
# Audit and Finance Committee

ProVidence Suite

# AGENDA

**University Medical Center of Southern Nevada**
GOVERNING BOARD
AUDIT & FINANCE COMMITTEE
**March 18, 2020 2:00 p.m.**
800 Hope Place, Las Vegas, Nevada
UMC Trauma Building, ProVidence Suite (5th Floor)

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

**This meeting has been properly noticed and posted in the following locations:**

| | | | |
|---|---|---|---|
| University Medical Center<br>1800 W. Charleston Blvd.<br>Las Vegas, NV<br>(Principal Office) | CC Government Center<br>500 S. Grand Central Pkwy.<br>Las Vegas, NV | Third Street Building<br>309 S. Third St.<br>Las Vegas, NV | Regional Justice Center<br>200 Lewis Ave., 1st Flr.<br>Las Vegas, NV |
| City of Las Vegas<br>495 S. Main St.<br>Las Vegas, NV | City of Henderson<br>240 Water St.<br>Henderson, NV | | |

- 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 February 19, 2020. *(For possible action).*

3. Approval of Agenda. *(For possible action)*

**SECTION 2: BUSINESS ITEMS**

4. Receive the monthly financial report for February FY20; and direct staff accordingly. *(For possible action)*

5. Receive an update report from the Chief Financial Officer; and direct staff accordingly. *(For possible action)*

6. Review and recommend for approval by the Governing Board the Professional Services Agreement with UNLV Medicine for Ryan White Services; and take action as deemed appropriate. *(For possible action)*

7. Review and recommend for approval by the Governing Board the Professional Services Agreement with UNLV Medicine for pediatric hospitalist services; and take action as deemed appropriate. *(For possible action)*

8. Review and recommend for approval by the Governing Board the Agreements with Intuitive Surgical, Inc., Aesculap, Inc., Bryton Corporation, ConMed Corporation, Covidien LP, Hill-Rom dba Trumpf Medical, Integra Life Sciences, JPK Surgical, Inc., and Stryker Sales Corporation; authorize the Chief Executive Officer to exercise any extension options and approve future order forms within his delegation of authority; and take action as deemed appropriate. *(For possible action)*

9. Review and recommend for award by the Governing Board RFP No. 2019-12 Website Redesign Services Phase II to R&R Partners, LLC; approve the Agreement for Website Redesign Phase II; authorize the Chief Executive Officer to exercise any extension options; and take action as deemed appropriate. *(For possible action)*

10. Review and recommend for approval by the Governing Board the Professional Services Order Form with Kaufman, Hall & Associates, LLC; authorize the Chief Executive Officer to execute future orders within his delegation of authority; and take action as deemed appropriate. (*For possible action*)

11. Review and receive feedback on the tentative FY 2021 Operating Budget to be considered by Clark County and discuss any changes; and direct staff accordingly. *(For possible action)*

**SECTION 3: EMERGING ISSUES**

12. 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**

A period devoted to comments by the general public about matters relevant to the Committee's jurisdiction will be held. No action may be taken on a matter not listed on the posted 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.

**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***
*February 19, 2020*

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

The University Medical Center Governing Board Audit and Finance Committee met at the location and date above, at the hour of 2:00 p.m. The meeting was called to order at the hour of 2:01 p.m. by Chair Robyn Caspersen and the following members were present, which constituted a quorum.

**CALL TO ORDER**

Board Members:

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

Other Present
Barbara Fraser

Absent:
Christian Haase

Others Present:
Tony Marinello, Chief Operating Officer
Jennifer Wakem, Chief Financial Officer
Lonnie Richardson, Chief Information Officer
Debra Fox, Chief Nursing Officer
Carissa Rey, Associate Administrator
Jacqueline Saites, Director of Contracts Management
Lia Allen, Attorney
Andi Lou, Administrative Assistant
Stephanie Ceccarelli, Administrative Assistant

**SECTION 1. OPENING CEREMONIES**

**ITEM NO. 1 PUBLIC COMMENT**

Committee Chair Caspersen asked if there were any persons present in the audience wishing to be heard on any item on this agenda.

Speaker(s): UNLV Student Interns

Chair Caspersen welcomed several guests joining the meeting including UNLV student interns who each gave brief introductions, Kim Hart, Director of Patient Accounting and Stephanie Ceccarelli, new Governing Board Secretary and member of the Legal Department were introduced and welcomed.

**ITEM NO. 2 Approval of minutes of the regular meeting of the UMC Governing Board Audit and Finance Committee meeting on January 22nd 2020. *(For possible action)***

FINAL ACTION: A motion was made by Member Hagerty that the minutes be approved as amended. Motion carried by unanimous vote.

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

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

## SECTION 2. BUSINESS ITEMS

**ITEM NO. 4 Review the results of the Surgery Inventory Follow Up Audit dated February 7, 2020; and direct staff accordingly *(For possible action)***

DOCUMENTS SUBMITTED:
-Surgery Inventory Follow up Audit Report

DISCUSSION: Nate Strohl, Internal Auditor presented a follow up audit in Surgery Department of the inventory by performing a cycle count of 15 inventory items in the ambient cabinets for the period of May 24 through June 5, 2019.

The objective of the audit was to determine whether corrective actions were implemented to address finding included in the original audit done on April 9th, 2018. Although improvements were made on the storage and tracking of inventory, however variances in 3 out 15 of inventory items were found during the audit.

Deb Fox, CNO and Jacqueline Saites, Director of Contracts Management discussed further UMC's action plan. UMC has implemented a communication log for tracking purposes and adjusted the PAR to eliminate the need for items to be stored outside the cabinet. Products taken for a surgery and not used are then returned to the cabinet the next day, but all the items are accounted for. A larger cabinet was purchased to store the products and checks and balance process has been modified to meet the standards since the audit.

**ITEM NO. 5 Receive the monthly financial report for January FY20; and direct staff accordingly. *(For possible action)***

DOCUMENTS SUBMITTED:
- January FY20

DISCUSSION: Jennifer Wakem, Chief Financial Officer presented the financials for January.

Total admissions down 10%
Observation cases down 10.3%
CMI is down
In patient surgery down 10%
Out-patient surgery cases were down 12%
ER visits up 9%
ED to Admits dropped to 19.3%
Quick Care volume is above budget 10%
Primary Care is down 17%

Discussion ensued regarding observation patients and length of stay.

-Trending stats
Admissions at 1876 below 12- month average by 88 admissions
CMI is 1.99%
ER visits at 10,469 visits
Overall ED conversion rate is low at 19.31%
Quick Care visits 20,214 visits

-Payor mix
Medicare up 2.25%
Self-pay down 1.73%

-Summary of Income Statement
Other revenue is up $683,000
Total net revenue was down $5 million, primarily due to volume
Total operating expenses $4.8 million down
Income from ops right on budget

-Key Indicators
Days Cash on hand – 4.5 months
Net days in AR is 89 days
Cash collections – 91.2%
Cash Collection goal – 79.5%
Candidate for bill – 6.3 days

SWB - $2.8 million favorable
Salaries – down $2.1 million
Overtime looks good.

Discussion continued regarding contract labor and where the services are going.

Capital Plan – out of $31 million, spent $700K and committed to $24.3 million

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

DOCUMENTS SUBMITTED:
- None submitted

DISCUSSION: Ms. Wakem informed the committee about discussions that are taking place between the county and state regarding the federal supplemental payments received through the Indigent Accident Fund (IAF)
The state has informed the county that the IGT rate is going to increase and therefore the County would like to propose that they redirect funds to long term care. The impact of this IAF adjustment will affect hospitals throughout the state. All hospitals are in communication with the state regarding this matter.

Ms. Wakem explained that a CMS ruling now requires that all payments from dual eligible patients be included in DSH calculation, which would result in less payments received by the hospital. This impacts prior years, current year and future years. We do have some DSH recoupment accrued. This is being monitored as there is a chance it will be heard by the Supreme Court and possibly overturned.

The committee discussed when they could meet prior to the next Audit and Finance meeting to discuss and work on the budget before it is due to the county.

A tentative date of April 1, 2020 at 2pm was proposed to schedule a special meeting of the Audit and Finance Committee to work on the budget.

Member Hagerty asked if it would be possible to also view the budget for the Sacred 6 business lines at the next Strategic Planning meeting.

FINAL ACTION TAKEN: None taken

**ITEM NO. 7 Receive an update regarding FY20 CEO Performance Goals related to the Audit and Finance Committee; and direct staff accordingly. *(For possible action)***

DOCUMENTS SUBMITTED:
- CEO Performance Goals FY20

DISCUSSION: Ms. Wakem reported the first goal is on trend to meet as UMC is tracking above budget. The second goal is awaiting the completion of an actuarial analysis from the State. Once this is complete, we will be able to move forward. Regarding, the third goal, UMC is working on a strategic plan to hit this goal. We are currently meeting goal number four with the assistance of Bluetree and the Patient Accounting team.

FINAL ACTION TAKEN: None taken

**ITEM NO. 8** **Review and recommend for approval by the Governing Board the Renewal of Maintenance for OneSign Single Sign-On Authentication/Management License (SSO-AML) with Imprivata, Inc.; authorize the Chief Executive Officer to exercise any extension options; and take action as deemed appropriate. *(For possible action)***

DOCUMENTS SUBMITTED:
- Renewal Quote
- Disclosure of Ownership

DISCUSSION: Ms. Saites stated this is a support maintenance agreement with One Sign-On and introduced Maria Sexton, Director of IT/ISO to provide details on the enterprise authentication badge tap-in and tap-out system. This system makes authentication easier for staff. This is for the renewal of the maintenance agreement, that is already implemented.

FINAL ACTION TAKEN: A motion was made by Member Hagerty to approve and make a recommendation to the Governing Board to approve the renewal agreement. Motion carried by unanimous vote.

**ITEM NO. 9** **Review and recommend for approval by the Board of Hospital Trustees for University Medical Center of Southern Nevada, the Fourth Amendment to Agreement with Change Healthcare Technologies, LLC for revenue cycle transactional activities; and take action as deemed appropriate. *(For possible action)***

DOCUMENTS SUBMITTED:
- Fourth Amendment Agreement

DISCUSSION: This is a request for an extension of the current Change Healthcare Technologies agreement. An extension is requested and an updated fee schedule was provided. This technology allows Patient Access to verify patient information.

FINAL ACTION TAKEN: A motion was made by Member Dr. MacKay to approve and make a recommendation to the Governing Board to approve the amendment. Motion carried by unanimous vote.

**ITEM NO. 10** **Review and recommend for approval by the Governing Board Amendment One to the Professional Services Agreement between Robert B. McBeath, M.D., dba Nevada Cancer Specialists and University Medical Center of Southern Nevada; and take action as deemed appropriate. *(For possible action)***

DOCUMENTS SUBMITTED:
- Amendment One to Agreement

DISCUSSION: Mr. Marinello led discussion regarding the request to renew our oncology program for one year. There will be no change in compensation and there is a 30 day out clause

FINAL ACTION TAKEN: A motion was made by Member Hagerty 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 approval by the Board of Hospital Trustees for University Medical Center of Southern Nevada, the Renewal Letter with WRI Charleston Commons, LLC to extend the lease at the Nellis Quick Care location; authorize the Chief Executive Officer to exercise any extension options; and take action as deemed appropriate. *(For possible action)***

DOCUMENTS SUBMITTED:
- Cover letter
- Renewal Letter
- Disclosure of Ownership

DISCUSSION: Mr. Marinello presented the request to extend the existing lease at the Nellis Quick Care Clinic for 6 months. This would avoid the need to pay a triple fee until it is decided what will be done ultimately.

FINAL ACTION TAKEN: A motion was made by Member Dr. MacKay to approve and make a recommendation to the Governing Board to approve the lease renewal. Motion carried by unanimous vote.

**ITEM NO. 12 Review and recommend for award by the Governing Board RFP No. 2019-16 Collection Agency for Self-Pay Bad Debt to (i) Aargon Agency, Inc. d/b/a Aargon Collection Agency; and (ii) CMRE Financial Services, Inc.; approve the RFP No. 2019-16 Service Agreements; authorize the Chief Executive Officer to exercise any extension options; and take action as deemed appropriate. *(For possible action)***

DOCUMENTS SUBMITTED:
- Service Agreement

DISCUSSION: Ms. Saites explained the process currently being used to collect outstanding debts. An RFP was posted to 25 companies. The strategy is to retain a second company and then evaluate the performance between the two companies, with the hope of receiving a 10% increase on returns from bad debt accounts. The vendors will work with the patient accounting team to get our bad down and incentivize them to do better.

FINAL ACTION TAKEN: A motion was made by Member Hagerty to approve and make a recommendation to the Governing Board to approve the service agreement and recommend the award. Motion carried by unanimous vote.

## SECTION 3: EMERGING ISSUES

**ITEM NO. 13 Identify emerging issues to be addressed by staff or by the Audit and Finance Committee at future meetings; and direct staff accordingly. (*For possible action)***

Chair Caspersen inquired when we are due for the next quarterly Epic update. She was informed that it would be in March.

**COMMENTS BY THE GENERAL PUBLIC:** None

At this time, Chair Caspersen asked if there were any persons present in the audience wishing to be heard on any items not listed on the posted agenda.

SPEAKERS(S): None

There being no further business to come before the Committee at this time, at the hour of 3:36 p.m., Chair Caspersen adjourned the meeting.

MINUTES APPROVED:
Minutes Prepared by: Andi Lou and Stephanie Ceccarelli

# Contracts Report Out Final - March 2020

## Audit and Finance Committee Agenda 3/18

**Agreements with a P&L Impact**

| Item # | Bid/RFP# or CBE | Vendor on GPO? | Contract Name | New Contract/Option Exercise or SOW Modification | Are Terms/Conditions the same? | This Contract Term | Out Clause | Contract Value | Capital/Maintenance and Support | Savings/Cost Increase | Requesting Department | Description/Comments |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 6 | NRS 332.115(1)(b) | No | UNLV Medicine | New Contract | N/A | 2 Years | 30 days w/o cause | Base Contract<br>NTE $380,000 | None | Cost Increase / estimated $70,000 per year | Wellness Center | Provide outpatient primary medical services, and office-based diagnostic services and treatments to HIV patients in the Las Vegas eligible metropolitan areas. |
| 7 | NRS 332.115(1)(b) | No | UNLV Medicine | New Contract | N/A | 3 Years | 90 days w/o cause | Base Contract<br>NTE $750,000 | None | None | Pediatrics | Provide pediatric hospitalist services with call coverage. |
| 8 | NRS 332.115(1) (c & d)<br>NRS 332.115(4)<br>GPO | Yes | Intuitive Surgical, Inc.<br>Multiple Project Vendors | New Contract | N/A | 6 Years | Budget Fund Out | Project Contract Total<br>NTE $3,426,529.57 | Capital<br>$2,401,670.34<br>Maintenance<br>$1,024,859.23 | None | Surgical Services | Purchase a second da Vinci Robot as well as equipment and instrumentation to allow the robot to function at optimal efficiency. |
| 9 | RFP | No | R&R Partners, Inc. | New | N/A | 5 Years | 30 days w/o cause | Base Contract<br>NTE $614,523.52 | Capital<br>$400,000<br>Maintenance<br>$214,523.52 | None | Information Technology | RFP Award for vendor to provide Website Build and hosting for UMC, and UMC's Intranet that will help the hospital exceed patient and physician expectations, improve patient perception and provide patients and employees with the best informational experience. |
| 10 | NRS 332.115.1 (b) | No | Kaufman Hall | SOW | Yes | 6 months | 30 days w/cause | Base Contract $989,700.00<br>Amendment 1 $998,812.76<br>Amendment 2 $9,000<br>NTE Aggregate $1,998,512.76 | N/A | Increase of $9,000 | Finance | Statement of work for professional services to assist in the FY 2020-2021 budget and FY2020-2024 Financial Planning |

**Audit and Finance Committee Agenda 3/18**

| 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/Option Exercise or SOW Modification | Are Terms/Conditions the same? | This Contract Term | Out Clause | Estimated Revenue | | | Requesting Dept. | Description/Comments |
| | | | | | | | | | | | | |
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# UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
# GOVERNING BOARD AUDIT AND FINANCE COMMITTEE
# AGENDA ITEM

| | | |
|---|---|---|
| **Issue:** | **Monthly Financial Report February FY20** | **Back-up:** |
| **Petitioner:** | Jennifer Wakem, Chief Financial Officer | |

**Recommendation:**

**That the Governing Board Audit and Finance Committee receive the monthly financial report for February FY20; and direct staff accordingly.** ***(For possible action)***

**FISCAL IMPACT:**

None

**BACKGROUND:**

The Chief Financial Officer will present the financial report for February FY20 for the committee's review and direction.



Respectfully submitted,

Jennifer Wakem
Chief Financial Officer

Cleared for Agenda
March 18, 2020

Agenda Item #
**4**

UNIVERSITY MEDICAL CENTER

# February 2020 Financials

# KEY INDICATORS – FEB

| Current Month | Actual | Budget | Variance | % | Prior Year | % |
|---|---|---|---|---|---|---|
| APDs | 15,322 | 14,834 | 488 | 3.29% | 14,739 | 3.96% |
| Total Admissions | 1,736 | 1,981 | (245) | (12.37%) | 2,004 | (13.37%) |
| Observation Cases | 1,217 | 1,378 | (161) | (11.68%) | 1,378 | (11.68%) |
| AADC | 528 | 512 | 16 | 3.13% | 526 | 0.38% |
| ALOS (Admits) | 5.71 | 5.22 | 0.49 | 9.39% | 5.08 | 12.40% |
| ALOS (Obs) | 1.37 | 1.36 | 0.01 | 0.87% | 1.36 | 0.87% |
| Hospital CMI | 1.77 | 1.88 | (0.11) | (6.08%) | 1.88 | (6.08%) |
| Medicare CMI | 1.82 | 2.27 | (0.45) | (19.96%) | 2.27 | (19.96%) |
| IP Surgery Cases | 729 | 825 | (96) | (11.64%) | 825 | (11.64%) |
| OP Surgery Cases | 478 | 401 | 77 | 19.20% | 401 | 19.20% |
| Total ER Visits | 9,480 | 8,504 | 976 | 11.48% | 8,990 | 5.45% |
| ED to Admission | 7.16% | - | - | - | 8.02% | (10.69%) |
| ED to Observation | 12.22% | - | - | - | 16.25% | (24.83%) |
| ED to Adm/Obs | 19.38% | - | - | - | 24.27% | (20.16%) |
| Quick Cares | 17,809 | 19,367 | (1,558) | (8.04%) | 17,428 | 2.19% |
| Primary Care | 5,728 | 6,403 | (675) | (10.54%) | 5,751 | (0.40%) |
| Deliveries | 119 | - | - | - | 129 | (7.75%) |

# TRENDING STATS

| | Feb- 19 | Mar- 19 | Apr- 19 | May- 19 | Jun- 19 | Jul- 19 | Aug- 19 | Sep- 19 | Oct- 19 | Nov- 19 | Dec- 19 | Jan- 20 | Feb- 20 | 12-Mo Avg | Feb to Avg Var |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| APDs | 14,739 | 16,180 | 15,580 | 15,982 | 15,534 | 15,832 | 16,174 | 15,157 | 15,742 | 14,915 | 15,590 | 17,011 | 15,322 | 15,703 | (381) |
| Total Admissions | 2,004 | 2,131 | 2,111 | 2,135 | 1,961 | 1,884 | 1,927 | 1,780 | 1,796 | 1,830 | 1,935 | 1,876 | 1,736 | 1,948 | (212) |
| Observation Cases | 1,378 | 1,514 | 1,469 | 1,375 | 1,420 | 1,462 | 1,348 | 1,292 | 1,438 | 1,287 | 1,340 | 1,315 | 1,217 | 1,387 | (170) |
| AADC | 526 | 522 | 519 | 516 | 510 | 511 | 522 | 505 | 508 | 497 | 503 | 549 | 528 | 516 | 12 |
| ALOS (Adm) | 5.08 | 5.21 | 5.07 | 5.21 | 5.32 | 5.63 | 5.58 | 5.51 | 5.33 | 5.13 | 5.23 | 5.67 | 5.71 | 5.33 | 0.38 |
| ALOS (Obs) | 1.36 | 1.29 | 1.39 | 1.26 | 1.69 | 1.44 | 1.49 | 1.87 | 1.41 | 1.46 | 1.49 | 1.53 | 1.37 | 1.47 | (0.10) |
| Hospital CMI | 1.88 | 1.84 | 1.90 | 2.13 | 1.85 | 1.78 | 1.75 | 1.67 | 1.72 | 1.74 | 1.84 | 1.75 | 1.77 | 1.82 | (0.05) |
| Medicare CMI | 2.27 | 2.24 | 2.64 | 2.65 | 2.07 | 2.10 | 1.88 | 1.81 | 1.67 | 1.86 | 1.96 | 1.99 | 1.82 | 2.10 | (0.28) |
| IP Surgery Cases | 825 | 837 | 922 | 936 | 869 | 803 | 826 | 725 | 755 | 742 | 783 | 712 | 729 | 811 | (82) |
| OP Surgery Cases | 401 | 510 | 453 | 472 | 477 | 559 | 552 | 480 | 595 | 493 | 506 | 497 | 478 | 500 | (22) |
| Total ER Visits | 8,990 | 10,308 | 9,904 | 9,871 | 9,336 | 9,782 | 9,633 | 9,373 | 9,795 | 10,339 | 9,676 | 10,469 | 9,480 | 9,790 | (310) |
| ED to Admission | 8.02% | 8.42% | 8.57% | 8.45% | 10.46% | 6.64% | 7.08% | 6.83% | 5.94% | 6.79% | 7.59% | 7.13% | 7.16% | 7.66% | (0.50%) |
| ED to Observation | 16.25% | 15.84% | 14.90% | 14.26% | 15.20% | 15.00% | 15.05% | 13.54% | 14.24% | 11.86% | 12.72% | 12.19% | 12.22% | 14.25% | (2.04%) |
| ED to Adm/Obs | 24.27% | 24.26% | 23.47% | 22.71% | 25.66% | 21.64% | 22.13% | 20.37% | 20.18% | 18.65% | 20.31% | 19.31% | 19.38% | 21.91% | (2.54%) |
| Quick Care | 17,428 | 19,279 | 17,084 | 15,548 | 13,548 | 13,194 | 14,074 | 14,217 | 15,792 | 18,339 | 17,597 | 20,214 | 17,809 | 16,360 | 1,450 |
| Primary Care | 5,751 | 5,987 | 6,789 | 6,225 | 5,060 | 5,532 | 5,003 | 5,400 | 5,979 | 4,448 | 4,846 | 5,591 | 5,728 | 5,551 | 177 |
| Deliveries | 129 | 128 | 135 | 139 | 145 | 174 | 190 | 164 | 146 | 139 | 153 | 142 | 119 | 149 | (30) |

# PAYOR MIX BY ADMITS - TREND

| Fin Class | Feb- 19 | Mar- 19 | Apr- 19 | May- 19 | Jun- 19 | Jul- 19 | Aug- 19 | Sep- 19 | Oct- 19 | Nov- 19 | Dec- 19 | Jan- 20 | Feb- 20 | 12-Mo Avg | Feb to Avg Var |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Commercial | 21.10% | 20.60% | 20.97% | 22.04% | 19.94% | 19.73% | 20.31% | 17.31% | 18.68% | 21.66% | 19.44% | 19.35% | 18.87% | 20.09% | (1.22%) |
| Government | 5.00% | 5.00% | 3.28% | 3.79% | 4.92% | 4.89% | 5.48% | 5.05% | 5.28% | 4.25% | 4.19% | 4.97% | 5.24% | 4.68% | 0.57% |
| Medicaid | 42.90% | 43.60% | 44.75% | 42.96% | 43.28% | 45.36% | 43.77% | 45.87% | 43.06% | 42.31% | 42.12% | 43.93% | 41.67% | 43.66% | (1.99%) |
| Medicare | 25.30% | 24.50% | 24.86% | 24.57% | 25.93% | 22.63% | 24.28% | 23.88% | 25.99% | 25.38% | 27.37% | 26.68% | 27.43% | 25.11% | 2.32% |
| Self Pay | 5.70% | 6.30% | 6.14% | 6.64% | 5.94% | 7.39% | 6.16% | 7.89% | 6.99% | 6.40% | 6.88% | 5.07% | 6.79% | 6.46% | 0.33% |

# SUMMARY INCOME STATEMENT – FEB

| REVENUE | Actual | Budget | Variance | % Variance |
|---|---|---|---|---|
| Total Gross Patient Revenue | $274,618,118 | $279,506,995 | ($4,888,877) | (1.75%) ↓ |
| Net Patient Revenue | $51,375,705 | $55,404,739 | ($4,029,034) | (7.27%) ↓ |
| Other Revenue | $1,508,476 | $1,535,086 | ($26,610) | (1.73%) ↓ |
| Total Net Revenue | $52,884,181 | $56,939,825 | ($4,055,644) | (7.12%) ↓ |
| Net Patient Revenue as a % of Gross | 18.71% | 19.82% | (1.11%) | - |

| EXPENSE | Actual | Budget | Variance | % Variance |
|---|---|---|---|---|
| Total Operating Expense | $54,358,634 | $56,172,191 | $1,813,556 | 3.23% ↑ |

| INCOME FROM OPS | Actual | Budget | Variance | % Variance |
|---|---|---|---|---|
| Total Inc from Ops | ($1,474,453) | $767,635 | ($2,242,088) | 292.08% ↑ |
| Add back: Depr & Amort. | $1,833,639 | $1,874,568 | $40,929 | 2.18% ↑ |
| **Tot Inc from Ops plus Depr & Amort.** | **$359,186** | **$2,642,203** | **($2,283,017)** | **(86.41%)** ↓ |

# SUMMARY INCOME STATEMENT – YTD FEB

| REVENUE | Actual | Budget | Variance | % Variance |
|---|---|---|---|---|
| Total Gross Patient Revenue | $2,368,830,991 | $2,318,636,648 | $50,194,343 | 2.16% |
| Net Patient Revenue | $428,488,727 | $441,109,816 | ($12,621,089) | (2.86%) |
| Other Revenue | $17,550,869 | $12,721,667 | $4,829,202 | 37.96% |
| Total Net Revenue | $446,039,596 | $453,831,483 | ($7,791,887) | (1.72%) |
| Net Patient Revenue as a % of Gross | 18.09% | 19.02% | (0.94%) | - |

| EXPENSE | Actual | Budget | Variance | % Variance |
|---|---|---|---|---|
| Total Operating Expense | $454,171,145 | $462,189,067 | $8,017,923 | 1.73% |

| INCOME FROM OPS | Actual | Budget | Variance | % Variance |
|---|---|---|---|---|
| Total Inc from Ops | ($8,131,549) | ($8,357,584) | $226,035 | 2.70% |
| Add back: Depr & Amort. | $14,836,065 | $14,919,338 | $83,273 | 0.56% |
| **Tot Inc from Ops plus Depr & Amort.** | **$6,704,516** | **$6,561,753** | **$142,762** | **2.18%** |

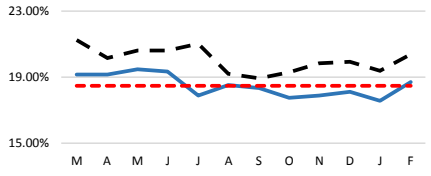
# KEY FINANCIAL INDICATORS - FEB

UMC UNIVERSITY MEDICAL CENTER

## PROFITABILITY

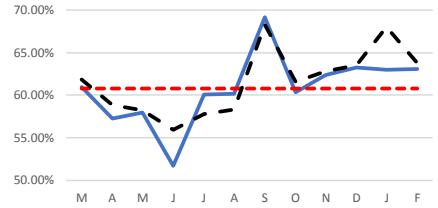
**18.71%** Net to Gross Ratio

Feb-20 (Rolling 12 Avg: 18.49%)



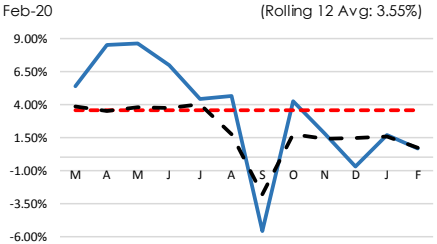

**63.05%** Salaries, Wages and Benefits as % of Net Revenue

Feb-20 (Rolling 12 Avg: 60.78%)



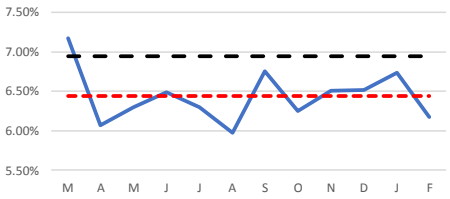

**0.68%** Operating Margin

Feb-20 (Rolling 12 Avg: 3.55%)



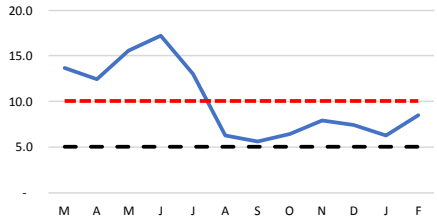

**6.17%** Cost to Collect

Feb-20 (Rolling 12 Avg: 6.67%)



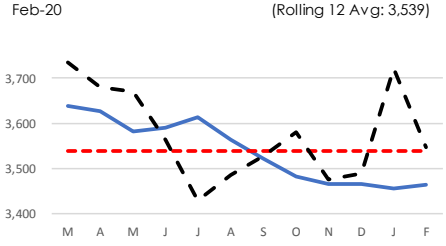

**8.5** Candidate for Billing Days

Feb-20 (Rolling 12 Avg: 10.0)




**3,464** Paid FTEs

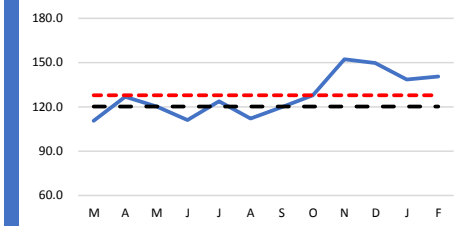
Feb-20 (Rolling 12 Avg: 3,539)




## LIQUIDITY

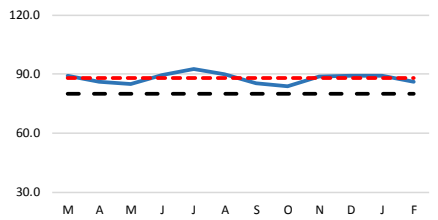
**140.2** Days Cash on Hand

Feb-20 (Rolling 12 Avg: 127.6)



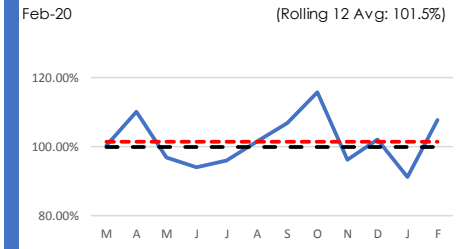

**86.1** Net Days in Accounts Receivable

Feb-20 (Rolling 12 Avg: 87.9)



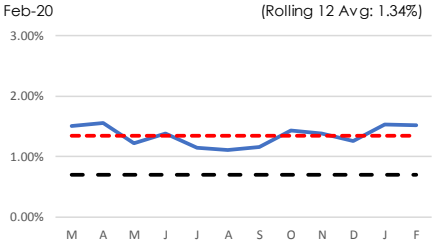

**107.7%** Cash Collections as % of Adjusted Net Revenue

Feb-20 (Rolling 12 Avg: 101.5%)



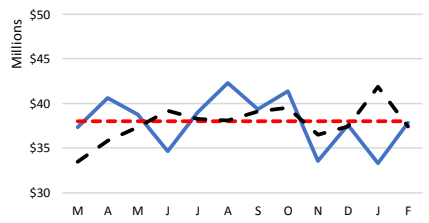

**1.52%** POS Collections as % of Adjusted Net Revenue

Feb-20 (Rolling 12 Avg: 1.34%)



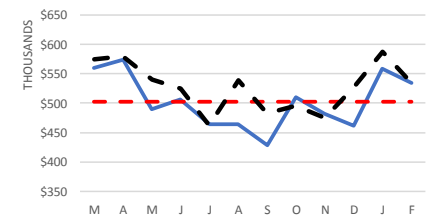

**101.2%** Cash Collection Goal

Feb-20 (Rolling 12 Avg: 100.4%)




**99.9%** POS Collection Goal

Feb-20 (Rolling 12 Avg: 95.4%)




Actual
Rolling Average
Target

# SALARY & BENEFIT EXPENSE - FEB

| | Actual | Budget | Variance | % Variance |
|---|---|---|---|---|
| Salaries | $21,904,891 | $22,086,219 | $181,327 | 0.82% |
| Benefits | $10,526,667 | $10,597,146 | $70,479 | 0.67% |
| Overtime | $695,632 | $958,564 | $262,932 | 27.43% |
| Contract Labor | $218,927 | $104,294 | ($114,634) | (109.91%) |
| **TOTAL** | **$33,346,118** | **$33,746,222** | **$400,104** | **1.19%** |

# EXPENSES - FEB

| | Actual | Budget | Variance | % Variance |
|---|---|---|---|---|
| Professional Fees | $3,647,187 | $3,647,339 | $151 | 0.00% |
| Supplies | $7,910,554 | $8,971,848 | $1,061,294 | 11.83% |
| Purchased Services | $5,468,094 | $5,464,006 | ($4,087) | (0.07%) |
| Depreciation & Amortization | $1,833,639 | $1,874,568 | $40,929 | 2.18% |
| Repairs & Maintenance | $368,170 | $418,434 | $50,264 | 12.01% |
| Utilities | $242,719 | $277,130 | $34,411 | 12.42% |
| Other Expenses | $1,230,332 | $1,065,763 | ($164,569) | (15.44%) |
| Rental/Leases | $311,822 | $706,881 | $395,059 | 55.89% |
| **Total Other Expenses** | **$21,012,516** | **$22,425,968** | **$1,413,452** | **6.30%** |

# CAPITAL PLAN- FY20

| | FY 20 Budget | FY 20 Spent | FY 20 Committed |
|---|---|---|---|
| Replacement / Patient Safety Equipment<br>• Medical equipment<br>• Non Medical equipment<br>• Information Technology (IT) | $15M | $2.6M | $7.8M |
| Service Line Enhancements<br>• Pediatrics<br>• Ambulatory<br>• Orthopedics<br>• Cardiology<br>• Surgery<br>• Oncology | $10M | $447k | $9.2M |
| Master Plan<br>• Immediate Facility Needs<br>• Facility Facade Upgrades<br>• 2040 Building Renovation<br>• Parking Improvements | $6M | $308K | $5.4M |
| **Total** | **$31M** | **$3.3M** | **$22.4M** |

# FY20 CASH FLOW

| | FEBRUARY 2020 | JANUARY 2020 | DECEMBER 2019 | YTD of FY2020 |
|---|---|---|---|---|
| **Operating Activities** | | | | |
| Cash received from patients and payors | 58,955,513 | 44,750,022 | 50,907,741 | 458,419,114 |
| Cash paid to vendors | (21,222,249) | (31,503,628) | (25,536,192) | (174,048,516) |
| Cash paid to employees | (34,829,799) | (44,542,301) | (31,572,975) | (286,780,108) |
| Other operating receipts/(disbursements) | 1,508,476 | 2,217,668 | 1,943,607 | 17,550,869 |
| Net cash provided by/(used in) operations | 4,411,941 | (29,078,239) | (4,257,820) | 15,141,359 |
| **Investing Activities** | | | | |
| Purchase of property and equipment, net | (1,169,401) | (1,868,427) | (1,021,243) | (10,353,411) |
| Interested received | 377,343 | 432,891 | 436,852 | 1,502,372 |
| Addition/(reduction) in donor-restricted cash | - | - | - | - |
| Addition/(reduction) in internally designated cash | (31,617) | 12,643,831 | (272,983) | (25,030,183) |
| Net cash provided by/(used in) investing activities | (823,676) | 11,208,294 | (857,374) | (33,881,223) |
| **Financing Activities** | | | | |
| From/(to) Clark County | - | - | - | 31,000,000 |
| Unrestricted donations and other | | | | |
| Borrowing/(repayment) of debt | 0 | 0 | 0 | (175,000) |
| Interest paid | - | - | - | (456,865) |
| Other | - | - | - | - |
| Net cash provided by/(used in) financing activities | 0 | 0 | 0 | 30,368,136 |
| Increase/(decrease) in cash | 3,588,265 | (17,869,945) | (5,115,194) | 11,628,272 |
| Cash beginning of period | 59,545,624 | 77,415,569 | 82,530,762 | 51,505,618 |
| Cash end of period | 63,133,889 | 59,545,624 | 77,415,569 | 63,133,890 |
| Unrestricted cash | 63,133,889 | 59,545,624 | 77,415,569 | 63,133,890 |
| Cash restricted by donor | 5,333,418 | 5,147,402 | 5,343,199 | 5,333,418 |
| Internally designated cash | 179,837,601 | 179,805,983 | 192,449,814 | 179,837,601 |

# FY20 BALANCE SHEET HIGHLIGHTS

| | Feb-20 | Jan-20 | Feb-19 |
|---|---|---|---|
| **CASH** | | | |
| Unrestricted | $ 63.1 | $ 59.5 | $ 9.7 |
| Restricted by donor | 5.3 | 5.1 | 15.7 |
| Internally designated | 179.8 | 179.8 | 109.0 |
| | $ 248.2 | $ 244.4 | $ 134.4 |
| **NET WORKING CAPITAL** | $ 89.6 | $ 90.7 | $ 150.6 |
| **NET PP&E** | $ 202.4 | $ 203.5 | $ 208.5 |
| **LONG-TERM DEBT** | $ 31.1 | $ 31.1 | $ 37.2 |
| **NET PENSION LIABILITY** | $ 513.0 | $ 513.0 | $ 476.0 |
| **NET POSITION** | $ (339.7) | $ (336.7) | $ (357.7) |

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

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

**FISCAL IMPACT:**

None

**BACKGROUND:**

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



Respectfully submitted,

Jennifer Wakem
Chief Financial Officer

Cleared for Agenda
March 18, 2020

Agenda Item #
**5**

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

| | | |
|---|---|---|
| **Issue:** | **Professional Services Agreement (Ryan White Program) with UNLV Medicine** | **Back-up:** |
| **Petitioner:** | Jennifer Wakem, Chief Financial Officer | **Clerk Ref. #** |

**Recommendation:**

**That the Governing Board Audit and Finance Committee review and recommend for approval by the Governing Board the Professional Services Agreement with UNLV Medicine for Ryan White Services; and take action as deemed appropriate.** ***(For possible action)***

**FISCAL IMPACT:**

Fund Number: 5420.000
Fund Name: UMC Operating Fund
Fund Center: 3000726300
Funded Pgm/Grant: Ryan White
Description: Ryan White Services
Bid/RFP/CBE: NRS 332.115(1)(b) – Professional Services
Term: 3/28/2020 – 3/27/2022
Amount: NTE $190,000 per year or NTE $380,000 for two (2) years
Out Clause: 30 days w/o cause

**BACKGROUND:**

This request is to approve the Professional Services Agreement for Ryan White Services ("Agreement") with UNLV Medicine, which is effective on the last date signed by the parties. UNLV Medicine will provide outpatient primary medical services, and office-based diagnostic services and treatments to HIV infected individuals in the Las Vegas eligible metropolitan areas on the following specialties: endocrinology, gastroenterology, maternal and child fetal medicine/Ob-Gyn, neurology, rheumatology, pulmonary, obstetrics, ear nose and throat, colon and rectal surgery, and other multispecialty services.

UMC will compensate UNLV Medicine a total NTE $190,000 per year for two (2) years; funding to be provided through the Ryan White Program Grant. Either party may terminate this Agreement with a 30-day written notice to the other.

UMC's Outpatient & Ambulatory Clinic Manager has reviewed and recommends approval of this Agreement. This Agreement has been approved as to form by UMC's Office of General Counsel.



Cleared for Agenda
March 18, 2020

Agenda Item #
**6**

The Department of Business License has determined that UNLV Medicine is not required to obtain a Clark County business license nor a vendor registration since School is part of the Nevada System of Higher Education, which is an entity of the State of Nevada.



Respectfully submitted,

Jennifer Wakem
Chief Financial Officer

**PROFESSIONAL SERVICES AGREEMENT**

***RYAN WHITE PROGRAM***

This Agreement is made and entered into this 25th day of March, 2020, 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"** or **"UMC"**) and **UNLV Medicine**, a Nevada nonprofit corporation, (hereinafter referred to as **"UNLV Medicine"**, **"Provider"** or **"Entity"**). Hospital and UNLV Medicine each may be individually referred to as a "party" and collectively referred to as "parties".

**WHEREAS**, Hospital is the operator of a Wellness Center (the "Center") which requires certain services (as described in Attachment A); and

**WHEREAS**, UNLV Medicine is a Nevada nonprofit corporation that serves as the faculty practice plan of University of Nevada, Las Vegas, School of Medicine ("UNLVSOM"), and provides billing, administrative, and management services to physicians who comprise the full- and part-time faculty of UNLVSOM ("Physicians"); and

**WHEREAS**, UNLVSOM and UNLV Medicine entered into an Operating Agreement with UNLVSOM originally dated April 27, 2017 and revised on or about December 5, 2019, that outlines the terms and conditions upon which UNLV Medicine will serve as the faculty practice plan for UNLVSOM, including, but not limited to, the manner in which UNLVSOM is to provide support for UNLV Medicine; and

**WHEREAS**, Physicians are faculty members of UNLVSOM, are employed by UNLVSOM and have clinical professional experience related to services associated with the Ryan White Program, as further described in detail in Attachment A; and

**WHEREAS**, the Ryan White Program serves as the payer of last resort for eligible Ryan White patients; and

**WHEREAS**, the Entity desires to contract for and/or provide for the services noted within Attachment A. Hospital desires to engage the Entity to provide the services of Physicians to assist with the Ryan White Program.

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

I. PURPOSE

Hospital hereby hires Entity to provide Endocrinology, Gastroenterology, Maternal and Child Fetal Medicine, Neurology, Rheumatology, Pulmonary, Obstetric, Ear Nose and Throat, Colon and Rectal Surgery, and other multispecialty services, to HIV infected individuals in the Las Vegas Eligible Metropolitan Area, for the Center.

II. SCOPE OF SERVICES

Provider shall perform the services as described in Attachment A, appended hereto and made part of this Agreement.

