, LLC  
("LANDLORD")**

**AND**

**UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA  
("TENANT")**

## **LEASE AGREEMENT**

THIS LEASE AGREEMENT ("Lease") is made and entered into as of the November 19, 2024, by and between Tonopah Partners, LLC, a Nevada limited liability company ("Landlord"), and University Medical Center of Southern Nevada, a publicly owned hospital created pursuant to NRS Chapter 450 ("Tenant").

WHEREAS, Landlord desires to lease certain space to Tenant, as more fully set forth herein, and Tenant desires to take and lease such space from Landlord, which space is more fully described below ("Premises"); and

WHEREAS, the Premises are situated within certain improvements located on certain real property, which property and improvements are referred to herein as the "Premises," which Premises is depicted on the plan attached hereto or made a part hereof as **Exhibit "A"** ("Site Plan").

NOW THEREFORE, for and in consideration of the rents reserved hereunder and the terms and conditions hereof, Landlord hereby rents, demises and leases to Tenant, and Tenant takes and leases from Landlord, the Premises upon the following terms and conditions:

### **1 - BASIC LEASE TERMS**

#### **1.1 Basic Lease Provisions and Enumeration of Exhibits:**

a. Effective Date

February 15, 2025

b. Landlord

Tonopah Partners, LLC

c. Notice Address of Landlord

10655 Park Run Drive #160

Las Vegas, NV 89144

P: (702) 220-4500

F: (702) 220-4900

d. Tenant (including form of entity)

University Medical Center of Southern Nevada, a publicly owned hospital created pursuant to NRS Chapter 450

e. Notice Address of Tenant

UMC  
1800 W. Charleston Blvd  
Las Vegas, NV 89102  
Attn: Legal Department

f. Tenant's Trade Name

University Medical Center; UMC; UMC Quick Care; UMC Primary Care

g. Leased Premises ("Premises")

Approximately 14,658 square-foot building ("Building") on approximately 1.47 acres of land located at the northwest corner of Tonopah Dr. and Charleston Blvd, Las Vegas, Nevada known by its street address of 2100 West Charleston Blvd. and APN# 13932804013. Additionally, the City of Las Vegas will commence work to realign Rancho Lane on the North side of the Premises which will add additional land to the Premises as depicted on the plot plan dated August 16, 2024 attached hereto as Exhibit A.

h. Lease Term and Renewal Option(s)

Commencing on the Lease Commencement Date and expiring ten (10) years after the Monthly Base Rent Commencement Date, with five (5) option periods of one (1) year each ("Renewal Term").

i. Lease Commencement Date

The date Tenant may take possession of the Premises pursuant to Landlord's notice, as set forth in Section 3.1(a) below.

j. Monthly Base Rent Commencement Date.

One Hundred and Twenty (120) days following Landlord's delivery of the Premises to Tenant, pursuant to the provisions of Section 3.1(a) below, or on the date Tenant opens for business to the public, whichever shall occur first.

k. Landlord Work Cost.

Landlord shall deliver to Tenant, and Tenant agrees to accept from Landlord, possession of the Premises in their as-is condition. Landlord shall have no obligation to improve the Premises nor to contribute funds to the Premises improvement.

l. Monthly Base Rent

The total amount of each monthly monetary payment made by Tenant to Landlord (the "Monthly Base Rent") during the Lease Term. Subject to Section 1.1(w) herein, the Monthly Base Rent payment schedule is as follows:

MONTH	APPROX. RENT SQ/FT	MONTHLY BASE RENT
1-12	\$2.0834	\$30,290
13-24	\$2.1458	\$31,199
25-36	\$2.2102	\$32,135

37-48	\$2.2765	\$33,099
49-60	\$2.3448	\$34,092
61-72	\$2.4151	\$35,114
73-84	\$2.4876	\$36,168
85-96	\$2.5622	\$37,253
97-108	\$2.6391	\$38,370
109-120	\$2.7183	\$39,522
Option 1 (year 11)	\$2.7998	\$40,707
Option 2 (Year 12)	\$2.8838	\$41,928
Option 3 (Year 13)	\$2.9703	\$43,186
Option 4 (Year 14)	\$3.0594	\$44,481
Option 5 (Year 15)	\$3.1511	\$45,814
Monthly Base Rent shall increase by 3% annually if extended following the original Term and Options		

In addition to Monthly Base Rent, commencing as of the Monthly Base Rent Commencement Date, Tenant shall be responsible for the monthly payment of all taxes and insurance premiums, as set forth in Section 4.2.

The term "Lease Year" shall mean each successive period of twelve (12) consecutive calendar months, commencing on the Monthly Base Rent Commencement Date. Should the Monthly Base Rent Commencement occur on a date other than the first day of a calendar month, then the first Lease Year shall consist of the partial month during which such Commencement Date occurred, together with the next succeeding twelve (12) calendar months. Tenant shall pay its first month's Monthly Base Rent upon execution of this Lease.

m. Renewal Term Rents

Landlord and Tenant agree that the Monthly Base Rent for a Renewal Term as set forth in Section 1.1(h) shall be as set forth in Section 1.1(l).

n. Permitted Uses

Tenant shall use the Premises primarily as a UMC care facility (medical and administrative offices).

o. Exclusive Use

N/A.

p. Security Deposit

None.

q. Guarantor

None.

r. Address of Guarantor

N/A.

s. Tenant's Broker

N/A.

t. Landlord's Broker

N/A.

u. Tenant's Minimum Operating Hours

As determined by Tenant.

v. Signage

Tenant shall have the right to install and maintain signs and graphics in, on and about the Premises, provided that all such signage shall be in compliance with Applicable Laws. The cost of all signs and graphics, including the installation, maintenance and removal thereof, shall be at Tenant's sole cost and expense.

Tenant shall have the right to install and maintain its placard on the project pylon sign. The cost of all pylon sign copy, including the installation, maintenance and removal thereof, shall be at Tenant's sole cost and expense. Landlord shall be at no expense for any repairs or replacement of the Pylon Sign.

w. Tenant's Budgetary Limits and Fiscal Fund Out

This provision shall apply to this Lease and shall take precedence over any conflicting terms and conditions and shall limit Tenant's financial responsibility. The Tenant, as a local governmental entity, is subject to the requirements of NRS 244.230 and NRS 354.626, which requires Tenant to budget annually for its expenses and which prohibit Tenant from obligating itself to expend money or incur liability in excess of the amounts appropriated for a particular function or purpose. All Tenant's financial obligations under this Lease are subject to those statutory requirements, and the following two (2) paragraphs below (hereinafter the "Fund Out Clause").

Notwithstanding the monetary obligations of this Lease, the total amount of Tenant's payment obligations hereunder for any fiscal year shall not exceed those monies appropriated and approved by Tenant for the then current fiscal year under the Local Government Budget Act. Tenant reasonably believes that sufficient funds can be obtained for this Lease from the budget for the fiscal years covered by the term of this Lease, and Tenant's using department or General Services staff shall take all appropriate actions and act in good faith to obtain funding for each fiscal year to satisfy Tenant's financial obligations under this Lease.

Notwithstanding the monetary obligations of this Lease, this Lease shall terminate and Tenant's liability and payment obligations hereunder shall be extinguished at the end of the fiscal year (June 30) in which the Tenant's governing body fails to appropriate monies for the ensuing fiscal year for the payment of all amounts due.

x. Parking

Landlord shall permit Tenant at its sole cost and expense to place signage on poles along with painted curbs and striping, on any parking spaces within the



Premises. The Premises shall include at least one (1) designated parking space with nearby curb cuts and ramp for the use of persons with disability placards or license plates near the main entrance to the Premises.

**1.2 Significance of Basic Lease Provisions:**

Each reference in this Lease to any of the Basic Lease Provisions contained in Section 1.1 shall be deemed and construed to incorporate all the terms provided under each such Basic Lease Provision; provided, that the Basic Lease Provisions shall be controlled by the specific terms and provisions of this Lease relating to the subject matter of those Basic Lease Provisions.

**1.3 Enumeration of Exhibits:**

The exhibits enumerated in this Section and attached to this Lease are incorporated herein by reference and are to be construed as a part of this Lease. Each party agrees to perform any obligations on its part stated in any and all such Exhibits:

Exhibit A	Site Plan
Exhibit B	Restrictions on Use
Exhibit C	Tenant Estoppel Letter

## **2 - PREMISES**

### **2.1 Premises:**

Landlord hereby leases, rents and demises to Tenant, and Tenant hereby accepts from Landlord, subject to and with the benefit of the terms and provisions of this Lease, the Premises described in Section 1.1 and generally depicted on the Site Plan attached hereto as **Exhibit "A."**

### **2.2 Reserved to Landlord:**

Landlord reserves the use of the exterior walls (other than store fronts), demising walls, and the roof, and the right to install, maintain, use, repair and replace pipes, ducts, conduits and wires leading through the Premises in locations which will not materially interfere with Tenant's use thereof. Further, Landlord has the right to use the land below and the area above the Premises in any manner which does not materially interfere with Tenant's use of the Premises.

### **2.3 Permitted Use:**

Tenant shall not use nor permit or suffer the use of the Premises for any business or purpose other than the purpose set forth in Section 1.1(o) above, without the Landlord's prior written consent, which consent may not be unreasonably withheld, conditioned or delayed.

## **3 - TERM-LANDLORD AND TENANT'S WORK**

### **3.1 Lease Term:**

#### **a. Lease Commencement Date and Monthly Base Rent Commencement Date.**

This Lease shall be for the term set forth in Section 1.1(h) above ("Term" or "Lease Term"). The Monthly Base Rent Commencement Date shall commence either (i) 120 days following Landlord's delivery of the Premises to Tenant via written notice (expected to be February 15, 2025), or (ii) on the date Tenant first opens for business to the public, whichever shall first occur. The terms and conditions of this Lease shall apply, and this Lease shall constitute a binding agreement between Landlord and Tenant, from and after the date set forth in Section 1.1(a). The Lease Term shall commence on the Lease Commencement Date and shall terminate at midnight on the last day of the Lease Term; provided that, Tenant's rental obligations and all other monetary obligations under this Lease shall commence as of the date set forth in Section 1.1(j) ("Monthly Base Rent Commencement Date").

#### **b. Renewal Option(s)**

So long as Tenant is not in default of this Lease at the expiration of the Lease Term or any Renewal Term, or at the time of giving any notice of election to renew this Lease, Tenant shall have the right to extend the Lease Term for up to the number of Renewal Terms as set forth in Section 1.1(h). It shall be a condition of Tenant's right to exercise any subsequent Renewal Term that Tenant shall have duly exercised all previous Renewal Terms. The exercise of Tenant's option for any Renewal Term shall only be valid and effective if Tenant has notified Landlord thereof in writing not later than one hundred eighty (180) days prior to the expiration of the Lease Term or any prior Renewal Term, as applicable. All such Renewal Terms, if exercised by Tenant, shall be on all of the same terms, covenants, conditions and agreements as are set forth in this Lease.

### **3.2 Landlord's and Tenant's Work:**

#### **a. Landlord's Work**

Landlord shall deliver to Tenant, and Tenant agrees to accept from Landlord, possession of the Premises in their as-is condition. Landlord shall have no obligation to improve the Premises nor to contribute funds to the Premises improvement.