III. COMPENSATION

1. UMC shall reimburse Provider for the services described in Attachment A at the agreed upon rates in Attachment B for actual hours worked and/or services satisfactorily performed in the following amounts not to exceed:

| | |
|---|---|
| • Endocrinology | $20,000 annually |
| • Gastroenterology | $20,000 annually |
| • Maternal and Child Fetal Medicine | $15,000 annually |
| • Neurology | $15,000 annually |
| • Rheumatology | $15,000 annually |
| • Pulmonary | $25,000 annually |
| • Obstetrics | $25,000 annually |
| • Ear Nose and Throat | $15,000 annually |
| • Colon and Rectal Surgery | $20,000 annually |
| • Other Multi-Specialty | $20,000 annually |

All expenses/costs incurred by Provider in excess of these amounts shall be the sole responsibility of Provider.

2. It is agreed by the parties that at all times and for all purposes hereunder that Provider is an independent contractor and not an employee of Center or UMC. No statement contained in this Agreement shall be construed so as to find Provider and its employees to be an employee of Center or UMC, and they shall be entitled to none of the rights, privileges, or benefits of employees of Center or UMC whatsoever, including, but not limited to health/welfare benefits, paid holidays, death benefits, vacation leave, personal or sick leave benefits, compensatory time accumulation or leave, or retirement benefits. Provider is responsible to pay all applicable taxes.

3. UMC shall make timely payment of approved clean claims within sixty (60) business days of receipt of claims. In addition to claim submission on the HCFA or UB04 form, Provider shall include a detailed invoice summary form which includes, at a minimum, a monthly breakdown of the following elements: Patient, tasks completed and/or units of service, CPT codes.

4. Provider shall maintain such records and accounts supporting claims and invoices for a period of five (5) years from the date of final payment under this Agreement, except where unresolved audit questions require retention for a longer period as determined by UMC. These records shall be available during regular business hours for audit purposes by UMC, any authorized representative of Center, any authorized representative of Clark County Nevada, any Ryan White representative or any authorized representative of state or federal government.

IV. REPRESENTATIONS OF THE ENTITY

1. Any and all personnel providing services under this Agreement shall be employees or Faculty of UNLVSOM.

2. UNLVSOM and its personnel shall exercise independent professional judgment and shall assume professional responsibility for all services described herein.

3. Entity warrants that they are authorized by law to engage in the performance of the activities encompassed by the services described herein.

4. Entity is responsible for the quality and quantity of services performed under this Agreement.

5. UNLVSOM shall at its sole expense, procure and maintain professional liability, errors and omissions insurance at a limit of not less than one million dollars ($1,000,000) per occurrence and upon either parties' request shall furnish the requesting party with a "Certificate of Insurance" as verification this coverage is in force. However, UNLVSOM's liability shall be limited in accordance with NRS 41.0305 to NRS 41.039. The defense of sovereign immunity will be additionally asserted by UNLVSOM in all cases in accordance with Nevada State Law under NRS 41.0305 to 41.039.

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 Entity with a Certificate of Coverage prepared by its Risk Management Department certifying such self-coverage.

6. To the extent of any negligence of a party or its personnel, the insurance provided by and covering the party against which liability is asserted shall be primary insurance as respect to the other party(ies) and their elected/appointed officials, employees and agents. Any insurance and/or self-insurance maintained by Hospital and its elected/appointed officials, employees or agents shall not contribute to Provider's insurance or benefit Provider in any way. Similarly, any insurance and/or self-insurance maintained by the Entity and its/their employees or agents shall not contribute to Hospital's insurance or benefit Hospital in any way.

7. All parties to this agreement shall comply with all federal, state and local laws, ordinances, rules and regulations, any Ryan White grant requirements, as well as applicable codes of ethics, pertaining to or regulating the provisions of such services, including those now in effect and hereafter adopted. Any violation of said laws, ordinances, rules or regulations shall constitute a material breach of this Agreement and shall entitle any non-violating party to terminate this Agreement immediately upon delivery of written notice of termination to the other parties.

8. In the event of any professional liability claim against a party to this Agreement is filed and in the event the other parties to this Agreement are not included as a defendant in such lawsuit, the party named as defendant in such lawsuit, shall not seek to join any other party or any of their departments, agencies, officials, employees, servants or agents in such action, unless such joinder is necessary to secure an indispensable party to such an action.

9. Upon termination of this Agreement for any reason, all finished and unfinished documents, data, manuals, guides, reports and other documentation prepared by the Entity for Hospital for the Ryan White Program shall, at the option of Hospital, be delivered immediately to Center and remain the property of Hospital.

10. Entity shall, and require that all Physicians shall, comply with the standards of performance, attached hereto as Exhibit A.

V. MODIFICATIONS AND AMENDMENTS

Any and all modifications to the provisions of this Agreement must be in writing and approved by all parties and/or their relevant governing boards, where applicable.

VI. TERM

The term of this Agreement shall be effective from the period March 28, 2020 through March 27, 2022.

VII. TERMINATION WITHOUT CAUSE

Any party may terminate this Agreement by giving to the other parties written notification of termination at least thirty (30) days prior to termination. Upon termination, the parties agree that any financial reconciliation necessary shall be made and all monies due for services rendered prior to termination shall be paid within sixty (60) days of the date of termination. Hospital shall not be obligated to pay for any services provided by Entity after the effective date of termination.

VIII. TERMINATION FOR CAUSE

If Entity fails to fulfill in a timely and proper manner its obligations under this Agreement, or if Entity violates any of the covenants, terms or stipulations of this Agreement, Hospital shall have the right to terminate this Agreement immediately by giving written notice to Entity of such termination and specifying the effective date thereof. Similarly, should Hospital fail to meet its obligations under this Agreement, Entity shall have the right to terminate this Agreement immediately by giving written notice to Hospital of such termination and specifying the effective date thereof. Final payment shall be based on actual hours of satisfactory performance and/or units of service, and in no case shall Hospital be obligated to pay for any services provided by Entity after the effective date of termination.

IX. TERMINATION DUE TO LACK OF FUNDS

In the event that funds, in whole or in part, are not available to begin or to continue this Agreement at the level of services specified, any party may terminate or renegotiate this Agreement. Any party shall not be obligated to pay for any services rendered after the other parties have received written notice of termination pursuant to this section.

X. BUDGET ACT AND FISCAL FUND OUT CLAUSE

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 governmental funds for the then current fiscal year. This Agreement shall terminate and any party's obligations under it, shall be extinguished at the end of any fiscal year in which an applicable governing body fails to appropriate monies for the ensuing fiscal year sufficient for the payment of all amounts or provisions of contracted services, under this Agreement. The parties agree that this section shall not be utilized as a subterfuge or in a discriminatory fashion as it relates to this Agreement. In the event this section is invoked, this Agreement will expire on the 30th day of June of the current fiscal year. Termination under this section shall not relieve any party of applicable obligations incurred through the 30th day of June of the fiscal year for which monies were appropriated.

XI. GENERAL CONDITIONS

1. Entity agrees to accept any additional conditions governing the use of funds or performance of programs as may be required by federal, state or local statute, ordinance, rule or regulation or Ryan White grant requirements. However, should Entity find such additional condition or conditions unacceptable, Entity has the option of terminating this Agreement upon fifteen (15) days written notice to the other party.

2. The parties hereto agree that this Agreement shall not be assignable nor can any part of the services to be provided, be subcontracted without written consent of the non-assigning parties.

3. The waiver of any term of this Agreement, or the failure of any party to insist on strict compliance and prompt performance of any term of this Agreement, followed by the acceptance of such performance thereafter, shall not constitute or be construed as a waiver or relinquishment of any right by that party to enforce all terms strictly in the event of a continuous or subsequent default.

4. Each provision of this Agreement shall be deemed to be a separate, severable, and independently enforceable provision. The invalidity or breach of any provision shall not cause the invalidity or breach of the remaining provisions of this Agreement, which shall remain in full force and effect.

5. This Agreement shall be construed by and governed under the laws of the State of Nevada and subject to the jurisdiction of its courts. Any litigation between the parties relating to this Agreement shall be filed and pursued in the District Court of Clark County.

6. Time shall be of the essence regarding this Agreement.

7. Any notice required or permitted under this Agreement shall be in writing and hand delivered with receipt obtained therefore, or mailed, postage prepaid, to the other party by certified mail, return-receipt requested to the following:

For UMC: Chief Executive Officer
University Medical Center of Southern Nevada
1800 West Charleston Boulevard
Las Vegas, Nevada 89102

For Entity: Dean
University of Nevada, Las Vegas, School of Medicine
2040 West Charleston Boulevard, 3rd Floor
Las Vegas, Nevada 89102

*and*: Chief Executive Officer - UNLV Medicine
3016 West Charleston Boulevard, Suite 100
Las Vegas, Nevada 89102

8. All parties to this Agreement, hereby represent and warrant to the other party, that neither it/they nor any of its/their affiliates (a) are excluded from participation in any federal health care program, as defined under 42 U.S.C. §1320a-7b (f), for the provision of items or services for which payment may be made under such federal health care programs and (b) has arranged or contracted (by employment or otherwise) with any employee, contractor or agent that such party or its affiliates know or should know are excluded from participation in any federal health care program, to provide items or services hereunder. The parties represent and warrant to one another, that no final adverse action, as such term is defined under 42 U.S.C. §1320a-7e (g), has occurred, is pending or threatened against that party, its affiliates or to their knowledge, against any employee, contractor or agent engaged to provide items or services under this Agreement (collectively "Exclusions / Adverse Actions").

9. This Agreement may be executed in any number of copies and each such copy shall be deemed an original.

10. The recitals are hereby incorporated as part of this Agreement.

11. This Agreement constitutes the entire and full understanding between the parties hereto and no party shall be bound by any representations, statements, promises or agreements not expressly set forth herein.

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

**ENTITY:**

UNLV Medicine

By: _____

Name: Michael Gardner, MD
Its: Chief Executive Officer

Date: 3/9/2020

**HOSPITAL:**

University Medical Center of Southern Nevada

By: _____

Name: Mason VanHouweling
Its: Chief Executive Officer

Date: _____

**ATTACHMENT A**
***Ryan White Program SOW***
**University of Nevada, Las Vegas, School of Medicine and UNLV Medicine**

1. UNLVSOM, through its Faculty Physicians and staff, will provide outpatient primary medical services and office based diagnostic services and treatments to HIV infected individuals in the Las Vegas EMA. UNLVSOM, through its affiliate and party to this Agreement, UNLV Medicine, shall be reimbursed based upon Attachment B - Fee Schedule of this Agreement. Rates established in Attachment B shall remain in effect through the term of this Agreement.

2. All services must be preauthorized by UMC Wellness Center.

3. Invoices for services rendered must be received by UMC Wellness Center no later than forty-five (45) days after the last date of service in order to be eligible for reimbursement. Invoices should be sent to:

   UMC Wellness Center
   Attn: Ryan White Program
   701 Shadow Lane, Suite 200
   Las Vegas, NV 89106
   Phone: (702) 383-2691
   Fax: (702) 388-4114

4. Entity agrees to utilize UMC facilities and its contracted providers whenever possible to maximize grant fund resources.

5. Entity agrees to ensure that Ryan White funds are the payer of last resort by:

   a. Verifying insurance information provided by the patient.
   b. Billing primary insurance carrier first.

6. Payment by Hospital is conditioned upon continued funding by the Ryan White Program (Parts A and C).

7. In rendering services under this Agreement, Entity will abide by all terms and conditions of the Ryan White Grants applicable to the care described in this Agreement.

8. Entity shall restrict access to confidential information obtained from patients to such persons directly connected with the administration or enforcement of this Ryan White Program.

9. Entity agrees that Ryan White funding cannot be used to pay for emergency room or Hospital inpatient services.

10. Entity agrees that Ryan White reimbursement amount is considered payment in full; balance billing is not allowed.

**ATTACHMENT B**
**Fee Schedule**

**Endocrinology Services**

UMC shall reimburse Provider at 100% of the current Medicaid Fee Schedule, based on CPT codes, in an amount not to exceed $20,000 annually.

Outpatient services performed are for treatment of diabetes and thyroid disorders.

**Gastroenterology Services**

UMC shall reimburse Provider at 100% of the current Medicaid Fee Schedule, based on CPT codes, in an amount not to exceed $20,000 annually.

Outpatient services to include new and follow-up visits. Colonoscopies and EGD upper endoscopies to be performed at UMC.

**Maternal and Child Fetal Medicine Services**

For Maternal and Child Fetal Medicine, UMC shall reimburse Provider at 100% of the current Medicaid Fee Schedule, based on CPT codes, in an amount not to exceed $15,000 annually.

**Neurology Services**

UMC shall reimburse Provider 100% of the current Medicaid Fee Schedule at the following rates for the following services:

a. Office Visit – new patients
b. Office Visit – follow-up patients
c. EEGs
d. Electromyography (EMG) procedures
e. All other services not listed in this section will be reimbursed at 100% of the current Medicaid Fee Schedule

Services will not exceed $15,000 annually.

**Rheumatology Services**

UMC shall reimburse Provider at 100% of the current Medicaid Fee Schedule, based on CPT codes, in an amount not to exceed $15,000 annually.

Outpatient services to include diagnostic evaluations of rheumatic disorders and autoimmune diseases, medical therapy for treatment of rheumatic disease, monitoring long term efficacy and side effects of medications including anti-inflammatory and biologic agents used to treat rheumatic disease, and improve quality of life and decreasing disability of patients suffering from rheumatic disease.

**Pulmonary Services**

UMC shall reimburse Provider at 100% of the current Medicaid Fee Schedule, based on CPT codes, in an amount not to exceed $25,000 annually,

Outpatient services to include diagnostic evaluations, treatments, and monitoring.

**Obstetrical Services**

UMC shall reimburse Provider at 100% of the current Medicaid Fee Schedule, based on CPT codes, in an amount not to exceed $25,000 annually.

**Ear Nose and Throat Services**

UMC shall reimburse Provider at 100% of the current Medicaid Fee Schedule, based on CPT codes, in an amount not to exceed $15,000 annually.

**Colon and Rectal Surgery Services**

UMC shall reimburse Provider at 100% of the current Medicaid Fee Schedule, based on CPT codes, in an amount not to exceed $20,000 annually.

**Other Multi-Specialty Services**

UMC shall reimburse Provider at 100% of the current Medicaid Fee Schedule, based on CPT codes, in an amount not to exceed $20,000 annually.

**EXHIBIT A**

**STANDARDS OF PERFORMANCE**

Entity shall, and require that all Physicians shall, comply with the standards of performance, attached hereto as Exhibit A and incorporate by reference. Those standards of performance are as follows:

a. Adhere to Hospital's established standards and policies for providing exceptional patient care and operate and conduct themselves in accordance with the standards and recommendations of The Joint Commission, all applicable national patient safety goals, and the Bylaws, Rules and Regulations of the Medical and Dental Staff, as may then be in effect;

b. If any Faculty staff or Physician is employed by UNLVSOM under the J-1 Visa waiver program, UNLVSOM will so advise Hospital, and UNLVSOM 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. Maintain professional demeanor and not violate UMC Medical Staff Physician's Code of Conduct;

d. Comply with all surgical standards, pre-operative, intra-operative, and post-operative as defined by The Joint Commission, CMS and UMC Hospital policy;

e. Be in one-hundred percent (100%) compliance with active participation with time-out (universal protocol);

f. Assist Hospital with improvement of patient satisfaction and performance ratings, where appropriate;

g. Perform appropriate clinical documentation utilizing the Hospital EHR;

h. 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 law, including but not limited to the Emergency Medical Treatment and Active Labor Act ("EMTALA");

i. Comply with the rules, regulations, policies and directives of UMC, provided that the same (including, without limitation any and all changes, modifications or amendments thereto) are made available to Entity by Hospital. Specifically, the Entity and all Faculty Physicians shall comply with all policies and directives related to Just Culture, Ethical Standards, Corporate Compliance/Confidentiality, Dress Code, and any and all applicable policies and/or procedures;

j. The parties recognize that as a result of UMC's patient mix, UMC 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 a UNLVSOM Faculty Physician requires the services of a medical specialist, Entity shall use commercially reasonable efforts to contact UMC's contracted provider of such medical specialist services. Nothing in this Agreement shall, however, be construed to require the referral by Entity or any UNLVSOM Faculty Physicians, and in no event is a UNLVSOM Faculty Physician required to make a referral under any of the following circumstances: (i) the referral relates to services that are not provided by UNLVSOM Faculty Physicians Member within the scope of this Agreement; (ii) the patient expresses a preference for a different provider, practitioner, or supplier; (iii) the patient's insurer or other third party payor determines the provider, practitioner or supplier of the applicable service; or (iv) the referral is not

in the patient's best medical interests, in the UNLVSOM Faculty Physician's judgment. The parties agree that this provision concerning referrals by UNLVSOM Faculty 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. The disposition of patients for whom medical services have been provided, following such treatment, shall be in the sole discretion of the UNLVSOM faculty Physician(s) performing such treatment. The UNLVSOM Physician(s) may refer such patients for further treatment as is deemed necessary and in the best interests of such patients. The UNLVSOM Physicians shall facilitate discharges in an appropriate and timely manner. The UNLVSOM Physicians will provide the patient's primary care physician with a discharge summary and such other information necessary to facilitate appropriate post-discharge continuity of care. However, nothing in this Agreement shall be construed to require a referral by Entity or any UNLV Faculty Physician;

l. Agree to participate in certain quality reporting systems 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 the Entity pursuant to this Agreement;

m. Meet quarterly with Hospital Administration to discuss and verify inpatient admission data collections;

n. Work in the development and maintenance of key clinical protocols to standardize patient care;

o. Maintain compliance with applicable core value based measures that meet or exceed the national averages;

p. Maintain a minimum of the fiftieth (50th) percentile for all scores of the HCAHPS surveys applicable to Entity and UNLVSOM Physicians;

q. Require that all medical record charts will be completed and signed by UNLVSOM Faculty Physicians in accordance with the guidelines and timeframes set forth in the UMC Medical and Dental Staff Bylaws, and related Rules and Regulations;

r. Maintain a score within ten percent (10%) of Vizient compare for its thirty (30) day readmission score for related admissions (such information is available from UMC, upon request);

s. Upon request from UMC, provide a quarterly report to include data supporting the continued requirement for FTE support as measured by industry standards for, at a minimum, the following, as applicable: (i) inpatient admissions, (ii) observation admissions, (iii) encounters, (iv) encounters per day, (v) average staffed hours per day, (vi) frequently used procedure codes, (vii) work RVUs per encounter, (viii) payor mix, (ix) average length of stay - unadjusted for inpatient and observation. Additional statistics may be reasonably requested by UMC Administration with notice. UMC staff/analysts can support requested data collection in collaboration with the Entity;

t. Be in 100% compliance with Drug Wastage Policy. UNLVSOM Physicians shall be in 100% compliance with patient specific Pyxis guidelines (charge capture), as applicable, to include retrieval of medication/anesthesia agents (such policy is available from UMC, upon request);

u. Collaborate with UMC Hospital leadership to minimize and address staff and

patient complaints. The Entity shall participate with UMC Administration in staff evaluations and joint operating committees when possible;

v. Participate in clinical staff meetings and conferences and represent the services at UMC's Committees, initiatives, and at UMC Department meetings whenever possible and appropriate.

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

| | | |
|---|---|---|
| **Issue:** | **Professional Services Agreement (Pediatric Hospitalists) with UNLV Medicine** | **Back-up:** |
| **Petitioner:** | Jennifer Wakem, Chief Financial Officer | **Clerk Ref. #** |

**Recommendation:**

**That the Governing Board Audit and Finance Committee review and recommend for approval by the Governing Board the Professional Services Agreement with UNLV Medicine for pediatric hospitalist services; and take action as deemed appropriate.** ***(For possible action)***

**FISCAL IMPACT:**

Fund Number: 5420.000
Fund Name: UMC Operating Fund
Fund Center: 3000612000
Funded Pgm/Grant: N/A
Description: Pediatric Hospitalist Clinical Services
Bid/RFP/CBE: NRS 332.115(1)(b) – Professional Services
Term: DOA to 12/31/2020 with two 1-year auto renew options
Amount: NTE $250,000 per year; potential aggregate is $750,000 for three (3) years
Out Clause: 90 days w/o cause

**BACKGROUND:**

This request is to approve the Professional Services Agreement for pediatric hospitalist coverage with UNLV Medicine (Provider), which will be effective on the last date signed by the parties. Provider will provide hospitalist services in pediatrics, performed for the diagnosis, prevention or treatment of disease or for the assessment of a medical condition. Provider will offer a minimum of one (1) FTE Member Physician for the performance of services. Day shifts will be scheduled in 10-hour increments and night shifts will be schedule in 14-hour increments (with night shifts to include both onsite and call coverage responsibilities).

UMC will compensate Provider $1,100 per shift or a NTE total of $250,000 per year from the date of award through December 31, 2020 with two, 1-year auto renew periods. Either party may terminate this Agreement with a 90-day written notice to the other.

UMC's Chief Operating Officer has reviewed and recommends approval of this Agreement. This Agreement has been approved as to form by UMC's Office of General Counsel.



Cleared for Agenda
March 18, 2020

Agenda Item #
**7**

The Department of Business License has determined that UNLV Medicine is not required to obtain a Clark County business license nor a vendor registration since School is part of the Nevada System of Higher Education, which is an entity of the State of Nevada.



Respectfully submitted,

Jennifer Wakem
Chief Financial Officer

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

This Agreement, made and entered into this 25th day of March, 2020, 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" or "UMC"), **UNLV Medicine**, a Nevada nonprofit corporation, (hereinafter referred to as "UNLV Medicine"). UMC and UNLV Medicine shall each individually be referred to as a "party" and collectively referred to as "parties."

**WHEREAS**, Hospital is the operator of a Pediatrics department (the "Department") located in Hospital which requires certain Services (as defined below); and

**WHEREAS**, UNLV Medicine is a Nevada nonprofit corporation that serves as the faculty practice plan of University of Nevada, Las Vegas, School of Medicine ("UNLVSOM"), and provides billing, administrative, and management services to physicians who comprise the full- and part-time faculty of UNLVSOM ("Physicians"); and

**WHEREAS**, UNLVSOM and UNLV Medicine entered into an Operating Agreement dated April 27, 2017, that outlines the terms upon which UNLV Medicine will serve as the faculty practice plan of UNLVSOM, including, but not limited to, the manner in which UNLVSOM is to provide support for UNLV Medicine; and

**WHEREAS**, Member Physicians are full-time faculty members of UNLVSOM, are employed by UNLVSOM and have clinical and professional experience related to Pediatrics; and

**WHEREAS**, the parties desire to contract for and/or provide for the Services in the specialty of Pediatrics. As more specifically described herein, Hospital desires to engage UNLV Medicine to provide the services of Member Physicians (defined below) to assist with Pediatrics.

**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 Allied Health Providers. Individuals other than a licensed physician, medical doctor ("M.D."), doctor of osteopathy ("D.O."), chiropractor, or dentist who exercise independent or dependent judgment within the areas of their scope of practice and who are qualified to render patient care services under the supervision of a qualified physician, who have been accorded privileges to provide such care in Hospital.

1.2 Department. Unless the context requires otherwise, Department refers to Hospital's Department of Pediatrics.

1.3 Medical Staff. The Medical and Dental Staff of Hospital.

1.4 Member Physicians. Physician(s) employed by or contracted with UNLVSOM and which are mutually agreeable to Hospital (as listed on Exhibit A and which shall be subject to change from time to time) to provide Services pursuant to this Agreement.

## II. UNLV MEDICINE OBLIGATIONS

2.1 Services. UNLV Medicine shall provide to the Department and the Hospital clinical services in the specialty of hospitalist services in pediatrics, performed for the diagnosis, prevention or treatment of disease or for assessment of a medical condition. UNLV Medicine will provide a minimum of one (1) FTE Member Physician for performance of the Services. Request for additional FTE Member Physician(s) is subject to mutual agreement of the parties. The Member Physician will receive daytime or nighttime shifts on a rotational basis with a minimum of 210 shifts up to the maximum dollar amount as stated in Section 5.1, Compensation for Services on an annual basis. Day shifts will be scheduled in 10-hour increments and night shifts will be scheduled in 14-hour increments (with night shifts to include both on-site and call coverage responsibilities). Hospital agrees to use reasonable efforts to coordinate shift schedules with UNLV Medicine's Chair of Pediatrics or designee, however, Hospital reserves the right for final approval of shift schedules.

2.2 Medical Staff Appointment.

a. Member Physicians employed by or contracted with UNLVSOM, shall at all times be members in good standing of Hospital's medical staff with appropriate clinical credentials and appropriate Hospital privileging. Any Member Physician who fails to maintain staff appointment of clinical privileges in good standing will not be permitted to render the Services and will be replaced promptly by UNLV Medicine. UNLV Medicine shall replace a Member Physician who is suspended, terminated or expelled from Hospital's Medical Staff, loses his/her license to practice medicine, tenders his/her resignation, or violates the terms and conditions required of this Agreement, including but not limited to those representations set forth in Section 2.3 below. In the event UNLV Medicine replaces or adds a Member Physician, such new Member Physician shall meet all of the conditions set forth herein, and shall agree in writing to be bound by the terms of this Agreement. In the event an appointment to the Medical Staff is granted solely for purposes of this Agreement, such appointment shall automatically terminate upon termination of this Agreement.

b. UNLV Medicine shall be fully responsible for the performance and supervision of any of its Member Physicians or others under its direction and control, in the performance of Services under this Agreement.

c. Allied Health Providers under this Agreement that are employed or utilized by UNLV Medicine must apply for privileges and remain in good standing in accordance with the University Medical Center of Southern Nevada Allied Health Providers Manual.

2.3 Representations of UNLV Medicine.

a. UNLV Medicine represents and warrants that it:

i. UNLV Medicine, as a 501(c)(3), has a valid Nevada business identification number as well as all other requirements to legally operate within Clark County and the State of Nevada. Furthermore, UNLV Medicine is currently in good standing with the Nevada Secretary of State and Department of Taxation. UNLVSOM holds all proper and necessary academic credentialing, certification, satisfactory graduate medical education surveys and approvals, as may be required of the ACGME or any equivalent group;
ii. has never been excluded or suspended from participation in, or sanctioned by, a Federal or state health care program;
iii. has never been convicted of a felony or misdemeanor involving fraud, dishonesty, moral turpitude, controlled substances or any crime related to the provision of medical services;
iv. at all times will comply with all applicable laws and regulations in the performance of the Services;
v. is not restricted under any third party agreement from performing the obligations under this Agreement;
vi. has not materially misrepresented or omitted any facts necessary for Hospital to analyze service level requirements (i.e., FTEs) and compensation paid hereunder; and
vii. will comply with the standards of performance, attached hereto as Exhibit B and incorporated by reference.

b. UNLV Medicine, on behalf of each Member Physician (and Allied Health Provider as applicable), represents and warrants to the best of its knowledge after reasonable inquiry that each Member Physician:

i. is board certified or board eligible (pursuant to Medical Staff's delineation of privileges) in pediatrics, as applicable;
ii. possesses an active license to practice medicine from the State of Nevada which is in good standing;
iii. has an active and unrestricted license to prescribe controlled substances with the Drug Enforcement Agency and a Nevada Board of Pharmacy registration, as needed to provide the Services;
iv. is not and/or has never been subject to any agreement or understanding, written or oral, that he or she will not engage in the practice of medicine, either temporarily or permanently;
v. has never been excluded or suspended from participation in, or sanctioned by, a Federal or state health care program;
vi. has never been convicted of a felony or misdemeanor involving fraud, dishonesty, moral turpitude, controlled substances or any crime related to the provision of medical services;
vii. has never been denied membership or reappointment to the medical staff of any hospital or healthcare facility;
viii. at all times will comply with all applicable laws and regulations in the performance of the Services;
ix. is not restricted under any third party agreement from performing the obligations under this Agreement; and

x. will comply with the standards of performance, attached hereto as Exhibit B and incorporated by reference.

2.4 Notification Requirements. The representations contained in this Agreement are ongoing throughout the Term. UNLV Medicine agrees to notify Hospital in writing within three (3) calendar days after either becomes aware of any event that occurs that constitutes a breach of the representations and warranties contained in Section 2.3 or elsewhere in this Agreement. Hospital shall, in its reasonable and good faith discretion, have the right to terminate this Agreement if UNLV Medicine fails to notify the Hospital of such a breach and thereafter fails to remove any Member Physician or Allied Health Provider that fails to meet any of the requirements in this Agreement after a period of three (3) calendar days.

2.5 Independent Contractor. In the performance of the work duties and obligations performed by UNLV Medicine under this Agreement, it is mutually understood and agreed that UNLV Medicine is, and/or Member Physicians are, at all times, acting and performing as independent contractors practicing the profession of medicine. Hospital shall neither have, nor exercise any, control or direction over the methods by which UNLV Medicine shall perform its work and functions.

2.6 Industrial Insurance.

a. As independent contractors, UNLV Medicine shall be fully responsible for premiums related to accident and compensation benefits for its Member Physicians and/or Allied Health Providers, shareholders and/or direct employees as required by the industrial insurance laws of the State of Nevada.

b. UNLV Medicine agrees, as a condition precedent to the performance of any work under this Agreement and as a precondition to any obligation of Hospital to make any payment under this Agreement, to provide Hospital with a certificate issued by the appropriate entity in accordance with the industrial insurance laws of the State of Nevada. UNLV Medicine agrees to maintain coverage for industrial insurance pursuant to the terms of this Agreement. If UNLV Medicine does not maintain such coverage, UNLV Medicine agrees that Hospital may withhold payment, order UNLV Medicine and/or Member Physicians to stop work, suspend this Agreement or terminate this Agreement.

2.7 Professional Liability Insurance. UNLV Medicine shall carry professional liability insurance on the Member Physicians and Allied Health Providers, at its own expense in accordance with the minimums required by applicable law. Said insurance shall annually be certified to Hospital's Administration and Medical Staff, as necessary.

2.8 Personal Expenses. UNLV Medicine shall be responsible for all its Member Physicians', Allied Health Providers' (if and as applicable), as well as any of UNLV Medicine employees' 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 at Hospital or matters handled by Member Physicians hereunder, or any data or databases derived therefrom, shall be the property of Hospital regardless of the manner, media or system in which such information is retained. UNLV Medicine shall have access to and may copy relevant records upon reasonable notice to Hospital.

b. UNLV Medicine shall ensure that Member Physicians complete all patient charts in a timely manner in accordance with the standards, UMC policies and recommendations, The Joint Commission, CMS and Regulations of the Medical and Dental Staff, as may then be in effect, which policies are available for review upon request.

2.10 Health Insurance Portability and Accountability Act of 1996.

a. For purposes of this Agreement, "Protected Health Information" shall mean any information, whether oral or recorded in any form or medium, that: (i) was created or received by either party; (ii) relates to the past, present, or future physical condition of an individual, the provision of health care to an individual, or the past, present or future payment for the provision of health care to an individual; and (iii) identifies such individual.

b. UNLV Medicine shall use reasonable efforts to preserve the confidentiality of Protected Health Information received from Hospital and shall be permitted only to use and disclose such information to the extent that Hospital is permitted to use and disclose such information pursuant to the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 1320d-1329d-8; 42 U.S.C. 1320d-2) ("HIPAA"), regulations promulgated thereunder ("HIPAA Regulations") and applicable state law. The parties 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 the parties and their respective employees and other representatives and Member Physicians to have access to and use of Protected Health Information for purposes of the OHCA. The parties and Member Physicians shall share a common patient's Protected Health Information to enable the other party to provide treatment, seek payment, and engage in quality assessment and improvement activities, population-based activities relating to improving health or reducing health care costs, case management, conducting training programs, and accreditation, certification, licensing or credentialing activities, to the extent permitted by law or by the HIPAA Regulations.

2.11 UMC Policy #I-66. UNLV Medicine shall ensure that its staff and equipment utilized at Hospital, if any, are at all times in compliance with University Medical Center Policy #I-66, as may be amended from time to time.

## III. HOSPITAL'S OBLIGATIONS

3.1 Space, Equipment, Supplies and Technical Support.

a. Hospital shall provide appropriate space within Hospital for the Department (excluding UNLV Medicine private office space) for departmental obligations; however, the UNLV Medicine shall not have exclusivity over any space or equipment provided therein and shall not use the space or equipment for any purpose not related to the proper functioning of the Department.

b. Hospital shall make available during the term of this Agreement such equipment as is determined by Hospital to be required for the proper operation and conduct of the Department. Hospital shall also keep and maintain said equipment in good order and repair.

c. Hospital shall purchase all necessary supplies for the proper operation of the Department and shall keep accurate records of the cost thereof.

3.2 Hospital Services. Hospital shall provide the services of other Hospital departments including, but not limited to, Accounting, Administration, Engineering, Human Resources, Material Management, Medical Records and Nursing.

3.3 Personnel. Other than Member Physicians and Allied Health Providers, all personnel required for the proper operation of the Department shall be employed by Hospital. The selection and retention of such personnel shall be in cooperation with UNLV Medicine, but Hospital shall have final authority with respect to such selection and retention. Salaries and personnel policies for persons within personnel classifications used in the Department shall be uniform with other Hospital personnel in the same classification insofar as may be consistent with the recognized skills and/or hazards associated with that position, providing that recognition and compensation may be altered or different for personnel with special qualifications in accordance with the personnel policies of Hospital.

## IV. BILLING

4.1 Billing. UNLV Medicine shall not bill any patients and/or third party payors for the Services. Unless specifically agreed to in writing or elsewhere in this Agreement, Hospital is responsible for all of the billing or collection of the Services, including specifically the professional components. UNLV Medicine agrees to cooperate with Hospital in assigning all billings contemplated under this Agreement to Hospital and will provide any and all forms and documentation needed or requested by Hospital to effectuate the billing of Services.

## V. COMPENSATION

5.1 Compensation for Services. During the Term, and subject to Section 7.5 below, Hospital will compensate UNLV Medicine for the Services at a per diem rate of $1,100 per shift, for an annual amount not to exceed Two Hundred Fifty Thousand and 00/100 Dollars ($250,000.00). Payment will be made after the submission of an accurate invoice setting

forth with reasonable specificity such days the Services were provided during the previous month. Complete and accurate invoices are due by the 1st day of each month. Payment will be made on the third (3rd) Friday of each following month, or if the third (3rd) Friday falls on a holiday, the following Monday.

5.2 Fair Market Value. The compensation paid under this Agreement has been determined by the parties through a process of arm's length negotiations resulting in compensation for Services rendered by each Member Physician to be fair market value and commercially reasonable for the Services, and the Administrative Services, provided hereunder.

## VI. TERM/MODIFICATIONS/TERMINATION

6.1 Term of Agreement. This Agreement shall become effective on the date last signed by the parties (the "Effective Date"), and subject to Section 7.5, shall remain in effect through December 31, 2020 (the "Initial Term"). At the end of the Initial Term, this Agreement shall automatically renew for two (2) additional one-year periods (each a "Successive Term") unless any party provides the other with written notice of its intent to not renew this Agreement no later than ninety (90) days prior to the termination of the then applicable Initial Term or Successive Term (together the Initial Term and any Successive Term(s) shall be referred to as the "Term").

6.2. Modifications. Within three (3) calendar days, each of the parties shall notify the other in writing of:

a. Any change of address;

b. Any material change in membership or ownership of the party;

c. Once the party becomes aware of any action against the license of any of Member Physicians;

d. Once a party become aware of any action commenced against a party which could materially affect this Agreement; or

e. Once a party becomes aware of any other occurrence known to the party that could materially impair the party's ability to carry out the duties and obligations under this Agreement.

6.3 Termination For Cause.

a. This Agreement shall immediately terminate upon the exclusion of any party from participation in any federal health care program.

b. This Agreement may be terminated by Hospital at any time with ninety (90) days written notice, upon the occurrence of any one of the following events which has not been remedied within ninety (90) days (or such earlier time period required under this Agreement) after written notice of said breach:

i. Professional misconduct by any Member Physician or Allied Health Provider as determined by the Hospital Bylaws, and the appeal processes thereunder if such Member Physician is not timely removed by UNLVSOM; or

ii. Conduct by any Member Physician or Allied Health Provider 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, and if upon notice and request by Hospital, UNLV Medicine does not remove such Member Physician or Allied Health Provider from performing any further Services hereunder, and continue to provide adequate staffing hereunder unless the parties can mutually agree to a reduction in the Services and amending this Agreement to reflect such reduction; or

iii. Disputes among the Member Physicians, partners, owners, principals, or of the entities that, in the reasonable discretion of Hospital, are determined to disrupt the provision of good patient care; or

iv. Absence of any Member Physician required for the provision of Services hereunder, by reason of illness or other cause, for a period of ninety (90) days, unless adequate coverage is furnished by UNLVSOM; or

v. Breach of any material term or condition of this Agreement; provided the same is not subject to earlier termination elsewhere under this Agreement.

c. This Agreement may be terminated by UNLV Medicine at any time with ninety (90) days written notice, upon the occurrence of any one of the following events which has not been remedied within said ninety (90) days written notice of said breach:

i. The loss or suspension of Hospital's licensure or any other certification or permit necessary for Hospital to provide services to patients; or

ii. Hospital at any time engages in any criminal conduct or fraud that UNLV Medicine reasonably determines is harming or is likely to materially harm the goodwill or reputation of UNLV Medicine; or

iii. The failure of Hospital to maintain full accreditation by The Joint Commission; or

iv. Failure of Hospital to compensate UNLV Medicine in a timely manner as set forth in Section V above; or

v. Breach of any material term or condition of this Agreement.

6.4 Termination Without Cause. Either party may terminate this Agreement, without cause, upon ninety (90) 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, the parties 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 those services. If the parties carry out any of the duties of this Agreement through a subcontract with a value or cost equal to or greater than $10,000 or for a period equal to or greater than twelve (12) months, such subcontract shall include this same requirement. This Section is included pursuant to and is governed by the requirements of the Social Security Act, 42 U.S.C. § 1395x (v) (1) (I), and the regulations promulgated thereunder.

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

7.3 Assignment/Binding on Successors. No assignment of rights, duties or obligations of this Agreement shall be made by either party without the express written approval of a duly authorized representative of the other party; provided however, Hospital acknowledges and agrees that UNLVSOM has assigned its right to receive all compensation arising out of this Agreement to UNLV Medicine. Subject to the restrictions against transfer or assignment as herein contained, the provisions of this Agreement shall inure to the benefit of and shall be binding upon the assigns or successors-in-interest of each of the parties hereto and all persons claiming by, through or under them.

7.4 Authority to Execute. The individuals signing this Agreement on behalf of the parties have been duly authorized and empowered to execute this Agreement and by their signatures shall bind the parties to perform all the obligations set forth in this Agreement.

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

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 data bases 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 UNLV Medicine shall be kept in the strictest confidence by UNLV Medicine and its employees and contractors in accordance with applicable law.

7.8 Corporate Compliance. UNLV Medicine 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, UNLV Medicine agrees at all times to comply with all applicable federal, state and local laws and regulations in effect during the term hereof and further agrees to use its good faith efforts to comply with the relevant compliance policies of Hospital, including its corporate compliance program and Code of Ethics, the relevant portions of which are available to UNLV Medicine upon request.

7.9 Entire Agreement. This document constitutes the entire agreement between the parties, whether written or oral, and as of the effective date hereof, supersedes all other agreements between the parties which provide for the same services as contained in this Agreement. Excepting 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. Under the False Claims Act, a provider may face civil prosecution for knowingly (as defined in 31 U.S. Code § 3729 (b)(1)(A)(i-iii)) presenting reimbursement claims: (i) for services or items that the provider knows were not actually provided as claimed; (ii) that are based on the use of an improper billing code which the provider knows will result in greater reimbursement than the proper code; (iii) that the provider knows are false; (iv) for services represented as being performed by a licensed professional when the services were actually performed by a non-licensed person; (v) for items or services furnished by individuals who have been excluded from participation in federally-funded programs; or (vi) for procedures that the provider knows were not medically necessary. Violation of the Federal False Claims Act may result in fines of up to $11,000 for each false claim, treble damages, and possible exclusion from federally-funded health programs. Accordingly, all employees, volunteers, medical staff members, vendors, and agency personnel are prohibited from knowingly submitting to any federally or state funded program a claim for payment or approval that includes fraudulent information, is based on fraudulent documentation or otherwise violates the provisions described in this paragraph.

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, 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 Attachment 1. UNLV Medicine is expected to immediately notify Hospital via a hospital Administrator, department Director, department Manager, and Rani Gill, Compliance Officer, at (702) 383-6211, 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 UNLV Medicine 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.

7.11 Federal, State, Local Laws. Each party hereto will comply with all federal, state and local laws and/or regulations relative to its activities in Clark County, Nevada.

7.12 Financial Obligation. UNLV Medicine 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. The parties hereto shall not be liable for any delays or failures in performance due to circumstances beyond their control.

7.14 Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Nevada.

7.15 Mutual Indemnification. Without waiving the limitations of governmental liability set forth in NRS Chapter 41, which each party intends to assert against any third party claims, to the extent that NRS 41.0305 to NRS 41.039 is applicable to this Agreement and to the extent limited in accordance with NRS 41.0305 to NRS 41.039, UNLV Medicine shall indemnify, defend, and hold harmless Hospital from and against any and all liabilities, claims, losses, lawsuits, judgments, and/or expenses arising either directly or indirectly from any act or failure to act by UNLV Medicine or any of its officers, agents or employees, which may occur during or which may arise out of the performance of this Agreement.

Without waiving the limitations of governmental liability set forth in NRS Chapter 41, which each party intends to assert against any third party claims, to the extent expressly authorized by Nevada law, Hospital shall indemnify, defend, and hold harmless UNLV Medicine from and against any and all liabilities, claims, losses, lawsuits, judgments, and/or expenses arising either directly or indirectly from any act or failure to act by Hospital or any of its officers, agents or employees, which may occur during or which may arise out of the performance of this Agreement.

7.16 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 any party. It is expressly agreed by the parties that the judicial rule of construction that a document should be more strictly construed against the draftsperson thereof shall not apply to any provision of this Agreement.

7.17 Non-Discrimination. Each party 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 shall be in writing and shall either be served personally or sent by certified mail, return receipt requested. All mailed notices shall be deemed received three (3) days after mailing. Notices shall be mailed to the following addresses or such other address as a party may specify in writing to the other party:

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

To UNLV Medicine: UNLV Medicine
Attn: Michael Gardner, M.D., CEO
3016 West Charleston Boulevard, Suite 100
Las Vegas, Nevada 89102

7.19 Publicity. No party shall cause to be published or disseminated any advertising materials, either printed or electronically transmitted which identify the other parties or its facilities with respect to this Agreement without the prior written consent of the other party.

7.20 Performance. Time is of the essence in this Agreement.

7.21 Severability. In the event any provision of this Agreement is rendered invalid or unenforceable, said provision(s) hereof will be immediately 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. The parties, 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 paragraph 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.

7.25 Other Agreements. UNLV Medicine and Hospital are parties under certain other professional services agreement for (i) Women's Care Services; (ii) Internal/Family Medicine Services; (iii) Psychiatry Services; (iv) Surgical Services; and (v) certain trauma call panel services necessary for the Hospital's level one Trauma Center (split with other physicians not currently affiliated with UNLVSOM or UNLV Medicine).

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

| | |
|---|---|
| UNLV Medicine | University Medical Center of Southern Nevada |
| By: _____ | By: _____ |
| Name: Michael Gardner, MD | Name: Mason VanHouweling |
| Its: Chief Executive Officer | Its: Chief Executive Officer |
| Date: _____ | Date: _____ |

**EXHIBIT A**

MEMBER PHYSICIANS AND ALLIED HEALTH PROVIDERS

[NEED LIST]

**EXHIBIT B**
**STANDARDS OF PERFORMANCE**

UNLV Medicine shall, and require that all Member Physicians shall, comply with the standards of performance, attached hereto as Exhibit B and incorporate by reference. Those standards of performance are as follows:

a. Adhere to Hospital's established standards and policies for providing exceptional patient care and operate and conduct themselves in accordance with the standards and recommendations of The Joint Commission, all applicable national patient safety goals, and the Bylaws, Rules and Regulations of the UMC Medical and Dental Staff, as may then be in effect;

b. If any Member Physicians are employed or contracted by UNLV Medicine under the J-1 Visa waiver program, UNLV Medicine will so advise Hospital, and UNLV Medicine 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. Maintain professional demeanor and not violate Medical Staff Physician's Code of Conduct;

d. Comply with all surgical standards, pre-operative, intra-operative, and post-operative as defined by The Joint Commission, CMS and Hospital policy;

e. Be in one-hundred percent (100%) compliance with active participation with time-out (universal protocol);

f. Assist Hospital with improvement of patient satisfaction and performance ratings;

g. Perform appropriate clinical documentation utilizing the Hospital EHR;

h. 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 law, including but not limited to the Emergency Medical Treatment and Active Labor Act ("EMTALA");

i. 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 UNLV Medicine by Hospital. Specifically, UNLV Medicine and all Member Physicians shall comply with all policies and directives related to Just Culture, Ethical Standards, Corporate Compliance/Confidentiality, Dress Code, and any and all applicable policies and/or procedures;

j. Comply with Hospital’s Affirmative Action/Equal Employment Opportunity Policy Statement;

k. The parties recognize that as a result of Hospital's patient mix, Hospital has been required to contract with various groups of physicians to provide on call coverage for numerous medical specialties. In order to ensure patient coverage and continuity of patient care, in the event a Member Physician requires the services of a medical specialist, UNLV Medicine shall use commercially reasonable 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 UNLV Medicine or any Member Physicians, and in no event is a Member Physician required to make a referral under any of the following circumstances: (i) the referral relates to services that are not provided by Member Physicians within the scope of this Agreement; (ii) the patient expresses a preference for a different provider, practitioner, or supplier; (iii) the patient's insurer or other third party payor determines the provider, practitioner, or supplier of the applicable service; or (iv) the referral is not in the patient's best medical interests in the Member Physician's judgment. The parties agree that this provision concerning referrals by Member Physicians complies with the rule for conditioning compensation on referrals to a particular provider under 42 C.F.R. 411.354(d)(4) of the federal physician self-referral law, 42 U.S.C. § 1395nn (the "Stark Law");

l. The disposition of patients for whom medical services have been provided, following such treatment, shall be in the sole discretion of the Member Physician(s) performing such treatment. Such Member Physician(s) may refer such patients for further treatment as is deemed necessary and in the best interests of such patients. Member physicians shall facilitate discharges in an appropriate and timely manner. Member Physicians will provide the patient's primary care Physician with a discharge summary and such other information necessary to facilitate appropriate post-discharge continuity of care. However, nothing in this Agreement shall be construed to require a referral by UNLV Medicine or any Member Physician;

m. Agree to participate in certain quality reporting systems 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 UNLV Medicine pursuant to this Agreement;

n. Meet quarterly with Hospital Administration to discuss and verify inpatient admission data collections;

o. Work in the development and maintenance of key clinical protocols to standardize patient care;

p. Maintain compliance with applicable core value based measures that meet or exceed the national averages;

q. Maintain a minimum of the fiftieth (50th) percentile for all scores of the HCAHPS surveys applicable to UNLV Medicine and Member Physicians;

r. Require that all medical record charts will be completed and signed by Member Physicians in accordance with the guidelines and timeframes set forth in the UMC

Medical and Dental Staff Bylaws, and related Rules and Regulations;

s. Maintain a score within ten percent (10%) of Vizient compare for its thirty (30) day readmission score for related admissions;

t. Upon request from the Hospital, provide a quarterly report to include data supporting the continued requirement for FTE support as measured by industry standards for, at a minimum, the following, as applicable: (i) inpatient admissions, (ii) observation admissions, (iii) encounters, (iv) encounters per day, (v) average staffed hours per day, (vi) frequently used procedure codes, (vii) work RVUs per encounter, (viii) payor mix, and (ix) average length of stay - unadjusted for inpatient and observation. Additional statistics may be reasonably requested by Hospital Administration with notice. Hospital staff/analysts can support requested data collection in collaboration with UNLV Medicine;

u. Be in one-hundred percent (100%) compliance with Drug Wastage Policy. Member Physicians shall be in one-hundred percent (100%) compliance with patient specific Pyxis guidelines (charge capture), as applicable, to include retrieval of medication/anesthesia agents; and

v. Collaborate with Hospital leadership to minimize and address staff and patient complaints.

# 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 and resolution. It conducts routine, independent audits of UMC's business practices and undertakes regular compliance efforts relating to, among other things, proper billing and coding, detection and correction of coding and billing errors, and investigation of and remedial action relating to potential noncompliance. 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 Medicaid.

*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.

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, civil penalties range from $5,500 to $11,000 in fines, per claim, 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 must 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 that $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, Abuse and False Claims*

Anyone who suspects a violation of federal or state false claims provisions is required to notify UMC via a hospital Administrator, department Director, department Manager, and Rani Gill, Compliance Officer, directly at (702) 383-6211. Suspected violations may also be reported anonymously via the Hotline at (888) 691-0772 or http://www.goldenegg.ethicspoint.com. The Hotline is available twenty-four (24) hours a day, seven (7) days a week. Compliance concerns may also be submitted via email to the Compliance Officer at Rani.Gill@umcsn.com.

Upon notification, the Compliance Officer will initiate a false claims investigation. A false claims investigation is an inquiry conducted for the purpose of determining whether a person is, or has been, engaged in any violation of a false claim law.

Retaliation for reporting, in good faith, actual or potential violations or problems, or for cooperating in an investigation is expressly prohibited by UMC policy.

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

| | | |
|---|---|---|
| **Issue:** | **Agreements with Intuitive Surgical, Inc., Aesculap, Inc., Bryton Corporation, ConMed Corporation, Covidien LP, Hill-Rom dba Trumpf Medical, Integra Life Sciences, JPK Surgical, Inc. and Stryker Sales Corporation** | **Back-up:** |
| **Petitioner:** | Jennifer Wakem, Chief Financial Officer | **Clerk Ref. #** |

**Recommendation:**

**That the Governing Board Audit and Finance Committee review and recommend for approval by the Governing Board the Agreements with Intuitive Surgical, Inc., Aesculap, Inc., Bryton Corporation, ConMed Corporation, Covidien LP, Hill-Rom dba Trumpf Medical, Integra Life Sciences, JPK Surgical, Inc., and Stryker Sales Corporation; authorize the Chief Executive Officer to exercise any extension options and approve future order forms within his delegation of authority; and take action as deemed appropriate.** ***(For possible action)***

**FISCAL IMPACT:**

Fund Number: 5420.000 and 5430.011
Fund Name: UMC Operating Fund and Clark County Capital Equipment Transfer
Fund Center: 3000702100 and3000999902
Funded Pgm/Grant: N/A
Description: da Vinci Xi® Robot and peripherals
Bid/RFP/CBE: NRS 332.115.4; NRS 332.115.1 (c), (d); NRS 450.530
Term: Service; Five (5) years, one (1) year free
Amount: $3,426,529.57
Out Clause: Budget Fund Out

**BACKGROUND:**

On December 27, 2019, UMC entered into an agreement with Intuitive Surgical, Inc., for a 12-month lease of a da Vinci Xi® Robot. The lease included an option to purchase the equipment within the first three (3) months. The agreement with Intuitive will allow UMC to exercise this purchase option, and purchase an additional console for training, associated software and five (5) years of service:

| | | |
|---|---|---|
| da Vinci Robot Purchase | $ | 1,700,000.00 |
| da Vinci additional console | $ | 400,000.00 |
| Software | $ | 50,000.00 |
| Service (5 years) | $ | 795,000.00 |
| | $ | 2,945,000.00 |



Cleared for Agenda
March 18, 2020

Agenda Item #
**8**

Agreements with the remaining vendors will allow for the purchase of additional necessary equipment and instruments to enhance productivity:

| | | |
|---|---|---|
| Aesculap Instruments | $ | 9,217.00 |
| Bryton Yellofin Lift Asst. | $ | 10,292.00 |
| ConMed Airseal IFS | $ | 27,400.22 |
| Covidien E. Generator FT10 | $ | 23,967.52 |
| Hill-Rom Trumpf Table | $ | 114,720.00 |
| Integra Life Sciences | $ | 6,330.60 |
| Intuitive Surgical Instruments | $ | 70,070.00 |
| JPK Surgical Instruments | $ | 25,090.00 |
| Stryker Connected OR Cart and Service | $ | 194,442.23 |
| | $ | 481,529.57 |
| Grand Total | $ | 3,426,529.57 |

HealthTrust Purchasing Group (HPG) is the purchasing agent for the Group Purchasing Organization (GPO) of which UMCSN is a member. Pursuant to NRS 450.525 and NRS 450.530 this purchase may be made using the HealthTrust Purchasing Contract. Attached is a sworn statement from an HPG executive verifying that the pricing was obtained through a competitive bid process. Remaining purchases not obtained through GPO are pursuant to NRS 332.115.4, NRS 332.115.1 (c) and (d).

UMC's Chief Operating Officer has reviewed and recommends approval of these agreements. These agreements have been approved as to form by UMC's Office of General Counsel.



Respectfully submitted,

Jennifer Wakem
Chief Financial Officer

AESCULAP

# Quotation 701265-3: Containers-AIM Scopes and 1688 Camera

| | | | |
|---|---|---|---|
| Quote created on: | 03/04/2020 7:42:48am | Quote expires on: | 04/03/2020 12:00:00am |

| | | | |
|---|---|---|---|
| Customer ID: | 20061644 | Sales Rep: | Morgan Lee |
| Customer Name: | Univ Medical Ctr Of S Nev, Accts Payable | Mobile Phone #: | 480-268-5446 |
| Customer Address: | 1800 W Charleston<br>LAS VEGAS, NV 89102 | Email: | morgan.lee@aesculapusa.com |
| Contact: | Corrie Lee, 702-383-3680 | | |

**Contracts legend:**

(A) - HEALTHTRUST - CONTAINERS TIER 2

**AIM SCOPE CONTAINERS**

| Qty | Manufact. | Prod. Code | Image | Description | Contract | List Price USD | Contract Price USD | Ext. Price USD |
|---|---|---|---|---|---|---|---|---|
| 2 | AESCULAP | JS440 | | S2 1/1-CONT.BOTTOM PERFOR.H88MM H2O2 | (A) | | | |
| 2 | AESCULAP | JS489 | | S2 1/1-CONTAINER LID H2O2 | (A) | | | |
| 2 | AESCULAP | JF223R | | FULL-SIZE PERFORATED BASKET 21-1/4X10X3" | (A) | | | |
| 8 | AESCULAP | JG367 | | EYEPIECE HOLDER F/ SCOPE | (A) | | | |
| 8 | AESCULAP | JG368 | | SLEEVE HOLDER F/ SCOPES | (A) | | | |
| **22** | | | | | | **Set Total:** | | **$** |





Aesculap, Inc.
3773 Corporate Parkway
Center Valley, PA 18034
Customer svc: 800-282-9000

## CAMERA HEAD CONTAINERS

| Qty | Manufact. | Prod. Code | Image | Description | Contract | List Price USD | Contract Price USD | Ext. Price USD |
|---|---|---|---|---|---|---|---|---|
| 5 | AESCULAP | JS340 | | S2 1/2-CONT.BOTTOM PERFOR.H88MM H2O2 | (A) | | | |
| 5 | AESCULAP | JS389 | | S2 1/2-CONTAINER LID H2O2 | (A) | | | |
| 5 | AESCULAP | JF113R | | HALF-SIZE PERF BASKET 3" | (A) | | | |
| 5 | AESCULAP | JF945 | | PERFORATED SILOCONE MATS F/ HALF SIZE CONTAINER 248X257MM YELLOW | (A) | | | |
| **20** | | | | | | **Set Total:** | | **$** |





Aesculap, Inc.
3773 Corporate Parkway
Center Valley, PA 18034
Customer svc: 800-282-9000

## FIXATION PINS AND LABELS

| Qty | Manufact. | Prod. Code | Image | Description | Contract | List Price USD | Contract Price USD | Ext. Price USD |
|---|---|---|---|---|---|---|---|---|
| 4 | AESCULAP | JG300 | | FIXATION PIN F/STORAGE DEVICES | (A) | | | |
| 11 | AESCULAP | JG790U | | IDENTIFICATION LABEL BLACK | (A) | | | |
| 11 | AESCULAP | US940 | | SNAP ON ID TAG W/CLIP 2-1/2"X1/2" BLACK SM | (A) | | | |
| **26** | | | | | | **Set Total:** | | **$** |





Aesculap, Inc.
3773 Corporate Parkway
Center Valley, PA 18034
Customer svc: 800-282-9000

AESCULAP

## LAP CONTAINERS

| Qty | Manufact. | Prod. Code | Image | Description | Contract | List Price USD | Contract Price USD | Ext. Price USD |
|---|---|---|---|---|---|---|---|---|
| 4 | AESCULAP | JN444 | | FULL-SIZE PERF BOTTOM 8" | (A) | | | |
| 4 | AESCULAP | JK489 | | FULL-SIZE LID W/RETENTION PLATE SILVER | (A) | | | |
| 4 | AESCULAP | JF222R | | FULL-SIZE PERFORATED BASKET 21-1/4X10X2-1/4" | (A) | | | |
| 4 | AESCULAP | MD377 | | ENDO RACK | (A) | | | |
| 4 | AESCULAP | JF932 | | DIN-SIZE INSTRUMENT PAD BLUE | (A) | | | |
| **20** | | | | | | **Set Total:** | | **$** |
| | | | | | | **Grand Total:** | | **$9,217.00** |

**Special instructions for this quote:**

This Quotation is issued pursuant to and will be accepted subject to the Terms of Contract # 1339 (HealthTrust); Expiration Date: January 31, 2022. ***Notwithstanding anything herein, information is confidential between Aesculap and Client subject to the Public Records Act (NRS Chapter 239).***

**Please note terms for this quote:**

TERMS: NET 30 FOB ORIGIN DELIVERY 5-15 DAYS A.R.O WARRANTY: SEE AESCULAP STANDARD WARRANTY





Aesculap, Inc.
3773 Corporate Parkway
Center Valley, PA 18034
Customer svc: 800-282-9000

# DISCLOSURE OF OWNERSHIP/PRINCIPALS

| Business Entity Type (Please select one) | | | | | | |
|---|---|---|---|---|---|---|
| ☐ Sole Proprietorship | ☐ Partnership | ☐ Limited Liability Company | ☒ Corporation | ☐ Trust | ☐ Non-Profit Organization | ☐ Other |

**Business Designation Group (Please select all that apply)** N/A

| ☐ MBE | ☐ WBE | ☐ SBE | ☐ PBE | ☐ VET | ☐ DVET | ☐ ESB |
|---|---|---|---|---|---|---|
| Minority Business Enterprise | Women-Owned Business Enterprise | Small Business Enterprise | Physically Challenged Business Enterprise | Veteran Owned Business | Disabled Veteran Owned Business | Emerging Small Business |

**Number of Clark County Nevada Residents Employed:** 0

| | | | |
|---|---|---|---|
| **Corporate/Business Entity Name:** | Aesculap Inc | | |
| **(Include d.b.a., If applicable)** | | | |
| **Street Address:** | 3773 Corporate Pkwy | **Website:** | www.aesculapusa.com |
| **City, State and Zip Code:** | Center Valley, PA 18034 | **POC Name:** | Pam Bloshuk |
| | | **Email:** | Pam.Bloshuk@aesculapusa.com |
| **Telephone No:** | 800-258-1946 | **Fax No:** | |
| **Nevada Local Street Address:** **(If different from above)** | | **Website:** | |
| **City, State and Zip Code:** | | **Local Fax No:** | |
| **Local Telephone No:** | | **Local POC Name:** **Email:** | |

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

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

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

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

***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.

Pam Bloshuk
Signature

PAM BLOSHUK
Print Name

Contracts Manager
Title

03/10/2020
Date

# DISCLOSURE OF RELATIONSHIP

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

| NAME OF BUSINESS OWNER/PRINCIPAL | NAME OF UMC* EMPLOYEE/OFFICIAL AND JOB TITLE | RELATIONSHIP TO UMC* EMPLOYEE/OFFICIAL | UMC* EMPLOYEE'S/OFFICIAL'S DEPARTMENT |
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* UMC employee means an employee of University Medical Center of Southern Nevada

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

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

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

---

***For UMC Use Only:***

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

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

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

Notes/Comments:

_____
Signature

_____
Print Name
Authorized Department Representative

March 2, 2020

Fran Heiy
Management Analyst - Contracts
University Medical Center of Southern Nevada
1800 W. Charleston Blvd.
Las Vegas, NV 89102

Re: Request for competitive bidding information regarding Sterilization Containers and Supplies.

Dear Ms. Heiy:

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

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

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

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

The above-described process was followed with respect to Sterilization Containers and Supplies issued RFPs and received proposals from identified suppliers in the Sterilization Containers and Supplies category. Contracts were executed with Aesculap, Case Medical, Symmetry Surgical, Medline, Integra and Carefusion in February of 2019. I hope this satisfies your request. Please contact me with any additional questions.

Sincerely,

Craig Dabbs
Account Director, Member Services

BRYTON CORPORATION

# QUOTE

Bryton Corporation | P.O.Box 68177 | Indianapolis, IN 46268 | 317-334-8700 | Fax 317-334-8787

**Bill To:**
University Medical Center of
Southern Nevada
1800 W. Charleston Blvd.
Las Vegas, NV, 89102-2329

**Ship To:**
Corrie Lee
University Medical Center of
Southern Nevada
1800 W. Charleston Blvd.
Las Vegas, NV, 89102-2329
**Phone:** (702) 383-3680
**Fax:**
**Email:** chung.lee@umcsn.com

**Quote No:** BQ244918
**Date:** 01-13-20
**Valid Until:** 01-31-20
**Rep:** Kristen Strausbaugh
**Cust. No:** BA379881
**FOB:** Indianapolis
**Delivery:**
**Terms:** Net 30 Days

| QTY | PRODUCT NO. | DESCRIPTION | UNIT PRICE | DISC. | TOTAL |
|---|---|---|---|---|---|
| 2 | LS-3000-SR | REFURBISHED YELLOFIN LIFT ASSIST LEG-HOLDER SYSTEM Dynamically Adjusted and Tested. This pair of Pneumatic Lift Assist Legholders is a Floating boot style unless noted otherwise. Accommodates patient weights up to 350 lbs. | $ 4,950.00 | $ 0.00 | $ 9,900.00 |
| 2 | LS-9020 | BOOT PADS - YELLOFIN CLAM SHELL STYLE for Yellofin Legholders (pair) - Memory Foam w/ 4-way stretch vinyl cover | $ 425.00 | $ 850.00 | $ 0.00 |
| 4 | CL-1500 | Leg Holder SIDE RAIL CLAMP - for straight bars only - Black Aluminum | $ 101.00 | $ 404.00 | $ 0.00 |
| 2 | LS-1180 | LEG HOLDER ACCESSORY CART - STAINLESS STEEL w/ DURABLE PAINTED STEEL BRACKET works with any style legholder system and numerous accessories. | $ 696.00 | $ 0.00 | $ 1,392.00 |
| 4 | WARRANTY | 2 YEARS COVERING ALL PARTS AND LABOR | $ 0.00 | $ 0.00 | $ 0.00 |
| 1 | Promotion Discount | Promotional Discount for month of January. $500 off each set of Yellofins if 2 or more sets are purchased together. Valid for any kind of Yellofin leg holder. Expires January 31, 2020. | $ 0.00 | $ 1,000.00 | $ -1,000.00 |

ORDER CANCELLATIONS: Purchase orders accepted become a binding, legal contract. Any order change or cancellation must transpire within the first 72 hours. Changes to order after that period may incur change order fees; orders cancelled after this period will incur a minimum of 20% restocking fee. If an order has already shipped within this time period, customer will be responsible for shipping costs incurred both ways. Custom orders are not eligible for cancellation after this time. WARRANTY: Bryton guarantees that all products are supplied to the highest quality standards in the industry. Most products are covered by a 2 year warranty against manufacturers defects in material or workmanship. Bryton will replace or repair, at its own discretion, any product covered by this warranty. Warranty does not apply to product with signs of misuse, abuse, alterations, or lack of reasonable care. TERMS: Net 30 days on established accounts. 2% per month finance charges apply to all past due balances. Customer is responsible for all attorney &collection fees resulting from delinquent accounts. Credit cards are accepted at time of sale. Quotations/Bids are valid for 30 days, unless otherwise noted. Sales tax will be charged on all orders in Indiana unless valid exemption certificate is on file or provided with order. SHIPPING: Any shipping charges quoted are an estimate for carriage only. Additional packaging or surcharges may also apply. RETURNS: All returns must have an accompanying return goods authorization number (RGA number) regardless of reason for return, RGA must be requested in 30 days from invoice date and is valid for 15 days. Credit will be issued for product value only, subject to inspection, minimum 20% restocking fee may apply. Returned goods must be in new, unmarked, resalable condition. Custom, disposable, and used goods are not returnable. All prices are FOB Bryton distribution point, freight charges are prepaid and billed, unless otherwise stated above. Shipping claims must be reported within 24 hours.

| | |
|---|---|
| Subtotal: | $ 10,292.00 |
| Tax: | $ 0.00 |
| Total: | $ 10,292.00 |

## AMENDMENT ONE TO QUOTE
## [No. BQ244918]

**Bryton Corporation**, ("Company"), and **University Medical Center of Southern Nevada**, a publicly owned and operated hospital created by virtue of Chapter 450 of the Nevada Revised Statutes ("Customer"), agree to amend the Terms and Conditions of the above referenced Quote Number. If there are any conflicts between the terms of this Amendment and the terms of the above referenced Quote Number or any other agreement between the parties relating to this subject matter, the terms of this Amendment shall control. All paragraphs specifically listed below shall either supersede the same paragraphs as listed or to be added in the Quote.

1) Valid Until. "Valid until 01-31-20" is hereby deleted in its entirety and replaced with the following, "Valid Until 04-30-20"

2) Promotion Discount. "Expires January 31, 2020" is hereby deleted in its entirety and replaced with the following, "Expires April 30, 2020"

3) Order Cancellation. "Changes to order after that period may change order fees; orders cancelled after this period will incur a minimum 20% restocking fee" shall be deleted in its entirety.

4) Order Cancellation. "2% per month finance charges apply to all past due balances. Customer is responsible for all attorney and collection fees resulting from delinquent accounts." shall be deleted in its entirety.

5) Order Cancellation. Returns: "minimum 20% restocking fee may apply" shall be deleted in its entirety.

The following new sections are inserted:

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

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

8) Non-Excluded Healthcare Provider. Company represents and warrants to Customer that neither it nor to its knowledge that any of its affiliates (a) are excluded from participation in any federal health

care program, as defined under 42 U.S.C. §1320a-7b (f), for the provision of items or services for which payment may be made under such federal health care programs and (b) has arranged or contracted (by employment or otherwise) with any employee, contractor or agent that such party or its affiliates knows are excluded from participation in any federal health care program, to provide items or services hereunder. Company represents and warrants to Customer that no final adverse action, as such term is defined under 42 U.S.C. §1320a-7e (g), has occurred or to its knowledge is pending or threatened against Company or its affiliates or to their knowledge against any employee, contractor or agent engaged to provide items or services.

Customer's Purchase Order and this Amendment One contains the full, final, and complete expression of all agreements between Customer and Company and shall supersede all prior or contemporaneous agreements between Customer and Company, whether oral or written. Any change, modification or amendment must be in writing and signed by an authorized representative of both Customer and Company.

The parties have signed this Amendment to be executed by their duly authorized officers on the dates set forth below.

| **Bryton Corporation** | **University Medical Center of Southern Nevada** |
|---|---|
| Signature: James R Waldrop | Signature: _____ |
| Name: James R Waldrop | Name: Mason VanHouweling |
| Title: Controller | Title: Chief Executive Officer |
| Date: 3/10/2020 | Date: _____ |

# DISCLOSURE OF OWNERSHIP/PRINCIPALS

**Business Entity Type (Please select one)**

| ☐ Sole Proprietorship | ☐ Partnership | ☐ Limited Liability Company | ☑ Corporation | ☐ Trust | ☐ Non-Profit Organization | ☐ Other |
|---|---|---|---|---|---|---|

**Business Designation Group (Please select all that apply)**

| ☐ MBE | ☐ WBE | ☐ SBE | ☐ PBE | ☐ VET | ☐ DVET | ☐ ESB |
|---|---|---|---|---|---|---|
| Minority Business Enterprise | Women-Owned Business Enterprise | Small Business Enterprise | Physically Challenged Business Enterprise | Veteran Owned Business | Disabled Veteran Owned Business | Emerging Small Business |

**Number of Clark County Nevada Residents Employed:** Ø

| | | | |
|---|---|---|---|
| **Corporate/Business Entity Name:** | Bryton Corporation | | |
| **(Include d.b.a., if applicable)** | | | |
| **Street Address:** | 4001 Methanol LN. | **Website:** | www.Brytoncorp.com |
| **City, State and Zip Code:** | Indianapolis, IN 46268 | **POC Name:** | James Waldrop |
| | | **Email:** | J.Waldrop@brytoncorp.com |
| **Telephone No:** | (317)-334-8700 | **Fax No:** | (317)-334-8787 |
| **Nevada Local Street Address:** (If different from above) | | **Website:** | |
| **City, State and Zip Code:** | | **Local Fax No:** | |
| **Local Telephone No:** | | **Local POC Name:** | |
| | | **Email:** | |

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

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

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

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

***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.

Jamie N Waldrop
Signature

James Waldrop
Print Name

Controller
Title

2-24-2020
Date

# DISCLOSURE OF RELATIONSHIP

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

| NAME OF BUSINESS OWNER/PRINCIPAL | NAME OF UMC* EMPLOYEE/OFFICIAL AND JOB TITLE | RELATIONSHIP TO UMC* EMPLOYEE/OFFICIAL | UMC* EMPLOYEE'S/OFFICIAL'S DEPARTMENT |
|---|---|---|---|
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* UMC employee means an employee of University Medical Center of Southern Nevada

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

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

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

---

***For UMC Use Only:***

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

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

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

Notes/Comments:

_____
Signature

_____
Print Name
Authorized Department Representative

**Proposal: 056B6300**

**Expires: 20 March 2020**

**Customer Care**

**Sales Representative:** BREANNA IRMITER
**Phone Number:** 702-596-2245
**Email:** BREANNAIRMITER@CONMED.COM

**Conmed Ship To Acct. #:** 260765

**Ship To:** UNIVERSITY MED CENTER
**Account Address:** ATTN: RECEIVING
1800 W. CHARLESTON BLVD
LAS VEGAS, NV 89102

**Bill To:** UNIVERSITY MED CENTER
**Account Address:** ATTN: ACCOUNTS PAYABLE 1800 W. CHARLESTON BLVD
LAS VEGAS, NV 89102

**Account Contact:**
**Title:**
**Account Tel:**
**Account Email:**

**Order Date:**
**Purchase Order:**
**Terms:** NET 30 DAYS
**FOB:** FOB ORIGIN FRT COLL

| REF # | Product Description | Quantity | UOM per Box | List Price | Price | Extended Price |
|---|---|---|---|---|---|---|
| IFS-BC1 | IFS BOTTLE GAS CONNECTOR | 1 | 1 | $ | $ | $$ |
| AS-IFS1 | AIRSEAL IFS, 110V | 1 | 1 | $ | $ | |
| | | | Sub Total: | | | $ |
| | | | Sales Tax: | | | TBD |
| | | | Shipping & Handling: | | | TBD |
| | | | **Total:** | | | **$26,654.50** |

This Quotation is issued pursuant to and will be accepted subject to the Terms of Contract #16202 (HealthTrust); Expiration Date: 2.2021. In the event of conflict between Contract #16202 (HealthTrust) and the Nevada Revised Statutes, Nevada law will prevail.

***In order to ensure proper pricing please make sure your purchase order references this proposal.***

Remit To:
CONMED
Church Street Station
PO Box 6814
New York, NY 10249-6814

**Customer Service - Order Placement**
(800) 448-6506 C/S Phone
(800) 438-3051 C/S Fax
customerservice@conmed.com

Vendor Address:
CONMED
525 French Road
Utica, NY 13502

**Thank you for your business!**

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

**Purpose of the Form**

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

**General Instructions**

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

**Detailed Instructions**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

# DISCLOSURE OF OWNERSHIP/PRINCIPALS

| **Business Entity Type (Please select one)** | | | | | | |
|---|---|---|---|---|---|---|
| ☐ Sole Proprietorship | ☐Partnership | ☐ Limited Liability Company | ☒ Corporation | ☐ Trust | ☐ Non-Profit Organization | ☐ Other |

| **Business Designation Group (Please select all that apply)** | | | | | | |
|---|---|---|---|---|---|---|
| ☐ MBE | ☐ WBE | ☐ SBE | ☐ PBE | ☐ VET | ☐DVET | ☐ ESB |
| Minority Business Enterprise | Women-Owned Business Enterprise | Small Business Enterprise | Physically Challenged Business Enterprise | Veteran Owned Business | Disabled Veteran Owned Business | Emerging Small Business |

**Number of Clark County Nevada Residents Employed: 1**

| | | |
|---|---|---|
| **Corporate/Business Entity Name:** | CONMED Corporation | |
| **(Include d.b.a., if applicable)** | | |
| **Street Address:** | 525 French Road | **Website: conmed.com** |
| **City, State and Zip Code:** | Utica, NY 13502 | **POC Name: Breanna Irmiter**<br>**Email: breannairmiter@conmed.com** |
| **Telephone No:** | 866-426-6633 | **Fax No:** 315-797-0321 |
| **Nevada Local Street Address:**<br>**(If different from above)** | 2925 Grasswren Drive | **Website:** |
| **City, State and Zip Code:** | North Las Vegas, NV 89084 | **Local Fax No:** |
| **Local Telephone No:** | 702-596-2245 | **Local POC Name:**<br>**Email: breannairmiter@conmed.com** |

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

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

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

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

***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.

DocuSigned by:
Tyler Click
12CCEFEE328E49E...
Signature

Tyler Click
Print Name

Director, Corporate Contracts
Title

3/3/2020
Date

# DISCLOSURE OF RELATIONSHIP

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

| NAME OF BUSINESS OWNER/PRINCIPAL | NAME OF UMC* EMPLOYEE/OFFICIAL AND JOB TITLE | RELATIONSHIP TO UMC* EMPLOYEE/OFFICIAL | UMC* EMPLOYEE'S/OFFICIAL'S DEPARTMENT |
|---|---|---|---|
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* UMC employee means an employee of University Medical Center of Southern Nevada

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

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

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

---

***For UMC Use Only:***

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

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

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

Notes/Comments:

DocuSigned by:
Tyler Click
Signature
12CCFEE328E49E...
Tyler Click
Print Name
Authorized Department Representative

March 2, 2020

Fran Heiy
Management Analyst - Contracts
University Medical Center of Southern Nevada
1800 W. Charleston Blvd.
Las Vegas, NV 89102

Re: Request for competitive bidding information regarding Endoscopy and Arthroscopy, Visualization.

Dear Ms. Heiy:

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

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

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

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

The above-described process was followed with respect to Endoscopy and Arthroscopy, Visualization. HealthTrust issued RFPs and received proposals from identified suppliers in the Endoscopy and Arthroscopy, Visualization category. Contracts were executed with Conmed, Stryker, Richard Wolf, Karl Storz and Olympus in March of 2018. I hope this satisfies your request. Please contact me with any additional questions.

Sincerely,

Craig Dabbs

Account Director, Member Services

**Hill-Rom Company, Inc.**

**d/b/a Trumpf Medical**
1046 Legrand Blvd.
Charleston, SC 29492
TEL: 843-534-0606

**University Medical Center of Southern Nevada**

1800 W. Charleston Blvd
Las Vegas, NV 89102

# QUOTE

| | |
|---|---|
| Quote # | TRUQ14074 |
| Sales Rep | Michael Hammond |
| [redacted] | |
| | 801-915-2217 |
| Issue Date | 01/13/20 |
| Expiration | 04/30/20 |

| Item | Qty | Catalog # | Description | List Price | Sale Price | Ext Sale Price |
|---|---|---|---|---|---|---|
| 1 | 1 | 112011 | TruSystem® 7000dV Standard Table Package<br>Description: TruSystem® 7000dV Mobile Operating Table with Iso Center Motion (Combined Trendelenburg adjustment and longitudinal shift) for robotic-assisted surgery.<br>Components include: Double Joint Head Section, One-Part Leg Section, Tabletop & all Accessory Pads, dV Remote Control, Charging Cable and dV Connection Cable, Software for Integrated Table Motion<br>Accessories include: 2 Armboards with pads, Lightweight Transfer Board, 1 Component Cart, 1 Patient Restraint Strap, 1 Rotatable Footboard with 2 clamps<br>2 Year Service Coverage including Software Upgrade(s) providing wireless capability* for use with the da Vinci Xi® Surgical System<br>*$1000 delivery fee will be added to the invoice<br>**$1500 delivery fee will be added to the invoice if both the Advanced Package (111999) and Table package (112011) are purchased together | $128,705.88 | $87,520.00 | $87,520.00 |

| Item | Qty | Catalog # | Description | List Price | Sale Price | Ext Sale Price |
|---|---|---|---|---|---|---|
| 1.1 | 1 | 111920 | dV SmartCare Protection +<br>2 Years (Exclusive for NEW dV Sales)<br>2 Year comprehensive service coverage to include all necessary software updates to enable and sustain ITM, and 2 PM's at 12 and 24 months<br><br>In addition to Trumpf Medical's Standard Warranty, the above pricing for the TruSystem 7000dV Surgical Table includes two years of SmartCare Complete service coverage. The SmartCare Complete service on this proposal is an additional discount of the purchase price valued at $7,175.00 per surgical table. Customer is advised that the Customer may be obligated to properly reflect and/or report any discount, rebate or reduction in price in its costs claimed or charges made to federal (e.g. Medicare) or state (e.g. Medicaid) health care programs requiring such disclosure. The invoices provided by Trumpf Medical may not reflect the net cost to the Customer. Customer shall make written request to Trumpf Medical in the event Customer requires additional information in order to meet applicable reporting or disclosure obligations. | $7,175.00 | $0.00 | $0.00 |
| 2 | 1 | FRT | Freight | $1,000.00 | $1,000.00 | $1,000.00 |

| | |
|---|---|
| Total List Price | $136,880.88 |
| **Total Sale Price** | **$88,520.00** |

**EMAIL ALL PURCHASE ORDERS TO orderssurgical@hillrom.com**
**IF TAX EXEMPT, EMAIL EXEMPTION CERTIFICATE TO exemption.certificate@hillrom.com**
**The Trumpf Medical Standard Terms and Conditions attached hereto and the Customer's addendum shall govern Customer's purchase of the equipment set forth in this Quote.**
**Hill-Rom SmartCare services identified in this Quote shall be governed by the Hill-Rom General Service Terms and Conditions attached**

**HILL-ROM COMPANY, INC., D/B/A TRUMPF MEDICAL ("TRUMPF MEDICAL")**
**MOBILE SURGICAL TABLES AND ACCESSORIES**
**STANDARD TERMS AND CONDITIONS**

1. ACCEPTANCE: Trumpf Medical makes all quotations and accepts orders only on the terms and conditions stated herein. No conditions stated by Purchaser shall be binding upon Trumpf Medical if in conflict with, inconsistent with, or in addition to the terms and conditions stated herein, unless expressly accepted in writing and signed by Trumpf Medical's appointed management representative. Once Trumpf Medical accepts order, additional charges will apply for any subsequent change orders required by Purchaser.

2. PRICES; SHIPPING: All prices are: (a) Trumpf Medical's current prices and are effective only for the time period as stated in the quotation; (b) net Freight on Board (FOB) Destination with freight charges and related insurance prepaid and added to invoice. Purchaser shall be billed for all applicable sales and other taxes until such time as Purchaser provides a tax-exempt certificate (resale certificate) to Trumpf Medical with respect to such taxes. Applicable taxes will be calculated and billed at time of invoicing.

3. PAYMENT TERMS: 100% of the purchase price will be invoiced at time of shipment. Credit cards will not be accepted for payment except for consumables and small spare parts/accessories. Payment terms are Net 30 Days from date of invoice. Purchaser agrees to pay Trumpf Medical for any and all costs and expenses (including, without limitation, reasonable attorneys' fees) incurred by Trumpf Medical to collect any amounts owed to it under this Agreement, to the extent allowable under the Nevada Revised Statutes, Chapter 18 (NRS 18.150).

4. DELIVERY AND RECEIPT: Shipment of any products purchased hereunder is subject to Trumpf Medical's availability schedule. Trumpf Medical shall make every reasonable effort to meet delivery dates quoted or acknowledged. However, Trumpf Medical will not be liable for its failure to meet such dates. Orders may be subject to special handling and delivery charges, including storage fees, if applicable. Purchaser, or Purchaser's representative, is responsible for receiving, offloading and moving Trumpf Medical equipment upon delivery. Purchaser, or Purchaser's representative, is responsible for providing all material handling equipment for receipt and movement of the equipment. Upon uncrating and unwrapping, the disposal of all packaging waste is the responsibility of Purchaser.

5. LIMITED WARRANTY: Trumpf Medical warrants to the original purchaser that the products sold hereunder shall be free from defects in material and workmanship for a period of one (1) year for all surgical tables and trial or refurbished items. In addition, Trumpf Medical will replace up to one (1) remote control unit and one (1) cladding for each surgical table for a period of one (1) year after delivery of the surgical table. Trumpf Medical's obligation under this warranty is expressly limited to supplying replacement parts and/or service for, or replacing, at its sole option, any product which is, in the sole discretion of Trumpf Medical, found to be defective. The foregoing warranty does not include disposable or consumable items (with the limited exception of the single replacement of the remote control unit for up to one (1) year after the delivery date), including, but not limited to, table pads, charging units, and other similar items. The warranty period shall begin on the date of shipment. This warranty shall be voided if, in Trumpf Medical's sole judgment, the parts and/or systems have been subjected to misuse or abuse, inadequate or improper maintenance, unauthorized modification, improper site preparation, operation outside of the environmental specifications for the product or use with delivery devices or accessories not approved by Trumpf Medical. **TRUMPF MEDICAL'S OBLIGATIONS UNDER THIS WARRANTY SHALL NOT INCLUDE ANY LIABILITY FOR DIRECT, INDIRECT, CONSEQUENTIAL OR INCIDENTAL DAMAGES OR DELAYS. NO EMPLOYEE OR REPRESENTATIVE OF TRUMPF MEDICAL IS AUTHORIZED TO CHANGE THIS WARRANTY IN ANY WAY OR GRANT ANY OTHER WARRANTY. EXCEPT FOR THIS LIMITED WARRANTY, TRUMPF MEDICAL MAKES NO REPRESENTATIONS OR WARRANTIES, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO THE PRODUCTS OR SERVICES. TRUMPF MEDICAL SPECIFICALLY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.**

6. LIMITATION OF LIABILITY: **TRUMPF MEDICAL'S LIABILITY ON ANY CLAIM OF ANY KIND, INCLUDING NEGLIGENCE, FOR ANY LOSS OR DAMAGE ARISING OUT OF, CONNECTED WITH OR RESULTING FROM THE PERFORMANCE OR THE BREACH OF THE TERMS HEREOF OR FROM THE DESIGN, MANUFACTURE, SALE, DELIVERY, RESALE, INSTALLATION, TECHNICAL DIRECTION OF INSTALLATION, INSPECTION, REPAIR, OPERATION OR USE OF ANY PRODUCTS SOLD BY TRUMPF MEDICAL TO PURCHASER, SHALL IN NO CASE EXCEED THE PRICE**

**ALLOCABLE TO THE PRODUCTS WHICH GIVE RISE TO THE CLAIM. IN NO EVENT WILL TRUMPF MEDICAL BE LIABLE FOR ANY INDIRECT, PUNITIVE, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES IN CONNECTION WITH OR RELATED TO THE TERMS HEREOF (INCLUDING LOSS OF PROFITS, USE, DATA, OR OTHER ECONOMIC ADVANTAGE), HOWSOEVER ARISING, EITHER OUT OF BREACH OF THIS AGREEMENT, INCLUDING BREACH OF WARRANTY, OR IN TORT (INCLUDING NEGLIGENCE, STRICT LIABILITY, OR OTHERWISE), EVEN IF THE OTHER PARTY HAS BEEN PREVIOUSLY ADVISED OF THE POSSIBILITY OF SUCH DAMAGE AND WHETHER OR NOT SUCH DAMAGES ARE FORESEEN OR UNFORESEEN.**

7. COMPLIANCE WITH LAW: Purchaser shall, in connection with these Terms and Conditions and any sales to which they relate, comply with all applicable federal and state laws, regulations, and other authorities, specifically including but not limited to the federal health care program anti-kickback law, 42 U.S.C. § 1320a-7b(b) ("Anti-Kickback Law"). As part of the cost reporting process or otherwise, Purchaser may be obligated to report and provide information concerning any discounts, rebates, or other price reductions provided in connection with any sales from Trumpf Medical to Purchaser, pursuant to 42 U.S.C. § 1320a-7b(b)(3)(A) (the discount exception to the Anti-Kickback Law) and/or 42 C.F.R. § 1001.952(h)(the discount safe harbor to the Anti-kickback Law), other federal or state laws, or agreement with third party payers. Purchaser hereby acknowledges its legal obligations to fully and accurately report the discounts, rebates and/or other price reductions it receives under these Terms and Conditions and any sales to which they relate, per these authorities. Purchaser should retain these Terms and Conditions (and any other documentation of discounts, rebates, or other price reductions) and make such information available to federal or state health care programs or other payers upon request.