#### **b. Tenant's Work**

Tenant shall commence the installation of fixtures, equipment and any other Tenant's Work promptly upon substantial completion of Landlord's Work and Tenant shall diligently pursue such installation and work to completion. All of Tenant's Work shall be at Tenant's sole cost and expense. Tenant shall provide its own trash container(s) as needed for containment and removal of construction debris from Tenant's Work and Tenant shall remove said trash containers prior to opening for business. The location of the trash containers shall be determined by Tenant. Prior to opening for business, Tenant shall use commercially reasonable efforts to remove all construction and other debris from the Premises. All Tenant's Work shall be undertaken and completed in a good, workmanlike manner, and Tenant shall obtain all necessary governmental permits, licenses and approvals with respect to Tenant's Work and shall fully comply with all governmental statutes, ordinances, rules and regulations pertaining thereto, including, without limitation, compliance with Title III of the Americans with Disabilities Act of 1990, as amended from time to time, and all regulations issued thereunder ("ADA"), and similar laws. Notwithstanding Landlord's review of the plans and specifications for Tenant's Work, and whether or not Landlord approves or disapproves such plans and specifications, Tenant and not Landlord shall be responsible for compliance of such plans and specifications and of Tenant's Work with all applicable laws.

## **4 - RENT**

### **4.1 Monthly Base Rent:**

#### **a. Monthly Base Rent**

Tenant shall pay to Landlord, without notice or demand and without any set-off or deduction whatsoever, a fixed monthly base rent as set forth in Section 1.1(l) ("Monthly Base Rent"). Monthly Base Rent shall be paid monthly in advance on or before the first day of each calendar month of the Lease Term commencing with the Monthly Base Rent Commencement Date and shall be delinquent if not so paid on or before the first day of each month. Monthly Base Rent for any partial month occurring after the Monthly Base Rent Commencement Date or at the conclusion of the Lease Term shall be prorated and shall be payable on the first day of such partial month.

#### **b. Application of Rent**

No payment by Tenant or receipt by Landlord of lesser amounts of rent or additional rent than those herein stipulated shall be deemed to be other than on account of the earliest unpaid stipulated rent. No endorsement or statement on any check or any letter accompanying any check or payment as rent or additional rent shall be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right

to recover the balance of such rent or additional rent or pursue any other remedy provided in this Lease.

c. Late Charges.

If any installment of Monthly Base Rent shall not be received by Landlord within five (5) days of the date such sum is due then, commencing on the 6th day after such written notice, Tenant shall pay automatically to Landlord a late charge equal to two percent (2%) of the amount past due. Any such late charges shall be added to the next installment of Monthly Base Rent due under the Lease. The parties hereby agree that such late charges represent a fair and reasonable estimate of the cost that Landlord will incur due to the late payment by Tenant. Acceptance of such late charges by Landlord shall in no event constitute a waiver of Tenant's default with respect to such overdue amount, nor prevent Landlord from exercising any of the other rights and remedies granted hereunder.

**4.2 Adjustments:**

a. Taxes, Fees and Insurance

(1) Subject to Section 1.1(l), in addition to the Monthly Base Rent provided in Section 4.1(a) above, and commencing on the Rent Commencement Date, Tenant shall pay to Landlord, in monthly installments, all real estate taxes (as defined below) and insurance premiums. Said insurance premiums shall include all premiums for Landlord's fire and extended coverage (and/or "All-Risk") insurance, comprehensive general liability insurance, business interruption and loss of rents insurance, flood insurance, and any other insurance and endorsements that Landlord or Landlord's lender or Clark County deems necessary for the Premises. Notwithstanding anything to the contrary herein, expenses set forth in this Section 4.2(a) shall not exceed \$70,000 annually.

(2) The terms "fees" and "real estate taxes" shall include all real estate taxes and assessments, whether special or general, and shall include any road improvement districts, and water improvement district, if any, and any other utility installation hookup, meter fees, fixture fees, tie in or similar charges or assessments that are levied upon and/or assessed against the Premises and/or which are payable during or with respect to the Lease Term.

b. Common Area Maintenance and Charges

Intentionally omitted.

**5 - USE**

**5.1 Permitted Uses:**

Tenant shall not use nor permit or suffer the use of the Premises for any business or purpose other than the purpose set forth in Section 1.1(o) above, without the prior written consent of Landlord, which consent may be withheld in Landlord's good faith business judgment or be made subject to such conditions as Landlord deems appropriate.

**5.2 Compliance with Laws:**

Tenant shall, at its sole cost and expense, materially comply with all federal, state, county or municipal laws, ordinances, rules, regulations, directives, orders and/or requirements now in force or which may hereafter be in force with respect to the Premises (including storefronts and entrances), Tenant's use and occupancy of the Premises and Tenant's business conducted thereon and with the requirements of any board of fire underwriters or other similar bodies (including the Insurance Services Organization) now or hereafter constituted relating to or affecting the condition, use or occupancy of the Premises.

## **6 - UTILITIES**

### **6.1 Tenant's Obligation:**

Tenant shall pay before delinquency, at its sole cost and expense, all charges for water, gas, heat, electricity, power, telephone service, trash and garbage removal, sewer service charges and sewer rentals charged or attributable to the Premises, and all other services or utilities used in, upon or about the Premises by Tenant or any of its subtenants, licensees or concessionaires from the Monthly Base Rent Commencement Date and throughout the Lease Term. If, during the Lease Term, Landlord or Tenant is required to convert or replace any HVAC or utility system or equipment servicing the Premises, including but not limited to systems or equipment using the chlorofluorocarbon known as "freon," in order to comply with any federal, state, county, borough or municipal statute, ordinance, rule, regulation, directive, order or requirement, then Landlord shall promptly pay all of the costs and expenses of such compliance incurred (including the cost of new equipment and alteration of the Premises to accommodate the same) if the equipment or system converted or replaced serves only the Premises.

### **6.2 Landlord's Warranties and Representations:**

a. Landlord warrants and represents that as of the date Tenant takes occupancy of the Premises, water, gas, heat, electricity, power, telephone service, internet service, cable service, and sewer services are connected to the Premises and are accessible by Tenant. Landlord shall be responsible for any repair of any curtailment or interruption in utility services other than an interruption due to (i) Tenant's non-payment of such utility services or (ii) Tenant's failure to maintain utility equipment or (iii) Tenant's negligence. Landlord warrants that all such utility services are separately metered. Should such utility services not be separately metered, Landlord shall be responsible for the cost of installing any required meters. Tenant shall be responsible to contact all utility providers and have service established in its name.

b. Landlord is aware of Tenant's planned use and operations in the Premises and is not aware of any restrictions that would interfere with Tenant's planned operations, including but not limited to exclusive rights to other tenants, recorded easements, covenants, conditions and restrictions or other matters of any kind. If there are such restrictions, they are set forth in **Exhibit "C"** hereto.

c. Landlord is not aware of any environmental concerns related to use of Hazardous Substances that, as that term is defined in Section 22.11.

## **7 - LICENSES AND TAXES**

### **7.1 Tenant's Obligation:**

Tenant shall be liable for, and shall pay throughout the Lease Term, all license and excise fees and occupation taxes covering Tenant's business conducted on the Premises. If any governmental authority or unit under any present or future law effective at any time during the Lease Term hereof shall in any manner levy a tax on rents payable under this Lease or rents accruing from use of the Premises or a tax in any form against Landlord because of, or measured by, income derived from the leasing or rental of said property, such tax shall be paid by Tenant, either directly or through Landlord, and upon Tenant's default therein, Landlord shall have the same remedies as upon failure to pay Monthly Base Rent. It is understood and agreed, however, that Tenant shall not be liable to pay any net income tax imposed on Landlord unless, and then only to the extent that, the net income tax is a substitute for real estate taxes.

## **8 - ALTERATIONS**

### **8.1 Alterations by Tenant:**

Tenant shall not make any alterations, additions or improvements in or to the Premises including any penetration of the roof or roof membrane without the prior written consent of Landlord which consent shall be in Landlord's sole and absolute discretion and may be subject to such conditions as Landlord may deem appropriate.

### **8.2 Required Alterations:**

In the event that either Landlord or Tenant, during the term hereby demised, shall be required by the order or decree of any court, or any other governmental authority, or by law, code or ordinance, to repair, alter, remove, reconstruct, or improve any part of the Premises, then Tenant shall make or Tenant shall be required to permit Landlord to perform such repairs, alterations, removals, reconstructions, or improvements without effect whatsoever to the obligations or covenants of Tenant herein contained, at Landlord's sole cost and expense. Should any such repairs, alterations, removals, reconstructions, or improvements impact Tenant's operations, Tenant shall be entitled to an abatement of rent.

## **9 - MAINTENANCE OF PREMISES**

### **9.1 Maintenance and Repair by Tenant:**

Tenant shall at all times throughout the Lease Term at its sole cost and expense keep the floor coverings, interior door closures and moldings and trim of all interior doors and windows, door surfaces, lighting, and plumbing fixtures and other fixtures of the Premises in good order. Tenant shall at reasonable intervals paint or refinish the interior of the Premises, including entrances as determined by Landlord; make any necessary repairs to, or replacements of, all interior door closure apparatuses and mechanisms; keep all plumbing clean and in good state of repair including pipes, drains, toilets, basins, water heaters and those portions of the heating system within the walls of the Premises; and keep all utilities, including circuit breaker and panel box and Tenant's meters within the Premises, in a good state of repair.

## **9.2 Failure to Maintain:**

If Tenant fails to keep and preserve the Premises as set forth above, Landlord may at its option, and upon reasonable advanced notice to Tenant, put or cause the same to be put in the condition and state of repair agreed upon, and in such case, upon receipt of written statements from Landlord, Tenant shall promptly pay the entire cost thereof as additional rent. Landlord shall have the right, without liability, to enter the Premises for the purpose of making such repairs upon the failure of Tenant to do so.

## **9.3 Repairs by Landlord:**

Landlord shall be responsible for keeping the HVAC system serving the Premises in good order, condition and repair (including damage from burglary or attempted burglary of the Premises). Landlord will contract for preventive maintenance checks, filter changes, repairs, replacement and service of the HVAC system serving the Premises; provided, however that Tenant shall pay all costs associated with routine HVAC maintenance and repairs. Landlord shall pay all costs associated with HVAC replacement when necessary. Landlord shall keep the exterior walls, exterior doors and entrances, all windows, foundations, and structural portions of the Building in which the Premises are located in a good state of repair, and shall accomplish such repairs as may be needed promptly after receipt of written notice from Tenant and said repairs shall be at the sole cost of Landlord. Landlord shall replace the roof when Landlord determines in its sole discretion that such replacement is necessary. Landlord shall, subject to reimbursement from Tenant, paint the exterior portion of the Premises as needed. Tenant shall immediately inform Landlord of any necessary repairs and (except in emergencies) Tenant shall make none of such repairs without Landlord's prior written consent. Landlord shall not be liable for any failure to make any such repairs or to perform any maintenance required of Landlord hereunder unless such failure shall persist for an unreasonable time after written notice of the need of such repairs or maintenance is given to Landlord by Tenant. Rent due and payable hereunder shall be equitably abated during any period in which there is interference with the operation of Tenant's business in the Premises requiring Tenant to cease operations for more than one business day. Notwithstanding the above, Landlord will use commercially reasonable efforts to minimize annoyance, interference or damage to Tenant.

# **10 - LIENS AND ENCUMBRANCES**

## **10.1 Liens:**

Tenant shall keep the Premises free from any liens arising out of any work performed, materials furnished or obligations incurred by Tenant.

## **10.2 Encumbrances:**

Tenant shall not cause or suffer to be placed, filed or recorded against the title to the Premises, the Building of which the Premises is a part, any mortgage, deed of trust, security agreement, financing statement or other encumbrance.

# **11 - ASSIGNMENT, MORTGAGING AND SUBLETTING**

## **11.1 Assignment, Mortgaging, or Sublease:**

Neither Tenant, nor Tenant's legal representatives, successors or assigns, shall assign, mortgage or encumber this Lease, or sublet or permit the Premises or any part thereof to be used or occupied by others, without the prior written consent of Landlord in each instance, which consent will not be unreasonably withheld, and any such assignment, mortgage, encumbrance, sublease or permission without such consent shall be voidable at the option of Landlord and, at the option of Landlord, shall terminate this Lease. Under no circumstances shall Tenant be released of its obligations hereunder by way of any assignment.