8. NOTICE OF CLAIMS: Purchaser shall inspect the products upon receipt or, where installation is included in the purchase price, upon installation by Trumpf Medical authorized personnel and shall notify Trumpf Medical in writing of any claims for shortage or breach of warranty within 30 days after Purchaser discovers, or should have discovered, facts upon which the claim is based. Failure of Purchaser to give written notice of a claim within the time period or in the form specified above shall be deemed to be a waiver of such claim. No action for breach of any term of this contract of sale or any other duty of Trumpf Medical with respect to these products may be commenced beyond the warranty period.

9. CANCELLATION; RETURNED GOODS: Orders may not be canceled except by written notice received by Trumpf Medical prior to shipment. A restocking charge of fifteen percent (15%) of the net price will be applied for the cancellation of standard items. Charges for the cancellation of any special items will be based on non- recoverable expenses incurred by the Trumpf Medical in filling the order plus fifteen percent (15%) of the net price. .Trumpf Medical will accept returns of product only in accordance with Trumpf Medical's standard returned goods policy, which will be provided to Purchaser upon request.

10. DESIGN CHANGES; SPECIFICATIONS: The designs and specifications of all products sold are subject to change without notice and, in the event of any such changes, Trumpf Medical will have no obligation whatsoever to make similar changes in products previously ordered. Specifications and drawings and any other information shall remain the property of Trumpf Medical and are subject to recall at any time. Such information shall not be disclosed or used for manufacture of any products.

11. SECURITY INTEREST: Trumpf Medical shall retain a security interest in the products until Trumpf Medical has received full payment including taxes. Purchaser agrees to sign and deliver to Trumpf Medical any additional documents required by Trumpf Medical to protect its security interest. If Purchaser defaults or Trumpf Medical deems itself insecure or the products in danger of confiscation, the full amount unpaid shall immediately become due and payable at the option of Trumpf Medical and on proper notice to Purchaser, Trumpf Medical may retake possession of the products wherever located without court order and can resell or retain according to the laws of the state where the products are located. The products shall not be considered a fixture if attached to any realty. Purchaser shall assume all loss relating from damage to the products occurring after the products have been delivered to Purchaser and shall provide adequate insurance therefore at all times until the purchase price shall have been fully paid.

12. COMPLETE AGREEMENT; CONFLICTING AND ADDITIONAL TERMS: This Agreement contains the complete agreement of the parties with respect to the subject matter hereof. All products from Trumpf Medical will be provided on the terms and conditions set forth in this Agreement. The terms of this Agreement will govern over any conflicting terms in individual purchase orders, and all additional terms (other than the dates, product type and quantity terms of such order) in individual purchase orders will be disregarded in their entirety unless otherwise explicitly agreed to in a writing signed by an authorized representative of each party.

13. AMENDMENT: No amendment or modification of this Agreement shall be effective or binding upon either party unless committed to in writing and signed by a duly authorized representative(s) of each of the parties.

14. SEVERABILITY: Each and every paragraph, sentence, clause, term and provision of this Agreement shall be severable, and if any portion of this Agreement shall be held or declared to be illegal, invalid, or unenforceable, such illegality, invalidity, or unenforceability shall not affect any other portions hereof, and the remainder of this Agreement, disregarding such invalid portion, shall continue in full force and effect as though such void provision had not been contained herein.

15. FORCE MAJEURE: Either party shall be excused from any delays in schedules or failure to perform any of its obligations, except payment obligations, under this Agreement caused by floods, strikes or other labor disturbances, fires, accidents, wars, delays of carriers, inability to obtain raw materials, failures of normal sources of supply, restraints of government, or any other similar or dissimilar cause beyond either party's reasonable control. No such delay or failure shall be considered a breach of either party's obligations under this Agreement.

16. GOVERNING LAW: The validity, interpretation, and performance of these terms and conditions of sale and the related purchase order shall be governed by and construed in accordance with the laws of the State of Nevada.

IN WITNESS WHEREOF, the Party hereto has caused this Agreement to be executed as of the Effective Date.

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

By: _____

Printed: Mason VanHouweling

Title: CEO

Effective Date: _____

Trumpf Medical

By: Timothy Nicholas

Printed: Timothy Nicholas

Title: VP, US Sales

Effective Date: 3/13/2020

By signing this signature page of the quote, the signee agrees to the terms and conditions specified in the HILL-ROM COMPANY, INC., D/B/A TRUMPF MEDICAL, STANDARD TERMS AND CONDITIONS.

**GENERAL SERVICE TERMS AND CONDITIONS**

**1. Scope; Entire Agreement**. These General Service Terms and Conditions are applicable to products, equipment, or software ("Covered Goods") covered under one of the following service programs offered by Hill-Rom, Inc. or its affiliate Welch Allyn, Inc. (each, a "Service Provider"): SmartCare™ Service Programs, Partners in Care℠ Service Programs, Software and any other service programs described at https://www.hill-rom.com/service-options or http://www.welchallyn.com/en/service-support/partners-in- care/support-services.html as the same may be updated from time to time (each, a "Service Program"). The descriptions of the applicable Service Program and these General Service Terms and Conditions constitute the entire agreement between Service Provider and Customer ("Agreement"). The Agreement supersedes any other oral or written agreement between Service Provider and Customer with respect to a Service Program and may only be modified in a writing signed by both parties. The Agreement will prevail over any conflicting terms in Customer's purchase order.

**2. Effective Date**. The effective date of the Agreement is: (i) for Service Programs sold by an authorized distributor, the date Customer activates the Agreement by calling the activation line at 866-422-2220, option 2, or by visiting the activation site at www.welchallyn.com/en/service-support/partners-in-care-contract-activation.html; or (ii) for Service Programs sold directly by Service Provider, unless otherwise provided on the SmartCare Service Agreement or in the quote or proposal, the date of receipt of Customer's purchase order or payment.

**3. Exclusions.** The Service Programs do not cover damage to Covered Goods caused by, in whole or in part, the following as determined by Service Provider in its sole discretion: (i) modification by anyone other than Service Provider; (ii) misuse or improper use; (iii) natural disasters or extreme weather; or (iv) use of non-Service Provider accessories, replacement parts, and/or third-party software not authorized in writing by Service Provider.

**Non-Hill-Rom Products.** Under SmartCare Service Programs, Service Provider will provide requested repair services for non-Hill-Rom-branded products, with the exception of non-Hill-Rom-branded operating room tables, lights, and equipment management systems. Customer is responsible at its sole expense to provide all parts to complete the repairs and to provide applicable service manuals unless otherwise agreed to by Service Provider. Service Provider will not be liable if Customer's request for or Service Provider's provision of repair services on non-Hill-Rom-branded products voids the warranty or service agreement of any third party.

**5. Term and Renewal**. The initial term of the Service Program is set forth on the SmartCare Service Agreement or on the quote, proposal, or invoice. Service Provider may, in its sole discretion, elect to renew the Service Program by sending Customer a renewal invoice at the then-current list price unless otherwise agreed to in writing. The Service Program will expire if Customer fails to pay the renewal invoice when due. A renewal term may be of lesser duration than the initial or any previous renewal term in the event Service Provider deems Covered Goods "end-of-life" subject to a limited period of continuing support.

**6. Payment Terms.** Unless otherwise provided in the quote or proposal, the fee for the Service Program may be paid in its entirety in advance of the first 12-month period of the initial or any renewal term, or in annual installments in advance of each 12- month period of the initial or any renewal term, and is not refundable except as expressly provided herein. The fee does not include any applicable sales, use or other taxes payable by Customer. Payment is due Net 30 days from invoice date. Customer agrees to pay Service Provider for any and all costs and expenses (including, without limitation, reasonable attorneys' fees) incurred by Service Provider to collect any amounts owed to it under this Agreement, to the extent allowable under the Nevada Revised Statutes, Chapter 18 (NRS 18.150). Customer may be obligated to properly reflect and/or report any discount, rebate or reduction in price in its costs claimed or charges made to federal (e.g., Medicare) or state (e.g., Medicaid) healthcare programs requiring such disclosure, and Service Provider's invoices may not reflect Customer's net cost. Customer may make written request for additional information from Service Provider for purposes of meeting applicable reporting or disclosure obligations.

**7. Suspension of Performance.** If Customer fails to pay timely, Service Provider reserves the right to suspend services upon 5 days' written notice unless: (i) Service Provider receives full payment, (ii) the parties agree to alternative payment arrangements in writing, or (iii) Customer notifies Service Provider in writing that it disputes the outstanding balance.

**8. Non-Solicitation.** During the term of the Service Program and for a period of 12 months following its expiration or earlier termination, Customer agrees that it will not directly or indirectly: (i) induce any individual who has provided services to Customer on behalf of Service Provider within the 6-month period immediately preceding the expiration or earlier termination of the Service Program to terminate his/her relationship with Service Provider; or (ii) assist, coordinate or otherwise offer employment to, employ, or retain as an independent contractor any individual who was employed by Service Provider at any time during the 6-month period immediately preceding the offer, employment, or retention without first paying to Service Provider a finder's fee equal to ½ of the annual fee for the Service Program; however, employment through public advertisements of open positions shall not be considered a solicitation.

**9. Warranty.** Service Provider warrants that it will perform services in a reasonably timely, professional, and workmanlike manner using trained and qualified personnel capable of performing services in accordance with industry standards. Service Provider's exclusive obligation and Customer's exclusive remedy for breach of the foregoing warranty is re-performance of defective services. THE FOREGOING WARRANTY CONSTITUTES THE SOLE WARRANTY MADE BY SERVICE PROVIDER AND IS IN LIEU OF ALL OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED OR STATUTORY, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ALL OTHER REMEDIES. NO EMPLOYEE OR REPRESENTATIVE OF SERVICE PROVIDER IS AUTHORIZED TO MODIFY THIS WARRANTY IN ANY WAY OR GRANT

ANY OTHER WARRANTY. Warranty information on replacement parts is available at https://direct.hill-rom.com.

**10. Limitation of Liability.** Service Provider will not be liable for loss or damages because of delays or nonperformance resulting from any cause beyond Service Provider's reasonable foresight or control. Any delays will extend Service Provider's period of performance under the Service Program. IN NO EVENT WILL SERVICE PROVIDER BE LIABLE TO CUSTOMER OR ANY THIRD PARTY FOR ANY SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR INDIRECT DAMAGES, INCLUDING, WITHOUT LIMITATION, LOSS OF PROFITS (WHETHER DIRECT OR INDIRECT), LOSS OF GOODWILL, OR LOSS OF DATA, OR ANY EXEMPLARY OR PUNITIVE DAMAGES. IN NO EVENT WILL SERVICE PROVIDER BE LIABLE TO CUSTOMER OR ANY THIRD PARTY FOR DIRECT DAMAGES IN AN AMOUNT GREATER THAN THE FEE FOR THE SERVICE PROGRAM PAYABLE BY CUSTOMER FOR THE 12-MONTH PERIOD IN WHICH THE EVENT GIVING RISE TO SUCH DAMAGES OCCURRED.

**11. General.** Service Provider and Customer shall comply at all times with applicable federal and state laws and regulations. Customer may assign the Agreement upon notice to Service Provider. This Agreement shall be governed by the laws of the state of Nevada, without regard to that state's conflicts of law provisions. Venue shall be any court of competent jurisdiction in Clark County, Nevada. A printed version of these General Service Terms and Conditions and the description of the Service Program will be admissible in judicial or administrative proceedings to the same extent and subject to the same conditions as other business documents and records originally generated and maintained in printed form.

# DISCLOSURE OF OWNERSHIP/PRINCIPALS

| Business Entity Type (Please select one) | | | | | | |
|---|---|---|---|---|---|---|
| ☐ Sole Proprietorship | ☐Partnership | ☐ Limited Liability Company | ☒ Corporation | ☐ Trust | ☐ Non-Profit Organization | ☐ Other |

| Business Designation Group (Please select all that apply) | | | | | | |
|---|---|---|---|---|---|---|
| ☐ MBE | ☐ WBE | ☐ SBE | ☐ PBE | ☐ VET | ☐DVET | ☐ ESB |
| Minority Business Enterprise | Women-Owned Business Enterprise | Small Business Enterprise | Physically Challenged Business Enterprise | Veteran Owned Business | Disabled Veteran Owned Business | Emerging Small Business |

**Number of Clark County Nevada Residents Employed:** HRC has 17 employees in Clark County Nevada

| | | |
|---|---|---|
| **Corporate/Business Entity Name:** | Hillrom Company, Inc. | |
| **(Include d.b.a., if applicable)** | d.b.a., Trumpf Medical | |
| **Street Address:** | 1046 Legrand Blvd. | **Website:** www.hillrom.com |
| **City, State and Zip Code:** | Charleston, SC 29492 | **POC Name:**<br>**Email:** |
| **Telephone No:** | 800.445.3730 | **Fax No:** |
| **Nevada Local Street Address:**<br>**(If different from above)** | Las Vegas Nevada Hillrom Service Center<br>1889 East Maule STE C & D | **Website:** WWW.HILLROM.COM |
| **City, State and Zip Code:** | Las Vegas, NV 89119 | **Local Fax No:** 702-739-9280 |
| **Local Telephone No:** | 702-795-0225 | **Local POC Name:** Eric West<br>**Email:** eric.west@hillrom.com |

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

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

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

| Full Name | Title | % Owned (Not required for Publicly Traded Corporations/Non-profit organizations) |
|---|---|---|
| Amy Dodrill | President GSS | |

***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.

William C Jones — Signature

William C. Jones — Print Name

VP Strategic Solutions — Title

2/20/2020 — Date

# DISCLOSURE OF RELATIONSHIP

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

| NAME OF BUSINESS OWNER/PRINCIPAL | NAME OF UMC* EMPLOYEE/OFFICIAL AND JOB TITLE | RELATIONSHIP TO UMC* EMPLOYEE/OFFICIAL | UMC* EMPLOYEE'S/OFFICIAL'S DEPARTMENT |
|---|---|---|---|
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* UMC employee means an employee of University Medical Center of Southern Nevada

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

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

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

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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

Trumpf Medical

# AMENDMENT ONE TO GENERAL SERVICE TERMS AND CONDITIONS

**Hill-Rom Company, Inc., ("Service Provider"),** and **University Medical Center of Southern Nevada**, a publicly owned and operated hospital created by virtue of Chapter 450 of the Nevada Revised Statutes **("Customer")**, agree to amend the General Service Terms and Conditions of Quote # TRUQ14074 (the "Agreement"). If there are any conflicts between the terms of this Amendment and the terms of the above referenced Quote Number or any other agreement between the parties relating to this subject matter, the terms of this Amendment shall control. All paragraphs specifically listed below shall either supersede the same paragraphs as listed or to be added in the Agreement. Capitalized terms used herein and not otherwise defined herein, unless the context otherwise requires, shall have the same meanings set forth in the Agreement.

1) Paragraph 6, **Payment Terms**:
The following shall be deleted in its entirety; "Unless waived by Service Provider in writing, overdue invoices shall be subject to a late payment charge equal to the lesser of 1½% per month or the maximum rate allowed by law.

   The following sentence shall be amended and restated as follows: Customer agrees to pay Service Provider for any and all costs and expenses (including, without limitation, reasonable attorneys' fees) incurred by Service Provider to collect any amounts owed to it under this Agreement, to the extent allowable under the Nevada Revised Statutes, Chapter 18 (NRS 18.150).

2) Paragraph 8. **Non-Solicitation**:
This section shall be amended by adding; ";however employment through public advertisements of open positions shall not be considered a solicitation" at the end of the paragraph.

3) Paragraph 11, **General**:
The following shall be deleted in its entirety; "The Agreement will be governed by and construed under the laws of the State of Illinois without reference to its conflicts of law principles" and shall be replaced with "This Agreement shall be governed by the laws of the state of Nevada, without regard to that state's conflicts of law provisions. Venue shall be any court of competent jurisdiction in Clark County, Nevada."

4) Relationship of Parties:
None of the provisions in this Agreement is intended to create nor shall it be deemed or construed to create any relationship between the parties hereto other than that of independent contractors contracting on an equal basis with each other hereunder solely for the purpose of effectuating the provisions of this Agreement. Neither of the parties hereto, nor any of their respective employees, shall be construed to be the agent, franchisee, employer, representative, partner or joint venturer of the other, nor shall either party represent to any other person or entity that the relationship created by this Agreement is anything other than as described in this Section.

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

6) Budget Act and Fiscal Fund Out:
In accordance with the Nevada Revised Statutes (NRS 354.626), the financial obligations under this Agreement between the parties shall not exceed those monies appropriated and approved by Customer for the then current fiscal year under the Local Government Budget Act. This Agreement shall terminate and Customer's obligations under it shall be extinguished at the end of any of Customer's fiscal years in which Customer's governing body fails to appropriate monies for the ensuing fiscal year sufficient for the payment of all amounts which could then become due under this Agreement. Customer agrees that this Section shall not be utilized as a subterfuge or in a discriminatory fashion as it relates to this Agreement. In the event this Section is invoked,

this Agreement will expire on the 30th day of June of the then current fiscal year. Termination under this Section shall not relieve Customer of its obligations incurred through the 30th day of June of the fiscal year for which monies were appropriated.

7) Public Records:
Service Provider acknowledges that Customer is a public county-owned hospital which is subject to the provisions of the Nevada Public Records Act, Nevada Revised Statutes Chapter 239, as may be amended from time to time, and as such, its records are public documents available for copying and inspection by the public. If Customer receives a demand for the disclosure of any information related to this Agreement which Service Provider has claimed to be confidential and proprietary, Customer will immediately notify Service Provider of such demand and Service Provider shall immediately notify Customer of its intention to seek injunctive relief in a Nevada court for protective order. If Service Provider requires Customer to not release such records by filing an injunction for protective order, then Service Provider shall indemnify and defend Customer from any claims or actions, including all associated costs and attorney's fees, demanding the disclosure of Service Provider' document(s) in Customer's custody and control in which Service Provider claims to be confidential and proprietary.

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

9) Notices:
All notices required under this Agreement shall be in writing. Such notice shall be deemed sufficiently served or given for all purposes hereunder: (i) if personally served, upon such service, (ii) if sent commercial overnight delivery service, upon the next business day, or (iii) if mailed, three (3) business days after the time of mailing or on the date of receipt shown on the return receipt, whichever is first. Notices shall be dispatched to the following addresses or such other address as either party may specify in writing to the other party:

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

To Supplier: Hill-Rom Company, Inc., D/B/A Trumpf Medical
1046 LeGrand Blvd.,
Charleston, SC 29492

This Amendment One contains the full, final, and complete expression of all agreements between Customer and Hill-Rom Company, Inc. with respect to the subject matter of this Agreement and shall supersede all prior or contemporaneous agreements between Customer and Hill-Rom Company, Inc., whether oral or written. Any change, modification or amendment of this Agreement must be in writing and signed by an authorized representative of both Customer and Hill-Rom Company, Inc.

The parties to this Agreement have signed this Amendment to be executed by their duly authorized officers on the dates set forth below.

| ***Hill-Rom Company, Inc.*** | ***University Medical Center of Southern Nevada*** |
|---|---|
| Signature: Timothy Nicholas | Signature: _____ |
| Name: Timothy Nicholas | Name: Mason VanHouweling |
| Title: VP, US Sales | Title: Chief Executive Officer |
| Date: 3/13/2020 | Date: _____ |

## ADDENDUM ONE TO TERMS & CONDITIONS

**Hill-Rom Company, Inc., D/B/A Trumpf Medical ("Trumpf Medical"),** and **University Medical Center of Southern Nevada**, a publicly owned and operated hospital created by virtue of Chapter 450 of the Nevada Revised Statutes ("Customer"), agree to amend the Terms and Conditions of Quote # TRUQ14074. If there are any conflicts between the terms of this Amendment and the terms of the above referenced Quote Number or any other agreement between the parties relating to this subject matter, the terms of this Amendment shall control. All paragraphs specifically listed below shall either supersede the same paragraphs as listed or to be added in the Agreement. Capitalized terms used herein and not otherwise defined herein, unless the context otherwise requires, shall have the same meanings set forth in the Agreement.

1) Paragraph 3, PAYMENT TERMS:
The following sentence shall be deleted in its entirety; Unless waived by Trumpf Medical in writing, overdue undisputed invoices shall be subject to a late payment charge equal to the lesser of one and one half percent (1½ %) per month or the maximum rate allowed by law.

   The following sentence shall be amended and restated as follows: Purchaser agrees to pay Trumpf Medical for any and all costs and expenses (including, without limitation, reasonable attorneys' fees) incurred by Trumpf Medical to collect any amounts owed to it under this Agreement, to the extent allowable under the Nevada Revised Statutes, Chapter 18 (NRS 18.150).

2) Paragraph 4. DELIVERY AND RECEIPT:
The following shall be deleted in its entirety; If Purchaser, or Purchaser's representative, requires Trumpf Medical to make an extra trip to receive the equipment, then additional charges will apply for the trip. If Trumpf Medical is required to secure required material handling equipment, then appropriate charges will apply.

3) Paragraph 9, CANCELLATION; RETURNED GOODS:
The following sentence shall be amended and restated as follows; A restocking charge of fifteen percent (15%) of the net price will be applied for the cancellation of standard items. Charges for the cancellation of any special items will be based on non- recoverable expenses incurred by the Trumpf Medical in filling the order plus fifteen percent (15%) of the net price.

4) Relationship of Parties. None of the provisions in this Agreement is intended to create nor shall it be deemed or construed to create any relationship between the parties hereto other than that of independent contractors contracting on an equal basis with each other hereunder solely for the purpose of effectuating the provisions of this Agreement. Neither of the parties hereto, nor any of their respective employees, shall be construed to be the agent, franchisee, employer, representative, partner or joint venturer of the other, nor shall either party represent to any other person or entity that the relationship created by this Agreement is anything other than as described in this Section.

5) Insurance. Trumpf Medical represents that it has and will maintain comprehensive automobile insurance in an amount of $2,000,000 per occurrence, commercial general liability insurance in an amount of $2,000,000 per occurrence and $4,000,000 aggregate, and professional liability insurance in an amount of $2,000,000 and workers' compensation insurance in the statutory required amounts. Notwithstanding the foregoing, Customer is self-insured in the amount of Two Million Dollars ($2,000,000). Any of the insurance coverages required above may be satisfied by a combination of Trumpf Medical's primary and excess/umbrella liability policies. A party shall deliver to the other party certificate(s) of insurance evidencing such insurance coverage upon written request by the other party. This Section shall survive the expiration or termination of this Agreement.

6) Non-Discrimination. Neither party shall discriminate against any person on the basis of age, color, disability, gender, handicapping condition (including AIDS or AIDS related conditions), national

origin, race, religion, sexual orientation, gender identity or expression or any other class protected by law or regulation.

7) Assignment; Use of Subcontractors. Except for Trumpf Medical's right to assign payment, neither party may assign any of its rights or obligations under this Agreement without the prior written consent of the other party, which consent shall not be unreasonably withheld. Also, with the other party's consent, which shall not be unreasonably withheld, either party may transfer and assign this Agreement to any person or entity that is an affiliate of such party or that acquires substantially all of the stock or assets of such party's applicable business if any such assignee agree, in writing, to be bound by the terms of this Agreement. Subject to such limitation, this Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. Trumpf Medical may hire subcontractors to perform work under this Agreement, provided that Trumpf Medical will at all times remain responsible for the performance of its obligations and duties under this Agreement.

8) Indemnification. Subject to the Limitations of Liability Section herein, Trumpf Medical agrees to indemnify, defend and hold harmless Customer from and against any and all claims, liabilities, losses, actions, damages, demands, suits, judgments or proceedings, including reasonable attorneys' fees and costs, to the extent caused by the negligence, recklessness or intentional misconduct of Trumpf Medical or Trumpf Medical's employees or agents but only to the extent that they cause bodily injury (including death) or tangible property damage (up to the cost to repair or replace such damaged property).

9) Limitations of Liability. THE TOTAL LIABILITY, IF ANY, OF TRUMPF MEDICAL AND ITS AFFILIATES FOR ALL DAMAGES AND BASED ON ALL CLAIMS, WHETHER ARISING FROM BREACH OF CONTRACT, BREACH OF WARRANTY, NEGLIGENCE, INDEMNITY, STRICT LIABILITY OR OTHER TORT, OR OTHERWISE, ARISING FROM A PRODUCT, LICENSED SOFTWARE, AND/OR SERVICE IS LIMITED TO THE PRICE PAID HEREUNDER FOR THE PRODUCT, LICENSED SOFTWARE, OR SERVICE.

   THIS LIMITATION SHALL NOT APPLY TO:

   (a) THIRD PARTY CLAIMS FOR BODILY INJURY OR DEATH CAUSED BY TRUMPF MEDICAL' NEGLIGENCE OR PROVEN PRODUCT DEFECT;
   (b) CLAIMS OF TANGIBLE PROPERTY DAMAGE REPRESENTING THE ACTUAL COST TO REPAIR OR REPLACE PHYSICAL PROPERTY DAMAGE;
   (c) OUT OF POCKET COSTS INCURRED BY CUSTOMER TO PROVIDE PATIENT NOTIFICATIONS, REQUIRED BY LAW, TO THE EXTENT SUCH NOTICES ARE CAUSED BY TRUMPF MEDICAL UNAUTHORIZED DISCLOSURE OF PROTECTED HEALTH INFORMATION ("PHI"); AND,
   (d) FINES/PENALTIES LEVIED AGAINST CUSTOMER BY GOVERNMENT AGENCIES CITING TRUMPF MEDICAL UNAUTHORIZED DISCLOSURE OF PHI AS THE BASIS OF THE FINE/PENALTY, ANY SUCH FINES OR PENALTIES SHALL CONSTITUTE DIRECT DAMAGES.

10) Warranty. Trumpf Medical hereby represents and warrants that all services provided hereunder will be performed in a good workmanlike manner with that standard of care, skill, and diligence normally provided by a professional vendor in the performance of similar services with respect to the type of work provided for hereunder and shall operate in accordance with all laws, regulations and ordinances (federal, state and local).

11) Governing Law. Nevada law shall govern the interpretation and enforcement of this Agreement. Venue shall be any appropriate State or Federal court in Clark County, Nevada.

12) Budget Act and Fiscal Fund Out. In accordance with the Nevada Revised Statutes (NRS 354.626), the financial obligations under this Agreement between the parties shall not exceed

those monies appropriated and approved by Customer for the then current fiscal year under the Local Government Budget Act. This Agreement shall terminate and Customer's obligations under it shall be extinguished at the end of any of Customer's fiscal years in which Customer's governing body fails to appropriate monies for the ensuing fiscal year sufficient for the payment of all amounts which could then become due under this Agreement. Customer agrees that this Section shall not be utilized as a subterfuge or in a discriminatory fashion as it relates to this Agreement. In the event this Section is invoked, this Agreement will expire on the 30th day of June of the then current fiscal year. Termination under this Section shall not relieve Customer of its obligations incurred through the 30th day of June of the fiscal year for which monies were appropriated.

13) Confidential Information. To the extent expressly authorized by Nevada law, each party will maintain as confidential any information furnished or disclosed to one party by the other party, whether disclosed in writing or disclosed orally, relating to the business of the disclosing party, its customers, or its patients. Each party will use the same degree of care to protect the confidentiality of the disclosed information as that party uses to protect the confidentiality of its own information, but not less than reasonable care. Each party will disclose such information only to its employees having a need to know such information to perform the transactions contemplated by this Agreement. The obligation to maintain the confidentiality of such information will not extend to information in the public domain at the time of disclosure, or to information that is required to be disclosed by law or by court order and will expire five (5) years after this Agreement terminates or expires.

14) Public Records. Trumpf Medical acknowledges that Customer is a public county-owned hospital which is subject to the provisions of the Nevada Public Records Act, Nevada Revised Statutes Chapter 239, as may be amended from time to time, and as such, its records are public documents available for copying and inspection by the public. If Customer receives a demand for the disclosure of any information related to this Agreement which Trumpf Medical has claimed to be confidential and proprietary, Customer will immediately notify Trumpf Medical of such demand and Trumpf Medical shall immediately notify Customer of its intention to seek injunctive relief in a Nevada court for protective order. If Trumpf Medical requires Customer to not release such records by filing an injunction for protective order, then Trumpf Medical shall indemnify and defend Customer from any claims or actions, including all associated costs and attorney's fees, demanding the disclosure of Trumpf Medical's document(s) in Customer's custody and control in which Trumpf Medical claims to be confidential and proprietary.

15) Non-Excluded Healthcare Provider. Trumpf Medical represents and warrants to Customer that neither it nor to its knowledge that any of its affiliates (a) are excluded from participation in any federal health care program, as defined under 42 U.S.C. §1320a-7b (f), for the provision of items or services for which payment may be made under such federal health care programs and (b) has arranged or contracted (by employment or otherwise) with any employee, contractor or agent that such party or its affiliates knows are excluded from participation in any federal health care program, to provide items or services hereunder. Trumpf Medical represents and warrants to Customer that no final adverse action, as such term is defined under 42 U.S.C. §1320a-7e (g), has occurred or to its knowledge is pending or threatened against Trumpf Medical or its affiliates or to their knowledge against any employee, contractor or agent engaged to provide items or services under this Agreement (collectively "Exclusions / Adverse Actions").

16) Publicity. Subject to the Public Records Section, neither Customer nor Trumpf Medical 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.

17) Force Majeure. Neither party shall be deemed to be in violation of this Agreement if it is prevented from performing any of its obligations hereunder due to strikes, failure of public transportation, civil or military authority, act of public enemy, accidents, fires, explosions, or acts of God, including, without limitation, earthquakes, floods, winds, or storms. In such an event the intervening cause

must not be through the fault of the party asserting such an excuse, and the excused party is obligated to promptly perform in accordance with the terms of the Agreement after the intervening cause ceases.

18) Business Associate Agreement. Customer and Trumpf Medical understand and acknowledge that during the performance of this Agreement, both parties may become aware of or come into possession of information that contains Protected Health Information as defined under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and must remain secured, confidential, and protected in accordance with HIPAA and any other applicable federal and state statutes, rules, and regulations. In connection therewith, the parties agree to be bound by its legal obligations as expressly agreed to in the Business Associate Agreement dated **November 28, 2015**, which is herein incorporated into this Agreement by this reference.

19) Payment Terms. One-hundred percent (100%) of the purchase price shall be due thirty (30) calendar days from Trumpf Medical's invoice date. For Products with installation included in the purchase price, acceptance by Customer occurs upon completion of installation by Trumpf Medical. For Products without installation included in the purchase price, acceptance by Customer occurs upon delivery. If Customer schedules and delays the installation by Trumpf Medical for more than thirty (30) days after delivery, Customer's acceptance of the Products will occur on the thirty-first (31st) day after delivery.

20) Delivery Terms. FOB Destination with freight charges and related insurance prepaid and added to invoice.

This Amendment One contains the full, final, and complete expression of all agreements between UMC and Trumpf Medical with respect to the subject matter of this Agreement and shall supersede all prior or contemporaneous agreements between UMC and Trumpf Medical, whether oral or written. Any change, modification or amendment of this Agreement must be in writing and signed by an authorized representative of both UMC and Trumpf Medical.

The parties to this Agreement have signed this Amendment to be executed by their duly authorized officers on the dates set forth below.

| ***Trumpf Medical*** | ***University Medical Center of Southern Nevada*** |
|---|---|
| Signature: Timothy Nicholas | Signature: _____ |
| Name: Timothy Nicholas | Name: Mason VanHouweling |
| Title: VP, US Sales | Title: Chief Executive Officer |
| Date: 3/13/2020 | Date: _____ |

Toll Free: 1-800-654-2873
Fax: 1-888-980-7742
Email: custsvcnj@integralife.com

| | |
|---|---|
| Date: | 02/14/2020 |
| Customer #: | 77381-68940 |
| Quote #: | 173511 |
| Description: | 2ND ROBOT INST |
| Pricing Model: | HPG_Commit_75 |

| Quoted To | Prepared By |
|---|---|
| FRANCES HEIY<br>UNIVERSITY MEDICAL CENTER SO NEVADA<br>1800 W CHARLESTON BLVD<br>LAS VEGAS, NV, 89102-2386 | DEIMEKE, KENNETH<br>Integra Life Science<br>311 Enterprise Drive<br>Plainsboro, NJ<br>Integra Life Sciences |

**Quote Items**

| Product Entered | Integra Code | Qty | Description | List Price | Your Price | Total Price | EXT Price |
|---|---|---|---|---|---|---|---|
| 110-118 | 110-118 | 16 | JARIT NON-PERF TOWEL FCPS 51/4 | | | | |
| 106-131 | 106-131 | 16 | KELLY FCPS 5-1/2 CVD SATIN | | | | |
| 106-141 | 106-141 | 8 | CRILE FCPS 6-1/4 CVD SATIN | | | | |
| 106-171 | 106-171 | 8 | R-PEAN FCPS 6-1/4 CVD SATIN | | | | |
| 450-310 | 450-310 | 8 | SCHNIDT FCPS 7-1/2 CLOSED RING | | | | |
| 105-196 | 105-196 | 8 | ROCHESTER-PEAN FCPS 9 CVD | | | | |
| 135-110 | 135-110 | 8 | ALLIS TISS FCPS 7-1/2 5X6T | | | | |
| 135-195 | 135-195 | 8 | BABCOCK TISS FCPS 9-1/2 | | | | |
| 305-373 | 305-373 | 8 | LAHEY FCPS R/A DELICATE 8-5/8 | | | | |
| 106-200 | 106-200 | 8 | OCHSNER FCPS 61/4 STR SATIN | | | | |
| 121-121 | 121-121 | 8 | CARB-BITE HALSEY NH 5 SERR | | | | |
| 121-135 | 121-135 | 8 | CARB-BITE MAYO-HEGAR NH 6 | | | | |
| 121-140 | 121-140 | 8 | CARB-BITE MAYO-HEGAR NH 7 | | | | |
| 121-187 | 121-187 | 8 | CARB-BITE DEBAKEY NH 9 | | | | |
| 100-210 | 100-210 | 4 | MAYO SCS 6-3/4 STR BEVEL BLADE | | | | |
| 101-258 | 101-258 | 4 | CARB-EDGE METZ SCS 7 CVD | | | | |
| 101-222 | 101-222 | 4 | CARB-EDGE MAYO SCS 6-3/4 CVD | | | | |
| 111-100 | 111-100 | 16 | BACKHAUS FCPS 3-1/2 SATIN | | | | |
| 190-110 | 190-110 | 8 | SENN RETR 6-1/4 SHARP | | | | |
| 200-105 | 200-105 | 8 | US ARMY RETR 8-1/2 SET/2 | | | | |
| 600-455 | 600-455 | 8 | S-RETRACTOR (SET OF 2) | | | | |
| 110-169 | 110-169 | 4 | #7 KNIFE HANDLE | | | | |
| 110-165 | 110-165 | 4 | #3 KNIFE HANDLE | | | | |
| 130-234 | 130-234 | 8 | ADSON TISS FCPS 4-3/4 1X2T | | | | |
| 130-165 | 130-165 | 8 | TISSUE FCPS 6 1X2T | | | | |
| 320-111 | 320-111 | 8 | DEBAKEY VASC TISS FCPS 7-3/4 | | | | |
| 130-294 | 130-294 | 8 | BONNEY TISS FCPS 6-3/4 2X3T | | | | |
| 600-490 | 600-490 | 4 | PUNCTURE NEEDLE W/IRRIG 32CM | | | | |
| 615-152 | 615-152 | 4 | TENACULUM FCPS W/RATCHET 5MM | | | | |
| | | | | | | **Total:** | **$0.00** |

**Terms and Conditions**

The following conditions apply to all aspects of this quotation.

1. The terms of the quotation shall remain valid for 30 days, unless otherwise stated.
2. Payment terms are Net 30 days.
3. All prices are FOB Origin. Transportation shall be arranged and prepaid by Integra, and invoiced to the customer upon delivery.
4. All prices quoted are in US Dollars.

**** Indicates MTO Products***
***Made to Order (MTO) item delivery times vary by product. Please check with your local sales representative for more information.***

This Quotation is issued pursuant to and will be accepted subject to the Terms of Contract # 891 (HealthTrust); Expiration Date: January 31, 2022.
In the event of conflict between Contract # 891 (HealthTrust) and the Nevada Revised Statutes, Nevada law will prevail.

# DISCLOSURE OF OWNERSHIP/PRINCIPALS

***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.

| **Business Entity Type (Please select one)** | | | | | | |
|---|---|---|---|---|---|---|
| ☐ Sole Proprietorship | ☐Partnership | ☐**X** Limited Liability Company | ☐ Corporation | ☐ Trust | ☐ Non-Profit Organization | ☐ Other |

| **Business Designation Group (Please select all that apply)** | | | | | | |
|---|---|---|---|---|---|---|
| ☐ MBE | ☐ WBE | ☐ SBE | ☐ PBE | ☐ VET | ☐DVET | ☐ ESB |
| Minority Business Enterprise | Women-Owned Business Enterprise | Small Business Enterprise | Physically Challenged Business Enterprise | Veteran Owned Business | Disabled Veteran Owned Business | Emerging Small Business |

## Number of Clark County Nevada Residents Employed:

| | | |
|---|---|---|
| **Corporate/Business Entity Name:** | Integra LifeSciences Sales LLC | |
| **(Include d.b.a., if applicable)** | | |
| **Street Address:** | 1100 Campus Road | **Website:** www.integralife.com |
| **City, State and Zip Code:** | Princeton, NJ 08540 | **POC Name:**<br>**Email:** |
| **Telephone No:** | 609-275-0500 | **Fax No:** |
| **Nevada Local Street Address:**<br>**(If different from above)** | N/A | **Website:** |
| **City, State and Zip Code:** | | **Local Fax No:** |
| **Local Telephone No:** | | **Local POC Name:**<br>**Email:** |

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

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

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

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

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

# DISCLOSURE OF OWNERSHIP/PRINCIPALS

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 | Rob Greene<br>Print Name |
| VP Sales, Instruments<br>Title | 3-12-2020<br>Date |

Approved
TCP
03.11.20
Legal

# DISCLOSURE OF RELATIONSHIP

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

| NAME OF BUSINESS OWNER/PRINCIPAL | NAME OF UMC* EMPLOYEE/OFFICIAL AND JOB TITLE | RELATIONSHIP TO UMC* EMPLOYEE/OFFICIAL | UMC* EMPLOYEE'S/OFFICIAL'S DEPARTMENT |
|---|---|---|---|
| N/A | N/A | N/A | N/A |
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* UMC employee means an employee of University Medical Center of Southern Nevada

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

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

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

---

***For UMC Use Only:***

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

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

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

Notes/Comments:

_____
Signature

_____
Print Name
Authorized Department Representative

March 2, 2020

Fran Heiy
Management Analyst - Contracts
University Medical Center of Southern Nevada
1800 W. Charleston Blvd.
Las Vegas, NV 89102

Re: Request for competitive bidding information regarding Surgical Instruments.

Dear Ms. Heiy:

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

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

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

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

The above-described process was followed with respect to Surgical Instruments issued RFPs and received proposals from identified suppliers in the Surgical Instruments category. Contracts were executed with Integra, Boss Instruments, Karl Storz, Aesculap, Novo Surgical, Carefusion, Trinity Sterile, Medline, Amber Surgical and Symmetry Surgical in February of 2019. I hope this satisfies your request. Please contact me with any additional questions.

Sincerely,

Craig Dabbs
Account Director, Member Services

INTUITIVE.

Intuitive Surgical, Inc.
1020 Kifer Road
Sunnyvale, CA 94086
800-876-1310

Quote Details

| | |
|---|---|
| Quote ID | 129107.0 |
| Quote Date | 1/30/2020 |
| Valid Until | 3/16/2020 |
| Sales Rep | Chance Larsen |
| Phone Number | 1(702) 372-0079 |
| Email | Chance.Larsen@intusurg.com |

Company Information

| | |
|---|---|
| Hospital Name | University Medical Center of Southern Nevada |
| SF ID / IDN Affiliation | 10092/University Medical Center of Southern Nevada |
| Address | 1800 W Charleston Blvd |
| City, State, Zip | Las Vegas, NV, 89102-2329 |
| Contact Name | |
| Telephone | |

Please submit orders electronically via GHX or fax to 408-523-2377

Items

| Part Number | Qty | Item | Price | Discount | Subtotal |
|---|---|---|---|---|---|
| da Vinci System Upgrades | | | | | |
| 600082-01 | 1 | da Vinci® Xi® Integrated Table Motion Upgrade<br>Upgrade Includes:<br>- Table Connection hardware module for patient cart<br>- Integrated Table Motion software Upgrade<br>Note: Integrated Table Motion requires connection to a Trumpf Medical TruSystem<br>7000dV operating table for feature use. The TruSystem 7000dV operating table is<br>sold and serviced by Trumpf Medical. | $75,000.00 | $25,000.00 | $50,000.00 |
| 260110-01 | 1 | da Vinci® Xi® Dual Console/Additional Surgeons Console<br>Customer acknowledges that the da Vinci® Xi™ Dual Surgeons Console comes with a one (1) year warranty period. Thereafter, the Annual Service Fee for the da Vinci®™ Surgical System(s) will increase by 25,000. The pricing may be prorated in the second year to be co-terminus with the System Service pricing. THE AFOREMENTIONED CUSTOMER ACKNOWLEDGEMENT PROVISIONS MUST BE CONTAINED IN YOUR PURCHASE ORDER | $450,000.00 | $50,000.00 | $400,000.00 |
| Total | | | | | **$450,000.00** |

Additional Information

Upgrade System Serial(s): SK0206

Terms and Conditions

1) System Terms and Conditions:

1.1 A signed Sales, License, and Service Agreement ("SLSA") or equivalent is required prior to shipment of the System(s). All site modifications and preparation are the Customer's responsibility and are to be completed to the specification given by Intuitive Surgical prior to the installation date. Delivery is subject to credit approval. Payment terms are net 30 days from Intuitive Surgical's invoice date. Each System includes the patient side cart, vision cart, and surgeon console(s). System enhancements required to support new features may be purchased at Intuitive Surgical's then current list price. The price of the da Vinci® Surgical System includes the initial installation of the System at Customer's facility and a one (1) year warranty for manufacture defect. All taxes and shipping charges are the responsibility of the Customer and will be added to the invoice, as appropriate.

1.2 Intuitive makes no representation with regard to Certificate of Need requirements for this purchase. It is your (the Customer's) responsibility to determine whether this purchase complies with your State's Certificate of Need laws and what Certificate of Need filing, if any, needs to be made with regard to this purchase.

1.3 Customer acknowledges that the cleaning and sterilization equipment, not provided by Intuitive, is required to appropriately reprocess da Vinci instruments and endoscopes. Please refer to the Intuitive Surgical Reprocessing website: https://reprocessing.intuitivesurgical.com. Customer is responsible for ensuring that its' cleaning and sterilization program comply with all health and safety requirements.



2) System Upgrade Terms and Conditions:

2.1 A signed Purchase Order and/or an addendum to the existing Sales, License, and Service Agreement ("SLSA") is required prior to shipment of the System upgrade. All site modifications and preparation are the Customer's responsibility and are to be completed with the specification given by Intuitive Surgical prior to the installation date.

2.2 Payment terms are net 30 days from Intuitive Surgical's invoice date. The price includes: the System upgrade, the initial installation at Customer's facility and a one (1) year warranty for manufacture defect. All taxes and shipping charges are the responsibility of the Customer and will be added to the invoice, as appropriate. Delivery is subject to credit approval and inventory availability. Standard shipping terms are FCA from Intuitive Surgical™ warehouse. A $9.95 handling charge will be applied for any shipments using a customer designated carrier.

3) I&A Terms and Conditions:

3.1 To place an order, please fax Purchase Order to Intuitive Surgical Customer Service at 408-523-2377 or submit through the Global Health Exchange (GHX). Payment Terms Net 30 Days from invoice date. Delivery is subject to credit approval by Intuitive Surgical. Estimated 2-Day standard delivery. Standard shipping terms are FCA from Intuitive Surgical™ warehouse and are subject to inventory availability. Pricing is subject to applicable shipping costs and taxes. Pricing is subject to change without notice. A $9.95 handling charge will be applied for any shipments using a customer designated carrier.

4) Return Goods Policy :

4.1 All returns must be authorized through Intuitive Surgical Customer Service, please call 800-876-1310 to obtain a Return Material Authorization Number (RMA#). All items must be accompanied with valid RMA# for processing and are requested to be received within 14 days of issuance or the RMA could be subject to cancellation. Intuitive Surgical will prepay for the return of the defective instruments. Upon identification of a defective instrument, please call Intuitive Surgical Customer Service within 5 business days. Prior to returning to Intuitive Surgical, items must be cleaned and decontaminated in accordance with the then current local environmental and safety laws and standards. For all excess inventory returns, items are required to be in the original packaging with no markings, seals intact, and to have been purchased within the last 12 months. Package excess returned inventory in a separate shipping container to prevent damage to original product packaging.

5) Exchange Goods Policy :

5.1 Repairs to Endoscope, Camera Head and Skills Simulators may qualify for Intuitive Surgical advanced exchange program. Please contact Customer Service or send email to CustomerSupport-ServiceSupport@intusurg.com to obtain information on our current exchange program.

6) Credit Policy :

6.1 Intuitive Surgical will issue credit against original purchase order after full inspection is complete. Credit for defective returns: Intuitive Surgical will issue credit on products based on failure analysis performed and individual warranty terms. For instruments, credit will be issued for the remaining lives, plus one additional life to compensate for usage at the time the issue was identified. Evidence of negligence, misuse and mishandling will not qualify for credit. Credit for excess inventory returns: Excess inventory returns will be valued at the invoice price. Original packaging must be unmarked, undamaged and seals intact to qualify for credit. Credit will be issued if the products were shipped less than 12 months prior to return request, the original package is intact and the product is within expiration date. Intuitive Surgical will retain all returned product.

7) Miscellaneous :

7.1 Warranty: Warranties are applied for manufacturing defects. Endoscope, Camera, Simulator, and System upgrades – 1 year warranty. Accessories – 90 day warranty. Instruments: see above for credit.

7.2 Any term or condition contained in your purchase order or similar forms which is different from, inconsistent with, or in addition to these terms shall be void and of no effect unless agreed to in writing and signed by your authorized representative and authorized representative of Intuitive Surgical.

The terms and conditions of this quote, including pricing, are confidential and proprietary information of Intuitive Surgical and shall not be disclosed to any third party without the consent of Intuitive Surgical.

For questions please contact Customer Service at 800-876-1310

INTUITIVE

Intuitive Surgical, Inc.
1020 Kifer Road
Sunnyvale, CA 94086
800-876-1310

Quote Details

| | |
|---|---|
| Quote ID | 129106.0 |
| Quote Date | 3/5/2020 |
| Valid Until | 3/16/2020 |
| Sales Rep | Chance Larsen |
| Phone Number | 1(702) 372-0079 |
| Email | Chance.Larsen@intusurg.com |

Company Information

| | |
|---|---|
| Hospital Name | University Medical Center of Southern Nevada |
| SF ID / IDN Affiliation | 10092/University Medical Center of Southern Nevada |
| Address | 1800 W Charleston Blvd |
| City, State, Zip | Las Vegas, NV, 89102-2329 |
| Contact Name | |
| Telephone | |

Please submit orders electronically via GHX or fax to 408-523-2377

Items

| Part Number | Qty | Item | Price | Discount | Subtotal |
|---|---|---|---|---|---|
| da Vinci Systems | | | | | |
| | 1 | da Vinci Xi® Single Console System<br>One (1): da Vinci Xi System Surgeon Console One (1): da Vinci Xi System Patient Cart One (1): da Vinci Xi System Vision Cart da Vinci Xi System Documentation da Vinci Xi System Software Training Instrument Starter Kit Accessory Starter Kit Drapes Vision Equipment (All Kits subject to change without notice) | $1,900,000.00 | $200,000.00 | $1,700,000.00 |
| Customer Programs | | | | | |
| | 6 | da Vinci® First Assist Course | $250.00 | $1,500.00 | $0.00 |
| | 3 | da Vinci® Coordinator Course (DVCC) | $1,000.00 | $3,000.00 | $0.00 |
| Freight | | | | | |
| | 1 | System Freight - West (AZ, CA, CO, ID, MT, NM, NV, OR, UT, WA, WY) | $4,000.00 | $4,000.00 | $0.00 |
| Total | | | | | **$1,700,000.00** |

Service

| Part Number | Qty | Item | Price | Discount | Subtotal |
|---|---|---|---|---|---|
| | 1 | Da Vinci Xi® dVComplete Care Service Plan (single console)<br>Years 2-6, per year | $154,000.00 | $20,000.00 | $134,000.00 |
| | 1 | Year One System Service (Included in System Fee unless an amount is listed) | $0.00 | $0.00 | $0.00 |

Additional Information

The Customer will have the option to Rent the above Equipment from Intuitive Surgical, Inc. for a period of 12 months.
Provided the Customer is not in default and with forty-five (45) days prior written notice, the Customer will have two options: 1) Purchase or lease the Equipment at any time during the Rental Period, or at the expiration thereof, or 2) Return the Equipment to Intuitive Surgical, Inc. at the Expiration of the Rental Period.
In the event the Customer chooses option one (1), prior to the fourth payment, the Customer may purchase or lease the Equipment from Intuitive for the Original Equipment Cost. If the Customer chooses option one (1) on or after the fourth payment, 70% of the Rental Payments received by Intuitive will be applied towards the Original Equipment Cost. Additionally, the Customer is responsible to purchase service month 13.
In the event the Customer executes option two (2), return the Equipment to Intuitive, the Customer will be charged the standard shipping charge. The Customer must provide written notice forty-five (45) days prior to the end of the initial term in regards to the intent.

Leasing Terms

Leasing options are available through Intuitive Surgical on systems and select upgrades. Please contact your Intuitive representative for additional details.

Terms and Conditions

1) System Terms and Conditions:

1.1 A signed Sales, License, and Service Agreement ("SLSA") or equivalent is required prior to shipment of the System(s). All site modifications and preparation are the Customer's responsibility and are to be completed to the specification given by Intuitive Surgical prior to the installation date. Delivery is subject to credit approval. Payment terms are net 30 days from Intuitive Surgical's invoice date. Each System includes the patient side cart, vision cart, and surgeon console(s). System enhancements required to support new features may be purchased at Intuitive Surgical's then current list price. The price of the da Vinci® Surgical System includes the initial installation of the System at Customer's facility and a one (1) year warranty for manufacture defect. All taxes and shipping charges are the responsibility of the Customer and will be added to the invoice, as appropriate.

1.2 Intuitive makes no representation with regard to Certificate of Need requirements for this purchase. It is your (the Customer's)

responsibility to determine whether this purchase complies with your State's Certificate of Need laws and what Certificate of Need filing, if any, needs to be made with regard to this purchase.

1.3 Customer acknowledges that the cleaning and sterilization equipment, not provided by Intuitive, is required to appropriately reprocess da Vinci instruments and endoscopes. Please refer to the Intuitive Surgical Reprocessing website: https://reprocessing.intuitivesurgical.com. Customer is responsible for ensuring that its' cleaning and sterilization program comply with all health and safety requirements.

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7) Miscellaneous :

7.1 Warranty: Warranties are applied for manufacturing defects. Endoscope, Camera, Simulator, and System upgrades – 1 year warranty. Accessories – 90 day warranty. Instruments: see above for credit.

7.2 Any term or condition contained in your purchase order or similar forms which is different from, inconsistent with, or in addition to these terms shall be void and of no effect unless agreed to in writing and signed by your authorized representative and authorized representative of Intuitive Surgical.

The terms and conditions of this quote, including pricing, are confidential and proprietary information of Intuitive Surgical and shall not be disclosed to any third party without the consent of Intuitive Surgical.

For questions please contact Customer Service at 800-876-1310

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

**Purpose of the Form**

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

**General Instructions**

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

**Detailed Instructions**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

# DISCLOSURE OF OWNERSHIP/PRINCIPALS

| **Business Entity Type (Please select one)** | | | | | | |
|---|---|---|---|---|---|---|
| ☐ Sole Proprietorship | ☐Partnership | ☐ Limited Liability Company | ☒ Corporation | ☐ Trust | ☐ Non-Profit Organization | ☐ Other |

| **Business Designation Group (Please select all that apply)** | | | | | | |
|---|---|---|---|---|---|---|
| ☐ MBE | ☐ WBE | ☐ SBE | ☐ PBE | ☐ VET | ☐DVET | ☐ ESB |
| Minority Business Enterprise | Women-Owned Business Enterprise | Small Business Enterprise | Physically Challenged Business Enterprise | Veteran Owned Business | Disabled Veteran Owned Business | Emerging Small Business |

## Number of Clark County Nevada Residents Employed:

| | | |
|---|---|---|
| **Corporate/Business Entity Name:** | Intuitive Surgical, Inc. | |
| **(Include d.b.a., if applicable)** | | |
| **Street Address:** | 1020 Kifer Road | **Website:** |
| **City, State and Zip Code:** | Sunnyvale, CA 94086 | **POC Name:**<br>**Email:** |
| **Telephone No:** | | **Fax No:** |
| **Nevada Local Street Address:**<br>**(If different from above)** | | **Website:** |
| **City, State and Zip Code:** | | **Local Fax No:** |
| **Local Telephone No:** | | **Local POC Name:**<br>**Email:** |

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

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

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

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

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

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

   ☐ Yes ☐ No (If yes, please note that University Medical Center of Southern Nevada employee(s), or appointed/elected official(s) may not perform any work on professional service contracts, or other contracts, which are not subject to competitive bid.)

2. Do any individual members, partners, owners or principals have a spouse, registered domestic partner, child, parent, in-law or brother/sister, half-brother/half-sister, grandchild, grandparent, related to a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?

   ☐ Yes ☐ No (If yes, please complete the Disclosure of Relationship form on Page 2. If no, please print N/A on Page 2.)

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

**Signature:** Marc Giuffrida (Mar 12, 2020)

**Email:** marc.giuffrida@intusurg.com

**Title:** Sr. Director, Contract Administration

**Company:** Intuitive Surgical, Inc

# DISCLOSURE OF RELATIONSHIP

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

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

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

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

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

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

---

***For UMC Use Only:***

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

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

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

Notes/Comments:

_____
Signature

_____
Print Name
Authorized Department Representative

**AMENDMENT TO THE LEASE AGREEMENT**

This amendment (the "Amendment") is made and entered into as of **the last date of signature below** (the "Amendment Effective Date") by and between Intuitive Surgical, Inc., a Delaware corporation with its principal place of business located at 1020 Kifer Road, Sunnyvale, CA 94086 ("Intuitive") 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 its principal place of business located at 1800 W Charleston Boulevard, Las Vegas, Nevada 89102-2329 ("Lessee") (collectively, the "Parties").

**WHEREAS,** Intuitive and Lessee have entered into a Lease Agreement dated December 26, 2019 (reference MA-632-2019/CLM 408763) (the "Agreement"); and its associated Use, License and Services Agreement ("ULSA") for a daVinci Xi Single Console System ("System").

**WHEREAS**, Lessee has provided Intuitive with notice and now wishes to purchase the System as set forth in the Special Conditions of the Agreement.

**NOW, THEREFORE**, in consideration of the foregoing and of the mutual promises and covenants hereinafter expressed, and for other valuable consideration, the receipt and adequacy of which the Parties hereby acknowledge, the Parties agree to amend the Agreement as follows:

**1.** **Buyout amount.** Pursuant to the "Special Conditions" in the Agreement, Intuitive and Lessee agreed that prior to the fourth ($4^{th}$) Periodical Lease Payment, Lessee may purchase the System for the Original Equipment Cost (OEC), listed as **$1,700,000.00.**

**2.** Upon the Amendment Effective Date, Intuitive will issue Lessee invoice(s) totaling the amount of **$1,700,000.00.** This amount is subject to any applicable taxes. Lessee will pay the invoiced amount not later than thirty (30) days after the date of invoice(s).

**3.** **Open Invoices.** Lessee agrees to pay all open invoices for any due and outstanding Periodical Lease Payments under the Agreement.

**4.** **Title.** Title to the System will transfer to Lessee upon the Amendment Effective Date.

**5.** **Security Interest.** Intuitive will retain a security interest in the System until payment of the full System purchase price has been received by Intuitive. Lessee will perform all acts Intuitive reasonably determines are necessary or appropriate to perfect and maintain the security interest. If Lessee defaults in its payments for the System, Intuitive has the right, without liability to Lessee, to reclaim the System.

**6.** **Additional Console.** Lessee wishes to purchase an additional System Surgeon Console to attach to da Vinci System SK3381 as follows (the "Console"):

| Description/Type | Quantity | Delivery Date | Price | Delivery Charge | Annual Service Fees |
|---|---|---|---|---|---|
| **da Vinci® Xi™ Dual Console/Additional Surgeons Console, to be used with System serial number SK3381** | **1** | **March 31, 2020** | **$400,000.00** | **Waived** | $25,000 (After Year 1)* |
| **da Vinci® Xi™ Integrated Table Motion Upgrade** | **1** | **See Below**** | **$50,000.00** | **Pre-Pay & Add** | n/a |

Intuitive makes no representation with regard to Certificate of Need requirements for this purchase. It is Lessee's responsibility to determine whether this purchase complies with Lessee's State Certificate of Need law and what Certificate of Need filing, if any, needs to be made with regard to this purchase.

*Lessee acknowledges that the Console comes with a one (1) year warranty period. Thereafter, the Annual Service Fee for the da Vinci®™ Surgical System associated with such Console will increase by $25,000. The pricing may be prorated in the second year to be coterminous with the System Service pricing.

**Subject to availability, Instruments and Accessories listed above are subject to the Terms of the *da Vinci* EndoWrist Instrument & Accessory Catalog as if such Terms were contained in this Agreement. Shipment of Instruments and Accessories listed above will be FOB origin. Some Instruments and Accessories listed above may require Lessee's completion of the advanced instrument training verification prior to shipment.

**6.1** **Acceptance.** The Console is deemed accepted by Lessee upon delivery ("Acceptance") of the Xi Surgeon Console.

**6.2** **Console Payment.** Lessee will pay the invoice for the Console not later than thirty (30) days after the date of invoice.

**6.3** **Service.** Lessee will pay the invoice for Services not later than thirty (30) days after the date of invoice. After the Initial Term of this Amendment, and subject to mutual written agreement, annual Services may be renewed at a price to be mutually agreed upon between Intuitive and Lessee.

**6.4** **The "Ship-To" information for Lessee is:**

University Medical Center of Southern Nevada
1800 W Charleston Boulevard
Las Vegas, Nevada 89102-2329

**The "Bill-To" information for Lessee is:**

*ON FILE*

***Lessee's PO Number:***

**6.5** **Taxes.** Lessee will be deemed to be Taxable until such time as customer provides the Intuitive tax department with the appropriate, fully executed tax exemption certificate as directed below: Attn: Tax Department, Intuitive Surgical, Inc., 1020 Kifer Road, Sunnyvale, CA 94086; fax number: 408-523-1390; email at TaxEmail@intusurg.com.

**7.** **Service/Warranty.** The System **SK3381** will remain under Warranty through **January 16, 2021**. Concurrently, Lessee's Service plan for the System will continue as per the ULSA, specifically, the dV Complete Care Plan at **$134,000.00** per year, which Lessee continues to be bound to purchase for years two (2) through five (5) of the Initial Term.

**8.** For the avoidance of doubt, the cost of travel is included in the trainings listed in Section 2 of Exhibit A of the ULSA (and referenced in Section 6 of the ULSA) per Intuitive's travel policy.

**9.** Upon the Amendment Effective Date, the Lease Agreement will terminate. However, the associated Use, License, and Service Agreement ("ULSA") will remain in effect.

**BOTH PARTIES HAVE READ, UNDERSTOOD**, and agreed to be bound by the terms and conditions of this Amendment and execute this Amendment as of the Amendment Effective Date.

If this Amendment is not signed by both parties and returned to Intuitive on or before **March 27, 2020**, the terms will be subject to change.

ACCEPTED BY:

**Intuitive Surgical, Inc.**

**Signature:** Marc Giuffrida (Mar 12, 2020)

**Email:** marc.giuffrida@intusurg.com

**Title:** Sr. Director, Contract Administration

**Company:** Intuitive Surgical, Inc

ACCEPTED BY:

**SIGNED FOR AND ON BEHALF OF LESSEE**

By: _____

Name: _____

Title: _____

Date: _____

MR
MR

**ATTACHMENT 1**

- **da Vinci® Xi™ Dual Console/Additional Surgeons Console**

Warranty period: One (1) year from the Acceptance date. Thereafter, the Annual Service Fee for the da Vinci®™ Surgical System associated with such Console will increase by $25,000. The pricing may be prorated in the second year to be coterminous with the System Service pricing. The aforementioned customer acknowledgement provisions must be contained in your purchase order.

# USE, LICENSE & SERVICE AGREEMENT

**Agreement No.: MA-632-2019 (408763)**

This Use, License & Service Agreement ("Agreement") is dated **December 26, 2019** (the "Effective Date") and is between **Intuitive Surgical, Inc.**, a Delaware corporation ("Intuitive"), located at 1020 Kifer Road, Sunnyvale, California 94086, and **University Medical Center of Southern Nevada**, a publicly owned and operated hospital created by virtue of Chapter 450 of the Nevada Revised Statutes, located at 1800 W Charleston Boulevard, Las Vegas, Nevada 89102-2329 (collectively "Customer").

**The parties agree as follows:**

**1. Introduction**

Customer agrees to obtain and license the Software and Documentation from Intuitive, and Intuitive agrees to respectively provide and license certain software and equipment to Customer, as well as provide Service for the System all according to the terms and conditions of this Agreement. Customer is contemporaneously entering into a lease agreement (the "**Lease Agreement**") dated **December 26, 2019** for the lease of the System. The Lease Agreement may also cover other equipment and/or the Services and/or a System delivery fee and/or other fees as further specified in Exhibit A and the Lease Agreement.

**2. Definitions**

2.1 **"Acceptance"** means Customer's acceptance of the System as specified in **Exhibit A**.

2.2 **"Delivery Date"** means the estimated scheduled date for delivery of the System to Customer specified in **Exhibit A**.

2.3 **"Instruments and Accessories"** means those instruments or accessories made or approved by Intuitive for use with the System.

2.4 **"Proctoring"** means the assistance, coaching, or surgical training provided by a surgeon (the "Proctor") who is familiar with the System to another surgeon (the "Proctee") on how to perform a particular surgical procedure (or procedures) using the System.

2.5 **"Services"** means the support and maintenance of the System described in Section 5 for the Service fees designated in the **Lease Agreement**.

2.6 **"System"** means the items comprising the da Vinci® Surgical System specified in **Exhibit A** consisting of certain hardware components ("Hardware"), software program elements ("Software") and related manuals, labeling, instructions for use, notifications or other documentation ("Documentation"), that Customer may receive, obtain and license under this Agreement. If Customer obtains multiple Systems under this Agreement, all references to "System" or "System(s)" apply to each System obtained and licensed. Each System obtained is a separate transaction to be delivered, accepted, and paid for separately.

2.7 **"Taxes"** means any taxes, levies, or similar governmental charges, now in force or enacted in the future, and however designated, including related penalties and interest, imposed by any governmental authority on, or measured by, the activities described.

2.8 **"Customer's Access Requirements"** means any reasonably applicable requirements designated by Customer that Intuitive personnel must meet to gain access to Customer's facility. Such requirements may include, but are not limited to, compliance with Customer's site policies and vendor credentialing requirements, such as vaccination, immunization, background investigation, training, hospital orientation, and liability insurance coverage.

2.9 **"Reprocess" or "Reprocessing"** means Customer's process for cleaning, disinfection, and sterilization of Instruments and Accessories, including testing to validate cleaning, disinfection and sterilization process as may be required by applicable law and/or regulation.

**3. System Delivery, Use, Disposal**

3.1 **Delivery and Installation.** Subject to credit approval of Customer by Intuitive, Intuitive will use commercially reasonable efforts to deliver the System on or before the Delivery Date. Each party will provide the other party with thirty (30) days' notice, or if this Agreement is executed within thirty (30) days before the Delivery Date, a reasonable advance notice of any change in the Delivery Date. Customer will fully cooperate with Intuitive to permit Intuitive to install the System. Intuitive will use commercially reasonable efforts to install the System in an efficient and expeditious manner. Customer will also provide Intuitive with information, consultation, and advice reasonably necessary to permit installation.



3.2 **Delivery Terms.** Intuitive will deliver the System to Customer's designated location noted as the "Ship-to" in **Exhibit A** using a carrier selected by Intuitive. Fees for shipping the System are specified in the **Lease Agreement**. Risk of loss or damage to the System passes to the Customer upon acceptance of the System by Customer.

3.3 **On-Site Support.** At no charge to Customer, Intuitive will provide periodic on-site support to Customer's designated personnel on the proper operation and upkeep of the System in order for Customer to operate the System as further described in Section 3.4. To clarify, this support includes, but is not necessarily limited to, training on draping the System for use in surgery, proper attachment of Instruments and Accessories, cleaning of parts of the System, the Instruments and Accessories and discussing opportunities to improve cost efficiencies. The cleaning to be performed regularly by Customer is described in the Documentation.

3.4 **Use of System.** Customer will ensure the proper use of the System consistent with the Documentation, and Customer will ensure the proper management and supervision of the System. Customer will not, nor will Customer permit any third party to, modify, disassemble, reverse engineer, alter, or misuse the System or Instruments and Accessories. Prohibited actions include, but are not limited to: (1) adding or subtracting any Customer or third party equipment, hardware, firmware, or software to or from the System, or (2) reconfiguring any of the Intuitive equipment, Hardware, firmware, or Software as originally provided to Customer as part of the System without Intuitive's express written permission. Customer will ensure that the System is moved and operated only by trained personnel in accordance with the Documentation and Intuitive's instructions. If Customer fails to comply with the requirements of this Section 3.4, Intuitive may terminate this Agreement immediately upon written notice, and any warranties applicable to the System will become void.

3.5 **Reprocess and Disposal.** Customer is responsible for properly Reprocessing and/or disposing of all medical instruments, devices, and systems related to the operation and function of the System, including Instruments and Accessories, in accordance with the Documentation and the then current local environmental and safety laws and standards.

**4. Software License and Restrictions**

Software embedded within the System is provided under license and is not sold to Customer. Subject to the terms and conditions of this Agreement, Intuitive grants to Customer a non-exclusive, non-transferable, fully paid, restricted use license to use the Software solely as incorporated in the System in machine-executable object code form and solely in connection with the operation of the System as described in the Documentation. Customer must not use, copy, modify, or transfer the Software or any copy thereof, in whole or in part, except as expressly provided in this Agreement. In addition, Customer must not reverse engineer, decompile, disassemble, attempt to derive the source code for, or otherwise manipulate the Software, except that manipulation of the Software is permitted if, and then only to the extent that, the foregoing prohibition on manipulation is required to be modified by applicable law. In that case, Customer must first request from Intuitive the information to be sought from the Software, and Intuitive may, in its discretion, provide information to Customer under good faith restrictions and impose reasonable conditions on use of the Software. The structure and organization of the Software are valuable trade secrets of Intuitive and Customer will protect the Software as Intuitive's Proprietary Information (as defined in Section 13). Intuitive reserves all rights to the Software not expressly granted to Customer. Some components of the Software may be provided to Customer under a separate license, such as an open source license. In the event of a conflict between this Agreement and any such separate license, the separate license will prevail with respect to the component that is the subject of such separate license.

**5. Services**

5.1 **Services Included.** If Customer is current in payment to Intuitive of the Service fees specified in **Exhibit A**, Intuitive, directly or through one of its designated service providers, will provide Services to Customer as listed below. Intuitive will use parts sourced by Intuitive, which may, at Intuitive's discretion, include reconditioned parts, ("Equivalent to New" or "ETN"). ETN parts are components, assemblies, or partial products which have had prior usage, but have been inspected, reworked, and tested as required so that their function, performance, and appearance will be essentially equivalent to that of new parts. Regardless of whether parts are new or ETN, Intuitive's appropriate warranties under Section 10.1(A) apply. Customer may contact Intuitive to upgrade its Service Plan to **dv Premium Care Plan**. A $15,000/year uplift fee to annual Service fees set forth in Exhibit A will be charged; a detailed Service plan description will be provided to Customer for its acceptance and signature.

Intuitive will provide Services under the ***dv Complete Care Plan***, with benefits and limitations as follows:

(A) Adjust parts on the System from time to time;
(B) Replace defective or malfunctioning System parts (excludes Instruments and Accessories; and any items contained in the Instrument Starter Kit, Camera Starter Kit, and Training Instrument Starter Kit set forth in Exhibit A);
(C) Repair System operational malfunctions;
(D) Replace and install Software, Hardware, and mechanical equipment for safety and reliability;
(E) Provide twenty four (24) hours per day, seven (7) days per week (24 x 7) telephone support by qualified service personnel;
(F) Provide and install Software upgrades for feature enhancements. Software upgrades and Service with respect to additional equipment not included on **Exhibit A** may be subject to separate terms to be agreed upon by the parties;
(G) Provide preferred pricing and next day service repairs or replacement due to accidental damage on endoscopes and camera heads;
(H) Respond to Customer's request for Services described in Section 5.1(B)-(C) by phone, e-mail, or an on premise visit, during normal business hours (excluding Intuitive holidays) promptly as is reasonable after Intuitive's receipt of Customer's request, but not later than twenty-four (24) hours after Intuitive's receipt. Normal business hours are Monday through Friday, 8:00 a.m.- 5:00 p.m. Customer's local time. Billable rates are applicable for service outside of normal business hours, and for reasons defined below in Section 5.2 (Limitations of Service).
(I) Perform System preventative maintenance inspections as necessary to maintain factory specifications.

(J) Provide on-site visits for support of advanced training of Customer's personnel on sterile Reprocessing process.

(K) When the system is connected to OnSite®, remotely monitor system to diagnose potential issues and proactively dispatch a Field Service Engineer to make repairs when needed.

(L) Provide access to the da Vinci Surgery Customer Portal.

5.2 **Limitations on Services.**

(A) **General.** Intuitive does not have an obligation to provide Services (1) on any System where installation, repair, or adjustments have been made by an individual other than an Intuitive technician or an individual approved by Intuitive or (2) which are either necessary or desired as a direct or indirect result, in whole or in part, of unauthorized repair, modification, disassembly, alteration, addition to, subtraction from, reconfiguration, or misuse of the System, or negligence or recklessness on the part of Customer.

(B) **Cleaning.** Regular daily cleaning of the System as described in the Documentation is not included in the Services.

(C) **Additional Equipment.** Intuitive's Services obligations do not include the provision to Customer of any hardware developed by Intuitive that is not contained in the initial System obtained by Customer, and which Intuitive offers as a separate product or for an additional fee.

(D) **Time and Materials.** If the System needs repair or maintenance services due to any of the circumstances described in Section 5.2(A)-(B) above, Intuitive may, at its sole election, provide repair services at Customer's expense and at Intuitive's then current time and material rates. Intuitive is not obligated to provide Services on any System for which any applicable warranty has been voided, or for which the performance of Services is otherwise excused by the terms of this Agreement.

(E) **Unauthorized Instruments and Accessories.** The System is designed for use only with the Instruments and Accessories. If Customer uses the System with any surgical instrument or accessory not made or approved by Intuitive, Intuitive may discontinue Services, and any warranties applicable to any Services provided prior to any discontinuance will be void.

5.3 **Customer's Obligations.**

(A) **Notice, Access, and Cooperation.** Customer will notify Intuitive or Intuitive's designated service provider of any requests for Services. Customer will fully cooperate with and assist Intuitive in the provision of Services.

(B) **Clinical Liaison.** Customer will designate one of its employees, agents, or representatives as a "Clinical Liaison." The Clinical Liaison will be the point of contact with Intuitive for installation, Services, use of the System, and other related issues. Nothing in this Section 5.3 authorizes Customer or the Clinical Liaison to perform Services or to perform any act otherwise prohibited by this Agreement.

**6. Training**

Intuitive offers training to surgical personnel on the use and operation of the System. At Customer's request, at mutually agreed times and at mutually agreed locations, Intuitive will provide training in the use of the System to Customer's surgical personnel in accordance with the terms specified in **Exhibit A**. Solely for Customer's internal budgeting and approval purposes, total training expense not to exceed $24,000.00.

**7. Proctoring**

At Customer's request, and upon Customer's issuance of a purchase order, Intuitive will arrange for Proctoring at Customer's location in accordance with the terms specified in **Exhibit A**. Each Proctor is an independent contractor, is not an agent or employee of Intuitive, and is not authorized to act on behalf of, or legally bind Intuitive. Intuitive is not responsible for Proctoring services provided by Proctors. The decision to utilize a Proctor is solely that of the Customer. Customer is responsible for ensuring that each Proctor meets Customer's credentialing requirements.

**8. Instruments and Accessories.**

Instruments and Accessories will be made available to Customer from Intuitive pursuant to separate orders placed by Customer to Intuitive from time to time in accordance with the terms and conditions contained in the then current Instrument and Accessory Catalog. Instruments and Accessories are subject to a limited license to use those Instruments and Accessories with, and prepare those Instruments and Accessories for use with, the System. Customer is responsible for Reprocessing Instruments in accordance with the Documentation. Any other use is prohibited, whether before or after the Instrument or Accessory's license expiration, including repair, refurbishment, or reconditioning not approved by Intuitive, and cleaning or sterilization inconsistent with the Documentation. This license expires once an Instrument or Accessory is used up to its maximum number of uses, as is specified in the Documentation accompanying the Instrument or Accessory. Customer may purchase Instruments and Accessories for the purpose of Customer's Reprocessing requirements. The cost of Instruments and Accessories used in Customer's Reprocessing, including Instrument and Accessories used or involved in destructive testing, will be the responsibility of the Customer. Customer may contact Intuitive's Customer Support Department if, during the Reprocessing, Customer experiences results unacceptable under applicable law and/or regulation. Intuitive will provide commercially reasonable assistance in such investigations and remediation efforts but will not be obligated to conduct or pay for such studies or provide materials at no cost or reduced cost as a condition of purchase or continued use.

**9. Pricing and Payment Terms**

9.1 **System.**

(A) **Price.** Customer will pay the "Periodical Lease Payments" amount as indicated in the **Lease Agreement** for the lease of the System. At the termination of the Lease Agreement, the terms and conditions applicable to end of lease options are set forth in the Lease Agreement.

9.2 **Services.**

(A) **Price.** While the System is being leased by Customer, either (i) the price of annual Services is included in the "Periodical Lease Payments" amount as indicated in the **Lease Agreement**; or (ii) the price of annual Services is not included in the Periodical Lease Payments, and Customer will pay for the Services separately at the price specified in the **Lease Agreement**. If, after the term of the lease, or pursuant to Special Conditions in the Lease Agreement, if any, Customer purchases the System from Intuitive under the applicable terms and conditions of the Lease Agreement, Customer will pay for the Services at the price specified in the Lease Agreement. The issuance of a purchase order by Customer is for the convenience of the Customer solely; therefore, whether or not Customer issues a purchase order does not affect Customer's commitment to pay for Services under this Agreement during the Initial Term (as defined in Section 14).

(B) **Payment Terms**. Unless as otherwise indicated in **Exhibit A**, Intuitive will deliver to Customer an invoice for the annual Services fee thirty (30) days prior to the first anniversary of Acceptance and each subsequent anniversary of Acceptance throughout the Initial Term of the Agreement. Customer will pay the invoice for Services not later than forty-five (45) days after the date of invoice. In the event Customer requires a purchase order to be referenced on a Service invoice to facilitate payment, Customer will provide Intuitive with a purchase order number sixty (60) days prior to each anniversary of Acceptance. Intuitive may put Customer on a credit hold in the event of nonpayment.. After the Initial Term of the Agreement, and subject to mutual written agreement, annual Services may be renewed at Intuitive's then current list price.

9.3 **Taxes.**

Customer will be deemed to be Taxable until such time as customer provides the Intuitive tax department with the appropriate, fully executed tax exemption certificate as directed below: Attn: Tax Department, Intuitive Surgical, Inc., 1020 Kifer Road, Sunnyvale, CA 94086; fax number: 408-523-1390; email at TaxEmail@intusurg.com.

**10. Warranty and Disclaimer**

10.1 **System Warranty.**

(A) Intuitive warrants to Customer that:

(1) the System as delivered will be free and clear of all liens and encumbrances (except as otherwise specified in this Agreement), and

(2) for the period specified in **Exhibit A,** will be free from defects in material and workmanship and will conform in all material respects to the Documentation when used in accordance with the Documentation and Intuitive's instructions.

(B) Intuitive's obligations under this Section 10.1 are limited to the repair (as further described in Section 5.1(B)-(C)) or, at Intuitive's option, replacement of all or part of the System.

(C) This warranty is void with respect to any claims:

(1) due to any installation, repair, adjustment, modification, disassembly, alteration, reconfiguration, addition to, subtraction from, or misuse of the System by Customer or any third party without the express written permission of Intuitive; or

(2) to the extent Customer has not operated, repaired, or maintained the System in accordance with the Documentation or any reasonable handling, maintenance, or operating instructions supplied by Intuitive; or



(3) to the extent Customer has used the System with surgical instruments or accessories that are not Instruments or Accessories; or

(4) to the extent Customer or Customer's employee, agent, or contractor has subjected the System to unusual physical or electric stress, misuse, abuse, negligence, or accident.

(D) The foregoing expresses Customer's sole and exclusive remedy, and Intuitive's sole and exclusive liability, for any breach of warranty with respect to the System by Intuitive.

10.2 **Services Warranty.** Intuitive warrants that the Services will be performed consistent with generally accepted industry standards. If Intuitive breaches this warranty, Customer's sole and exclusive remedy will be to require Intuitive to re-perform the Services.

10.3 **No Other Warranties. INTUITIVE MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, IN CONNECTION WITH THE SYSTEM OR SERVICES PROVIDED HEREUNDER AND THIS TRANSACTION, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, AND NON-INFRINGEMENT. SOME JURISDICTIONS DO NOT ALLOW THE LIMITATION OR EXCLUSION OF IMPLIED WARRANTIES; THEREFORE, THE ABOVE LIMITATION WILL APPLY ONLY TO THE EXTENT PERMITTED BY APPLICABLE LAW.**

## 11. Indemnification

11.1 **Intuitive's Indemnification Obligations.**

(A) **Intellectual Property Indemnification.** Intuitive will indemnify Customer against all liabilities, expenses, or damages in connection with any third party claim that the System infringes any third party patent, trade secret, or copyright. If Customer is enjoined from the use of the System due to any such third party claim, Intuitive will promptly, at its option and expense, either (1) substitute the System or any part thereof with non-infringing material that will perform substantially in accordance with the Documentation; or (2) obtain the right of Customer to continue to use the System; or (3) remove the System.

(B) **Indemnification Limitations.** Intuitive has no obligation under this Section 11.1 to the extent any claim of infringement is based upon or arises out of: (1) any modification to the System if the modification was not made directly by Intuitive or through its designated service provider; or (2) the use or combination of the System with any hardware, software, products, data or other materials not specified, provided or approved by Intuitive.

(C) **THE PROVISIONS OF THIS SECTION 11 STATE THE SOLE AND EXCLUSIVE OBLIGATIONS OF INTUITIVE FOR ANY PATENT, COPYRIGHT, TRADEMARK, TRADE SECRET OR OTHER INTELLECTUAL PROPERTY RIGHTS INFRINGEMENT.**

11.2 **Customer's Indemnification Obligations.** Intuitive will not be liable for, and to the extent expressly authorized by applicable law, Customer will indemnify and hold Intuitive harmless from and against, any claims or damages caused by Customer's failure to comply with the requirements of Sections 3.4 (Use of the System) or 3.5 (Disposal).

11.3 **Claim Notification Requirement.** A party's indemnification obligations under this Section 11 will not apply unless the indemnified party promptly notifies the indemnifying party of the claim as soon as the indemnified party became aware of it. The indemnifying party will have the right to control the defense or settlement of any claim at its cost and with its choice of counsel. The indemnified party will provide all reasonable cooperation to assist the indemnifying party in the defense or settlement of the claim.

## 12. Limitation of Liability

Except for a breach of the obligations in Sections 3.4 (Use of System), 4 (Software License and Restrictions), 8 (Instruments and Accessories), 9 (Pricing and Payment Terms), the indemnification obligations of Section 11, 13 (Proprietary Information), to the extent permitted by applicable law, each party's aggregate liability to the other for claims relating to this Agreement, whether for breach in contract or tort (including negligence), is limited to an amount equal to the sum of amounts paid by Customer under this Agreement for the activity (such as procurement of the System, Service, or training) giving rise to the claim. Except for a breach of the obligations in Sections 3.4, 4, 8, or 13, neither party will be liable for any indirect, punitive, special, incidental, or consequential damages in connection with or arising out of this Agreement (including loss of business, revenue, profits, use, data, or other economic advantage), even if that party has been advised of the possibility of damages. Some jurisdictions do not allow the limitation of liability for incidental or consequential damages; therefore in those jurisdictions, the foregoing limitation of liability applies only to the extent permitted by law.

## 13. Proprietary Information

"Proprietary Information" includes, but is not limited to, all non-public information (1) of the disclosing party ("Disclosing Party") that relates to past, present, or future research, development, or business activities or the results of those activities and (ii) that the Disclosing Party has received from others and is obligated to treat as confidential and proprietary. In addition, Intuitive's Proprietary Information includes the terms and conditions of this Agreement and all information derivable from the System, but excludes information that can be learned simply through observation of the System and its operation. Proprietary Information does not include information previously known by the receiving party ("Receiving Party") as demonstrated by the Receiving Party's contemporaneous written records, or information publicly disclosed without breach of an obligation of confidentiality, either before or after the Receiving Party's receipt of the information. The Receiving Party will hold all Proprietary Information of the Disclosing Party in strict confidence and must not use for any purpose, or disclose to any third party, any Proprietary Information, except (1) as expressly authorized in this Agreement or in writing by the Disclosing Party, and (2) as required by law or by court order. Notwithstanding any provision of this Agreement, the Recipient shall be permitted to disclose the Disclosing Party's Confidential Information solely to the extent that such disclosure is required

by law or by order of any court or governmental authority, provided, however, that the Recipient shall first have given advance notice to the Disclosing Party, so as to permit the Disclosing Party as owner of the information an opportunity to review such information for confidentiality and privilege preservation and/or to attempt to obtain a protective order or similar administrative or legal remedy requiring that the Confidential Information so disclosed be used only for the purposes for which the order was issued or for such other legal requirement, and that the Recipient shall cooperate with the Disclosing Party in such efforts. The Receiving Party will use the same degree of care to protect the Proprietary Information as Receiving Party uses to protect its own information of like kind, but not less than all reasonable steps to maintain the confidentiality of the Proprietary Information.

Intuitive acknowledges that Customer is a public, county-owned hospital which is subject to the provisions of the Nevada Public Records Act, Nevada Revised Statutes Chapter 239, as may be amended from time to time. As such, its contracts are public documents available for copying and inspection by the public. If Customer receives a demand for the disclosure of any information related to this Agreement that Intuitive has claimed to be confidential and proprietary, such as Intuitive's pricing, programs, services, business practices or procedures, Customer will immediately notify Intuitive of such demand and Intuitive shall immediately notify Customer of its intention to seek injunctive relief in a Nevada court for protective order.

**14. Term**

14.1 **Initial Term.** The Initial Term is specified in **Exhibit A.**

14.2 **Termination and Survival.** Either party may terminate this Agreement if the other party breaches a material term or condition of this Agreement and fails to cure the breach following forty-five (45) days' written notice from the non-breaching party. Sections 3.4, 3.5, 4, 9.1, 9.3, 11, 12, 13, 14.2, 15, and any other provision which by its nature will survive, will remain in effect notwithstanding the expiration or termination of this Agreement.

14.3 **Budget Act and Fiscal Fund Out.** In accordance with the Nevada Revised Statutes (NRS 354.626), the financial obligations under this Agreement between the parties shall not exceed those monies appropriated and approved by Customer for the then-current fiscal year under the Local Government Budget Act. This Agreement shall terminate and Customer's obligations under it shall be extinguished at the end of any of Customer's fiscal years in which Customer's governing body fails to appropriate monies for the ensuing fiscal year sufficient for the payment of all amounts which could then become due under this Agreement, provided that Customer gives Intuitive at least one hundred and twenty (120) days' prior written notice termination. Customer agrees that this section shall not be utilized as a subterfuge or in a discriminatory fashion as it relates to this Agreement. In the event this section is invoked, this Agreement will expire on the 30th day of June of the then-current fiscal year. Termination under this section shall not relieve Customer of its obligations incurred through the 30th day of June of the fiscal year for which monies were appropriated or for items delivered for which Customer did not give notification of termination due to loss of appropriated funds.

**15. Miscellaneous**

15.1 **Assignment.** This Agreement will be binding upon the permitted successors and assigns of the parties. Neither party may assign this Agreement without the prior written consent of the other party, which will not be unreasonably withheld, except pursuant to a transfer of all or substantially all of a party's assets and business relating to the subject of this Agreement, whether by merger, re-organization, sale of assets, sale of stock, or otherwise. Customer may not assign or transfer the Software license granted to it under this Agreement to any third party without Intuitive's prior written consent. Any attempt by either party to assign this Agreement or any rights or duties hereunder contrary to the foregoing provision is void.