## **12 - COMMON AREAS**

### **12.1 Tenant's Rights:**

Tenant and its employees and invitees are, except as otherwise specifically provided in this Lease, authorized, empowered and privileged to use the Common Areas in common with other persons during the Lease Term, subject to the terms and conditions of any recorded easements, covenants, conditions and restrictions or other matters with respect thereto.

### **12.2 Control of Common Areas by Landlord:**

Intentionally omitted.

### **12.3 Rules and Regulations:**

Tenant shall comply with the rules and regulations that Landlord may from time to time promulgate and/or modify. The rules and regulations shall be binding upon Tenant only after delivery of a copy of them to Tenant. Tenant shall be given thirty (30) days' notice of any changes to the rules and regulations. Landlord shall not be responsible to Tenant for the nonperformance of any said rules and regulations of any other tenants or occupants, but will apply the rules and regulations evenly and without discrimination and shall not unreasonably interfere with Tenant's planned operations in the Premises.

## **13 - INSURANCE AND INDEMNITY**

### **13.1 Indemnification:**

Landlord, its assigns and successors in interest, agrees to indemnify, defend, and hold harmless Tenant, its employees, officers and agents from any liabilities, damages, losses, claims, actions, suits or proceedings, including, without limitation, reasonable attorneys' fees and costs, that are caused by the negligence, errors, omissions, recklessness or intentional misconduct of Landlord or the employees or agents of Landlord.

To the extent expressly authorized by Nevada law, Tenant, its assigns and successors in interest, agrees to indemnify, defend, and hold harmless Landlord, its employees, officers and agents from any liabilities, damages, losses, claims, actions, suits or proceedings, including, without limitation, reasonable attorneys' fees and costs, that are caused by the negligence, errors, omissions, recklessness or intentional misconduct of Tenant or the employees or agents of Tenant.

### **13.2 Insurance:**

Tenant is self-insured and is subject to the limited waiver of sovereign immunity in Chapter 41 of the Nevada Revised Statutes. Tenant has not waived and intends to assert all



available NRS Chapter 41 liability limitations in all cases and does not waive any defense or right to indemnification that may exist in law or equity to Tenant.

## **14 - EMINENT DOMAIN**

### **14.1 Total Taking:**

If all of the Premises are taken by the power of eminent domain exercised by any governmental or quasi-governmental authority, this Lease shall terminate as of the date Tenant is required to vacate the Premises and all Monthly Base Rent, Adjustments and other rentals and charges due hereunder shall be paid to that date and the entirety of Tenant's rights, duties, obligations, or liabilities under the Lease, whether known, unknown, vested or contingent, shall be terminated. The term "eminent domain" shall include the taking or damaging of property by, through or under any governmental or quasi-governmental authority, and any purchase or acquisition in lieu thereof, whether or not the damaging or taking is by the government or any other person.

### **14.2 Partial Taking:**

If more than fifteen percent (15%) of the floor area of the Premises shall be taken or appropriated, this Lease may, at the option of either party, be terminated by written notice given to the other party not more than thirty (30) days after Landlord and Tenant receive notice of the taking or appropriation, and such termination shall be effective as of the date when Tenant is required to vacate the portion of the Premises so taken. In the event that more than ten percent (10%) of the parking areas or any access point to an adjacent street, road, highway or avenue shall be taken or appropriated, then Landlord may at its option terminate this Lease by written notice given to Tenant within sixty (60) days of the date of such taking. If this Lease is so terminated, all Monthly Base Rent, Adjustments, and other charges due hereunder shall be paid to the date of termination. Whenever any portion of the Premises are taken by eminent domain and this Lease is not terminated, Landlord shall at its expense proceed with all reasonable dispatch to restore, to the extent that it is reasonably prudent to do so, the remainder of the Premises to the condition it was in immediately prior to such taking, and Tenant shall at its expense proceed with all reasonable dispatch to restore its fixtures, furniture, furnishings, leasehold improvements, floor covering and equipment to the same condition they were in immediately prior to such taking. From the date Tenant is required to vacate that portion of the Premises taken, the Monthly Base Rent payable hereunder shall be reduced in the same proportion that the area taken bears to the total area of the Premises prior to taking. Should Tenant exercise its right to terminate the Lease under this Section, all of Tenant's rights, duties, obligations, or liabilities under the Lease, whether known, unknown, vested or contingent, shall be terminated. Under such a scenario, the terms and conditions of the Buy-Out Schedule shall not apply.

### **14.3 Damages:**

Landlord reserves all rights to the entire damage award or payment for any taking by eminent domain, and Tenant shall make no claim whatsoever against Landlord for damages for termination of its leasehold interest in the Premises or for interference with its business. Tenant hereby grants and assigns to Landlord any right Tenant may now have or hereafter acquire to such damages and agrees to execute and deliver such further instruments of assignment thereof as Landlord may from time to time request. Tenant shall, however, have the right to claim from the condemning authority all compensation that may be recoverable by Tenant on account of any loss

incurred by Tenant in removing Tenant's merchandise, furniture, trade fixtures and equipment or for damage to Tenant's business; provided, however, that Tenant may claim such damages only if they are awarded separately in the eminent domain proceeding and not as part of Landlord's damages and provided that any award to Tenant will not result in a diminution of any award to Landlord.

## **15 - DEFAULT BY TENANT**

### **15.1 Default by Tenant:**

#### **a. Tenant Default**

Tenant shall be in default of this Lease if (1) Tenant fails to timely make any payment of rent, additional rent or any other sum due from Tenant hereunder as and when due, or (2) Tenant fails to fulfill or perform any other term, covenant, condition, provision or agreement of this Lease if such failure continues to exist after sixty (60) days written notice thereof given by Landlord to Tenant, unless Landlord determines in its reasonable discretion that such failure creates an emergency situation in which case Tenant must cure such failure immediately upon five (5) days written notification by Landlord, or (3) the Premises become vacant or deserted for 20 consecutive business days, or (4) Tenant shall cease to occupy the Premises or shall remove substantially all of Tenant's fixtures or furniture therefrom, or (5) Tenant assigns or otherwise transfers substantially all of the assets used in the business conducted in the Premises and Landlord has not provided written consent, which shall not be unreasonably withheld, of a transfer of this Lease.

#### **b. Landlord Rights**

In the event of any material default by Tenant hereunder, Landlord shall have those rights expressly enumerated in this Lease. In the event of any default by Tenant hereunder, Landlord shall have the option to terminate this Lease by written notice to Tenant. Upon receipt of such written notice of termination, Tenant shall then quit and surrender the Premises to Landlord, but Tenant shall remain liable as hereinafter provided. If Tenant fails to so quit and surrender the Premises as aforesaid, Landlord shall have the right, without notice, to re-enter the Premises either by force or otherwise and dispossess Tenant and the legal representatives of Tenant and all other occupants of the Premises by unlawful detainer or other summary proceedings, or otherwise, and remove their effects and regain possession of the Premises (but Landlord shall not be obligated to effect such removal) and Tenant hereby waives service of notice of intention to re-enter or to institute legal proceedings to that end.

## **16 - DEFAULT BY LANDLORD**

### **16.1 Default by Landlord:**

Landlord shall not be in default unless Landlord fails to perform obligations required of Landlord within a reasonable time, but in no event later than thirty (30) days after written notice by Tenant to Landlord and to the holder of any mortgage or deed of trust covering the Premises whose name and address shall have theretofore been furnished to Tenant in writing in accordance with this Lease. Said notice shall specify wherein Landlord has failed to perform such obligation; provided, however, that if the nature of Landlord's obligation is such that more than thirty (30) days are required for performance then Landlord shall not be in default if Landlord commences

performance within such thirty (30) day period and thereafter diligently prosecutes the same to completion. Tenant further agrees not to invoke any of its remedies under this Lease until any such mortgagees and/or deed of trust holders have been provided an opportunity to cure as set forth below. Should Landlord be considered in default, then Tenant reserves the right, at Tenant's sole option, to terminate the Lease and seek any and all remedies at law or in equity. Should Tenant choose to terminate the Lease pursuant to this section, all of Tenant's rights, duties, obligations, or liabilities under the Lease, whether known, unknown, vested or contingent, shall be terminated. In no event shall Landlord be liable to Tenant for consequential damages for any breach of duty owing to Tenant.

## **17 - RECONSTRUCTION**

### **17.1 Reconstruction-Insured Loss:**

In the event the Premises are damaged by fire or other perils covered by Landlord's insurance, Landlord agrees to forthwith repair same to the extent of insurance proceeds available by reason of such damage or destruction, and this Lease shall remain in full force and effect, except that Tenant shall be entitled to a proportionate reduction of the Monthly Base Rent from the date of damage and while such repairs are being made, such proportionate reduction to be based upon the extent to which the damage and making of such repairs shall reasonably interfere with the business carried on by Tenant in the Premises; provided, that if the damage is due to the fault or neglect of Tenant or its employees, there shall be no abatement of rent.

### **17.2 Uninsured Loss:**

In the event the Premises are damaged as a result of any cause other than the perils covered by Landlord's insurance, Tenant may terminate this Lease upon thirty (30) days written notice and Tenant shall only be responsible for the rent due for one (1) subsequent month reduced by a proportionate reduction. Should Tenant choose not to terminate Lease, then Landlord shall (except where the damage or destruction is caused by the negligence of Tenant, its employees, agents, contractors, licensees or invitees in which case Tenant shall repair all damage) forthwith repair the same, provided the extent of the destruction be less than ten percent (10%) of the then full replacement cost of the Premises. In the event the destruction of the Premises is to an extent of ten percent (10%) or more of the full replacement cost and Tenant chooses not to terminate Lease, Landlord shall then have the option: (1) to repair or restore such damage, this Lease continuing in full force and effect, but the Monthly Base Rent to be proportionately reduced as hereinabove in this Section provided; or (2) give notice to Tenant at any time within sixty (60) days after such damage, terminating this Lease as of the date specified in such notice, which date shall be no more than thirty (30) days after the giving of such notice. In the event of Landlord giving such notice, this Lease shall expire and all interest of Tenant in the Premises shall terminate on the date so specified in such notice and the Monthly Base Rent, reduced by a proportionate reduction, based upon the extent if any, to which such damage substantially interfered with the business carried on by Tenant in the Premises, shall be paid up to date of such termination. In the event Landlord shall determine to repair or restore the Premises, Tenant shall at its sole cost and expense, repair and restore any of Tenant's fixtures, equipment and leasehold improvements which are damaged or destroyed by the uninsured cause.

## **18 - SUBORDINATION AND ATTORNMENT, MORTGAGEE PROTECTION**

### **18.1 Subordination - Notice to Mortgagee:**

This Lease shall be subordinate to any existing or future mortgages, deeds of trust, and/or security documents on or encumbering the Premises or on the leasehold interest held by Landlord and to any extensions, renewals, or replacements thereof. This clause shall be self-operating and no further instrument of subordination shall be required. Notwithstanding the foregoing, at the written request of Landlord at any time and from time to time and at no charge to Landlord, Tenant shall within ten (10) days thereafter execute, acknowledge and deliver all instruments which may be required as evidence of such subordination and attornment provided that the mortgagee or beneficiary, as the case may be, shall agree to recognize this Lease in the event of foreclosure if Tenant is not in default at such time. Tenant covenants and agrees to attorn to any successor to Landlord's interest in this Lease, and in that event, this Lease shall continue as a direct lease between Tenant herein and such landlord or its successor. In any case, such Landlord or successor shall not be bound by any prepayment on the part of Tenant of any rent for more than one month in advance, so that Monthly Base Rent and Adjustments shall be payable under this Lease in accordance with its terms, from the date of the termination or assignment of the Lease, as if such prepayment had not been made. In addition, the beneficiary of any deed of trust shall not be bound by any amendment or modification of this Lease made without the express written consent of the beneficiary under such deed of trust if such consent is required thereunder.