15.2 **Costs.** Except as otherwise specifically provided herein, each party will bear its own costs and expenses incurred in connection with the performance of its obligations hereunder.

15.3 **Debarment.** Intuitive warrants and represents that individuals of its organization involved in providing Services under this Agreement have not been convicted of any criminal offense relating to health care and are not debarred, excluded, or otherwise ineligible for participation in any federal or state health care program. If at any time before completion of this Agreement, Intuitive or any individual in its organization involved in providing Services under this Agreement is so convicted or is debarred, excluded or otherwise determined to be ineligible, Intuitive will notify Customer in writing, the individual will immediately cease providing Services under this Agreement, and Intuitive will replace the individual with a replacement employee reasonably suitable to Customer, and, if it is Intuitive, this breach will be considered a material breach by Intuitive.

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



15.5 **Federal Audit.** Until the expiration of four (4) years after furnishing Services under this Agreement, Intuitive will make available upon written request of the Secretary of the Department of Health and Human Services (the "Secretary") or upon

request of the U.S. Comptroller General, or any of their duly authorized representatives, this Agreement and the books, documents, and records of Intuitive that are necessary to certify the nature and extent of costs for which Customer may properly seek reimbursement. If Intuitive carries out any of the duties of this Agreement through a subcontract with a value or cost of ten thousand dollars ($10,000) or more over a twelve (12) month period, the subcontract will contain a clause to the effect that until the expiration of four (4) years after furnishing of services under the subcontract, the subcontracting party will make available, upon written request of the Secretary, or upon request of the U.S. Comptroller General or any of their duly authorized representatives, the subcontract, and the books, documents, and records of the organization that are necessary to verify the nature and extent of the costs. Intuitive will promptly notify Customer of any requests for information made under this provision.

15.6 **Force Majeure.** Neither party will be liable for any loss, damage, detention, delay, or failure to perform in whole or in part resulting from causes beyond that party's control including, but not limited to, acts of terrorism, acts of God, fire, earthquake, war, the threat of imminent war, riots, or other acts of civil disobedience, insurrection, labor or trade disputes, shortage of components, any governmental law, order, regulation, ordinance or any other supranational legal authority, explosion, storms, floods, lightning, or earthquake.

15.7 **Insurance.** Intuitive has obtained, and will maintain throughout the term of the Agreement, (i) Commercial General Liability Insurance including coverage for contractual liability, product liability, personal injury and bodily injury in an amount not less than $1,000,000 per occurrence/$3,000,000 aggregate (or as may be aggregated by the excess liability policy on the General Liability policy); or (ii) a self-insurance program of equivalent protection. Intuitive will furnish the Customer with a certificate of insurance evidencing the coverage as outlined above, or comparable evidence of self-insurance, on Customer's request. Intuitive carries, and will continue to carry, Workers' Compensation Insurance as required by law.

15.8 **Interpretation.** Headings used in this Agreement are provided for convenience only and do not in any way affect the meaning or interpretation hereof. The terms "sale", "purchase", "acquire", "procure" and variations of such terms, as used in this Agreement with respect to the System, do not imply that the Software and Documentation aspect of the System are sold or purchased; the Software and Documentation are licensed under this Agreement and the Hardware is being leased and may be sold under the Lease Agreement as the case may be. Neither party is the drafter of this Agreement. Accordingly, the language of this Agreement will not be construed for or against either Party.

15.9 **Notices.** Any notices given under this Agreement must be in writing and will be deemed given and received five (5) days after the date of mailing, one (1) day after dispatch by overnight courier service or electronic mail, or upon receipt if by hand delivery. Any notices under this Agreement must be sent to Intuitive or the Customer at the address shown in the preamble above, in both cases to the Contracts Dept/General Counsel's office. Each party may change its address for receipt of notices by giving the other party notice of the new address.

15.10 **Relationship of the Parties.** The parties' relationship is one of contract, and they are not, and will not be construed as partners, joint venturers, or agent and principal. Neither party is authorized to act for, or on behalf of, the other party.

15.11 **Severability.** If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, then that provision will not affect the validity of the remaining provisions of the Agreement, and the parties will substitute a valid provision for the invalid provision that most closely approximates the intent and economic effect of the invalid provision.

15.12 **Access to Customer's Facilities.** Intuitive agrees that any Intuitive personnel who routinely provide Services at Customer's facilities will use commercially reasonable efforts to comply with Customer's Access Requirements, provided that Customer provides Customer's Access Requirements in writing prior to execution of this Agreement. Customer's need for Service may be unplanned and urgent with patient safety at stake. Therefore, if Customer denies access to its facilities to any Intuitive personnel for performance of Services (Section 5) or warranty (Section 10) obligations in connection with a surgical procedure because such personnel have not met Customer's Access Requirements, Intuitive's Services and warranty obligations in this Agreement will be suspended during such denial of access, provided that Intuitive uses commercially reasonable efforts to find replacement Intuitive personnel who comply with Customer's Access Requirements. To the extent expressly authorized by applicable law, Customer will indemnify and hold harmless Intuitive from any losses, claims, liabilities or causes of action arising from such denial of access.

15.13 **Data Use.** Customer agrees that Intuitive and its affiliates within the Intuitive Surgical group of companies (collectively, "Intuitive") may collect data relating to the use of Intuitive products ("Data"). In some instances Data may be communicated via data gathering or transmission technology to Intuitive. In other instances, Intuitive may require Customer and Customer agrees to provide Data to Intuitive. Such Data may be used for a variety of purposes, including, but not limited to (1) providing support and preventative maintenance of Intuitive products, (2) improving Intuitive products or services, (3) ensuring compliance with applicable laws and regulations, (4) providing a general resource for Intuitive's research and business development, and (5) relationship management, including but not limited to a) proctoring and other activities, b) procedure reporting, and c) customer efficiency and cost saving. Intuitive does not intend to collect protected health information (PHI) as defined by the Health Insurance Portability and Accountability Act of 1996 (HIPAA) or analogous foreign patient privacy laws or regulations, as may be amended from time to time. In the event any Data communicated to Intuitive identifies an entity or individual, Intuitive will not share such Data with any third parties without the entity's or individual's consent, unless required by law or regulatory authorities.

15.14 **Waivers**. No waiver of any right by either party under this Agreement will be of any effect unless the waiver is in writing and signed by the waiving party. Any purported waiver not consistent with the foregoing is void.

15.15 **Counterparts**. This Agreement may be executed by facsimile or in multiple copies, each of which is an original, and all of which taken together will constitute one single agreement.

15.16 **Representations and Warranties by Customer.** Customer represents and warrants to Intuitive that: (i) it has the power to enter into and perform, and has taken all necessary action to authorize the entry into and performance of, the Agreement and the transactions contemplated by the Agreement; and (ii) all information supplied by it or on its behalf to Intuitive in connection with the Agreement and any guarantee (as the case may be) are true and accurate as at the date at which it is stated to be given.

15.17 **Entire Agreement; Amendment**. This Agreement is the entire agreement between Intuitive and Customer and supersedes any prior agreements, understandings, promises, and representations made either orally or in writing by either party to the other party concerning the subject matter herein, pricing, and the applicable terms. Any terms or conditions in Customer's purchase order that are different from, inconsistent with, or in addition to, the terms and conditions of this Agreement will be void and of no effect, unless otherwise mutually agreed to in writing by the parties. This Agreement may be amended only in writing, signed by both parties. Any purported oral modification intended to amend the terms and conditions of this Agreement is void.

15.18 **Reporting for Medicare, Medicaid & Government Purposes:** Intuitive and Customer intend that this Agreement shall be administered in accordance with the provisions of the federal Anti-Kickback Statute, 42, U.S.C. § 1320a-7b(b) ("AKS"). Any discounts and rebates received by Customer with respect to Products under this Agreement, may be considered "discounts or other reductions in price" under 42 U.S.C. § 1320a-7b(b)(3)(A) of the AKS. To the extent required by the AKS or the Discount Safe Harbor regulations, 42 C.F.R § 1001.952(h) et seq., Customer shall fully and accurately disclose such discounts and other reductions in price in accordance with the applicable state or federal cost reporting requirements, including, without limitation, disclosing and accurately reflecting where appropriate, and as appropriate, to the applicable reimbursement methodology. Intuitive will provide Customer with sales and discount information to allow Customer to comply with this Section and the Discount Safe Harbor, including sufficient rebate and pricing information to enable Customer to accurately report its actual costs for all purchases of Products made pursuant to this Agreement. The total charges for the Products purchased under this Agreement shall be the contract price less any such discounts, including rebates.

**BOTH PARTIES HAVE READ, UNDERSTOOD, AND AGREED TO BE BOUND BY THE TERMS AND CONDITIONS OF THIS AGREEMENT AND EXECUTE THIS AGREEMENT AS OF THE EFFECTIVE DATE.**

**IF THIS AGREEMENT IS NOT SIGNED BY BOTH PARTIES AND RETURNED TO INTUITIVE ON OR BEFORE DECEMBER 27, 2019 THE TERMS WILL BE SUBJECT TO CHANGE.**

ACCEPTED BY:

**Intuitive Surgical, Inc.**

**Signature:** Marc Giuffrida (Dec 26, 2019)

**Email:** marc.giuffrida@intusurg.com

**Title:** Sr. Director, Contract Administration

**Company:** Intuitive Surgical, Inc

Date: _____

ACCEPTED BY:

**University Medical Center of Southern Nevada**

By: Mason VanHouweling

Name: Mason VanHouweling

Title: CEO

Date: 12/27/19

RC
RC

# EXHIBIT A
# Equipment List

**1. Intuitive will provide Customer with the following:**

**System Type: da Vinci® Xi™ Single Console System (Firefly™ Fluorescence Imaging Enabled)**

One (1): da Vinci® Xi™ System Surgeon Console
One (1): da Vinci® Xi™ System Patient Cart
One (1) da Vinci® Xi™ System Vision Cart
Warranty period: One (1) year from the Acceptance.

da Vinci® Xi™ System Documentation including:
User's Manual For System
Warranty period: n/a

User's Manual for Instruments and Accessories
Warranty period: n/a

One (1) da Vinci® Xi™ Cleaning & Sterilization Kit
Warranty period: 90 days from Acceptance
Two (2) da Vinci® Xi™ Instrument Release Kit (IRK)
Warranty period: 90 days from Acceptance

da Vinci® Xi™ System Software
Warranty period: One (1) year from the Acceptance.

Instrument and Accessories including:

Accessory Starter Kit
Two (2): Box of 6: 8 mm Bladeless Obturator
One (1): 8 mm Blunt Obturator
Four (4): Box of 10: 5 mm - 8 mm Universal Seal
Four (4): 8 mm Cannula
Three (3): Monopolar Energy Instrument Cord
Three (3): Bipolar Energy Instrument Cord
One (1): Box of 3: da Vinci® Xi™ Gage Pin
Three (3): Instrument Introducer
One (1): Box of 10: Tip Cover for Hot Shears™ (MCS)
One (1): Pmed Cable, Covidien ForceTraid ESU
Warranty period: 90 days from Acceptance

Drapes
Two (2): Pack of 20 da Vinci® Xi™ Arm Drape
One (1): Pack of 20 da Vinci® Xi™ Column Drape
Warranty period: 90 days from Acceptance

Vision Equipment:
Two (2): da Vinci® Xi™ Endoscope with Camera, 8 mm 0 degree
Two (2): da Vinci® Xi™ Endoscope with Camera, 8 mm 30 degree
Four (4): da Vinci® Xi™ Endoscope Sterilization Trays
Warranty period: One (1) year from the Acceptance.

Training Instrument Starter Kit
One (1): Large Needle Driver
One (1): ProGrasp™ Forceps
One (1): Maryland Bipolar Forceps
One (1): Hot Shears™ (Monopolar Curved Scissors)
One (1): Tip-Up Fenestrated Grasper
One (1): Mega™ SutureCut™ Needle Driver
Warranty period: 90 days from Acceptance



(all kits subject to change without notice) (rev 4/2015)

2. **Equipment and Service.**

| Qty. | Included in Periodical Lease Payment | Not included in Periodical Lease Payment | Equipment Description |
|---|---|---|---|
| 1 | ☒ | ☐ | System Type: da Vinci® Xi™ Single Console System |
| 1 | ☒ | ☐ | Service during the first twelve months of the Lease Period |
| n/a | ☐ | ☒ | Service beginning on the thirteen month of the Lease Period, or if Lessee purchases the Equipment* |
| 1 | ☒ | ☐ | System delivery fee |

*The applicable Service price is valid for a period of five years from the effective date of this Agreement.
Intuitive makes no representation with regard to Certificate of Need requirements for this Lease. It is Customer's responsibility to determine whether this transaction complies with Customer's State Certificate of Need law and what Certificate of Need filing, if any, needs to be made with regard to this transaction.

Subject to availability, any Instruments or Accessories provided to Customer as set forth in Exhibit A, Section 2 are subject to the Terms of the *da Vinci EndoWrist Instrument & Accessory Catalog* as if such Terms were contained in this Agreement. Delivery charges will be *Pre-Pay & Add*. If Exhibit A, Section 2 includes Instruments or Accessories, they will be shipped FCA Intuitive's warehouse. If Single Site Instruments are listed, they will be delivered upon Customer's completion of the advanced instrument training verification.

The estimated delivery date for the System is **December 31, 2019** ("**Delivery Date**"). The Delivery Date is an estimated "on or before" delivery date to Customer's designated location (see "Ship-to" below).

Customer will pay to Intuitive all fees for the purchase of Systems, Instruments, Accessories, Service or other fees that are not included in Periodical Lease Payment, as such fees are further detailed in the Lease Agreement, and not later than thirty (30) days after the date of Intuitive's invoice.

| **Courses:** **Note** *All courses must be completed within the first *twelve (12)* months of the Initial Term for the System(s) purchased herein. | Qty | US Price | Fee to Customer | Payment Type |
|---|---|---|---|---|
| *da Vinci® Coordinator Course (DVCC) | 3 | $1,000.00 (each) | Waived | No Charge |
| *da Vinci® First Assist Course | 6 | $250.00 (each) | Waived | No Charge |

3. **Acceptance.** The System is deemed accepted by Customer upon delivery to Customer's designated location ("Acceptance"). An example of Acceptance Document is hereto attached as Exhibit B.

4. **The "Ship-To" information for Customer is:**

University Medical Center of Southern Nevada
1800 W Charleston Boulevard
Las Vegas, Nevada 89102-2329

5. **The "Bill-To" information for Customer is:**

University Medical Center of Southern Nevada
Accounts Payable
1800 W Charleston Boulevard
Las Vegas, Nevada 89102-2329

***Customer's PO Number:***



6. **Taxes and Costs.**

6.1 Customer will be deemed to be Taxable until such time as customer provides the Intuitive tax department with the appropriate, fully executed tax exemption certificate as directed below: Attn: Tax Department, Intuitive Surgical, Inc., 1020 Kifer Road, Sunnyvale, CA 94086; fax number: 408-523-1390; email at TaxEmail@intusurg.com.

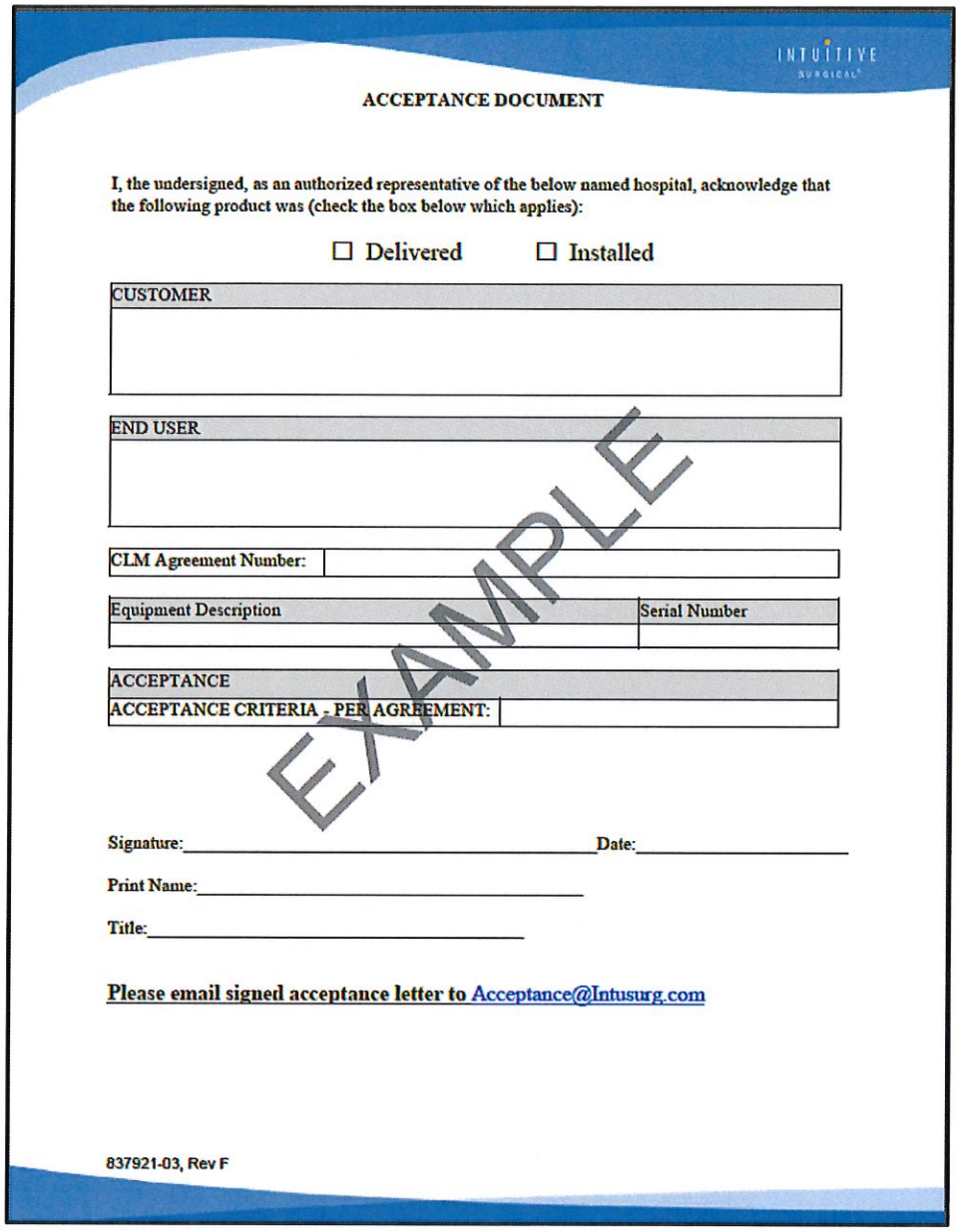
6.2 Customer is responsible for all license and registration fees, and all sales, use, property, stamp and other taxes and charges relating in any manner to the System or this Agreement, except the Medical Device Excise Tax.

7. **Term.** The initial term of this System obtained under this Agreement will commence as of the Effective Date and will continue until the end of the Lease Term ("Initial Term") unless earlier terminated as provided in this Agreement. Thereafter, this Agreement may be renewed for successive one (1) year terms ("Renewal Term(s)") upon mutual written agreement of the parties.

8. **Training.** As of the Effective Date, the price for training (based on a porcine model) is three thousand dollars ($3,000.00) per surgeon or physician's assistant. The payment terms for training are net thirty (30) days from the date of Intuitive's invoice. This pricing will remain in effect during the first year of the Initial Term. Thereafter, training will be made available to Customer at Intuitive's then current list price for training.

9. **Proctoring.** As of the Effective Date, the rate for Proctor's services is three thousand dollars ($3,000.00) per day. The payment terms for Proctoring are net thirty (30) days from the date of Intuitive's invoice. This pricing will remain in effect during the first year of the Initial Term. Thereafter, Proctoring will be made available to Customer at Intuitive's then current list price for Proctoring.

# EXHIBIT B



INTUITIVE SURGICAL

**ACCEPTANCE DOCUMENT**

I, the undersigned, as an authorized representative of the below named hospital, acknowledge that the following product was (check the box below which applies):

☐ Delivered ☐ Installed

| CUSTOMER |
|---|
| |

| END USER |
|---|
| |

| CLM Agreement Number: | |
|---|---|

| Equipment Description | Serial Number |
|---|---|
| | |

| ACCEPTANCE | |
|---|---|
| ACCEPTANCE CRITERIA - PER AGREEMENT: | |

EXAMPLE

Signature:_____ Date:_____

Print Name:_____

Title:_____

**Please email signed acceptance letter to Acceptance@Intusurg.com**

837921-03, Rev F

# LEASE AGREEMENT

This Lease Agreement ("Lease Agreement") is dated **December 26, 2019** and is made and entered into between **Intuitive Surgical, Inc.**, a Delaware corporation, located at 1020 Kifer Road, Sunnyvale, California 94086 (**"Lessor" or "Intuitive"**); and

Lessee: **University Medical Center of Southern Nevada**, a publicly owned and operated hospital created by virtue of Chapter 450 of the Nevada Revised Statutes
Registered Address: **1800 W Charleston Boulevard, Las Vegas, Nevada 89102-2329**

Lessor and Lessee are contemporaneously entering into a Use, License & Service Agreement, dated **December 26, 2019**.

The Lessor and the Lessee are referred to as the "Parties" collectively, or "Party" individually.

| Qty. | Included in Periodical Lease Payment | Not included in Periodical Lease Payment | Equipment Description | Price |
|---|---|---|---|---|
| 1 | ☒ | ☐ | System Type ("System"): da Vinci® Xi™ Single Console System | $1,700,000.00 |
| 1 | ☒ | ☐ | Service during the first twelve months of the Lease Period | Included |
| n/a | ☐ | ☒ | Service beginning on the thirteenth month of the Lease Period, or if Lessee purchases the Equipment ("Service"); see Special Conditions | $134,000.00 per year* |
| 1 | ☒ | ☐ | System delivery fee | Waived |

*Intuitive will credit Lessee a pro-rata amount of the annual Service fee Lessee has paid to Intuitive for the leased System based on the number of months remaining in the current Service year from the date the leased System is de-installed. The credit will be applied to Lessee's account with Intuitive within thirty (30) days from the date the leased System is de-installed. The Service price indicated above will be valid for a period of five (5) years from the effective date of this Lease Agreement.

| Lease Conditions | | | |
|---|---|---|---|
| **Lease Period** | 12 Months. The Lease Period may be extended in accordance with the Lease Agreement. | | |
| **Commencement Date** | This Lease Agreement will commence on the date of Acceptance specified in the Acceptance Document. | | |
| **Interest Rate** | n/a | | |
| **Periodical Lease Payments** | Months 1-3 **$0.00 per month**<br>Months 4-12 **$55,000.00 per month**<br><br>Lessee agrees and acknowledges payments due herein shall not be excused by any contingencies including, but not limited to, Lessee's internal practices, policies, or any state approvals. | No. of Periodical Lease Payments: 12 (subject to extension of Lease Period) | ☒ Monthly payments |
| | ☐ The first Periodical Lease Payment is due on Commencement Date. Thereafter, each subsequent Periodical Lease Payment is due on the corresponding day of each month, as applicable, of the Lease Period (payments in advance).<br>☒ The first Periodical Lease Payment is due one month after the Commencement Date. Thereafter, each subsequent payment is due on the corresponding day of each month of the Lease Period (payments in arrears). | | |
| **Deposit** | $0.00 | The Deposit, if any, is due on the Commencement Date | |
| **Balloon Payment** | n/a | The Balloon Payment, if any, is due on the last day of the Lease Period. | |
| **End of Lease Options** | ☐ End of Lease option A applies (see 13.1 of Standard Terms and Conditions)<br>☒ End of Lease option B applies (see 13.2 of Standard Terms and Conditions)<br>☒ See Special Conditions below | | |
| | Original Equipment Cost (OEC): $1,700,000.00 | Down-Payment from Lessee to Lessor: $0.00 | |

| Special Conditions* |
|---|
| Lessee will have the option to rent the above Equipment from Lessor for a period of twelve (12) months.<br><br>Provided Lessee is not in default and with thirty (30) days prior written notice, Lessee will have two options: 1) Purchase or lease the Equipment at any time during the Lease Period, or at the expiration thereof, or 2) Return the Equipment to Lessor at the Expiration of the Lease Period.<br><br>In the event Lessee chooses option one (1), prior to the fourth payment, Lessee may purchase or lease the Equipment from Lessor for the Original Equipment Cost. If Lessee chooses option one (1) on or after the fourth (4th) payment, seventy percent (70%) of the Periodical Lease Payments received by Lessor will be applied towards the Original Equipment Cost. Additionally, Lessee is responsible to purchase service month thirteen (13).<br><br>In the event Lessee executes option two (2), return the Equipment to Lessor, Lessee will be charged the standard shipping charge. Lessee must provide written notice thirty (30) days prior to the end of the Lease Period in regards to intent. |

*If Lessee is required to send written notice or has questions regarding this Lease Agreement, all communications should be directed to CustomerFinance@intusurg.com.

All amounts are denominated in USD and net of taxes, any applicable taxes will be for the account of the Lessee. Where the terms of this Lease Agreement are inconsistent with the Special Conditions above, if any, the Special Conditions prevail. The Standard Terms and Conditions of Leasing attached hereto are hereby incorporated to and form an integral part of this Agreement. All references to this Agreement will include the terms and conditions set out herein, in the Annexes and the Standard Terms and Conditions of Leasing. By signing this Lease Agreement, Lessee agrees to be bound by and undertakes to comply with all the terms and conditions set out in this Lease Agreement.



**BOTH PARTIES HAVE READ, UNDERSTOOD, AND AGREED TO BE BOUND BY THE TERMS AND CONDITIONS OF THIS AGREEMENT AND EXECUTE THIS AGREEMENT AS OF THE EFFECTIVE DATE. IF THIS AGREEMENT IS NOT SIGNED BY BOTH PARTIES AND RETURNED TO INTUITIVE ON OR BEFORE DECEMBER 27, 2019 THE TERMS WILL BE SUBJECT TO CHANGE.**

ACCEPTED BY: **INTUITIVE SURGICAL, INC.**

**Signature:** Marc Giuffrida (Dec 26, 2019)

**Email:** marc.giuffrida@intusurg.com

**Title:** Sr. Director, Contract Administration

**Company:** Intuitive Surgical, Inc

RC

RC

NS

ACCEPTED BY: **UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA**

By: _____

Name: Mason VanHouweling

Title: Chief Executive Officer

Email: _____

Date: Dec 27, 2019

## Standard Terms and Conditions of Leasing

### 1. DEFINITIONS

Terms not herein defined will have the meanings set out in the Lease Agreement, unless the context otherwise requires.

**"Acceptance"** means the Equipment is deemed accepted by Lessee upon delivery to Lessee's designated location as evidenced by Lessee's execution of an acceptance letter, a form of which is attached hereto as Annex 1.

**"Lease Agreement"** means the agreement between the Lessor and the Lessee for the lease of the Equipment from the Lessor to the Lessee, including the Annexes thereto, incorporating these Standard Terms and Conditions.

**"Event of Default"** means an event specified under Clause 14 of these Terms and Conditions.

**"Equipment"** means the equipment specified in the Lease Agreement and any part thereof including, without limitation, all component parts and all software.

**"Guarantee"** means the documents executed by the Guarantor(s) in favor of the Lessor in respect of the obligations of the Lessee under the Lease Agreement.

**"Guarantor"** means the person(s) named as guarantor(s), if any, in the Guarantee.

**"Lease Payment"** means the payment of rent for the lease of the Equipment, owed by the Lessee to the Lessor under the Lease Agreement, including but not limited to the periodical installments and the Balloon Payment.

**"Obligors"** mean the Lessee, and the Guarantor, if any, and **"Obligor"** means each or any of the Obligors as the context requires.

**"Termination Sum"** means the aggregate of:

(i) all Lease Payment due and payable under the Lease Agreement; and

(ii) an amount equal to one-hundred- per cent (100%) of all Lease Payments yet to fall due under the Lease Agreement discounted by the contract interest rate inherent in the Lease Agreement.

**"Total Loss"** includes any actual, constructive, or agreed total loss, theft, damage beyond repair, taking back of the Equipment (or any part thereof) by the owner of the Equipment pursuant to a right incorporated in the Lease Agreement for the sale of the Equipment and any seizure or confiscation of the Equipment.

### 2. RENTAL, SELECTION AND DELIVERY OF EQUIPMENT

(a) The Lessor agrees to rent to the Lessee and the Lessee agrees to rent from the Lessor the Equipment on the terms and conditions as set out in the Lease Agreement. Solely for Lessee's internal budgeting and approval purposes, the total amount of Periodical Lease Payments in this Agreement have a not to exceed value of $495,000 for the term. Lessee acknowledges and agrees that it is solely responsible for appropriating and approving funds necessary to satisfy its financial obligations hereunder.

(b) The Lessee has chosen the Equipment and agreed with the Lessor upon the terms of delivery of the Equipment.

(c) Upon delivery, the Lessee will immediately inspect the Equipment, ensure that the Equipment is in good and working order and condition, and issue and deliver the duly signed and dated Acceptance Letter set out in Annex 1 of the Lease Agreement to the Lessor.

### 3. LEASE AND OTHER PAYMENTS

(a) The Lessee will pay (i) to the Lessor the Lease Payment and all other payments on the dates and in the manner specified in the Lease Agreement, and (ii) all taxes, rates, registration charges or other outgoings in respect of the Equipment.

(b) If the Lessee fails to pay any amount payable by it under the Lease Agreement on its due date, Lessor may put Lessee on a credit hold.

(c) The Lessee will pay all payments when due under the Lease Agreement notwithstanding that the Equipment are unusable for any reason at any time during the Lease Period, and the Lessor will not be liable to provide the Lessee with any replacement equipment.

(d) The Lessor will have a right to set-off in respect of any payments, charges or other sums due or prematurely due and payable, and the Lessee agrees to waive any legal defense against such set-off. The Lessee will have no right of set-off in respect of any payments, charges or other sums due or claimed to be due to the Lessee from the Lessor hereunder or under any other agreement between the Parties.

(e) Lessee agrees that Lessee's obligation and duty to pay all sums due and to become due pursuant to this Agreement will be absolute and unconditional and are not subject to any defense, counterclaim, setoff or recoupment by reason of any past, present, or future claims which lessee may have against Lessor or any other person. Additionally, Lessee will not assert against any assignee of this Agreement any defense, counterclaim, setoff or recoupment by reason of any past, present, or future claims which Lessee may have against Lessor.

### 4. LOCATION, USE AND MAINTENANCE OF THE EQUIPMENT

(a) The Equipment will be kept at the Location as set out in the Lease Agreement and will not be removed without the prior written consent of the Lessor.

### 5. OWNERSHIP, INSPECTION AND TESTING

(a) The Lessor may at any time during the Lease Period require inspection of the Equipment. For such purpose, the Lessee will ensure that the Lessor and its authorized representatives have access to the Equipment and the premises at which the Equipment is located and to the records (including books of accounts) relating to the Equipment, during normal business hours. The Lessee will keep proper accounts of all its dealings in relation to the Equipment and deliver to the Lessor any such records when requested by the Lessor.

### 6. PROHIBITION AGAINST DEALING WITH EQUIPMENT

(a) The Lessee will not (i) sell, transfer, lease, sub-lease or otherwise dispose of the Equipment (ii) create, permit, or allow to subsist any security interest, lien, or encumbrance on the Equipment, (iii) affix the Equipment to any premises in such a manner as to make it a part of such premises, (iv) represent itself to be, hold itself out as being or suffer or permit anything to be done whereby it may be reputed to be, the owner of the Equipment, and/or (v) alter or modify or permit any alteration of the Equipment, without the Lessor's prior written consent.

(b) The Lessee will notify the Lessor immediately of any enforcement of any security interest created by it and/or any landlord of the premises on or in which the Equipment is located or the appointment of any receiver of all or part of the assets of the Lessee.

### 7. REPRESENTATIONS AND WARRANTIES

(a) The Lessee represents and warrants to the Lessor that: (i) it has the power to enter into and perform, and has taken all necessary action to authorize the entry into and performance of the Lease Agreement and the transactions contemplated by the Lease Agreement; and (ii) all information supplied by it or on its behalf to the Lessor in connection with the Lease Agreement and any Guarantee (as the case may be) are true and accurate as at the date at which it is stated to be given.

### 8. TOTAL LOSS AND INSURANCE

(a) The Lessee will bear the risks related to a Total Loss of the Equipment after delivery. If a Total Loss occurs with respect to the Equipment, Lessee will promptly notify Lessor thereof. On the Lease Payment date following such notice, Lessee will pay to Lessor an amount equal to the Termination Sum. Upon the making of such payment by Lessee, the payment obligation for such Equipment will cease, the Lease Agreement as to such Equipment will terminate and, except in the case of a Total Loss, Lessor will be entitled to recover possession at Lessee's expense in accordance with Clause 12 below. *Provided* that Lessor has received all payments to be made by the Lessee under this Lease Agreement, the Lessee will be entitled to the proceeds of any recovery in respect of that Equipment from insurance or otherwise.

(b) If not agreed otherwise in writing, the Lessee will at its own expense insure the Equipment on a policy and terms with such insurers as may be approved by the Lessor and will keep this insurance coverage in place until the Equipment is returned to the Lessor or the title has been transferred to the Lessee. Lessor acknowledges Lessee is self-insured as allowed by Chapter 41 of the Nevada Revised Statutes. Upon request, Lessee will provide Lessor with a Certificate of Coverage prepared by its Risk Management Department certifying such self-coverage.

(c) The Lessee hereby irrevocably appoints the Lessor as its attorney to recover in its and the Lessee's name any claim for loss of or damage to the Equipment under any insurance or otherwise and to give effectual releases and receipts therefor. The proceeds of the insurances will be paid to the Lessor and applied towards satisfaction of all amounts owing by the Lessee to the Lessor under the Lease Agreement.

(d) If the Lessee fails to comply with this Clause 8 the Lessor may (but is not obligated to do so), at the expense of the Lessee, effect any insurance, and all costs and expenses incurred in so doing will be repaid to the Lessor by the Lessee on demand.

### 9. SECURITY DEPOSIT

Intentionally Omitted.

### 10. SECURITY AND GUARANTEE

Intentionally Omitted



### 11. OWNERSHIP IN THE EQUIPMENT

The Lessor will be the sole legal and beneficial owner of the Equipment and the Lessee will not do or permit to be done anything that could prejudice the rights of the Lessor in respect of the Equipment. During the Lease Period ownership in the Equipment will not for any reason pass to the Lessee.

### 12. RETURN OF EQUIPMENT

(a) In the event that the Lease Agreement is terminated for any reason other than by reason of a Total Loss, the Lessee will immediately (i) return the Equipment to the Lessor or its designated agent, by delivering the Equipment to such address as the Lessor may require or (ii) allow the Lessor access to pick up the Equipment. The Lessee will return the Equipment to the Lessor, free and clear of any security interest and in good working condition without any damage or fault which would

affect the value of the Equipment or its operation (reasonable wear and tear excepted) together with all licenses, certificates and other documents relating to the Equipment.

(b) If upon return the Equipment is not in the condition stated in Clause 12(a) above, the Lessor may at its own discretion cause such repair works as it deems necessary to be carried out by a provider of its choice. Mutually agreed upon costs and expenses in connection with such repairs may be paid by the Lessee.

**13. END OF LEASE OPTIONS**

13.1 OPTION A

Intentionally Omitted.

13.2 OPTION B

*Provided* that no Event of Default has occurred at the expiry of the Lease Period, the Lessee may, by giving the Lessor no less than thirty (30) days prior to the expiry of the Lease Period written notice, exercise one of the options below. If the Lessee does not notify Lessor within this period, the Lease Agreement will be automatically renewed for a period of one (1) month at any one time, unless either Party gives notice to the other party no less than two (2) weeks prior to the expiry of the respective renewal period of its desire to terminate the Lease Agreement. Unless otherwise agreed between the Parties, the Lessee will in such case return the Equipment to the Lessor in accordance with Clause 12 hereof.

In the event of purchase, Lessee will provide thirty (30) days notice, and this Agreement will terminate without liability or penalty.

(a) The Lessee may request the Lessor to sell all (but not part thereof) of the Equipment to the Lessee after the expiry of the Lease Period and the Lessor will meet such request *provided* that the Lessee has fulfilled all its obligations under this Lease Agreement. The purchase price of the Equipment will be an amount equal to the fair market value, as determined by the Lessor, at its sole discretion. Upon payment of the purchase price, title to the Equipment will pass to the Lessee on an "as is where is" basis without any warranties whatsoever given by the Lessor. If no sale can be achieved, the Lessee will return the Equipment to the Lessor immediately upon the expiry of the Lease Period in accordance with Clause 12 hereof; or

(b) The Lessee may request the Lessor to re-lease all (but not part thereof) of the Equipment to the Lessee after expiry of the Lease Period, *provided* that, that the Lessee's financial situation has not deteriorated and that the Lessee has duly fulfilled its obligations under this Lease Agreement. If the Lessor does not confirm acceptance of the Lessee's request within four (4) weeks, it is deemed to have been declined. The Lease Payments and the Lease Period of the re-lease will be determined between the Parties hereto at the time of re-lease. If the Lessor refuses such request, the Lessee will return the Equipment to the Lessor immediately upon the expiry of the Lease Period in accordance with Clause 12 hereof.

**14. EVENT OF DEFAULT**

Each of the events set out in this Clause 14 is an Event of Default. Upon the occurrence of an Event of Default, the Lessor may by written notice to the Lessee terminate the Lease Agreement, which will take effect in accordance with its terms.

(a) An Obligor does not pay on the due date any amount payable by it under the Lease Agreement or any Guarantee in the prescribed manner.

(b) An Obligor does not comply with any term of the Lease Agreement, any Guarantee, any Sales/Use, License and Service Agreement between Lessor and Lessee, or any other similar agreement governing the use of the Equipment.

(c) Any representation made or repeated by an Obligor in the Lease Agreement or any Guarantee is proved to be incorrect in any material respect when made or deemed to be repeated.

(d) Any of the indebtedness of an Obligor is not paid when due, becomes prematurely due and payable, is placed on demand, or is cancelled or suspended as a result of an Event of Default.

(e) Any Obligor is unable to pay its debts as they fall due, admits its inability to pay its debts as they fall due, or is otherwise deemed for the purposes of any law to be insolvent, suspends making payments on any of its debts or announces an intention to do so, or (by reason of actual or anticipated financial difficulties) begins negotiations with any creditor for the rescheduling of any of its indebtedness.

(f) Any step is taken with a view to a moratorium, rehabilitation or composition with any of an Obligor's creditors, a meeting of its shareholders, directors or other officers is convened for the purpose of considering any resolution for, to petition for or to file documents with a court or any registrar for, its winding-up, bankruptcy, dissolution or judicial management or any such resolution is passed or any person petitions for or files documents for the same, an order for its bankruptcy, winding-up, judicial management or dissolution is made or any other analogous step or procedure is taken in any jurisdiction.

(g) Any provisional attachment, attachment, sequestration, distress, execution or analogous event affects any asset(s) of an Obligor and is not discharged within 14 days.

(h) Where the Obligor is an individual, the Obligor dies, becomes partly or wholly incapacitated.

(i) It is or becomes unlawful for an Obligor to perform any of its obligations under the Lease Agreement or any Guarantee, or the Lease Agreement or any Guarantee is not effective in accordance with its terms or is alleged by an Obligor to be ineffective in accordance with its terms for any reason.

(j) An event or series of events occur which, in the opinion of the Lessor, is likely to result in a Total Loss.

(k) The Lessee abandons the Equipment or does anything which, in the opinion of the Lessor, prejudices the rights of the Lessor in or over the Equipment.

(l) There is, in the Lessor's opinion, a material change in the shareholding of a corporate Obligor or any person, or group of persons acting in concert, acquires control of a corporate Obligor.

(m) An event or series of events occur which, in the opinion of the Lessor, have or are likely to have a material adverse effect on the financial condition of any Obligor.

**15. TERMINATION**

(a) After execution of the Lease Agreement, the Lessee will, except as set out in Clause 15(f) or Clause 15 (g) Budget Fund Out Clause, not be entitled to cancel or terminate the Lease Agreement before expiration of the Lease Period.

(b) Any termination of the Lease Agreement and any delivery of the Equipment by the Lessee to the Lessor will be without prejudice to any right or claim the Lessor may have against the Lessee under the Lease Agreement (including, without limitation, for arrears in Lease Payment and any applicable taxes).

(c) Where the Lease Agreement is terminated due to an Event of Default, the Lessee will pay to the Lessor the Termination Sum.

(d) Until the Lessor has received the the Termination Sum in full, all obligations of the Lessee under the Lease Agreement will continue and the Lessee will continue to pay the Lease Payment notwithstanding any repossession of the Equipment by the Lessor.

(e) Upon termination of the Lease Agreement, the Lessor will without prejudice to any other rights which it may have, have the right to repossess the Equipment and for this purpose, with reasonable notice, to enter the land, building or premises at which the Equipment are located and the Lessee will give access to or procure that the Lessor or its agents be given access to the land, building or premises for this purpose.

(f) During the Lease Period, *provided* that no Event of Default has occurred and the Lessee has duly performed all of its obligations under this Lease Agreement and all other Lease Agreements between the Lessee and the Lessor, the Lessee may by written notice to the Lessor request to early terminate the Lease Agreement. On the Lease Payment date following such notice, Lessee will pay to Lessor an amount equal to the Termination Sum. Upon the making of such payment by Lessee, the payment obligation for such Equipment will cease and the Lease Agreement as to such Equipment will terminate. The Lessee will in such case return the Equipment to the Lessor in accordance with Clause 12 hereof.

(g) 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 Lessee for the then-current fiscal year under the Local Government Budget Act. This Agreement shall terminate and Lessee's obligations under it shall be extinguished at the end of any of Lessee's fiscal years in which Lessee'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 Lessee gives Lessor at least one hundred and twenty (120) days' prior written notice termination. Lessee 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 Lessee of its obligations incurred through the 30th day of June of the fiscal year for which monies were appropriated or for items delivered for which Lessee did not give notification of termination due to loss of appropriated funds.

**16. SUBMISSION OF MATERIALS**

Upon request by the Lessor for the purpose of credit preservation, the Lessee will immediately provide overall outstanding liabilities of the Lessee, credit status of the Lessee and the Guarantor, and information regarding status of securities to the Lessor, and cooperate with the Lessor for any investigations thereon. At Lessor's request, the Lessee is required to provide a copy of its year-end financial statements as soon as possible and not later than two (2) months the end of the financial year. The Lessee will immediately notify the Lessor of any material change or any suspected material change in the status of credit or securities of the Lessee or the Guarantor.