### **18.2 Tenant's Certificate:**

Tenant shall at any time and from time to time and at no charge to Landlord, upon not less than ten (10) business days' prior written notice from Landlord, execute, acknowledge and deliver to Landlord a Tenant Estoppel Letter in the form attached hereto as **Exhibit "C,"** or on a form as otherwise required by Landlord or its lender.

### **18.3 Mortgagee Protection Clause:**

Tenant agrees to give any mortgagees and/or trust deed holders, by registered mail, a copy of any notice of default served upon Landlord, provided that prior to such notice Tenant has been notified in writing (by way of Notice of Assignment of Rents and Leases, or otherwise) of the addresses of such mortgagees and/or trust deed holders. Tenant further agrees that if Landlord shall have failed to cure such default within the time provided for in this Lease, then the mortgagees and/or trust deed holders have an additional thirty (30) days within which to cure such default or if such default cannot be cured within that time, then such additional time as may be necessary if within such thirty (30) days any mortgagee and/or trust deed holder has commenced and is diligently pursuing the remedies necessary to cure such default (including but not limited to commencement of foreclosure proceedings if necessary to effect such cure), in which event this Lease shall not be terminated if such remedies are being so diligently pursued.

## **19 - ACCESS BY LANDLORD**

### **19.1 Right of Entry:**

Landlord or Landlord's employees, agents and/or contractors shall have the right to enter the Premises at any reasonable time with 48-hour advance notice to examine the same, and to show them to prospective purchasers or tenants of the Building, and to make such repairs, alterations,

improvements or additions as Landlord may deem necessary or desirable; however, Landlord shall not have access nor right of entry at any time to any of Tenant's patient examination rooms, without the approval of Tenant, which approval shall not be unreasonably withheld except in the event a patient is occupying said examination room. If Tenant is not personally present to permit entry and an entry is necessary, Landlord or its agents may in case of emergency forcibly enter the same, without rendering Landlord liable therefor. Nothing contained herein shall be construed to impose upon Landlord any duty of repair of the Premises or Building of which the Premises is a part except as otherwise specifically provided for herein. No additional locks, other devices or systems which would restrict access to the Premises shall be placed upon any doors without the prior consent of Landlord; provided however, Landlord agrees that Tenant may lock and deny access to areas of the Premises that contain Protected Health Information ("PHI"), at that term is defined by the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and its associated regulations, as amended from time to time. Landlord's consent to installation of anti-crime warning devices or security systems shall not be unreasonably withheld provided Landlord shall not be required to give such consent unless Tenant provides Landlord with a means of access to the Premises for emergency and routine maintenance purposes.

## **20 - SURRENDER OR ABANDONMENT OF PREMISES**

### **20.1 Surrender of Possession:**

Tenant shall promptly yield and deliver to Landlord possession of the Premises at the expiration or prior termination of this Lease. Landlord may place and maintain a "For Lease" sign in conspicuous places on the Premises for sixty (60) days prior to the expiration or prior termination of this Lease.

### **20.2 Holding Over:**

Any holding over by Tenant with the consent of Landlord after the expiration or termination of the Lease hereof shall be construed to be a tenancy from month-to-month on all of the terms and conditions set forth herein, to the extent not inconsistent with a month-to-month tenancy; provided, that the Rent for such hold-over period shall be an amount equal to the Monthly Base Rent due for the last month of the Lease Term.

## **21 - QUIET ENJOYMENT**

### **21.1 Landlord's Covenant:**

Tenant, upon fully complying with and promptly performing all of the terms, covenants and conditions of this Lease on its part to be performed, and upon the prompt and timely payment of all sums due hereunder, shall have and quietly enjoy the Premises for the Lease Term without disturbance by Landlord or any party claiming by or through Landlord.

## **22 - MISCELLANEOUS**

### **22.1 Successors or Assigns:**

All the terms, conditions, covenants and agreements of this Lease shall extend to and be binding upon Landlord, Tenant and their respective heirs, administrators, executors, successors, subtenants, sublessee, concessionaires, assigns and marital communities, if any, and upon any

person or persons coming into ownership or possession of any interest in the Premises by operation of law or otherwise.

#### **22.2 Tenant Defined:**

The word "Tenant" as used herein shall mean each and every person, partnership or corporation who is mentioned as a Tenant herein or who executes this Lease as Tenant.

#### **22.3 Broker's Commission; Agency Disclosure:**

Tenant represents and warrants that it has incurred no liabilities or claims for brokerage commissions or finder's fees in connection with the execution of this Lease and that it has not dealt with or has any knowledge of any real estate broker, agent or salesperson in connection with this Lease except as set forth in Section 1.1(s).

#### **22.4 Partial Invalidity:**

If any term, covenant, or condition of this Lease or the application thereof to any person or circumstance is, to any extent, invalid or unenforceable, the remainder of this Lease, or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant or condition of this Lease shall be valid and be enforced to the fullest extent permitted by law.

#### **22.5 Recording:**

Tenant shall not record or file this Lease or any form of Memorandum of Lease, or any assignment or security document pertaining to this Lease or all or any part of Tenant's interest therein without the prior written consent of Landlord, which consent may be subject to such conditions as Landlord shall deem appropriate.

#### **22.6 Notices:**

Any notices required in accordance with any of the provisions herein or desired to be given hereunder, if to Landlord shall be delivered personally, sent by overnight courier such as Federal Express, or mailed by registered or certified mail and addressed to the address of Landlord as set forth in Section 1 or at such other place as Landlord may in writing from time to time direct to Tenant, and if to Tenant shall be delivered personally, sent by overnight courier such as Federal Express, or mailed by registered or certified mail and addressed to Tenant at the Premises. If there is more than one Tenant, any notice required or permitted hereunder may be given by or to any one thereof, and shall have the same force and effect as if given by or to all thereof. Notices shall be deemed given when delivered, if delivered personally, upon receipt of a confirmation by the sender of a successful facsimile transmittal, one (1) day after deposit with an overnight courier, or three (3) business days after deposit in the United States mail as set forth above.

#### **22.7 Marginal Headings:**

The marginal headings and article titles to the Sections and Subsections of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.

#### **22.8 Time:**

Time is of the essence of this Lease.

#### **22.9 Choice of Law/Venue:**

This Lease shall be governed by the laws of Nevada. Venue shall be commenced solely in competent courts located in Clark County, Nevada.

**22.10 Tenant and Tenant's Employees Parking:**

Intentionally Omitted.

**22.11 Hazardous Substances:**

a. Presence and Use of Hazardous Substances.

Tenant shall not, without Landlord's prior written consent, keep (or allow to be kept) on or around the Premises, Common Areas or Shopping Center, for use, handling, transport, disposal, treatment, generation, storage, preparation, manufacture, refine, process or sale, any substances designated as, or containing components designated as hazardous, dangerous, toxic, harmful, medical or infectious (collectively referred to as "Hazardous Substances"), and/or is subject to regulation by any federal, state or local law, regulation, statute, or ordinance ("Legal Requirements"). "Hazardous Material" does not include any medical waste or de minimis quantities of office or other cleaning supplies commonly used in accordance with Legal Requirements. Landlord warrants and represents that no "Hazardous Material" is currently present on the Premises. With respect to any such Hazardous Substance, Tenant shall:

(1) Comply promptly, timely, and completely with all governmental requirements for reporting, keeping and submitting manifests, and obtaining and keeping current identification numbers;

(2) Submit to Landlord true and correct copies of all reports, manifests and identification numbers at the same time as they are required to be and/or are submitted to the appropriate governmental authorities;

(3) Within five (5) days of Landlord's request, submit written reports to Landlord regarding Tenant's use, handling, storage, treatment, transportation, generation, disposal or sale of Hazardous Substances and provide evidence satisfactory to Landlord of Tenant's compliance with the applicable government regulations;

(4) Allow Landlord or Landlord's agent, representative or consultant to come on the Premises at all times to check Tenant's compliance with all applicable governmental regulations regarding Hazardous Substances and to assess the environmental condition of the Premises, including, but not limited to, the imposition of an environmental audit;

(5) Comply with minimum levels, standards or other performance standards or requirements which may be set forth or established for certain Hazardous Substances (if minimum standards or levels are applicable to Hazardous Substances present on the Premises, such levels or standards shall be established by an on-site inspection by the appropriate governmental authorities and shall be set forth in an addendum to this Lease); and

(6) Comply with all applicable governmental statutes, ordinances, rules, regulations, management plans and requirements regarding the proper and lawful use, handling, sale, transportation, generation, treatment, and disposal of Hazardous Substances.

b. Survival

The provisions of this Section shall survive the expiration or earlier termination of this Lease.

#### **22.12 Covenants, Conditions and Restrictions:**

Tenant's rights under this Lease are subject to any covenants, conditions and/or restrictions now or hereafter recorded against the real property on which the Premises are located.

#### **22.13 Right of First Refusal to Purchase**

Should Landlord, during the Lease Term, receive an offer to purchase the Premises from a bona fide third party, and Landlord desires to accept such offer, Landlord will give Tenant 20 days' notice of such offer setting forth the relevant information from the offer including the amount of the proposed purchase price and other terms and conditions of such offer. Tenant will then have the first option to purchase the Premises by giving notice to Landlord of Tenant's intention to purchase within such 20-day period at the same price and on the same terms as any such offer. It is understood that in the event Tenant does not give notice of Tenant's election to exercise the option to purchase within such period, this Lease and all the terms and conditions will nevertheless remain in full force and effect and Landlord and any purchaser or purchasers of the Premises will be bound by the terms of this Lease. Whether or not Landlord sells the Premises set forth in the offer, Tenant will have, upon the same conditions and notice, the continuing first option to purchase the Premises, the beneficial interest therein, or any part of the Premises, upon the terms of any subsequent offer or offers to purchase.

If Tenant exercises the foregoing option, Landlord will convey good, marketable and insurable title to the Premises in fee simple by good and sufficient stamped grant bargain & sale deed free from all monetary encumbrances. In addition, in the exercise of such options, Tenant will place all funds with an escrowee of Tenant's designation, and the settlement of the purchase price and Landlord's conveyance to Tenant will take place in escrow. At closing, Landlord will furnish to Tenant an ALTA owner's policy or other policy type sufficient to meet the needs of Tenant, with extended coverage, or proper endorsement in the event of a transfer of beneficial interest, issued by a title insurance company acceptable to Tenant, brought down to the date of the closing, insuring Tenant against loss or damage to the extent of the purchase price by reason of defects in or liens upon Landlord's title. Tenant, at its sole expense shall pay all closing costs.

The parties will close the transaction within 45 days from the date of Tenant's exercise. Tenant will adjust rent and other current expenses as of the date of closing.

#### **22.14 Cell Tower**

The Parties acknowledge that a cell tower exists on the Premises and will continue to exist per the cell tower lease and Tenant hereby approves of the cell tower. Accordingly, all income therefrom, if any, will remain with Landlord.

#### **22.15 Non-Discrimination Clause:**

Tenant herein covenants by and for himself, his heirs, executors, administrators, and assigns, and all persons claiming under or through him, and this Lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation



of any person or group of persons on account of sex, race, color, creed, religion, marital status, national origin, or ancestry, in the leasing, subleasing, transferring, use, or enjoyment of the land herein leased nor shall Tenant himself, or any person claiming under or through him, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessee, subtenants, or vendees in the land herein leased.

#### **22.16 Voluntary Programs:**

It is understood and agreed that from time to time Landlord may institute certain programs for the Premises which Landlord believes will be in the best interest of the Premises. Such programs shall include, but shall not be limited to a recycling program. Tenant agrees to promptly comply with and carry out its obligations under such programs as the same may exist from time to time.

#### **22.17 Prior Agreements:**

THIS LEASE CONTAINS THE ENTIRE AGREEMENT OF THE PARTIES HERETO AND ANY AND ALL ORAL AND WRITTEN AGREEMENTS, UNDERSTANDINGS, REPRESENTATIONS, WARRANTIES, PROMISES AND STATEMENTS OF THE PARTIES HERETO AND THEIR RESPECTIVE OFFICERS, DIRECTORS, PARTNERS, AGENTS AND BROKERS WITH RESPECT TO THE SUBJECT MATTER OF THIS LEASE AND ANY MATTER COVERED OR MENTIONED IN THIS LEASE SHALL BE MERGED IN THIS LEASE AND NO SUCH PRIOR ORAL OR WRITTEN AGREEMENT, UNDERSTANDING, REPRESENTATION, WARRANTY, PROMISE OR STATEMENT SHALL BE EFFECTIVE OR BINDING FOR ANY REASON OR PURPOSE UNLESS SPECIFICALLY SET FORTH IN THIS LEASE. NO PROVISION OF THIS LEASE MAY BE AMENDED OR ADDED TO EXCEPT BY AN AGREEMENT IN WRITING SIGNED BY THE PARTIES HERETO OR THEIR RESPECTIVE SUCCESSORS IN INTEREST. THIS LEASE SHALL NOT BE EFFECTIVE OR BINDING ON ANY PARTY UNTIL FULLY EXECUTED BY BOTH PARTIES HERETO.

#### **22.18 Acceptance and Date of Lease:**


##### **a. Acceptance**

The submission of this Lease to Tenant does not constitute an offer to lease. This Lease shall become effective only upon the execution and delivery thereof by both Landlord and Tenant. This Lease must be executed by Tenant, and a fully signed counterpart originals of this Lease must be returned to Landlord by December 1, 2024. Upon receipt of the above counterpart originals of this Lease, Landlord shall have the option and right to accept or reject the same within Landlord's sole discretion. If Landlord elects to accept this Lease, it shall execute and acknowledge the counterpart originals delivered by Tenant, insert the date of Landlord's acceptance on page 1, and promptly return one fully signed Lease to Tenant. Landlord shall have no liability or obligation to Tenant due to Landlord's rejection of this Lease or a failure to execute, acknowledge and deliver the same to Tenant.

##### **b. Date of Lease**

The date of this Lease shall be the date of acceptance hereof by Landlord as set forth in Section 1.1(a).

[Signature Page to Follow]

A handwritten signature in dark ink, appearing to be 'J. J. [unclear]', written over a faint, illegible printed name.

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the day and year first above set forth.

**LANDLORD:**

TONOPAH PARTNERS, LLC,  
a Nevada limited liability company

By: TONOPAH PARTNERS MGMT. CO.,  
INC., a Nevada corporation, Manager

By:   
\_\_\_\_\_  
RICHARD S. GORDON  
President

**TENANT:**

UNIVERSITY MEDICAL CENTER OF  
SOUTHERN NEVADA

By: \_\_\_\_\_  
Mason VanHouweling  
Chief Executive Officer

2100 W. CHARLESTON BLVD.  
APR: 139-32-004-013  
TOMORROW PARTNERS LLC  
2100 W CHARLESTON BLVD  
OR: 19290025.0002500  
AREA: 1.45 ACRES

CELL TOWER ENCLOSURE

PUBLIC RIGHT OF WAY PER BOOK 130, INSTRUMENT NO. 230371 OR 19220068.00002500

PUBLIC ACCESS

CHARLESTON BOULEVARD

SURVEY NOTES

1. BUILDING DIMENSIONS AS SHOWN ARE THE EXISTING BUILDING LINES. BUILDING SQUARE FOOTAGE 14,639 SQUARE FEET
2. THE CHARLESTON STREET IMPROVEMENTS UTILIZE THE EXISTING AREA GRANTED TO THE CITY OF LAS VEGAS, WITH THE EXCEPTION OF THE 20' CURB RETURN AREA FOR THE INTERSECTION OF CHARLESTON BOULEVARD AND TONGAN DRIVE
3. PARKING TOTALS HANDICAPPED ACCESSIBLE IS REGULAR 44

**EXHIBIT "B"**  
**RESTRICTIONS ON USE**

NONE

EXHIBIT "C"  
TENANT ESTOPPEL LETTER

\_\_\_\_\_(Lender) (Purchaser)

\_\_\_\_\_  
Attention:

RE: Lease Between \_\_\_\_\_, as Landlord  
("Landlord"), and \_\_\_\_\_ as Tenant ("Tenant"), dated  
\_\_\_\_\_, 20\_\_ on Property known as  
\_\_\_\_\_ located at \_\_\_\_\_,  
\_\_\_\_\_, Nevada.

Dear Sirs/Madam:

The undersigned, as Tenant(s) under the subject Lease, understands that you (Lender) are or will be [making a mortgage loan to Landlord which will be secured by property, including the Premises of the subject Lease,][purchasing the Shopping Center or a portion thereof containing the Premises] and hereby certifies, represents, warrants, confirms and agrees with you as follows for your reliance of your successors and assigns:

1. That the undersigned has accepted possession and is in actual occupancy of the Premises of the subject Lease;
2. That the Premises of the subject Lease are fully open for business and are in use by the undersigned, its employees and invitees;
3. That any and all improvements and space required to be furnished by Landlord according to the subject Lease have been completed in all respects and accepted by the undersigned;
4. That Landlord has completely fulfilled all of Landlord's duties and obligations of an inducement nature;
5. That the subject Lease has not been modified, altered, amended, changed, supplemented, terminated, or superseded in any manner except as follows: (Write "NONE" if there are none);
6. That the subject Lease sets forth all agreements and understandings of Landlord and the undersigned, as Tenant;
7. That there are no offsets or credit against rentals, that there are no claims or defenses to enforcement of the subject Lease, that rentals have not been prepaid except as provided by the subject Lease terms, and that no periods of free rentals are applicable to the term of the subject Lease except as set forth in Paragraph 4.1 and 4.2;

8. That no broker or other intermediary is entitled to receive any leasing, brokerage or other compensation out of or with respect to rentals of any kind under the subject Lease;
9. That the undersigned has no notice of a prior sale, transfer, assignment, hypothecation or pledge of the subject Lease or rents thereunder;
10. That the term of the subject Lease is for \_\_\_\_\_ years. The primary Lease term commenced on \_\_\_\_\_ and expires on \_\_\_\_\_.
11. That the monthly rental is \$\_\_\_\_\_, and rent has been paid to \_\_\_\_\_, 20\_\_\_\_;
12. That the undersigned hereby acknowledges and agrees that existing parking facilities meet the requirements of the subject Lease;
13. That the undersigned agrees to notify you at the above shown address, or such address as you may hereafter specify, of any material default on the part of Landlord after the date hereof unless the undersigned is advised by you that the contemplated mortgage loan from you to Landlord will not be made;
14. That the undersigned agrees that without your written consent, the undersigned will not: (a) modify or in any manner alter the terms for the subject Lease; (b) pay the rent or any other sums becoming due under the terms of the subject Lease more than two months in advance; or (c) accept Landlord's waiver of or release from the performance of any obligations of Tenant under the subject Lease;
15. That should you advise the undersigned that Landlord is in default in the indebtedness to you and request that payment of all future rentals be made directly to you pursuant to an Assignment of Leases and Rents, the undersigned agrees that the undersigned shall make all future rental payments under the subject Lease directly to you until instructed otherwise by you;
16. That the undersigned will in no event look to you for the return of any security deposit under the subject Lease, except as is actually received by you. Pursuant to the subject Lease, Tenant has not made a security deposit.
17. That none of the following events have occurred: (a) the filing by or against the undersigned of a petition in bankruptcy, insolvency, reorganization, or an action for the appointment of a receiver or trustee; or (b) the making of an assignment for the benefit of creditors;
18. That the subject Lease is in full force and effect, is not in default, and is hereby ratified and confirmed;

19. That at the date hereof, there are no defaults by Landlord or the undersigned, as Tenant, in their respective performances of any of the agreements, duties, obligations, terms and conditions of the subject Lease by them respectively to be performed which exist on the date hereof, and that no event has occurred which, after the passage of time or after the expiration of any grace period, right of cure period, or any other period provided by law or by the Lease, would constitute a default under the subject Lease;
20. That the undersigned has not subleased or assigned, whether outright or by collateral assignment, all or any portion of the undersigned's rights under the subject Lease;
21. That the entity, person and/or officer executing this certification is empowered by action, resolution or at law to execute the same, and this certificate shall be binding on the undersigned, its successors and assigns.

[ALTERNATIVES TO ABOVE PROVISIONS IF SPACE IS LEASED BUT NOT YET OCCUPIED OR OPEN:

1. That the undersigned has no reason to believe that it will not accept possession or occupy the Premises of the subject Lease;
2. That the Premises of the subject Lease upon occupancy of the Tenant will be fully open for business and will be used by the undersigned, its employees and invitees;
3. That Tenant has no reason to believe that any and all improvements and space required to be furnished by Landlord according to the subject Lease will not be completed in all respects and accepted by the undersigned;
4. That Landlord has completely fulfilled all of Landlord's duties and obligations of an inducement nature required to be filled as of the date hereof;
6. That the term of the subject Lease is for \_\_\_\_\_ years. The primary Lease term will commence on the Lease Commencement Date set forth in the Lease.
7. That the monthly rental is \$\_\_\_\_\_, and rent has been paid to \_\_\_\_\_, 20\_\_\_\_;]

TENANT:

\_\_\_\_\_  
a  
By:\_\_\_\_\_  
Name:\_\_\_\_\_  
Its:\_\_\_\_\_  
Date:\_\_\_\_\_



## DISCLOSURE OF OWNERSHIP/PRINCIPALS

<b>Business Entity Type (Please select one)</b>						
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input checked="" type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Corporation	<input type="checkbox"/> Trust	<input type="checkbox"/> Non-Profit Organization	<input type="checkbox"/> Other
<b>Business Designation Group (Please select all that apply)</b>						
<input type="checkbox"/> MBE	<input type="checkbox"/> WBE	<input type="checkbox"/> SBE	<input type="checkbox"/> PBE	<input type="checkbox"/> VET	<input type="checkbox"/> DVET	<input type="checkbox"/> ESB
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise	Veteran Owned Business	Disabled Veteran Owned Business	Emerging Small Business
<b>Number of Clark County Nevada Residents Employed:</b>						
0						
<b>Corporate/Business Entity Name:</b> Tonopah Partners, LLC						
<b>(Include d.b.a., if applicable)</b>						
<b>Street Address:</b>		10655 Park Run Drive #160		<b>Website:</b>		
<b>City, State and Zip Code:</b>		Las Vegas, NV 89144		<b>POC Name:</b> Richard Gordon		
				<b>Email:</b> rgordon@laurichproperties.com		
<b>Telephone No:</b>		702-220-4500		<b>Fax No:</b> 702-220-4900		
<b>Nevada Local Street Address:</b>		Same		<b>Website:</b>		
<b>(If different from above)</b>						
<b>City, State and Zip Code:</b>				<b>Local Fax No:</b>		
<b>Local Telephone No:</b>				<b>Local POC Name:</b>		
				<b>Email:</b>		

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

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


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

Full Name	Title	% Owned (Not required for Publicly Traded Corporations/Non-profit organizations)
SEE ATTACHED		

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	Tonopah Partners Mgmt. Co., Inc., Manager Richard Gordon Print Name October 15, 2024 Date
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## 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)

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**For UMC Use Only:**

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

- ☐ Yes ☐ No Is the UMC employee(s) noted above involved in the contracting/selection process for this particular agenda item?
- ☐ Yes ☐ No Is the UMC employee(s) noted above involved in any way with the business in performance of the contract?