**17. TAXES AND COSTS**

(a) Lessee is responsible for all license and registration fees, and all sales, use, property, stamp and other taxes and charges relating in any manner to the Equipment or this Lease Agreement, except the Medical Device Excise Tax.

(b) All payments by the Lessee under the Lease Agreement will be made free and clear of and without any deduction for or on account of any taxes and

withholding taxes, except to the extent that the Lessee is required by law to make payment subject to taxes. If any amounts in respect of tax or any other deduction must be made from any amounts payable by the Lessee to the Lessor under the Lease Agreement, the Lessee will pay such additional amounts as may be necessary to ensure that the Lessor receives a net amount equal to the full amount which it would have received had the payment not been made subject to tax or the deduction.

(c) Intentionally Omitted.

(d) Unless otherwise provided, this Lease Agreement is entered into with the assumption that Lessor is the owner of the Equipment for income tax purposes and is entitled to certain federal and state tax benefits available to the owner of equipment (collectively "Tax Benefits"), including without limitation, accelerated cost recovery deductions and deductions for interest incurred by Lessor to finance the purchase of the Equipment, available under the Code. Lessee represent, warrant, and covenant to Lessor that (a) unless Lessee has provided Lessor with a 501(c)(3) letter indicating that Lessee is tax exempt, then Lessee is not a tax exempt entity (as defined in Section 168(h) of the Code, (b) Lessee will use the Equipment solely within the United States, and (c) Lessee will take no position inconsistent with the assumption that Lessor is the owner of the Equipment for any tax purposes. If, because of any act or omission by Lessee, or any party acting through Lessee, or the breach or the inaccuracy of any representation, warranty or covenant made by Lessee in this Agreement, Lessor reasonably determine that Lessor cannot claim, are not allowed to claim, lose, or must recapture any or all of the Tax Benefits otherwise available with respect to the Equipment (a "Tax Loss"), then Lessee will, promptly upon demand, pay to Lessor an amount sufficient to provide Lessor the same after-tax rate of return and aggregate after-tax cash flow through the end of the term of the Lease Agreement as Lessor would have realized but for such Tax Loss.

**18. INDEMNITY**

Except for damages, claims or losses due to Lessor's acts or negligence, to the extent it is expressly authorized by applicable law, the Lessee will indemnify the Lessor against all damages, claims or liabilities which may be incurred or suffered by the Lessor in connection with: (i) the occurrence of any Event of Default; (ii) any late payment of any sum (including, without limitation, any overdue amount) being received from any source otherwise than on its due date; (iii) Lessee's breach of any law affecting the Equipment, their use, operation or leasing, or the Lease Payment to be paid; (iv) any failure of any Obligor to perform any of its obligations under the Lease Agreement or any Guarantee; (v) the execution or enforcement (including any attempts thereof) of any of the rights, powers, remedies, authorities or discretions vested in the Lessor under or pursuant to the Lease Agreement; (vi) any failure or delay by Lessee in completing the procedure required for importation and providing Equipment; or (vii) any loss arising from non-or incomplete performance by Lessee of the Lease Agreement, the delivery and the inspection of the Equipment.

**19. FORCE MAJURE**

(a) Neither Lessor nor Lessee will be liable for any loss, damage, detention, delay, or failure to perform in whole or in part resulting from causes beyond that party's control including, but not limited to, acts of terrorism, acts of God, fire, earthquake, war, the threat of imminent war, riots, or other acts of civil disobedience, insurrection, labor or trade disputes, shortage of components, any governmental law, order, regulation, ordinance or any other supranational legal authority, explosion, storms, floods, lightning, or earthquake.

**20. UCC FILINGS AND FINANCIAL STATEMENTS.** Lessee authorizes Lessor to file a financing statement with respect to the Equipment and grants the Lessor the right to sign such financing statement on Lessee's behalf. If Lessor deems it necessary, Lessee agrees to submit financial statements (audited if available) on a quarterly basis.

**21. UCC-ARTICLE 2A Provisions**: Lessee agrees that this Lease Agreement is a Finance Lease as that term is defined in Article 2A of the Uniform Commercial Code ("UCC"). Lessee waives any and all rights and remedies granted Lessee under Sections 2A-508 2A-522 of the UCC.

**22. MISCELLANEOUS**

(a) The Lease Agreement will not be construed to be a purchase or an agreement for the purchase of the Equipment by the Lessee.

(b) The Lessee may not assign or transfer any of its rights and obligations under the Lease Agreement. The Lessor may at any time without the consent of the Lessee assign or transfer any of its rights and obligations under the Lease Agreement and dispose of its rights and title to the Equipment.

(c) This Lease Agreement constitutes the entire obligation of the parties hereto and supersedes any prior expressions of intent or understandings with respect to this transaction. Any amendment of this Lease Agreement will be in writing and will be signed by duly authorized representatives of both parties hereto.

(d) No failure or delay on the part of either party to exercise any right provided for in this Lease Agreement will constitute a waiver of such right or any obligation of the other party under this Lease Agreement, nor will any single or partial exercise of any such right preclude any further exercise thereof. No waiver by either party hereunder will be effective unless it is in writing. The rights and remedies provided for in this Lease Agreement are cumulative and not exclusive of any other rights or remedies which either party may otherwise have.

(e) If any one or more of the provisions of this Lease Agreement or any document executed in connection herewith will be invalid, illegal or unenforceable in any respect under any applicable law, the validity, legality and enforceability of the remaining provisions contained herein will not in any way be affected or impaired thereby.

(f) The obligations of the Obligors under this Lease Agreement will be joint and several.

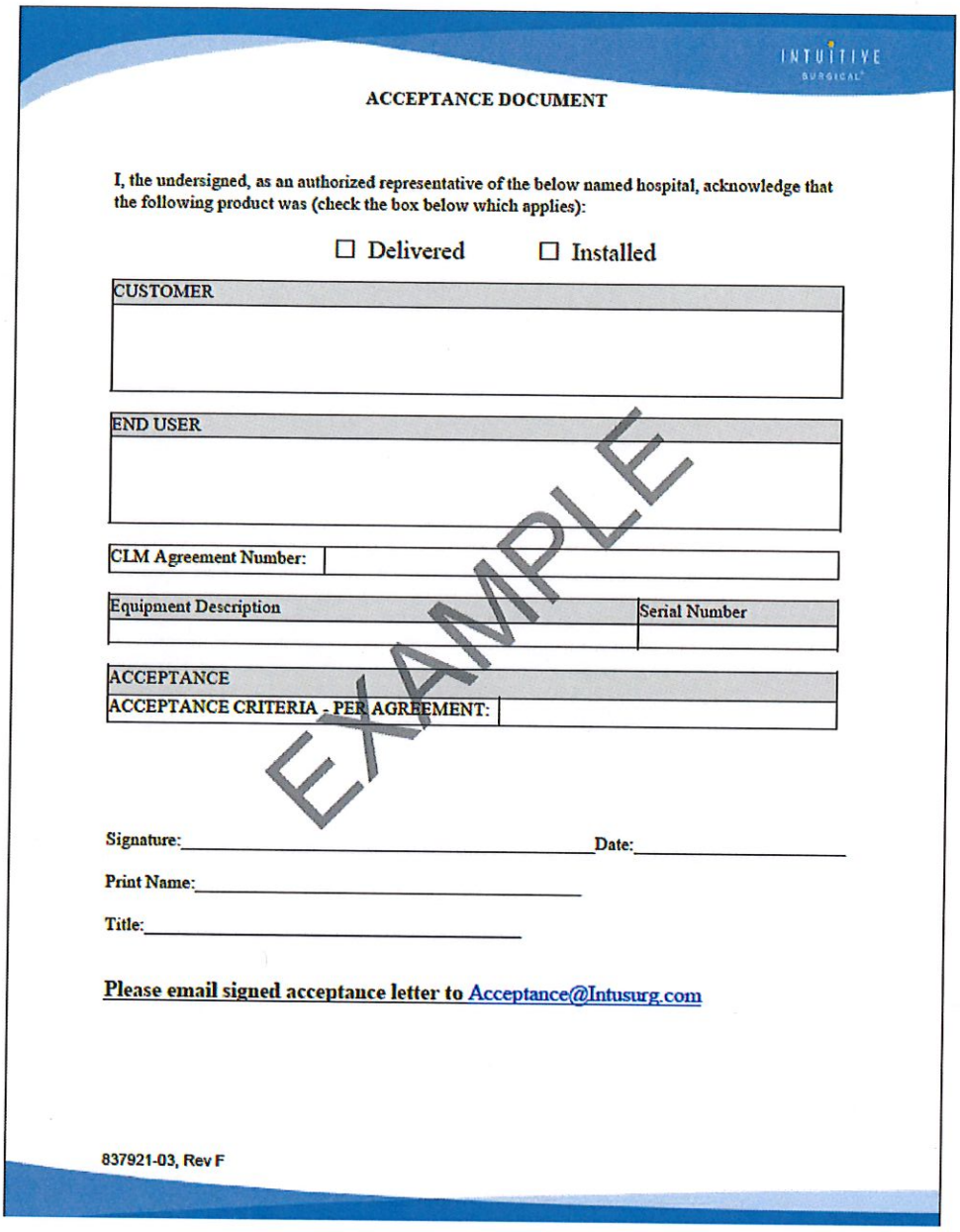
(g) The Lessee acknowledges and agrees that the sole responsibility for determining the proper treatment of this Lease Agreement for tax purposes rests with the Lessee. The Lessor makes no representations whatsoever as to the proper treatment of this Lease Agreement for tax purposes. The Lessee acknowledges that the Lessor is the legal owner of the Equipment.

(h) All notices, claims, requests, demands, and other formal communications hereunder will be in writing and will be deemed given at the time of personal delivery or completed facsimile, or, if sent by a reputable overnight courier or registered or certified mail, one business day after such sending to the parties at their respective addresses listed on page 1 of the Lease Agreement.

(i) The Lessee will notify the Lessor promptly of any changes in company name, registered office, and any other matters which may affect this Lease Agreement.

(j) Intentionally omitted.

## Annex 1



INTUITIVE SURGICAL

**ACCEPTANCE DOCUMENT**

I, the undersigned, as an authorized representative of the below named hospital, acknowledge that the following product was (check the box below which applies):

☐ Delivered ☐ Installed

| CUSTOMER |
|---|
| |

| END USER |
|---|
| |

| CLM Agreement Number: | |
|---|---|

| Equipment Description | Serial Number |
|---|---|
| | |

| ACCEPTANCE | |
|---|---|
| ACCEPTANCE CRITERIA - PER AGREEMENT: | |

EXAMPLE

Signature:_____ Date:_____

Print Name:_____

Title:_____

**Please email signed acceptance letter to Acceptance@Intusurg.com**

837921-03, Rev F

# University Med Center S Nevada - ULSA and Lease - 26Dec19

Final Audit Report 2019-12-26

| | |
|---|---|
| Created: | 2019-12-26 |
| By: | Jennifer Wood (Jennifer.Wood@intusurg.com) |
| Status: | Signed |
| Transaction ID: | CBJCHBCAABAA52gJeyrJv7El7YVL8gQpYDY9LGKWetUm |

## "University Med Center S Nevada - ULSA and Lease - 26Dec19" History

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Signed document emailed to Nick Santore (nick.santore@intusurg.com), Revenue Team (revenue.adobesign@intusurg.com), Jennifer Wood (Jennifer.Wood@intusurg.com), and Marc Giuffrida (marc.giuffrida@intusurg.com)

2019-12-26 - 9:36:25 PM GMT

INTUITIVE.

Intuitive Surgical, Inc.
1020 Kifer Road
Sunnyvale, CA 94086
800-876-1310

Quote Details

| | |
|---|---|
| Quote ID | 131404.0 |
| Quote Date | 1/29/2020 |
| Valid Until | 3/16/2020 |
| Sales Rep | Kristine Quach |
| Phone Number | |
| Email | Kristine.Quach@intusurg.com |

Company Information

| | |
|---|---|
| Hospital Name | University Medical Center of Southern Nevada |
| SF ID / IDN Affiliation | 10092/University Medical Center of Southern Nevada |
| Address | 1800 W Charleston Blvd |
| City, State, Zip | Las Vegas, NV, 89102-2329 |
| Contact Name | |
| Telephone | |

Please submit orders electronically via GHX or fax to 408-523-2377

Items

| Part Number | Qty | Item | Uses | Units | Price | Subtotal |
|---|---|---|---|---|---|---|
| 8MM Endowrist Instruments | | | | | | |
| 470179 | 4 | Monopolar Curved Scissors | 10 | 1 | $3,200.00 | $12,800.00 |
| 470205 | 4 | Fenestrated Bipolar Forceps | 10 | 1 | $2,700.00 | $10,800.00 |
| 470309 | 4 | Mega SutureCut™ Needle Driver | 10 | 1 | $2,400.00 | $9,600.00 |
| 470296 | 4 | Large SutureCut™ Needle Driver | 10 | 1 | $2,400.00 | $9,600.00 |
| 470347 | 4 | Tip-Up Fenestrated Grasper | 10 | 1 | $2,200.00 | $8,800.00 |
| 8MM - 12MM Reusable Accessory | | | | | | |
| 470375 | 1 | 12 mm & Stapler Cannula | - | 1 | $1,250.00 | $1,250.00 |
| 470376 | 1 | 12 mm & Stapler Blunt Obturator | - | 1 | $780.00 | $780.00 |
| 470004 | 2 | 8 mm Instrument Cannula, Long | - | 1 | $650.00 | $1,300.00 |
| 470002 | 16 | 8 mm Instrument Cannula | - | 1 | $600.00 | $9,600.00 |
| 470009 | 2 | 8 mm Blunt Obturator, Long | - | 1 | $590.00 | $1,180.00 |
| 470008 | 4 | 8 mm Blunt Obturator | - | 1 | $550.00 | $2,200.00 |
| Cables | | | | | | |
| 470383 | 4 | Monopolar Cautery Cord | - | 1 | $270.00 | $1,080.00 |
| 470384 | 4 | CABLE,BIPOLAR ENERGY,IS4000,SP1098 | - | 1 | $270.00 | $1,080.00 |
| Reusable System Accessory | | | | | | |
| 381216 | 6 | EndoWrist® Instrument Release Kit | - | 1 | $0.00 | $0.00 |
| 470397 | 2 | 8 mm Cannula Gage Pin | - | 3 | $0.00 | $0.00 |
| Total | | | | | | **$70,070.00** |

Terms and Conditions

1) System Terms and Conditions:

1.1 A signed Sales, License, and Service Agreement ("SLSA") or equivalent is required prior to shipment of the System(s). All site modifications and preparation are the Customer's responsibility and are to be completed to the specification given by Intuitive Surgical prior to the installation date. Delivery is subject to credit approval. Payment terms are net 30 days from Intuitive Surgical's invoice date. Each System includes the patient side cart, vision cart, and surgeon console(s). System enhancements required to support new features may be purchased at Intuitive Surgical's then current list price. The price of the da Vinci® Surgical System includes the initial installation of the System at Customer's facility and a one (1) year warranty for manufacture defect. All taxes and shipping charges are the responsibility of the Customer and will be added to the invoice, as appropriate.

1.2 Intuitive makes no representation with regard to Certificate of Need requirements for this purchase. It is your (the Customer's) responsibility to determine whether this purchase complies with your State's Certificate of Need laws and what Certificate of Need filing, if any, needs to be made with regard to this purchase.

1.3 Customer acknowledges that the cleaning and sterilization equipment, not provided by Intuitive, is required to appropriately reprocess da Vinci instruments and endoscopes. Please refer to the Intuitive Surgical Reprocessing website: https://reprocessing.intuitivesurgical.com. Customer is responsible for ensuring that its' cleaning and sterilization program comply with all health and safety requirements.

2) System Upgrade Terms and Conditions:

2.1 A signed Purchase Order and/or an addendum to the existing Sales, License, and Service Agreement ("SLSA") is required prior to shipment of the System upgrade. All site modifications and preparation are the Customer's responsibility and are to be completed with the specification given by Intuitive Surgical prior to the installation date.

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

**Purpose of the Form**

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

**General Instructions**

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

**Detailed Instructions**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

# DISCLOSURE OF OWNERSHIP/PRINCIPALS

| Business Entity Type (Please select one) | | | | | | |
|---|---|---|---|---|---|---|
| ☐ Sole Proprietorship | ☐Partnership | ☐ Limited Liability Company | ☒ Corporation | ☐ Trust | ☐ Non-Profit Organization | ☐ Other |

| Business Designation Group (Please select all that apply) | | | | | | |
|---|---|---|---|---|---|---|
| ☐ MBE | ☐ WBE | ☐ SBE | ☐ PBE | ☐ VET | ☐DVET | ☐ ESB |
| Minority Business Enterprise | Women-Owned Business Enterprise | Small Business Enterprise | Physically Challenged Business Enterprise | Veteran Owned Business | Disabled Veteran Owned Business | Emerging Small Business |

## Number of Clark County Nevada Residents Employed:

| | | |
|---|---|---|
| **Corporate/Business Entity Name:** | Intuitive Surgical, Inc. | |
| **(Include d.b.a., if applicable)** | | |
| **Street Address:** | 1020 Kifer Road | **Website:** |
| **City, State and Zip Code:** | Sunnyvale, CA 94086 | **POC Name:**<br>**Email:** |
| **Telephone No:** | | **Fax No:** |
| **Nevada Local Street Address:**<br>**(If different from above)** | | **Website:** |
| **City, State and Zip Code:** | | **Local Fax No:** |
| **Local Telephone No:** | | **Local POC Name:**<br>**Email:** |

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

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

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

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

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

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

   ☐ Yes ☐ No (If yes, please note that University Medical Center of Southern Nevada employee(s), or appointed/elected official(s) may not perform any work on professional service contracts, or other contracts, which are not subject to competitive bid.)

2. Do any individual members, partners, owners or principals have a spouse, registered domestic partner, child, parent, in-law or brother/sister, half-brother/half-sister, grandchild, grandparent, related to a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?

   ☐ Yes ☐ No (If yes, please complete the Disclosure of Relationship form on Page 2. If no, please print N/A on Page 2.)

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

**Signature:** Marc Giuffrida (Mar 12, 2020)

**Email:** marc.giuffrida@intusurg.com

**Title:** Sr. Director, Contract Administration

**Company:** Intuitive Surgical, Inc

# DISCLOSURE OF RELATIONSHIP

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

| NAME OF BUSINESS OWNER/PRINCIPAL | NAME OF UMC* EMPLOYEE/OFFICIAL AND JOB TITLE | RELATIONSHIP TO UMC* EMPLOYEE/OFFICIAL | UMC* EMPLOYEE'S/OFFICIAL'S DEPARTMENT |
|---|---|---|---|
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* UMC employee means an employee of University Medical Center of Southern Nevada

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

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

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

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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

# USE, LICENSE & SERVICE AGREEMENT

**Agreement No.: MA-632-2019 (408763)**

This Use, License & Service Agreement ("Agreement") is dated **December 26, 2019** (the "Effective Date") and is between **Intuitive Surgical, Inc.**, a Delaware corporation ("Intuitive"), located at 1020 Kifer Road, Sunnyvale, California 94086, and **University Medical Center of Southern Nevada**, a publicly owned and operated hospital created by virtue of Chapter 450 of the Nevada Revised Statutes, located at 1800 W Charleston Boulevard, Las Vegas, Nevada 89102-2329 (collectively "Customer").

**The parties agree as follows:**

**1. Introduction**

Customer agrees to obtain and license the Software and Documentation from Intuitive, and Intuitive agrees to respectively provide and license certain software and equipment to Customer, as well as provide Service for the System all according to the terms and conditions of this Agreement. Customer is contemporaneously entering into a lease agreement (the "**Lease Agreement**") dated **December 26, 2019** for the lease of the System. The Lease Agreement may also cover other equipment and/or the Services and/or a System delivery fee and/or other fees as further specified in Exhibit A and the Lease Agreement.

**2. Definitions**

2.1 **"Acceptance"** means Customer's acceptance of the System as specified in **Exhibit A**.

2.2 **"Delivery Date"** means the estimated scheduled date for delivery of the System to Customer specified in **Exhibit A**.

2.3 **"Instruments and Accessories"** means those instruments or accessories made or approved by Intuitive for use with the System.

2.4 **"Proctoring"** means the assistance, coaching, or surgical training provided by a surgeon (the "Proctor") who is familiar with the System to another surgeon (the "Proctee") on how to perform a particular surgical procedure (or procedures) using the System.

2.5 **"Services"** means the support and maintenance of the System described in Section 5 for the Service fees designated in the **Lease Agreement**.

2.6 **"System"** means the items comprising the da Vinci® Surgical System specified in **Exhibit A** consisting of certain hardware components ("Hardware"), software program elements ("Software") and related manuals, labeling, instructions for use, notifications or other documentation ("Documentation"), that Customer may receive, obtain and license under this Agreement. If Customer obtains multiple Systems under this Agreement, all references to "System" or "System(s)" apply to each System obtained and licensed. Each System obtained is a separate transaction to be delivered, accepted, and paid for separately.

2.7 **"Taxes"** means any taxes, levies, or similar governmental charges, now in force or enacted in the future, and however designated, including related penalties and interest, imposed by any governmental authority on, or measured by, the activities described.

2.8 **"Customer's Access Requirements"** means any reasonably applicable requirements designated by Customer that Intuitive personnel must meet to gain access to Customer's facility. Such requirements may include, but are not limited to, compliance with Customer's site policies and vendor credentialing requirements, such as vaccination, immunization, background investigation, training, hospital orientation, and liability insurance coverage.

2.9 **"Reprocess" or "Reprocessing"** means Customer's process for cleaning, disinfection, and sterilization of Instruments and Accessories, including testing to validate cleaning, disinfection and sterilization process as may be required by applicable law and/or regulation.

**3. System Delivery, Use, Disposal**

3.1 **Delivery and Installation.** Subject to credit approval of Customer by Intuitive, Intuitive will use commercially reasonable efforts to deliver the System on or before the Delivery Date. Each party will provide the other party with thirty (30) days' notice, or if this Agreement is executed within thirty (30) days before the Delivery Date, a reasonable advance notice of any change in the Delivery Date. Customer will fully cooperate with Intuitive to permit Intuitive to install the System. Intuitive will use commercially reasonable efforts to install the System in an efficient and expeditious manner. Customer will also provide Intuitive with information, consultation, and advice reasonably necessary to permit installation.



3.2 **Delivery Terms.** Intuitive will deliver the System to Customer's designated location noted as the "Ship-to" in **Exhibit A** using a carrier selected by Intuitive. Fees for shipping the System are specified in the **Lease Agreement**. Risk of loss or damage to the System passes to the Customer upon acceptance of the System by Customer.

3.3 **On-Site Support.** At no charge to Customer, Intuitive will provide periodic on-site support to Customer's designated personnel on the proper operation and upkeep of the System in order for Customer to operate the System as further described in Section 3.4. To clarify, this support includes, but is not necessarily limited to, training on draping the System for use in surgery, proper attachment of Instruments and Accessories, cleaning of parts of the System, the Instruments and Accessories and discussing opportunities to improve cost efficiencies. The cleaning to be performed regularly by Customer is described in the Documentation.

3.4 **Use of System.** Customer will ensure the proper use of the System consistent with the Documentation, and Customer will ensure the proper management and supervision of the System. Customer will not, nor will Customer permit any third party to, modify, disassemble, reverse engineer, alter, or misuse the System or Instruments and Accessories. Prohibited actions include, but are not limited to: (1) adding or subtracting any Customer or third party equipment, hardware, firmware, or software to or from the System, or (2) reconfiguring any of the Intuitive equipment, Hardware, firmware, or Software as originally provided to Customer as part of the System without Intuitive's express written permission. Customer will ensure that the System is moved and operated only by trained personnel in accordance with the Documentation and Intuitive's instructions. If Customer fails to comply with the requirements of this Section 3.4, Intuitive may terminate this Agreement immediately upon written notice, and any warranties applicable to the System will become void.

3.5 **Reprocess and Disposal.** Customer is responsible for properly Reprocessing and/or disposing of all medical instruments, devices, and systems related to the operation and function of the System, including Instruments and Accessories, in accordance with the Documentation and the then current local environmental and safety laws and standards.

**4. Software License and Restrictions**

Software embedded within the System is provided under license and is not sold to Customer. Subject to the terms and conditions of this Agreement, Intuitive grants to Customer a non-exclusive, non-transferable, fully paid, restricted use license to use the Software solely as incorporated in the System in machine-executable object code form and solely in connection with the operation of the System as described in the Documentation. Customer must not use, copy, modify, or transfer the Software or any copy thereof, in whole or in part, except as expressly provided in this Agreement. In addition, Customer must not reverse engineer, decompile, disassemble, attempt to derive the source code for, or otherwise manipulate the Software, except that manipulation of the Software is permitted if, and then only to the extent that, the foregoing prohibition on manipulation is required to be modified by applicable law. In that case, Customer must first request from Intuitive the information to be sought from the Software, and Intuitive may, in its discretion, provide information to Customer under good faith restrictions and impose reasonable conditions on use of the Software. The structure and organization of the Software are valuable trade secrets of Intuitive and Customer will protect the Software as Intuitive's Proprietary Information (as defined in Section 13). Intuitive reserves all rights to the Software not expressly granted to Customer. Some components of the Software may be provided to Customer under a separate license, such as an open source license. In the event of a conflict between this Agreement and any such separate license, the separate license will prevail with respect to the component that is the subject of such separate license.

**5. Services**

5.1 **Services Included.** If Customer is current in payment to Intuitive of the Service fees specified in **Exhibit A**, Intuitive, directly or through one of its designated service providers, will provide Services to Customer as listed below. Intuitive will use parts sourced by Intuitive, which may, at Intuitive's discretion, include reconditioned parts, ("Equivalent to New" or "ETN"). ETN parts are components, assemblies, or partial products which have had prior usage, but have been inspected, reworked, and tested as required so that their function, performance, and appearance will be essentially equivalent to that of new parts. Regardless of whether parts are new or ETN, Intuitive's appropriate warranties under Section 10.1(A) apply. Customer may contact Intuitive to upgrade its Service Plan to **dv Premium Care Plan**. A $15,000/year uplift fee to annual Service fees set forth in Exhibit A will be charged; a detailed Service plan description will be provided to Customer for its acceptance and signature.

Intuitive will provide Services under the ***dv Complete Care Plan***, with benefits and limitations as follows:

(A) Adjust parts on the System from time to time;
(B) Replace defective or malfunctioning System parts (excludes Instruments and Accessories; and any items contained in the Instrument Starter Kit, Camera Starter Kit, and Training Instrument Starter Kit set forth in Exhibit A);
(C) Repair System operational malfunctions;
(D) Replace and install Software, Hardware, and mechanical equipment for safety and reliability;
(E) Provide twenty four (24) hours per day, seven (7) days per week (24 x 7) telephone support by qualified service personnel;
(F) Provide and install Software upgrades for feature enhancements. Software upgrades and Service with respect to additional equipment not included on **Exhibit A** may be subject to separate terms to be agreed upon by the parties;
(G) Provide preferred pricing and next day service repairs or replacement due to accidental damage on endoscopes and camera heads;
(H) Respond to Customer's request for Services described in Section 5.1(B)-(C) by phone, e-mail, or an on premise visit, during normal business hours (excluding Intuitive holidays) promptly as is reasonable after Intuitive's receipt of Customer's request, but not later than twenty-four (24) hours after Intuitive's receipt. Normal business hours are Monday through Friday, 8:00 a.m.- 5:00 p.m. Customer's local time. Billable rates are applicable for service outside of normal business hours, and for reasons defined below in Section 5.2 (Limitations of Service).
(I) Perform System preventative maintenance inspections as necessary to maintain factory specifications.

(J) Provide on-site visits for support of advanced training of Customer's personnel on sterile Reprocessing process.

(K) When the system is connected to OnSite®, remotely monitor system to diagnose potential issues and proactively dispatch a Field Service Engineer to make repairs when needed.

(L) Provide access to the da Vinci Surgery Customer Portal.

5.2 **Limitations on Services.**

(A) **General.** Intuitive does not have an obligation to provide Services (1) on any System where installation, repair, or adjustments have been made by an individual other than an Intuitive technician or an individual approved by Intuitive or (2) which are either necessary or desired as a direct or indirect result, in whole or in part, of unauthorized repair, modification, disassembly, alteration, addition to, subtraction from, reconfiguration, or misuse of the System, or negligence or recklessness on the part of Customer.

(B) **Cleaning.** Regular daily cleaning of the System as described in the Documentation is not included in the Services.

(C) **Additional Equipment.** Intuitive's Services obligations do not include the provision to Customer of any hardware developed by Intuitive that is not contained in the initial System obtained by Customer, and which Intuitive offers as a separate product or for an additional fee.

(D) **Time and Materials.** If the System needs repair or maintenance services due to any of the circumstances described in Section 5.2(A)-(B) above, Intuitive may, at its sole election, provide repair services at Customer's expense and at Intuitive's then current time and material rates. Intuitive is not obligated to provide Services on any System for which any applicable warranty has been voided, or for which the performance of Services is otherwise excused by the terms of this Agreement.

(E) **Unauthorized Instruments and Accessories.** The System is designed for use only with the Instruments and Accessories. If Customer uses the System with any surgical instrument or accessory not made or approved by Intuitive, Intuitive may discontinue Services, and any warranties applicable to any Services provided prior to any discontinuance will be void.

5.3 **Customer's Obligations.**

(A) **Notice, Access, and Cooperation.** Customer will notify Intuitive or Intuitive's designated service provider of any requests for Services. Customer will fully cooperate with and assist Intuitive in the provision of Services.

(B) **Clinical Liaison.** Customer will designate one of its employees, agents, or representatives as a "Clinical Liaison." The Clinical Liaison will be the point of contact with Intuitive for installation, Services, use of the System, and other related issues. Nothing in this Section 5.3 authorizes Customer or the Clinical Liaison to perform Services or to perform any act otherwise prohibited by this Agreement.

**6. Training**

Intuitive offers training to surgical personnel on the use and operation of the System. At Customer's request, at mutually agreed times and at mutually agreed locations, Intuitive will provide training in the use of the System to Customer's surgical personnel in accordance with the terms specified in **Exhibit A**. Solely for Customer's internal budgeting and approval purposes, total training expense not to exceed $24,000.00.

**7. Proctoring**

At Customer's request, and upon Customer's issuance of a purchase order, Intuitive will arrange for Proctoring at Customer's location in accordance with the terms specified in **Exhibit A**. Each Proctor is an independent contractor, is not an agent or employee of Intuitive, and is not authorized to act on behalf of, or legally bind Intuitive. Intuitive is not responsible for Proctoring services provided by Proctors. The decision to utilize a Proctor is solely that of the Customer. Customer is responsible for ensuring that each Proctor meets Customer's credentialing requirements.

**8. Instruments and Accessories.**

Instruments and Accessories will be made available to Customer from Intuitive pursuant to separate orders placed by Customer to Intuitive from time to time in accordance with the terms and conditions contained in the then current Instrument and Accessory Catalog. Instruments and Accessories are subject to a limited license to use those Instruments and Accessories with, and prepare those Instruments and Accessories for use with, the System. Customer is responsible for Reprocessing Instruments in accordance with the Documentation. Any other use is prohibited, whether before or after the Instrument or Accessory's license expiration, including repair, refurbishment, or reconditioning not approved by Intuitive, and cleaning or sterilization inconsistent with the Documentation. This license expires once an Instrument or Accessory is used up to its maximum number of uses, as is specified in the Documentation accompanying the Instrument or Accessory. Customer may purchase Instruments and Accessories for the purpose of Customer's Reprocessing requirements. The cost of Instruments and Accessories used in Customer's Reprocessing, including Instrument and Accessories used or involved in destructive testing, will be the responsibility of the Customer. Customer may contact Intuitive's Customer Support Department if, during the Reprocessing, Customer experiences results unacceptable under applicable law and/or regulation. Intuitive will provide commercially reasonable assistance in such investigations and remediation efforts but will not be obligated to conduct or pay for such studies or provide materials at no cost or reduced cost as a condition of purchase or continued use.

**9. Pricing and Payment Terms**

9.1 **System.**

(A) **Price.** Customer will pay the "Periodical Lease Payments" amount as indicated in the **Lease Agreement** for the lease of the System. At the termination of the Lease Agreement, the terms and conditions applicable to end of lease options are set forth in the Lease Agreement.

9.2 **Services.**

(A) **Price.** While the System is being leased by Customer, either (i) the price of annual Services is included in the "Periodical Lease Payments" amount as indicated in the **Lease Agreement**; or (ii) the price of annual Services is not included in the Periodical Lease Payments, and Customer will pay for the Services separately at the price specified in the **Lease Agreement**. If, after the term of the lease, or pursuant to Special Conditions in the Lease Agreement, if any, Customer purchases the System from Intuitive under the applicable terms and conditions of the Lease Agreement, Customer will pay for the Services at the price specified in the Lease Agreement. The issuance of a purchase order by Customer is for the convenience of the Customer solely; therefore, whether or not Customer issues a purchase order does not affect Customer's commitment to pay for Services under this Agreement during the Initial Term (as defined in Section 14).

(B) **Payment Terms**. Unless as otherwise indicated in **Exhibit A**, Intuitive will deliver to Customer an invoice for the annual Services fee thirty (30) days prior to the first anniversary of Acceptance and each subsequent anniversary of Acceptance throughout the Initial Term of the Agreement. Customer will pay the invoice for Services not later than forty-five (45) days after the date of invoice. In the event Customer requires a purchase order to be referenced on a Service invoice to facilitate payment, Customer will provide Intuitive with a purchase order number sixty (60) days prior to each anniversary of Acceptance. Intuitive may put Customer on a credit hold in the event of nonpayment.. After the Initial Term of the Agreement, and subject to mutual written agreement, annual Services may be renewed at Intuitive's then current list price.

9.3 **Taxes.**

Customer will be deemed to be Taxable until such time as customer provides the Intuitive tax department with the appropriate, fully executed tax exemption certificate as directed below: Attn: Tax Department, Intuitive Surgical, Inc., 1020 Kifer Road, Sunnyvale, CA 94086; fax number: 408-523-1390; email at TaxEmail@intusurg.com.

**10. Warranty and Disclaimer**

10.1 **System Warranty.**

(A) Intuitive warrants to Customer that:

(1) the System as delivered will be free and clear of all liens and encumbrances (except as otherwise specified in this Agreement), and

(2) for the period specified in **Exhibit A,** will be free from defects in material and workmanship and will conform in all material respects to the Documentation when used in accordance with the Documentation and Intuitive's instructions.

(B) Intuitive's obligations under this Section 10.1 are limited to the repair (as further described in Section 5.1(B)-(C)) or, at Intuitive's option, replacement of all or part of the System.

(C) This warranty is void with respect to any claims:

(1) due to any installation, repair, adjustment, modification, disassembly, alteration, reconfiguration, addition to, subtraction from, or misuse of the System by Customer or any third party without the express written permission of Intuitive; or

(2) to the extent Customer has not operated, repaired, or maintained the System in accordance with the Documentation or any reasonable handling, maintenance, or operating instructions supplied by Intuitive; or



(3) to the extent Customer has used the System with surgical instruments or accessories that are not Instruments or Accessories; or

(4) to the extent Customer or Customer's employee, agent, or contractor has subjected the System to unusual physical or electric stress, misuse, abuse, negligence, or accident.

(D) The foregoing expresses Customer's sole and exclusive remedy, and Intuitive's sole and exclusive liability, for any breach of warranty with respect to the System by Intuitive.

10.2 **Services Warranty.** Intuitive warrants that the Services will be performed consistent with generally accepted industry standards. If Intuitive breaches this warranty, Customer's sole and exclusive remedy will be to require Intuitive to re-perform the Services.

10.3 **No Other Warranties. INTUITIVE MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, IN CONNECTION WITH THE SYSTEM OR SERVICES PROVIDED HEREUNDER AND THIS TRANSACTION, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, AND NON-INFRINGEMENT. SOME JURISDICTIONS DO NOT ALLOW THE LIMITATION OR EXCLUSION OF IMPLIED WARRANTIES; THEREFORE, THE ABOVE LIMITATION WILL APPLY ONLY TO THE EXTENT PERMITTED BY APPLICABLE LAW.**

## 11. Indemnification

11.1 **Intuitive's Indemnification Obligations.**

(A) **Intellectual Property Indemnification.** Intuitive will indemnify Customer against all liabilities, expenses, or damages in connection with any third party claim that the System infringes any third party patent, trade secret, or copyright. If Customer is enjoined from the use of the System due to any such third party claim, Intuitive will promptly, at its option and expense, either (1) substitute the System or any part thereof with non-infringing material that will perform substantially in accordance with the Documentation; or (2) obtain the right of Customer to continue to use the System; or (3) remove the System.

(B) **Indemnification Limitations.** Intuitive has no obligation under this Section 11.1 to the extent any claim of infringement is based upon or arises out of: (1) any modification to the System if the modification was not made directly by Intuitive or through its designated service provider; or (2) the use or combination of the System with any hardware, software, products, data or other materials not specified, provided or approved by Intuitive.

(C) **THE PROVISIONS OF THIS SECTION 11 STATE THE SOLE AND EXCLUSIVE OBLIGATIONS OF INTUITIVE FOR ANY PATENT, COPYRIGHT, TRADEMARK, TRADE SECRET OR OTHER INTELLECTUAL PROPERTY RIGHTS INFRINGEMENT.**

11.2 **Customer's Indemnification Obligations.** Intuitive will not be liable for, and to the extent expressly authorized by applicable law, Customer will indemnify and hold Intuitive harmless from and against, any claims or damages caused by Customer's failure to comply with the requirements of Sections 3.4 (Use of the System) or 3.5 (Disposal).

11.3 **Claim Notification Requirement.** A party's indemnification obligations under this Section 11 will not apply unless the indemnified party promptly notifies the indemnifying party of the claim as soon as the indemnified party became aware of it. The indemnifying party will have the right to control the defense or settlement of any claim at its cost and with its choice of counsel. The indemnified party will provide all reasonable cooperation to assist the indemnifying party in the defense or settlement of the claim.

## 12. Limitation of Liability

Except for a breach of the obligations in Sections 3.4 (Use of System), 4 (Software License and Restrictions), 8 (Instruments and Accessories), 9 (Pricing and Payment Terms), the indemnification obligations of Section 11, 13 (Proprietary Information), to the extent permitted by applicable law, each party's aggregate liability to the other for claims relating to this Agreement, whether for breach in contract or tort (including negligence), is limited to an amount equal to the sum of amounts paid by Customer under this Agreement for the activity (such as procurement of the System, Service, or training) giving rise to the claim. Except for a breach of the obligations in Sections 3.4, 4, 8, or 13, neither party will be liable for any indirect, punitive, special, incidental, or consequential damages in connection with or arising out of this Agreement (including loss of business, revenue, profits, use, data, or other economic advantage), even if that party has been advised of the possibility of damages. Some jurisdictions do not allow the limitation of liability for incidental or consequential damages; therefore in those jurisdictions, the foregoing limitation of liability applies only to the extent permitted by law.

## 13. Proprietary Information

"Proprietary Information" includes, but is not limited to, all non-public information (1) of the disclosing party ("Disclosing Party") that relates to past, present, or future research, development, or business activities or the results of those activities and (ii) that the Disclosing Party has received from others and is obligated to treat as confidential and proprietary. In addition, Intuitive's Proprietary Information includes the terms and conditions of this Agreement and all information derivable from the System, but excludes information that can be learned simply through observation of the System and its operation. Proprietary Information does not include information previously known by the receiving party ("Receiving Party") as demonstrated by the Receiving Party's contemporaneous written records, or information publicly disclosed without breach of an obligation of confidentiality, either before or after the Receiving Party's receipt of the information. The Receiving Party will hold all Proprietary Information of the Disclosing Party in strict confidence and must not use for any purpose, or disclose to any third party, any Proprietary Information, except (1) as expressly authorized in this Agreement or in writing by the Disclosing Party, and (2) as required by law or by court order. Notwithstanding any provision of this Agreement, the Recipient shall be permitted to disclose the Disclosing Party's Confidential Information solely to the extent that such disclosure is required

by law or by order of any court or governmental authority, provided, however, that the Recipient shall first have given advance notice to the Disclosing Party, so as to permit the Disclosing Party as owner of the information an opportunity to review such information for confidentiality and privilege preservation and/or to attempt to obtain a protective order or similar administrative or legal remedy requiring that the Confidential Information so disclosed be used only for the purposes for which the order was issued or for such other legal requirement, and that the Recipient shall cooperate with the Disclosing Party in such efforts. The Receiving Party will use the same degree of care to protect the Proprietary Information as Receiving Party uses to protect its own information of like kind, but not less than all reasonable steps to maintain the confidentiality of the Proprietary Information.

Intuitive acknowledges that Customer is a public, county-owned hospital which is subject to the provisions of the Nevada Public Records Act, Nevada Revised Statutes Chapter 239, as may be amended from time to time. As such, its contracts are public documents available for copying and inspection by the public. If Customer receives a demand for the disclosure of any information related to this Agreement that Intuitive has claimed to be confidential and proprietary, such as Intuitive's pricing, programs, services, business practices or procedures, Customer will immediately notify Intuitive of such demand and Intuitive shall immediately notify Customer of its intention to seek injunctive relief in a Nevada court for protective order.

**14. Term**

14.1 **Initial Term.** The Initial Term is specified in **Exhibit A.**

14.2 **Termination and Survival.** Either party may terminate this Agreement if the other party breaches a material term or condition of this Agreement and fails to cure the breach following forty-five (45) days' written notice from the non-breaching party. Sections 3.4, 3.5, 4, 9.1, 9.3, 11, 12, 13, 14.2, 15, and any other provision which by its nature will survive, will remain in effect notwithstanding the expiration or termination of this Agreement.

14.3 **Budget Act and Fiscal Fund Out.** In accordance with the Nevada Revised Statutes (NRS 354.626), the financial obligations under this Agreement between the parties shall not exceed those monies appropriated and approved by Customer for the then-current fiscal year under the Local Government Budget Act. This Agreement shall terminate and Customer's obligations under it shall be extinguished at the end of any of Customer's fiscal years in which Customer's governing body fails to appropriate monies for the ensuing fiscal year sufficient for the payment of all amounts which could then become due under this Agreement, provided that Customer gives Intuitive at least one hundred and twenty (120) days' prior written notice termination. Customer agrees that this section shall not be utilized as a subterfuge or in a discriminatory fashion as it relates to this Agreement. In the event this section is invoked, this Agreement will expire on the 30th day of June of the then-current fiscal year. Termination under this section shall not relieve Customer of its obligations incurred through the 30th day of June of the fiscal year for which monies were appropriated or for items delivered for which Customer did not give notification of termination due to loss of appropriated funds.