Notes/Comments:

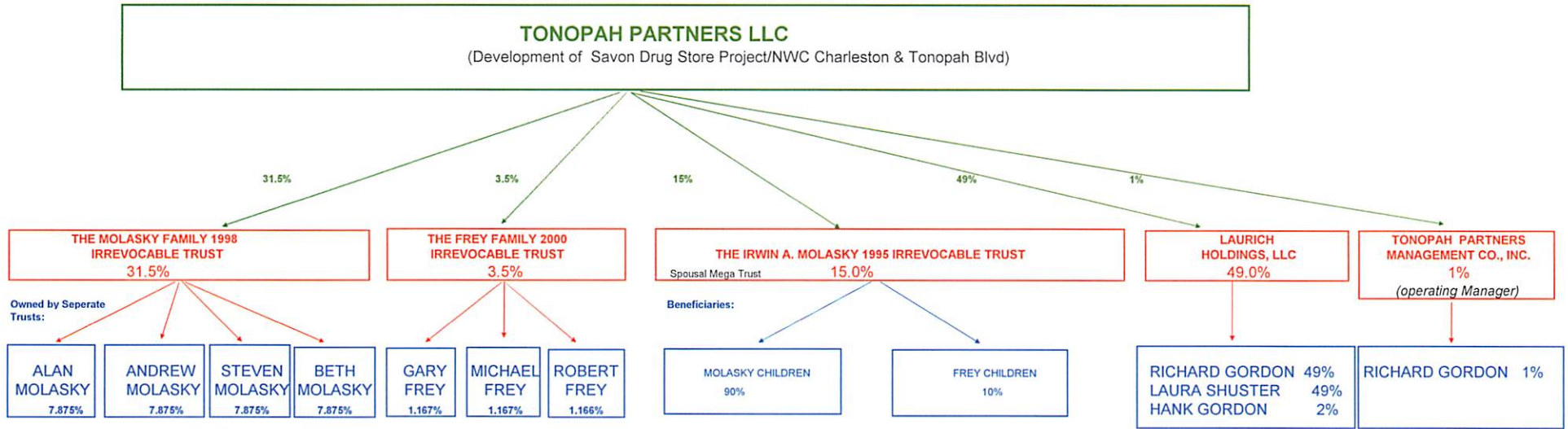


Signature

Richard A. Gordon

Print Name

Authorized Department Representative



FINAL OWNERSHIP:	MEMBERS
ALAN MOLASKY	11.250%
ANDREW MOLASKY	11.250%
STEVEN MOLASKY	11.250%
BETH MOLASKY	11.250%
ROBERT FREY	1.667%
GARY FREY	1.667%
MICHAEL FREY	1.667%
RICHARD GORDON	25.001%
LAURA SHUSTER	24.000%
HANK GORDON	1.000%
TOTAL	100.00%

**Tonopah Partners Mgmt.Co., Inc. Officers:**

Hank Gordon President  
 Laura Groseth Secretary  
 Richard Gordon Treasurer/VP  
 BOARD OF DIRECTORS: Richard Gordon

The Board of Directors shall be responsible for the control and management of the affairs, property and interests of the corp and may exercise all powers of the corp, except as are in the Certificate of Incorp. or by statute expressly conferred upon to the stockholders. (Article III, Section 2 Bylaws)

**Who Controls Decisions:** Tonopah Partners Mgmt.Co., Inc. as Operating Manager

**How to Change Control:** Re-elect officers by a majority of the full Board of Directors and/or re-elect Board of Directors by majority vote by stockholders.  
 The Board of Directors control the company by Majority  
 Majority of full Board of Directors can transfer authority/removal of any officer of the company (Article iV,Section 3 By-Laws)

Tonopah Partners LLC's Operating Agreement specifically states that the Managers may not: sell, lease, exchange or otherwise dispose of substantially all the company's property and assets without the approval by 75% members. (Section 8.2)

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

<b>Issue:</b>	<b>Award of Bid No. 2024-03, UMC 6 North &amp; 1 South Renovation Project PWP# CL-2024-535, to Builders United, LLC</b>	<b>Back-up:</b>
<b>Petitioner:</b>	Jennifer Wakem, Chief Financial Officer	<b>Clerk Ref. #</b>
<b>Recommendation:</b> <b>That the Governing Board Audit and Finance Committee review and recommend for award by the Board of Hospital Trustees for University Medical Center of Southern Nevada the Bid No. 2024-03, UMC 6 North &amp; 1 South Renovation Project PWP# CL-2024-535, to Builders United, LLC, the lowest responsive and responsible bidder, contingent upon submission of the required bonds and insurance; authorize the Chief Executive Officer to execute change orders within his delegation of authority; or take action as deemed appropriate. <i>(For possible action)</i></b>		

**FISCAL IMPACT:**

Fund Number: 5430.011

Fund Name: Clark County Capital Equipment Transfer

Fund Center: 3000999901

Funded Pgm/Grant: N/A

Description: Award of Bid 2024-03 UMC 6 North & 1 South Renovation

Bid/RFP/CBE: Formal bid pursuant to NRS 338.1385.

Term: 154 days from the date provided in a Notice to Proceed from UMC to Vendor, subject to any alteration in days allowed for in subsequently executed change orders, if applicable.

Amount: \$5,659,801.27

Out Clause: UMC has the right to immediately terminate for convenience upon notice.

**BACKGROUND:**

On August 25, 2024, Bid No. 2024-03 was published in the Las Vegas Review-Journal and posted on the Nevada Government eMarketplace (NGEM) Portal, soliciting bid proposals for improvements of a UMC-owned property located at 1800 W Charleston Blvd, Las Vegas, NV 89102.

This project is primarily planned to take place within the Main 7 Story Tower and a single level building at the southeast side of the primary UMC campus at the address of 1800 W Charleston Blvd, Las Vegas, NV 89102. The scope includes new casework, flooring, ceilings, plumbing fixtures, sanitary piping, domestic plumbing lines, hydronic lines, and surface finishes. Access controls and all fire detection systems for the building are, or are to be, provided by Honeywell.

Cleared for Agenda  
October 23, 2024

Agenda Item #

**17**

UMC received responses from:

<u>Bids Received</u>	<u>Total Base Bid Amount</u>
Builders United, LLC	\$ 5,659,801.27
Martin-Harris Construction, LLC	\$ 5,747,603.00
JMB Construction, Inc.	\$ 5,860,017.00
Affordable Concepts, Inc.	\$ 5,968,472.00
Monument Construction	\$ 5,986,578.00
The Korte Company	\$ 6,669,233.00

All of the above bids were received on or before October 4, 2024 and were opened on October 4, 2024. The apparent low bid of \$5,659,801.27 was received from Builders United, LLC, who correctly submitted all required documentation within the relevant deadlines. The recommendation of award to Builders United, LLC, is in accordance with NRS 338.1385(5), which requires a public body or its authorized representative to award a contract to the lowest responsive and responsible bidder.

The term of the agreement is 154 days from the date provided in a Notice to Proceed from UMC to Vendor, subject to any alteration in days allowed for in subsequently executed change orders, if applicable, plus a 12-month workmanship warranty. UMC may terminate the Agreement for convenience prior to, or during, the performance of the work.

UMC's Director of Facilities Maintenance has reviewed the bid documents and recommends award as requested above.

The bid documents and notice of award have been approved as to form by UMC's Office of General Counsel.

Builders United, LLC, currently holds a Clark County Business License.





October 30, 2024

Builders United, LLC  
ATTN: Kallen Kildea, President  
6001 S Decatur Blvd, Suite J  
Las Vegas, NV 89118

**RE: NOTICE OF AWARD**  
**UMC BID NUMBER 2024-03, UMC 6 North & 1 South Renovation Project (PWP NO. CL-2024-535)**

Dear Mr. Kildea,

Thank you for submitting all of the required documentation for the above-referenced Bid. All documentation appears to be in order, and this project is hereby awarded to Builders United, LLC, in the amount of \$5,659,801.27. This Notice of Award letter authorizes you to immediately execute the required contracts with your equipment and material supplier(s) and required subcontractor(s). No substitution of listed subcontractor(s) is permitted unless first submitted to University Medical Center of Southern Nevada ("UMC") in writing and in accordance with the contract documents. A copy of the contract document is enclosed for your records. In accordance with the contract documents, if you have not already done so, please provide the following within ten (10) business days of the date of this award: Certificate of Insurance for Builders Risk/Course of Construction; Labor and Material Payment Bond; Performance Bond and Guaranty Bond.

This is not the Notice to Proceed. UMC's Plant Operations department will administer this contract and will contact you in the near future to schedule the project kickoff meeting. They will also coordinate with our Public Safety Office/Officers and Contracts Management teams to ensure you have all of the resources and support needed to complete this project. Further, they will ensure project activities do not unduly disrupt services to our patients, their loved ones, staff and the public.

Thank you for your continued interest in doing business with UMC.

Sincerely,

Mason Van Houweling  
Chief Executive Officer

Enclosure(s): Contract Documents (Bid Document and Contractor's Bid Form)

Cc: Monty Bowen, Plant Operations  
Tamera Hone, Plant Operations  
Stephanie L. Charfauros, Project Management

## BID ATTACHMENT 1

**BID NUMBER** 2024-03

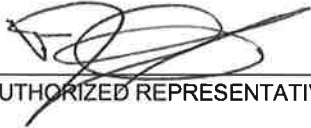
**BID TITLE** UMC 6 NORTH & 1 SOUTH RENOVATION

### Bidder Statement of Authority to Submit Bid

Bidder hereby offers and agrees to furnish the material(s) and service(s) in compliance with all terms, conditions, specifications, and amendments in the Invitation to Bid and any written exceptions in the offer. We understand that the items in this Invitation to Bid, including, but not limited to, all required certificates are fully incorporated herein as a material and necessary part of the contract.

The undersigned hereby states, under penalty of perjury, that all information provided is true, accurate, and complete, and states that he/she has the authority to submit this bid.

**I certify, under penalty of perjury, that I have the legal authorization to bind the firm hereunder:**

	<u>Builders United, LLC</u>
<u>SIGNATURE OF AUTHORIZED REPRESENTATIVE</u>	<u>LEGAL NAME OF FIRM</u>
<u>Kallen Kildea, President</u>	<u>6001 S Decatur Blvd. Ste J</u>
<u>NAME AND TITLE OF AUTHORIZED REPRESENTATIVE</u>	<u>ADDRESS OF FIRM</u>
<u>702.499.2608</u>	<u>Las Vegas NV 89118</u>
<u>PHONE NUMBER OF AUTHORIZED REPRESENTATIVE</u>	<u>CITY, STATE ZIP</u>
<u>kallen@buildersunited.com</u>	<u>09-26-2024</u>
<u>EMAIL ADDRESS</u>	<u>DATE</u>

### BUSINESS LICENSE / CONTRACTORS LICENSE INFORMATION:

<u>CURRENT STATE: Nevada</u>	<u>LICENSE NO. 0074612</u>	<u>ISSUE DATE: 03-11-2010</u>	<u>EXPIRATION DATE: 03-31-2026</u>
<u>CURRENT COUNTY: Clark</u>	<u>LICENSE NO. 2006335-240</u>	<u>ISSUE DATE: 05-01-2024</u>	<u>EXPIRATION DATE: 10-31-2024</u>
<u>CURRENT CITY: Las Vegas</u>	<u>LICENSE NO. 1002112998</u>	<u>ISSUE DATE: 05-01-2024</u>	<u>EXPIRATION DATE: 10-31-2024</u>

## BID ATTACHMENT 3 - Page 1 of 5

### UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA

#### **BID FORM**

**BID NO. 2024-03**

**UMC 6 North & 1 South Renovation**

**PWP NUMBER: CL- 2024-535**

Builders United, LLC

(NAME)

6001 S Decatur Blvd, Ste. J, Las Vegas NV 89118

(ADDRESS)

#### **I, THE UNDERSIGNED BIDDER:**

1. Agree, if awarded this Contract, I will complete all work for which a Contract may be awarded and to furnish any and all labor, equipment, materials, transportation, and other facilities required for the services as set forth in the Bidding and Contract Documents.
2. Have examined the Contract Documents and the site(s) for the proposed work and satisfied themselves as to the character, quality of work to be performed, materials to be furnished and as to the requirements of the specifications.
3. Have completed all information in the blanks provided and have submitted the following within this Bid:
  - a) **BID ATTACHMENT 6:** Have listed the name of each Subcontractor which will be paid an amount exceeding five percent (5%) of the Total Base Bid amount.
  - b) **BID ATTACHMENT 4:** Attached a bid security in the form of, at my option, a Cashier's Check, Certified Check, Money Order, or Bid Bond in favor of the OWNER in the amount of five percent (5%) of the Total Base Bid amount.
  - c) If claiming the preference eligibility, I have submitted a valid Certificate of Eligibility with this Bid.
4. I acknowledge that if I am one of the three apparent low bidders at the bid opening, and if I have listed Subcontractor(s) pursuant to NRS 338.141, I must submit **BID ATTACHMENT 5** within two (2) hours after completion of the bid opening pursuant to the Instructions to Bidders, forms must be submitted via email to [fred.parandi@umcsn.com](mailto:fred.parandi@umcsn.com) and I understand that OWNER shall not be responsible for lists received after the two-hour time limit, regardless of the reason. I understand that submission after the two-hour time limit is not allowed and will be returned to me and the bid will be deemed non-responsive. I acknowledge that for all projects, I will list:
  - a) My firm's name on the list if my firm will perform any work which is more than 1 percent (1%) of the BIDDER's total bid and which is not being performed by a subcontractor. The BIDDER shall also include on the list:
    - 1) A description of the labor or portion of the work that the BIDDER will perform; or
    - 2) A statement that the BIDDER will perform all work other than that being performed by a subcontractor listed.
  - b) The name of each first tier subcontractor who will provide labor or a portion of the work or the public work to the BIDDER for which the first tier subcontractor will be paid an amount exceeding \$250,000.
  - c) If I will employ a first tier subcontractor who will provide labor or a portion of the work on the public work to the BIDDER for which the first tier subcontractor will not be paid an amount exceeding \$250,000, the name of each first tier subcontractor who will provide labor or a portion of the work on the public work to the BIDDER for which the first tier subcontractor will be paid 1 percent (1%) of the BIDDER's total bid or \$50,000, whichever is greater.
5. I acknowledge that if I am one of the three apparent low BIDDER(s) at bid opening, and if I have submitted a valid Certificate of Eligibility as described in 3 (c) above, I must submit **BID ATTACHMENT 7, Affidavit Pertaining to Preference Eligibility**, within two-hours after completion of the bid opening pursuant to the General Conditions. The forms must be submitted via email to [fred.parandi@umcsn.com](mailto:fred.parandi@umcsn.com). OWNER shall not be responsible for lists received after the two-hour time limit, regardless of the reason. I understand that submission of the Certificate after the two-hour time limit is not allowed and it will be returned to me and the bid will be deemed non-responsive.



## BID ATTACHMENT 3 - Page 2 of 5

BID NO. 2024-03

### UMC 6 North & 1 South Renovation

6. I acknowledge that if I am one of the three apparent low BIDDER(s) for the base bid at the bid opening, I must submit the **BID ATTACHMENT 14 "Disclosure of Ownership/Principals"** form within 24-hours of request.
7. I acknowledge that if I am one of the three apparent low BIDDER(s) for the base bid at the bid opening, I must submit the **BID ATTACHMENT 11, Schedule of Values**, by 5:00 PM of the next business day.
8. I acknowledge that if notified that I am the low BIDDER, I must submit **BID ATTACHMENT 13, Prime Contractor Acknowledgement of UMC Procedures & Practices and the Representations and Certifications** form by 5:00 PM of the next business day.
9. I acknowledge that my bid is based on the current State of Nevada prevailing wages, if applicable.
10. I acknowledge that I have not breached a public work contract for which the cost exceeds \$25,000,000, within the preceding year, for failing to comply with NRS 338.147 and the requirements of a contract in which I have submitted within 2 hours of the bid opening an Affidavit pertaining to preference eligibility.
11. I will provide the following submittals within ten (10) business days from receipt of Notice of Intent to Award:
  - a) Performance Bond, Labor and Material Payment Bond and a Guaranty Bond, for 100% of the Contract amount as required.
  - b) Certificates of insurance for Commercial General Liability in the amount of \$1,000,000, Automobile Liability in the amount of \$1,000,000, Pollution Liability, which includes Asbestos Liability or include an additional Asbestos Liability endorsement in the amount of \$1,000,000 including Asbestos Abatement Liability (proof of subcontractor certificate of insurance must be provided) and Workers' Compensation insurance issued by an insurer qualified to underwrite Workers' Compensation insurance in the State of Nevada, as required by law.
12. I acknowledge that if I do not provide the above submittals on or before the **tenth** business day after Notice of Intent to Award or do not keep the bonds or insurance policies in effect, or allow them to lapse during the performance of the Contract; I will pay over to the OWNER the amount of **\$200.00** per day as liquidated damages.
13. I confirm this bid is genuine and is not a sham or collusive, or made in the interest of, or on behalf of any person not herein named, nor that the Bidder in any manner sought to secure for themselves an advantage over any bidders.
14. I further propose and agree that if my bid is accepted, I will commence to perform the work called for by the contract documents on the date specified in the Notice to Proceed and I will complete all work within the calendar days **specified in the General Conditions**.
15. I further propose and agree that I will accept as full compensation for the work to be performed the price written in the Bid Schedule below.
16. I have carefully checked the figures below and the OWNER will not be responsible for any error or omissions in the preparation or submission of this Bid.
17. I agree no verbal agreement or conversation with an officer, agent or employee of the OWNER, either before or after the execution of the contract, shall affect or modify any of the terms or obligations of this Bid.
18. I am responsible to ascertain the number of addenda issued, and I hereby acknowledge receipt of the following addenda:

Addendum No. <u>1</u>	dated, <u>9/4/24</u>	Addendum No. _____	dated, _____
Addendum No. <u>2</u>	dated, <u>9/16/24</u>	Addendum No. _____	dated, _____
Addendum No. <u>3</u>	dated, <u>9/30/24</u>	Addendum No. _____	dated, _____
Addendum No. <u>4</u>	dated, <u>10/1/24</u>	Addendum No. _____	dated, _____

# BID ATTACHMENT 3 - Page 3 of 5

BID NO. 2024-03

UMC 6 North & 1 South Renovation

19. I agree to perform all work described in the drawings, specifications, and other documents for the amounts quoted below:

ITEM	DESCRIPTION	DOLLAR AMOUNTS
01	GENERAL REQUIREMENTS/OVERHEAD AND PROFIT INCLUDING SUPERVISION; MOBILIZATION, INCLUDING BONDS, INSURANCES	\$ 986,554.88
02	PERMITS AND FEES	\$ 15,000.00
03	3 <sup>rd</sup> PARTY TESTING/QAA	\$ 7,500.00
04	DEMOLITIONS	\$ 207,991.27
05	WOOD, PLASTICS, AND COMPOSITES	\$ 163,709.08
06	THERMAL AND MOISTURE PROTECTION	\$ 13,781.14
07	FINISHES	\$ 698,295.13
08	SPECIALTIES	\$ 52,764.48
09	MILLWORK	\$ included
10	BEHAVIORAL ACCESSORIES	\$ 52,764.48
11	PLUMBING	\$ 457,719.50
12	HVAC	\$ 878,204.33
13	ELECTRICAL	\$ 556,572.28
14	LOW VOLTAGE/ COMMUNICATIONS, NURSE CALL, NETWORK – TEST AND TERMINATE	\$ 63,791.56
15	FIRE SUPPRESSION	\$ 87,280.85
16	DOORS AND HARDWARE	\$ 299,558.29
17	HONEYWELL, FIRE ALARM, ACCESS CONTROLS & HVAC CONTROLS	\$ 475,514.00
18	ABOVE CEILING CODE UPGRADES	\$ 32,140.00
19	CONSTRUCTION CONTINGENCY	\$ 610,660.00
	TOTAL BID AMOUNT	\$ 5,660,185.26
	ADD ALTERNATIVES	
01		\$
02		\$
03		\$
04		\$
	ADD ALTERNATES AMOUNT	\$ \$0/ Included
	GRAND TOTAL BID AMOUNT	\$ 5,660,185.26

PLEASE PHOTOCOPY THIS FORM SHOULD ADDITIONAL SPACES BE REQUIRED

This Schedule of Values for the various portions of the work, aggregating the total contract Amount, shall be divided to facilitate payments to the BIDDER in accordance with the Contract Documents.

Builders United, LLC

Legal Name of Firm as It would appear on Contract

0074612

Nevada State Contractor's License Number

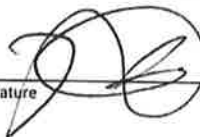
**BID ATTACHMENT 3 - Page 4 of 5**

**BID NO. 2024-03**  
**UMC 6 North & 1 South Renovation**

6001 S Decatur Blvd, Ste. J, Las Vegas NV 89118

Address Including City, State and Zip Code

Authorized Signature



Quantities stated are to be used to evaluate proposals and will not alleviate the BIDDER from completing all work as required in the Contract Documents and Plans. Each BIDDER is held responsible for the examination and/ or to have acquainted themselves with any conditions at the job site which would affect their work before submitting a bid. Failure to meet these criteria shall not relieve the BIDDER of the responsibility of completing the Bid without extra cost to the project OWNER. Estimates of quantities of the various items of work and materials, as set forth in the Proposal Form, are approximates only and given solely to be used as a uniform basis for the comparison.

**ADDITIVE ALTERNATES**

The OWNER may exercise the following items subject to the availability of funds. The additive alternate price quoted shall remain firm throughout the Contract term, as detailed in Instruction to Bidders.

Alternative	ITEM DESCRIPTION	TOTAL
1.		\$
2.		\$
3.		\$
4.		\$
5.		\$
6.		\$
7.		\$
	ADD ALTERNATES AMOUNT	\$ \$0/ Included
	GRAND TOTAL BID AMOUNT	\$ 5,660,185.26

## BID ATTACHMENT 3 - Page 5 of 5

BID NO. 2024-03  
UMC 6 North & 1 South Renovation

20. BUSINESS ENTERPRISE INFORMATION:

The BIDDER submitting this Bid is a ☐ MBE ☐ WBE ☐ PBE ☐ SBE ☐ VET ☐ DVET ☐ ESB as defined in the Instructions to Bidders. N/A

21. BUSINESS ETHNICITY INFORMATION:

The BIDDER submitting the Bid Ethnicity is ☒ Caucasian (CX) ☐ African American (AA) ☐ Hispanic American (HA) ☐ Asian Pacific American (AX) ☐ Native American (NA) ☐ Pacific Islander (PI)

☐ Other as defined in the Instructions to Bidders.

22. BIDDERS' PREFERENCE Is the Bidder claiming Bidders' Preference?

☒ Yes If yes, the Bidder acknowledges that he/she is required to follow the requirements set forth in the Affidavit (Bid Attachment7).

☐ No I do not have a Certificate of Eligibility to receive preference in bidding.

23. Builders United, LLC

LEGAL NAME OF FIRM AS IT WOULD APPEAR IN CONTRACT

6001 S Decatur Blvd, Ste. J

ADDRESS OF FIRM

Las Vegas NV 89118

CITY, STATE, ZIP CODE

702.499.2608

TELEPHONE NUMBER

702.891.0819

FAX NUMBER

NEVADA STATE CONTRACTORS' BOARD LICENSE INFORMATION:

I certify that the license(s) listed below will be the license(s) used to perform the majority of the work on this project.

LICENSE NUMBER: 0074612

LICENSE CLASS: B General Building

LICENSE LIMIT: Unlimited

ONE TIME LICENSE LIMIT INCREASE \$ N/A IF YES, DATE REQUESTED \_\_\_\_\_

DUN & BRADSTREET NUMBER 057172874

CLARK COUNTY BUSINESS LICENSE NO.

Multi-Jurisdictional - 1002112998

STATE OF NEVADA BUSINESS LICENSE NO.

NV20091128500

Kallen Kildea

AUTHORIZED REPRESENTATIVE  
(PRINT OR TYPE)

kallen@buildersunited.com

E-MAIL ADDRESS

SIGNATURE OF AUTHORIZED  
REPRESENTATIVE

10-04-2026

TODAY'S DATE

# **BID ATTACHMENT 14** **DISCLOSURE OF OWNERSHIP/PRINCIPALS**

<b>Business Entity Type (Please select one)</b>						
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input checked="" type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Corporation	<input type="checkbox"/> Trust	<input type="checkbox"/> Non-Profit Organization	<input type="checkbox"/> Other
<b>Business Designation Group (Please select all that apply) N/A</b>						
<input type="checkbox"/> MBE	<input type="checkbox"/> WBE	<input type="checkbox"/> SBE	<input type="checkbox"/> PBE	<input type="checkbox"/> VET	<input type="checkbox"/> DVET	<input type="checkbox"/> ESB
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise	Veteran Owned Business	Disabled Veteran Owned Business	Emerging Small Business
<b>Number of Clark County Nevada Residents Employed:</b>						
<b>Corporate/Business Entity Name:</b>		Builders United, LLC				
<b>(Include d.b.a., if applicable)</b>						
<b>Street Address:</b>		6001 S Decatur Blvd. Ste J		<b>Website:</b> buildersunited.com		
<b>City, State and Zip Code:</b>		Las Vegas, NV 89118		<b>POC Name:</b> Kallen Kildea		
<b>Telephone No:</b>		702.499.2608		<b>Email:</b> kallen@buildersunited.com		
<b>Telephone No:</b>		702.499.2608		<b>Fax No:</b> 702.891.0819		
<b>Nevada Local Street Address:</b>				<b>Website:</b>		
<b>(If different from above)</b>						
<b>City, State and Zip Code:</b>				<b>Local Fax No:</b>		
<b>Local Telephone No:</b>				<b>Local POC Name:</b>		
				<b>Email:</b>		

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

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

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

Full Name	Title	% Owned (Not required for Publicly Traded Corporations/Non-profit organizations)
Kallen Kildea	President	70%
Katherine Kildea	Vice President	30%

**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	Kallen Kildea Print Name 09-26-2024 Date
---	---

**BID ATTACHMENT 14 (page 2)**  
**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

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

<b>Issue:</b>	<b>Amendment Four to Master Professional Services Agreement and its Statement of Work with Medicus Healthcare Solutions, LLC</b>	<b>Back-up:</b>
<b>Petitioner:</b>	Jennifer Wakem, Chief Financial Officer	<b>Clerk Ref. #</b>
<b>Recommendation:</b>  <b>That the Governing Board Audit and Finance Committee review and recommend for approval by the Board of Hospital Trustees for University Medical Center of Southern Nevada, the Amendment Four to Master Professional Services Agreement and its Statement of Work with Medicus Healthcare Solutions, LLC for locum tenens and advanced practitioners staffing services; or take action as deemed appropriate. (<i>For possible action</i>)</b>		

## **FISCAL IMPACT:**

Fund Number: 5420.000	Fund Name: UMC Operating Fund
Fund Center: 3000714200	Funded Pgm/Grant: N/A
Description: Locum Tenens and Advanced Practitioners Staffing Services	
Bid/RFP/CBE: NRS 332.115.1(b) – Professional Services	
Term: Amendment 4 – extend for one (1) year from 1/1/2025 to 12/31/2025	
Amount: Amendment 4 – additional NTE \$10,000,000	
Out Clause: 60 days w/o cause	

## **BACKGROUND:**

On November 16, 2022, the Governing Board approved the Master Professional Services Agreement (“Agreement”) with Medicus Healthcare Solutions, LLC (“Medicus”) to provide a full range of trauma and/or surgical anesthesiology locum tenens and advanced practitioners staffing services including, but not limited to, UMC’s Departments of Anesthesiology, Trauma, Emergency Room, Radiology, Cardiac Catheterization Lab, Burn Unit and/or Surgery. The initial Agreement Term was from November 16, 2022 through May 16, 2023, with three (3) renewal periods of six (6) months each unless terminated without cause with a 60-day notice, with a not-to-exceed amount of \$4,950,000.

Amendment One, effective March 21, 2023, extended the Term through December 31, 2023, increased the funding by adding a NTE \$11,050,000, and updated the fee schedule. A Radiology Statement of Work (“Radiology SOW”), effective July 21, 2023, added radiology locum tenens to provide project-based services. Amendment Two, effective December 5, 2023, extended the Agreement and Radiology SOW’s Term through December 31, 2024. Amendment Three, added funding of \$10,000,000.

Cleared for Agenda  
October 23, 2024

Agenda Item #

**18**

This Amendment Four requests to extend the Term for one (1) year through December 31, 2025, increase the funding by adding NTE \$10,000,000, and update the scope of services and fee schedule for the Radiology SOW, to anticipate continued services provided by Medicus that were not contemplated in the original Agreement.

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





**Amendment Four to Master Professional Services Agreement and its Statement of Work**

This Amendment Four ("Amendment Four") is made and entered into as of this 19<sup>th</sup> day of November, 2024 (the "Amendment Effective Date") by and between **Medicus Healthcare Solutions, LLC**, a New Hampshire limited Liability company with a principal place of business at **22 Roulston Rd., Windham, NH 03087** ("Medicus") and **University Medical Center of Southern Nevada**, a publicly owned and operated hospital created by virtue of Chapter 450 of the Nevada Revised Statutes with a principal place of business at **1800 W. Charleston Blvd., Las Vegas, NV 89102** ("Client").

RECITALS:

WHEREAS, Client and Medicus entered into a Master Professional Services Agreement with an effective date of November 16, 2022, as amended ("Agreement"); and

WHEREAS, subsequent to the signing of the Agreement, Client and Medicus entered into a Statement of Work for Medicus to provide project-based services in the specialty of radiology to Client with an effective date of July 21, 2023 ("Radiology SOW").

NOW, THEREFORE, the parties wish to continue their relationship under the Agreement and the Radiology SOW and amend them as follows:

1. In Section 2.1 Term of the Agreement, the end date of December 31, 2024 shall be replaced with December 31, 2025.
2. In Exhibit B – Statement of Work; Section 6 SOW Term of the Agreement, the end date of December 31, 2024 shall be replaced with December 31, 2025.
3. In Section 6 SOW Term of the Radiology SOW, the end date of December 31, 2024 shall be replaced with December 31, 2025.
4. Effective January 1, 2025, the following is added to Section 1.2 Scope of Services of the Radiology SOW:  
  

*"Two (2) FTEs for overnight coverage, seven (7) days a week."*
5. Effective January 1, 2025, Section 4 Fees of the Radiology SOW under "Diagnostic (Daytime, Swing, Overnight)" Modality of the Transition Services pricing model table, the following shall be deleted and replaced with:

Modality	Target FTEs	Shift Length (Hrs)	Onsite/ Remote	Maximum Hourly Rate (will not exceed)	Call	Call Rate	Comments
Diagnostic (Daytime, Swing, Overnight)	Up to 6	8	7 days per week; tele support acceptable	Daytime: \$450  Swing: \$500  Overnight: \$650	N/A	N/A	(TBD) Daytime (TBD) Swing (2 FTEs) Overnight  1 provider daily that can Nuc Med

6. In Exhibit B – Statement of Work; Section 4 Fees of the Agreement, the funding is hereby amended to add an additional not to exceed amount of \$10,000,000 for the Term of the Agreement.
7. All other provisions of the Agreement and the Radiology SOW not conflicting with this Amendment Four will remain in full force and effect.

[Signature page to follow]

**IN WITNESS WHEREOF**, the parties execute this Amendment Four as of the Amendment Effective Date. Each person who signs this Amendment Four below represents that such person is fully authorized to sign this Amendment Four on behalf of the applicable party.

**Medicus Healthcare Solutions, LLC**

DocuSigned by:  
Name: Heather Croke *Heather Croke*  
C177F7996290455...

Signature: \_\_\_\_\_  
9/26/2024 | 12:39 PM EDT

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

Title: CPO

**University Medical Center of Southern Nevada**

Name: Mason Van Houweling

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

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

Title: CEO

## DISCLOSURE OF OWNERSHIP/PRINCIPALS

<b>Business Entity Type (Please select one)</b>						
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input checked="" type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Corporation	<input type="checkbox"/> Trust	<input type="checkbox"/> Non-Profit Organization	<input type="checkbox"/> Other
<b>Business Designation Group (Please select all that apply)</b>						
<input type="checkbox"/> MBE	<input type="checkbox"/> WBE	<input type="checkbox"/> SBE	<input type="checkbox"/> PBE	<input type="checkbox"/> VET	<input type="checkbox"/> DVET	<input type="checkbox"/> ESB
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise	Veteran Owned Business	Disabled Veteran Owned Business	Emerging Small Business
<b>Number of Clark County Nevada Residents Employed: 0</b>						
<b>Corporate/Business Entity Name:</b> MEDICUS HEALTHCARE SOLUTIONS, LLC						
<b>(Include d.b.a., if applicable)</b>						
<b>Street Address:</b> 22 ROUSTON RD			<b>Website:</b> MEDICUSHS.COM			
<b>City, State and Zip Code:</b> NINDHAM, NH 03087			<b>POC Name:</b> JOHN LANDERS			
<b>Telephone No:</b> 603-212-9812			<b>Email:</b> JLANDERS@MEDICUSHS.COM			
<b>Nevada Local Street Address:</b> N/A			<b>Website:</b>			
<b>(If different from above)</b>			<b>Local Fax No:</b>			
<b>City, State and Zip Code:</b>			<b>Local POC Name:</b>			
<b>Local Telephone No:</b>			<b>Email:</b>			

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

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

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

Full Name	Title	% Owned (Not required for Publicly Traded Corporations/Non-profit organizations)

**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: [Signature]  
 Title: Director, Contracts

Print Name: Ryann Trainor  
 Date: 9-23-2024

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

<b>Issue:</b> <b>Emerging Issues</b>	<b>Back-up:</b>
<b>Petitioner:</b> Jennifer Wakem, Chief Financial Officer	
<b>Recommendation:</b>  <b>That the Audit and Finance Committee identify emerging issues to be addressed by staff or by the Audit and Finance Committee at future meetings; and direct staff accordingly. <i>(For possible action)</i></b>	

**FISCAL IMPACT:**

None

**BACKGROUND:**

None

Cleared for Agenda  
October 23, 2024

Agenda Item #

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