**15. Miscellaneous**

15.1 **Assignment.** This Agreement will be binding upon the permitted successors and assigns of the parties. Neither party may assign this Agreement without the prior written consent of the other party, which will not be unreasonably withheld, except pursuant to a transfer of all or substantially all of a party's assets and business relating to the subject of this Agreement, whether by merger, re-organization, sale of assets, sale of stock, or otherwise. Customer may not assign or transfer the Software license granted to it under this Agreement to any third party without Intuitive's prior written consent. Any attempt by either party to assign this Agreement or any rights or duties hereunder contrary to the foregoing provision is void.

15.2 **Costs.** Except as otherwise specifically provided herein, each party will bear its own costs and expenses incurred in connection with the performance of its obligations hereunder.

15.3 **Debarment.** Intuitive warrants and represents that individuals of its organization involved in providing Services under this Agreement have not been convicted of any criminal offense relating to health care and are not debarred, excluded, or otherwise ineligible for participation in any federal or state health care program. If at any time before completion of this Agreement, Intuitive or any individual in its organization involved in providing Services under this Agreement is so convicted or is debarred, excluded or otherwise determined to be ineligible, Intuitive will notify Customer in writing, the individual will immediately cease providing Services under this Agreement, and Intuitive will replace the individual with a replacement employee reasonably suitable to Customer, and, if it is Intuitive, this breach will be considered a material breach by Intuitive.

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



15.5 **Federal Audit.** Until the expiration of four (4) years after furnishing Services under this Agreement, Intuitive will make available upon written request of the Secretary of the Department of Health and Human Services (the "Secretary") or upon

request of the U.S. Comptroller General, or any of their duly authorized representatives, this Agreement and the books, documents, and records of Intuitive that are necessary to certify the nature and extent of costs for which Customer may properly seek reimbursement. If Intuitive carries out any of the duties of this Agreement through a subcontract with a value or cost of ten thousand dollars ($10,000) or more over a twelve (12) month period, the subcontract will contain a clause to the effect that until the expiration of four (4) years after furnishing of services under the subcontract, the subcontracting party will make available, upon written request of the Secretary, or upon request of the U.S. Comptroller General or any of their duly authorized representatives, the subcontract, and the books, documents, and records of the organization that are necessary to verify the nature and extent of the costs. Intuitive will promptly notify Customer of any requests for information made under this provision.

15.6 **Force Majeure.** Neither party will be liable for any loss, damage, detention, delay, or failure to perform in whole or in part resulting from causes beyond that party's control including, but not limited to, acts of terrorism, acts of God, fire, earthquake, war, the threat of imminent war, riots, or other acts of civil disobedience, insurrection, labor or trade disputes, shortage of components, any governmental law, order, regulation, ordinance or any other supranational legal authority, explosion, storms, floods, lightning, or earthquake.

15.7 **Insurance.** Intuitive has obtained, and will maintain throughout the term of the Agreement, (i) Commercial General Liability Insurance including coverage for contractual liability, product liability, personal injury and bodily injury in an amount not less than $1,000,000 per occurrence/$3,000,000 aggregate (or as may be aggregated by the excess liability policy on the General Liability policy); or (ii) a self-insurance program of equivalent protection. Intuitive will furnish the Customer with a certificate of insurance evidencing the coverage as outlined above, or comparable evidence of self-insurance, on Customer's request. Intuitive carries, and will continue to carry, Workers' Compensation Insurance as required by law.

15.8 **Interpretation.** Headings used in this Agreement are provided for convenience only and do not in any way affect the meaning or interpretation hereof. The terms "sale", "purchase", "acquire", "procure" and variations of such terms, as used in this Agreement with respect to the System, do not imply that the Software and Documentation aspect of the System are sold or purchased; the Software and Documentation are licensed under this Agreement and the Hardware is being leased and may be sold under the Lease Agreement as the case may be. Neither party is the drafter of this Agreement. Accordingly, the language of this Agreement will not be construed for or against either Party.

15.9 **Notices.** Any notices given under this Agreement must be in writing and will be deemed given and received five (5) days after the date of mailing, one (1) day after dispatch by overnight courier service or electronic mail, or upon receipt if by hand delivery. Any notices under this Agreement must be sent to Intuitive or the Customer at the address shown in the preamble above, in both cases to the Contracts Dept/General Counsel's office. Each party may change its address for receipt of notices by giving the other party notice of the new address.

15.10 **Relationship of the Parties.** The parties' relationship is one of contract, and they are not, and will not be construed as partners, joint venturers, or agent and principal. Neither party is authorized to act for, or on behalf of, the other party.

15.11 **Severability.** If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, then that provision will not affect the validity of the remaining provisions of the Agreement, and the parties will substitute a valid provision for the invalid provision that most closely approximates the intent and economic effect of the invalid provision.

15.12 **Access to Customer's Facilities.** Intuitive agrees that any Intuitive personnel who routinely provide Services at Customer's facilities will use commercially reasonable efforts to comply with Customer's Access Requirements, provided that Customer provides Customer's Access Requirements in writing prior to execution of this Agreement. Customer's need for Service may be unplanned and urgent with patient safety at stake. Therefore, if Customer denies access to its facilities to any Intuitive personnel for performance of Services (Section 5) or warranty (Section 10) obligations in connection with a surgical procedure because such personnel have not met Customer's Access Requirements, Intuitive's Services and warranty obligations in this Agreement will be suspended during such denial of access, provided that Intuitive uses commercially reasonable efforts to find replacement Intuitive personnel who comply with Customer's Access Requirements. To the extent expressly authorized by applicable law, Customer will indemnify and hold harmless Intuitive from any losses, claims, liabilities or causes of action arising from such denial of access.

15.13 **Data Use.** Customer agrees that Intuitive and its affiliates within the Intuitive Surgical group of companies (collectively, "Intuitive") may collect data relating to the use of Intuitive products ("Data"). In some instances Data may be communicated via data gathering or transmission technology to Intuitive. In other instances, Intuitive may require Customer and Customer agrees to provide Data to Intuitive. Such Data may be used for a variety of purposes, including, but not limited to (1) providing support and preventative maintenance of Intuitive products, (2) improving Intuitive products or services, (3) ensuring compliance with applicable laws and regulations, (4) providing a general resource for Intuitive's research and business development, and (5) relationship management, including but not limited to a) proctoring and other activities, b) procedure reporting, and c) customer efficiency and cost saving. Intuitive does not intend to collect protected health information (PHI) as defined by the Health Insurance Portability and Accountability Act of 1996 (HIPAA) or analogous foreign patient privacy laws or regulations, as may be amended from time to time. In the event any Data communicated to Intuitive identifies an entity or individual, Intuitive will not share such Data with any third parties without the entity's or individual's consent, unless required by law or regulatory authorities.

15.14 **Waivers**. No waiver of any right by either party under this Agreement will be of any effect unless the waiver is in writing and signed by the waiving party. Any purported waiver not consistent with the foregoing is void.

15.15 **Counterparts**. This Agreement may be executed by facsimile or in multiple copies, each of which is an original, and all of which taken together will constitute one single agreement.

15.16 **Representations and Warranties by Customer.** Customer represents and warrants to Intuitive that: (i) it has the power to enter into and perform, and has taken all necessary action to authorize the entry into and performance of, the Agreement and the transactions contemplated by the Agreement; and (ii) all information supplied by it or on its behalf to Intuitive in connection with the Agreement and any guarantee (as the case may be) are true and accurate as at the date at which it is stated to be given.

15.17 **Entire Agreement; Amendment**. This Agreement is the entire agreement between Intuitive and Customer and supersedes any prior agreements, understandings, promises, and representations made either orally or in writing by either party to the other party concerning the subject matter herein, pricing, and the applicable terms. Any terms or conditions in Customer's purchase order that are different from, inconsistent with, or in addition to, the terms and conditions of this Agreement will be void and of no effect, unless otherwise mutually agreed to in writing by the parties. This Agreement may be amended only in writing, signed by both parties. Any purported oral modification intended to amend the terms and conditions of this Agreement is void.

15.18 **Reporting for Medicare, Medicaid & Government Purposes:** Intuitive and Customer intend that this Agreement shall be administered in accordance with the provisions of the federal Anti-Kickback Statute, 42, U.S.C. § 1320a-7b(b) ("AKS"). Any discounts and rebates received by Customer with respect to Products under this Agreement, may be considered "discounts or other reductions in price" under 42 U.S.C. § 1320a-7b(b)(3)(A) of the AKS. To the extent required by the AKS or the Discount Safe Harbor regulations, 42 C.F.R § 1001.952(h) et seq., Customer shall fully and accurately disclose such discounts and other reductions in price in accordance with the applicable state or federal cost reporting requirements, including, without limitation, disclosing and accurately reflecting where appropriate, and as appropriate, to the applicable reimbursement methodology. Intuitive will provide Customer with sales and discount information to allow Customer to comply with this Section and the Discount Safe Harbor, including sufficient rebate and pricing information to enable Customer to accurately report its actual costs for all purchases of Products made pursuant to this Agreement. The total charges for the Products purchased under this Agreement shall be the contract price less any such discounts, including rebates.

**BOTH PARTIES HAVE READ, UNDERSTOOD, AND AGREED TO BE BOUND BY THE TERMS AND CONDITIONS OF THIS AGREEMENT AND EXECUTE THIS AGREEMENT AS OF THE EFFECTIVE DATE.**

**IF THIS AGREEMENT IS NOT SIGNED BY BOTH PARTIES AND RETURNED TO INTUITIVE ON OR BEFORE DECEMBER 27, 2019 THE TERMS WILL BE SUBJECT TO CHANGE.**

ACCEPTED BY:

**Intuitive Surgical, Inc.**

**Signature:** Marc Giuffrida (Dec 26, 2019)

**Email:** marc.giuffrida@intusurg.com

**Title:** Sr. Director, Contract Administration

**Company:** Intuitive Surgical, Inc

Date: _____

ACCEPTED BY:

**University Medical Center of Southern Nevada**

By: Mason VanHouweling

Name: Mason VanHouweling

Title: CEO

Date: 12/27/19

RC
RC

# EXHIBIT A
# Equipment List

**1. Intuitive will provide Customer with the following:**

**System Type: da Vinci® Xi™ Single Console System (Firefly™ Fluorescence Imaging Enabled)**

One (1): da Vinci® Xi™ System Surgeon Console
One (1): da Vinci® Xi™ System Patient Cart
One (1) da Vinci® Xi™ System Vision Cart
Warranty period: One (1) year from the Acceptance.

da Vinci® Xi™ System Documentation including:
User's Manual For System
Warranty period: n/a

User's Manual for Instruments and Accessories
Warranty period: n/a

One (1) da Vinci® Xi™ Cleaning & Sterilization Kit
Warranty period: 90 days from Acceptance
Two (2) da Vinci® Xi™ Instrument Release Kit (IRK)
Warranty period: 90 days from Acceptance

da Vinci® Xi™ System Software
Warranty period: One (1) year from the Acceptance.

Instrument and Accessories including:

Accessory Starter Kit
Two (2): Box of 6: 8 mm Bladeless Obturator
One (1): 8 mm Blunt Obturator
Four (4): Box of 10: 5 mm - 8 mm Universal Seal
Four (4): 8 mm Cannula
Three (3): Monopolar Energy Instrument Cord
Three (3): Bipolar Energy Instrument Cord
One (1): Box of 3: da Vinci® Xi™ Gage Pin
Three (3): Instrument Introducer
One (1): Box of 10: Tip Cover for Hot Shears™ (MCS)
One (1): Pmed Cable, Covidien ForceTraid ESU
Warranty period: 90 days from Acceptance

Drapes
Two (2): Pack of 20 da Vinci® Xi™ Arm Drape
One (1): Pack of 20 da Vinci® Xi™ Column Drape
Warranty period: 90 days from Acceptance

Vision Equipment:
Two (2): da Vinci® Xi™ Endoscope with Camera, 8 mm 0 degree
Two (2): da Vinci® Xi™ Endoscope with Camera, 8 mm 30 degree
Four (4): da Vinci® Xi™ Endoscope Sterilization Trays
Warranty period: One (1) year from the Acceptance.

Training Instrument Starter Kit
One (1): Large Needle Driver
One (1): ProGrasp™ Forceps
One (1): Maryland Bipolar Forceps
One (1): Hot Shears™ (Monopolar Curved Scissors)
One (1): Tip-Up Fenestrated Grasper
One (1): Mega™ SutureCut™ Needle Driver
Warranty period: 90 days from Acceptance



(all kits subject to change without notice) (rev 4/2015)

2. **Equipment and Service.**

| Qty. | Included in Periodical Lease Payment | Not included in Periodical Lease Payment | Equipment Description |
|---|---|---|---|
| 1 | ☒ | ☐ | System Type: da Vinci® Xi™ Single Console System |
| 1 | ☒ | ☐ | Service during the first twelve months of the Lease Period |
| n/a | ☐ | ☒ | Service beginning on the thirteen month of the Lease Period, or if Lessee purchases the Equipment* |
| 1 | ☒ | ☐ | System delivery fee |

*The applicable Service price is valid for a period of five years from the effective date of this Agreement.
Intuitive makes no representation with regard to Certificate of Need requirements for this Lease. It is Customer's responsibility to determine whether this transaction complies with Customer's State Certificate of Need law and what Certificate of Need filing, if any, needs to be made with regard to this transaction.

Subject to availability, any Instruments or Accessories provided to Customer as set forth in Exhibit A, Section 2 are subject to the Terms of the *da Vinci EndoWrist Instrument & Accessory Catalog* as if such Terms were contained in this Agreement. Delivery charges will be *Pre-Pay & Add*. If Exhibit A, Section 2 includes Instruments or Accessories, they will be shipped FCA Intuitive's warehouse. If Single Site Instruments are listed, they will be delivered upon Customer's completion of the advanced instrument training verification.

The estimated delivery date for the System is **December 31, 2019** (**"Delivery Date"**). The Delivery Date is an estimated "on or before" delivery date to Customer's designated location (see "Ship-to" below).

Customer will pay to Intuitive all fees for the purchase of Systems, Instruments, Accessories, Service or other fees that are not included in Periodical Lease Payment, as such fees are further detailed in the Lease Agreement, and not later than thirty (30) days after the date of Intuitive's invoice.

| **Courses:** **Note** *All courses must be completed within the first *twelve (12)* months of the Initial Term for the System(s) purchased herein. | Qty | US Price | Fee to Customer | Payment Type |
|---|---|---|---|---|
| *da Vinci® Coordinator Course (DVCC) | 3 | $1,000.00 (each) | Waived | No Charge |
| *da Vinci® First Assist Course | 6 | $250.00 (each) | Waived | No Charge |

3. **Acceptance.** The System is deemed accepted by Customer upon delivery to Customer's designated location ("Acceptance"). An example of Acceptance Document is hereto attached as Exhibit B.

4. **The "Ship-To" information for Customer is:**

University Medical Center of Southern Nevada
1800 W Charleston Boulevard
Las Vegas, Nevada 89102-2329

5. **The "Bill-To" information for Customer is:**

University Medical Center of Southern Nevada
Accounts Payable
1800 W Charleston Boulevard
Las Vegas, Nevada 89102-2329

***Customer's PO Number:***



6. **Taxes and Costs.**

6.1 Customer will be deemed to be Taxable until such time as customer provides the Intuitive tax department with the appropriate, fully executed tax exemption certificate as directed below: Attn: Tax Department, Intuitive Surgical, Inc., 1020 Kifer Road, Sunnyvale, CA 94086; fax number: 408-523-1390; email at TaxEmail@intusurg.com.

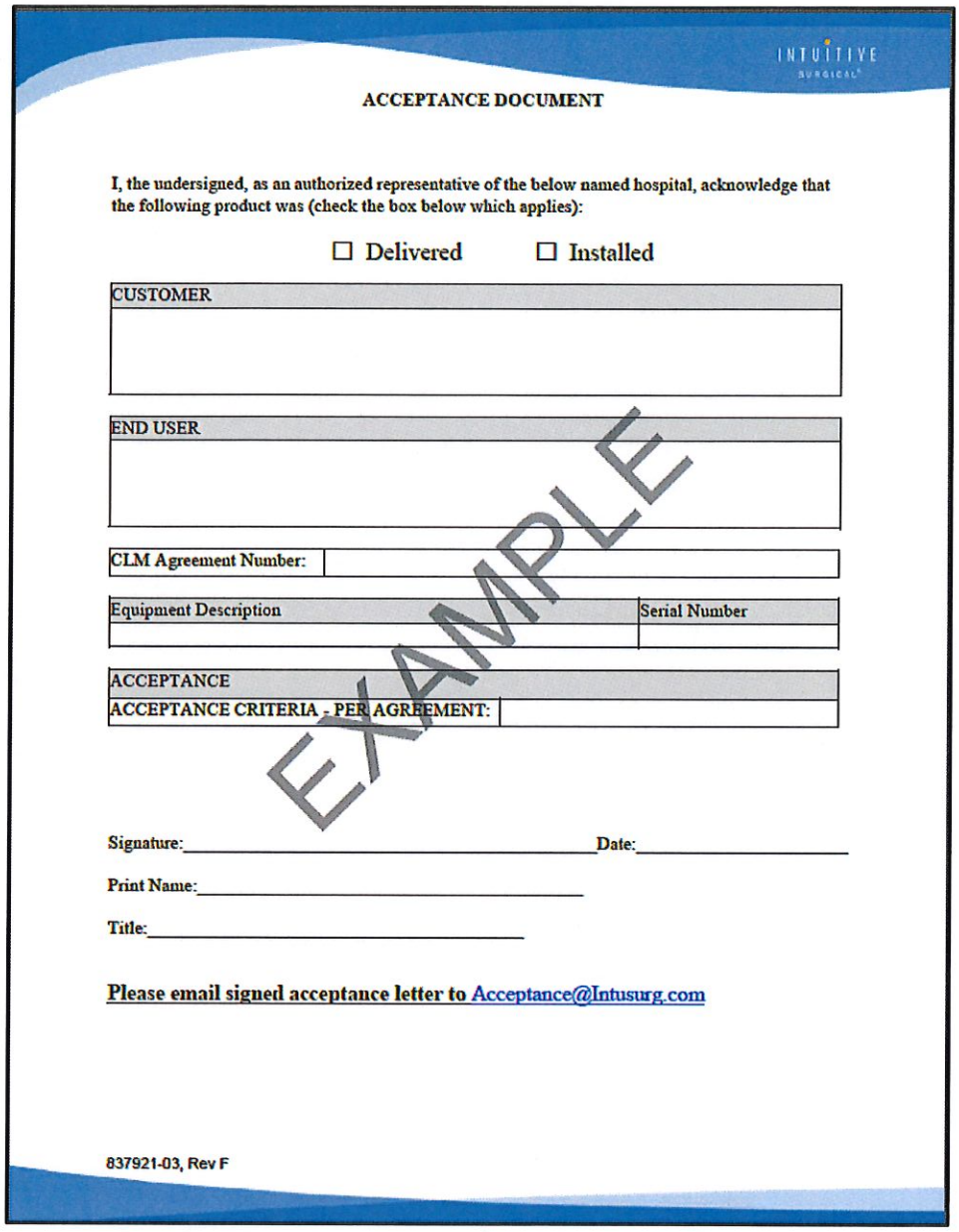
6.2 Customer is responsible for all license and registration fees, and all sales, use, property, stamp and other taxes and charges relating in any manner to the System or this Agreement, except the Medical Device Excise Tax.

7. **Term.** The initial term of this System obtained under this Agreement will commence as of the Effective Date and will continue until the end of the Lease Term ("Initial Term") unless earlier terminated as provided in this Agreement. Thereafter, this Agreement may be renewed for successive one (1) year terms ("Renewal Term(s)") upon mutual written agreement of the parties.

8. **Training.** As of the Effective Date, the price for training (based on a porcine model) is three thousand dollars ($3,000.00) per surgeon or physician's assistant. The payment terms for training are net thirty (30) days from the date of Intuitive's invoice. This pricing will remain in effect during the first year of the Initial Term. Thereafter, training will be made available to Customer at Intuitive's then current list price for training.

9. **Proctoring.** As of the Effective Date, the rate for Proctor's services is three thousand dollars ($3,000.00) per day. The payment terms for Proctoring are net thirty (30) days from the date of Intuitive's invoice. This pricing will remain in effect during the first year of the Initial Term. Thereafter, Proctoring will be made available to Customer at Intuitive's then current list price for Proctoring.

# EXHIBIT B



INTUITIVE SURGICAL

**ACCEPTANCE DOCUMENT**

I, the undersigned, as an authorized representative of the below named hospital, acknowledge that the following product was (check the box below which applies):

☐ Delivered ☐ Installed

| CUSTOMER |
|---|
| |

| END USER |
|---|
| |

| CLM Agreement Number: | |
|---|---|

| Equipment Description | Serial Number |
|---|---|
| | |

| ACCEPTANCE | |
|---|---|
| ACCEPTANCE CRITERIA - PER AGREEMENT: | |

EXAMPLE

Signature:_____ Date:_____

Print Name:_____

Title:_____

**Please email signed acceptance letter to Acceptance@Intusurg.com**

837921-03, Rev F

# LEASE AGREEMENT

This Lease Agreement ("Lease Agreement") is dated **December 26, 2019** and is made and entered into between **Intuitive Surgical, Inc.**, a Delaware corporation, located at 1020 Kifer Road, Sunnyvale, California 94086 (**"Lessor" or "Intuitive"**); and

Lessee: **University Medical Center of Southern Nevada**, a publicly owned and operated hospital created by virtue of Chapter 450 of the Nevada Revised Statutes
Registered Address: **1800 W Charleston Boulevard, Las Vegas, Nevada 89102-2329**

Lessor and Lessee are contemporaneously entering into a Use, License & Service Agreement, dated **December 26, 2019**.

The Lessor and the Lessee are referred to as the "Parties" collectively, or "Party" individually.

| Qty. | Included in Periodical Lease Payment | Not included in Periodical Lease Payment | Equipment Description | Price |
|---|---|---|---|---|
| 1 | ☒ | ☐ | System Type ("System"): da Vinci® Xi™ Single Console System | $1,700,000.00 |
| 1 | ☒ | ☐ | Service during the first twelve months of the Lease Period | Included |
| n/a | ☐ | ☒ | Service beginning on the thirteenth month of the Lease Period, or if Lessee purchases the Equipment ("Service"); see Special Conditions | $134,000.00 per year* |
| 1 | ☒ | ☐ | System delivery fee | Waived |

*Intuitive will credit Lessee a pro-rata amount of the annual Service fee Lessee has paid to Intuitive for the leased System based on the number of months remaining in the current Service year from the date the leased System is de-installed. The credit will be applied to Lessee's account with Intuitive within thirty (30) days from the date the leased System is de-installed. The Service price indicated above will be valid for a period of five (5) years from the effective date of this Lease Agreement.

| Lease Conditions | | | |
|---|---|---|---|
| **Lease Period** | 12 Months. The Lease Period may be extended in accordance with the Lease Agreement. | | |
| **Commencement Date** | This Lease Agreement will commence on the date of Acceptance specified in the Acceptance Document. | | |
| **Interest Rate** | n/a | | |
| **Periodical Lease Payments** | Months 1-3 **$0.00 per month**<br>Months 4-12 **$55,000.00 per month**<br><br>Lessee agrees and acknowledges payments due herein shall not be excused by any contingencies including, but not limited to, Lessee's internal practices, policies, or any state approvals. | No. of Periodical Lease Payments: 12 (subject to extension of Lease Period) | ☒ Monthly payments |
| | ☐ The first Periodical Lease Payment is due on Commencement Date. Thereafter, each subsequent Periodical Lease Payment is due on the corresponding day of each month, as applicable, of the Lease Period (payments in advance).<br>☒ The first Periodical Lease Payment is due one month after the Commencement Date. Thereafter, each subsequent payment is due on the corresponding day of each month of the Lease Period (payments in arrears). | | |
| **Deposit** | $0.00 | The Deposit, if any, is due on the Commencement Date | |
| **Balloon Payment** | n/a | The Balloon Payment, if any, is due on the last day of the Lease Period. | |
| **End of Lease Options** | ☐ End of Lease option A applies (see 13.1 of Standard Terms and Conditions)<br>☒ End of Lease option B applies (see 13.2 of Standard Terms and Conditions)<br>☒ See Special Conditions below | | |
| | Original Equipment Cost (OEC): $1,700,000.00 | Down-Payment from Lessee to Lessor: $0.00 | |

| Special Conditions* |
|---|
| Lessee will have the option to rent the above Equipment from Lessor for a period of twelve (12) months.<br><br>Provided Lessee is not in default and with thirty (30) days prior written notice, Lessee will have two options: 1) Purchase or lease the Equipment at any time during the Lease Period, or at the expiration thereof, or 2) Return the Equipment to Lessor at the Expiration of the Lease Period.<br><br>In the event Lessee chooses option one (1), prior to the fourth payment, Lessee may purchase or lease the Equipment from Lessor for the Original Equipment Cost. If Lessee chooses option one (1) on or after the fourth (4th) payment, seventy percent (70%) of the Periodical Lease Payments received by Lessor will be applied towards the Original Equipment Cost. Additionally, Lessee is responsible to purchase service month thirteen (13).<br><br>In the event Lessee executes option two (2), return the Equipment to Lessor, Lessee will be charged the standard shipping charge. Lessee must provide written notice thirty (30) days prior to the end of the Lease Period in regards to intent. |

*If Lessee is required to send written notice or has questions regarding this Lease Agreement, all communications should be directed to CustomerFinance@intusurg.com.

All amounts are denominated in USD and net of taxes, any applicable taxes will be for the account of the Lessee. Where the terms of this Lease Agreement are inconsistent with the Special Conditions above, if any, the Special Conditions prevail. The Standard Terms and Conditions of Leasing attached hereto are hereby incorporated to and form an integral part of this Agreement. All references to this Agreement will include the terms and conditions set out herein, in the Annexes and the Standard Terms and Conditions of Leasing. By signing this Lease Agreement, Lessee agrees to be bound by and undertakes to comply with all the terms and conditions set out in this Lease Agreement.



**BOTH PARTIES HAVE READ, UNDERSTOOD, AND AGREED TO BE BOUND BY THE TERMS AND CONDITIONS OF THIS AGREEMENT AND EXECUTE THIS AGREEMENT AS OF THE EFFECTIVE DATE. IF THIS AGREEMENT IS NOT SIGNED BY BOTH PARTIES AND RETURNED TO INTUITIVE ON OR BEFORE DECEMBER 27, 2019 THE TERMS WILL BE SUBJECT TO CHANGE.**

ACCEPTED BY: **INTUITIVE SURGICAL, INC.**

**Signature:** Marc Giuffrida (Dec 26, 2019)

**Email:** marc.giuffrida@intusurg.com

**Title:** Sr. Director, Contract Administration

**Company:** Intuitive Surgical, Inc

RC

RC

NS

ACCEPTED BY: **UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA**

By: _____

Name: Mason VanHouweling

Title: Chief Executive Officer

Email: _____

Date: Dec 27, 2019

## Standard Terms and Conditions of Leasing

### 1. DEFINITIONS

Terms not herein defined will have the meanings set out in the Lease Agreement, unless the context otherwise requires.

**"Acceptance"** means the Equipment is deemed accepted by Lessee upon delivery to Lessee's designated location as evidenced by Lessee's execution of an acceptance letter, a form of which is attached hereto as Annex 1.

**"Lease Agreement"** means the agreement between the Lessor and the Lessee for the lease of the Equipment from the Lessor to the Lessee, including the Annexes thereto, incorporating these Standard Terms and Conditions.

**"Event of Default"** means an event specified under Clause 14 of these Terms and Conditions.

**"Equipment"** means the equipment specified in the Lease Agreement and any part thereof including, without limitation, all component parts and all software.

**"Guarantee"** means the documents executed by the Guarantor(s) in favor of the Lessor in respect of the obligations of the Lessee under the Lease Agreement.

**"Guarantor"** means the person(s) named as guarantor(s), if any, in the Guarantee.

**"Lease Payment"** means the payment of rent for the lease of the Equipment, owed by the Lessee to the Lessor under the Lease Agreement, including but not limited to the periodical installments and the Balloon Payment.

**"Obligors"** mean the Lessee, and the Guarantor, if any, and **"Obligor"** means each or any of the Obligors as the context requires.

**"Termination Sum"** means the aggregate of:

(i) all Lease Payment due and payable under the Lease Agreement; and

(ii) an amount equal to one-hundred- per cent (100%) of all Lease Payments yet to fall due under the Lease Agreement discounted by the contract interest rate inherent in the Lease Agreement.

**"Total Loss"** includes any actual, constructive, or agreed total loss, theft, damage beyond repair, taking back of the Equipment (or any part thereof) by the owner of the Equipment pursuant to a right incorporated in the Lease Agreement for the sale of the Equipment and any seizure or confiscation of the Equipment.

### 2. RENTAL, SELECTION AND DELIVERY OF EQUIPMENT

(a) The Lessor agrees to rent to the Lessee and the Lessee agrees to rent from the Lessor the Equipment on the terms and conditions as set out in the Lease Agreement. Solely for Lessee's internal budgeting and approval purposes, the total amount of Periodical Lease Payments in this Agreement have a not to exceed value of $495,000 for the term. Lessee acknowledges and agrees that it is solely responsible for appropriating and approving funds necessary to satisfy its financial obligations hereunder.

(b) The Lessee has chosen the Equipment and agreed with the Lessor upon the terms of delivery of the Equipment.

(c) Upon delivery, the Lessee will immediately inspect the Equipment, ensure that the Equipment is in good and working order and condition, and issue and deliver the duly signed and dated Acceptance Letter set out in Annex 1 of the Lease Agreement to the Lessor.

### 3. LEASE AND OTHER PAYMENTS

(a) The Lessee will pay (i) to the Lessor the Lease Payment and all other payments on the dates and in the manner specified in the Lease Agreement, and (ii) all taxes, rates, registration charges or other outgoings in respect of the Equipment.

(b) If the Lessee fails to pay any amount payable by it under the Lease Agreement on its due date, Lessor may put Lessee on a credit hold.

(c) The Lessee will pay all payments when due under the Lease Agreement notwithstanding that the Equipment are unusable for any reason at any time during the Lease Period, and the Lessor will not be liable to provide the Lessee with any replacement equipment.

(d) The Lessor will have a right to set-off in respect of any payments, charges or other sums due or prematurely due and payable, and the Lessee agrees to waive any legal defense against such set-off. The Lessee will have no right of set-off in respect of any payments, charges or other sums due or claimed to be due to the Lessee from the Lessor hereunder or under any other agreement between the Parties.

(e) Lessee agrees that Lessee's obligation and duty to pay all sums due and to become due pursuant to this Agreement will be absolute and unconditional and are not subject to any defense, counterclaim, setoff or recoupment by reason of any past, present, or future claims which lessee may have against Lessor or any other person. Additionally, Lessee will not assert against any assignee of this Agreement any defense, counterclaim, setoff or recoupment by reason of any past, present, or future claims which Lessee may have against Lessor.

### 4. LOCATION, USE AND MAINTENANCE OF THE EQUIPMENT

(a) The Equipment will be kept at the Location as set out in the Lease Agreement and will not be removed without the prior written consent of the Lessor.

### 5. OWNERSHIP, INSPECTION AND TESTING

(a) The Lessor may at any time during the Lease Period require inspection of the Equipment. For such purpose, the Lessee will ensure that the Lessor and its authorized representatives have access to the Equipment and the premises at which the Equipment is located and to the records (including books of accounts) relating to the Equipment, during normal business hours. The Lessee will keep proper accounts of all its dealings in relation to the Equipment and deliver to the Lessor any such records when requested by the Lessor.

### 6. PROHIBITION AGAINST DEALING WITH EQUIPMENT

(a) The Lessee will not (i) sell, transfer, lease, sub-lease or otherwise dispose of the Equipment (ii) create, permit, or allow to subsist any security interest, lien, or encumbrance on the Equipment, (iii) affix the Equipment to any premises in such a manner as to make it a part of such premises, (iv) represent itself to be, hold itself out as being or suffer or permit anything to be done whereby it may be reputed to be, the owner of the Equipment, and/or (v) alter or modify or permit any alteration of the Equipment, without the Lessor's prior written consent.

(b) The Lessee will notify the Lessor immediately of any enforcement of any security interest created by it and/or any landlord of the premises on or in which the Equipment is located or the appointment of any receiver of all or part of the assets of the Lessee.

### 7. REPRESENTATIONS AND WARRANTIES

(a) The Lessee represents and warrants to the Lessor that: (i) it has the power to enter into and perform, and has taken all necessary action to authorize the entry into and performance of the Lease Agreement and the transactions contemplated by the Lease Agreement; and (ii) all information supplied by it or on its behalf to the Lessor in connection with the Lease Agreement and any Guarantee (as the case may be) are true and accurate as at the date at which it is stated to be given.

### 8. TOTAL LOSS AND INSURANCE

(a) The Lessee will bear the risks related to a Total Loss of the Equipment after delivery. If a Total Loss occurs with respect to the Equipment, Lessee will promptly notify Lessor thereof. On the Lease Payment date following such notice, Lessee will pay to Lessor an amount equal to the Termination Sum. Upon the making of such payment by Lessee, the payment obligation for such Equipment will cease, the Lease Agreement as to such Equipment will terminate and, except in the case of a Total Loss, Lessor will be entitled to recover possession at Lessee's expense in accordance with Clause 12 below. *Provided* that Lessor has received all payments to be made by the Lessee under this Lease Agreement, the Lessee will be entitled to the proceeds of any recovery in respect of that Equipment from insurance or otherwise.

(b) If not agreed otherwise in writing, the Lessee will at its own expense insure the Equipment on a policy and terms with such insurers as may be approved by the Lessor and will keep this insurance coverage in place until the Equipment is returned to the Lessor or the title has been transferred to the Lessee. Lessor acknowledges Lessee is self-insured as allowed by Chapter 41 of the Nevada Revised Statutes. Upon request, Lessee will provide Lessor with a Certificate of Coverage prepared by its Risk Management Department certifying such self-coverage.

(c) The Lessee hereby irrevocably appoints the Lessor as its attorney to recover in its and the Lessee's name any claim for loss of or damage to the Equipment under any insurance or otherwise and to give effectual releases and receipts therefor. The proceeds of the insurances will be paid to the Lessor and applied towards satisfaction of all amounts owing by the Lessee to the Lessor under the Lease Agreement.

(d) If the Lessee fails to comply with this Clause 8 the Lessor may (but is not obligated to do so), at the expense of the Lessee, effect any insurance, and all costs and expenses incurred in so doing will be repaid to the Lessor by the Lessee on demand.

### 9. SECURITY DEPOSIT

Intentionally Omitted.

### 10. SECURITY AND GUARANTEE

Intentionally Omitted



### 11. OWNERSHIP IN THE EQUIPMENT

The Lessor will be the sole legal and beneficial owner of the Equipment and the Lessee will not do or permit to be done anything that could prejudice the rights of the Lessor in respect of the Equipment. During the Lease Period ownership in the Equipment will not for any reason pass to the Lessee.

### 12. RETURN OF EQUIPMENT

(a) In the event that the Lease Agreement is terminated for any reason other than by reason of a Total Loss, the Lessee will immediately (i) return the Equipment to the Lessor or its designated agent, by delivering the Equipment to such address as the Lessor may require or (ii) allow the Lessor access to pick up the Equipment. The Lessee will return the Equipment to the Lessor, free and clear of any security interest and in good working condition without any damage or fault which would

affect the value of the Equipment or its operation (reasonable wear and tear excepted) together with all licenses, certificates and other documents relating to the Equipment.

(b) If upon return the Equipment is not in the condition stated in Clause 12(a) above, the Lessor may at its own discretion cause such repair works as it deems necessary to be carried out by a provider of its choice. Mutually agreed upon costs and expenses in connection with such repairs may be paid by the Lessee.

**13. END OF LEASE OPTIONS**

13.1 OPTION A

Intentionally Omitted.

13.2 OPTION B

*Provided* that no Event of Default has occurred at the expiry of the Lease Period, the Lessee may, by giving the Lessor no less than thirty (30) days prior to the expiry of the Lease Period written notice, exercise one of the options below. If the Lessee does not notify Lessor within this period, the Lease Agreement will be automatically renewed for a period of one (1) month at any one time, unless either Party gives notice to the other party no less than two (2) weeks prior to the expiry of the respective renewal period of its desire to terminate the Lease Agreement. Unless otherwise agreed between the Parties, the Lessee will in such case return the Equipment to the Lessor in accordance with Clause 12 hereof.

In the event of purchase, Lessee will provide thirty (30) days notice, and this Agreement will terminate without liability or penalty.

(a) The Lessee may request the Lessor to sell all (but not part thereof) of the Equipment to the Lessee after the expiry of the Lease Period and the Lessor will meet such request *provided* that the Lessee has fulfilled all its obligations under this Lease Agreement. The purchase price of the Equipment will be an amount equal to the fair market value, as determined by the Lessor, at its sole discretion. Upon payment of the purchase price, title to the Equipment will pass to the Lessee on an "as is where is" basis without any warranties whatsoever given by the Lessor. If no sale can be achieved, the Lessee will return the Equipment to the Lessor immediately upon the expiry of the Lease Period in accordance with Clause 12 hereof; or

(b) The Lessee may request the Lessor to re-lease all (but not part thereof) of the Equipment to the Lessee after expiry of the Lease Period, *provided* that, that the Lessee's financial situation has not deteriorated and that the Lessee has duly fulfilled its obligations under this Lease Agreement. If the Lessor does not confirm acceptance of the Lessee's request within four (4) weeks, it is deemed to have been declined. The Lease Payments and the Lease Period of the re-lease will be determined between the Parties hereto at the time of re-lease. If the Lessor refuses such request, the Lessee will return the Equipment to the Lessor immediately upon the expiry of the Lease Period in accordance with Clause 12 hereof.

**14. EVENT OF DEFAULT**

Each of the events set out in this Clause 14 is an Event of Default. Upon the occurrence of an Event of Default, the Lessor may by written notice to the Lessee terminate the Lease Agreement, which will take effect in accordance with its terms.

(a) An Obligor does not pay on the due date any amount payable by it under the Lease Agreement or any Guarantee in the prescribed manner.

(b) An Obligor does not comply with any term of the Lease Agreement, any Guarantee, any Sales/Use, License and Service Agreement between Lessor and Lessee, or any other similar agreement governing the use of the Equipment.

(c) Any representation made or repeated by an Obligor in the Lease Agreement or any Guarantee is proved to be incorrect in any material respect when made or deemed to be repeated.

(d) Any of the indebtedness of an Obligor is not paid when due, becomes prematurely due and payable, is placed on demand, or is cancelled or suspended as a result of an Event of Default.

(e) Any Obligor is unable to pay its debts as they fall due, admits its inability to pay its debts as they fall due, or is otherwise deemed for the purposes of any law to be insolvent, suspends making payments on any of its debts or announces an intention to do so, or (by reason of actual or anticipated financial difficulties) begins negotiations with any creditor for the rescheduling of any of its indebtedness.

(f) Any step is taken with a view to a moratorium, rehabilitation or composition with any of an Obligor's creditors, a meeting of its shareholders, directors or other officers is convened for the purpose of considering any resolution for, to petition for or to file documents with a court or any registrar for, its winding-up, bankruptcy, dissolution or judicial management or any such resolution is passed or any person petitions for or files documents for the same, an order for its bankruptcy, winding-up, judicial management or dissolution is made or any other analogous step or procedure is taken in any jurisdiction.

(g) Any provisional attachment, attachment, sequestration, distress, execution or analogous event affects any asset(s) of an Obligor and is not discharged within 14 days.

(h) Where the Obligor is an individual, the Obligor dies, becomes partly or wholly incapacitated.

(i) It is or becomes unlawful for an Obligor to perform any of its obligations under the Lease Agreement or any Guarantee, or the Lease Agreement or any Guarantee is not effective in accordance with its terms or is alleged by an Obligor to be ineffective in accordance with its terms for any reason.

(j) An event or series of events occur which, in the opinion of the Lessor, is likely to result in a Total Loss.

(k) The Lessee abandons the Equipment or does anything which, in the opinion of the Lessor, prejudices the rights of the Lessor in or over the Equipment.

(l) There is, in the Lessor's opinion, a material change in the shareholding of a corporate Obligor or any person, or group of persons acting in concert, acquires control of a corporate Obligor.

(m) An event or series of events occur which, in the opinion of the Lessor, have or are likely to have a material adverse effect on the financial condition of any Obligor.

**15. TERMINATION**

(a) After execution of the Lease Agreement, the Lessee will, except as set out in Clause 15(f) or Clause 15 (g) Budget Fund Out Clause, not be entitled to cancel or terminate the Lease Agreement before expiration of the Lease Period.

(b) Any termination of the Lease Agreement and any delivery of the Equipment by the Lessee to the Lessor will be without prejudice to any right or claim the Lessor may have against the Lessee under the Lease Agreement (including, without limitation, for arrears in Lease Payment and any applicable taxes).

(c) Where the Lease Agreement is terminated due to an Event of Default, the Lessee will pay to the Lessor the Termination Sum.

(d) Until the Lessor has received the the Termination Sum in full, all obligations of the Lessee under the Lease Agreement will continue and the Lessee will continue to pay the Lease Payment notwithstanding any repossession of the Equipment by the Lessor.

(e) Upon termination of the Lease Agreement, the Lessor will without prejudice to any other rights which it may have, have the right to repossess the Equipment and for this purpose, with reasonable notice, to enter the land, building or premises at which the Equipment are located and the Lessee will give access to or procure that the Lessor or its agents be given access to the land, building or premises for this purpose.

(f) During the Lease Period, *provided* that no Event of Default has occurred and the Lessee has duly performed all of its obligations under this Lease Agreement and all other Lease Agreements between the Lessee and the Lessor, the Lessee may by written notice to the Lessor request to early terminate the Lease Agreement. On the Lease Payment date following such notice, Lessee will pay to Lessor an amount equal to the Termination Sum. Upon the making of such payment by Lessee, the payment obligation for such Equipment will cease and the Lease Agreement as to such Equipment will terminate. The Lessee will in such case return the Equipment to the Lessor in accordance with Clause 12 hereof.

(g) 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 Lessee for the then-current fiscal year under the Local Government Budget Act. This Agreement shall terminate and Lessee's obligations under it shall be extinguished at the end of any of Lessee's fiscal years in which Lessee'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 Lessee gives Lessor at least one hundred and twenty (120) days' prior written notice termination. Lessee 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 Lessee of its obligations incurred through the 30th day of June of the fiscal year for which monies were appropriated or for items delivered for which Lessee did not give notification of termination due to loss of appropriated funds.

**16. SUBMISSION OF MATERIALS**

Upon request by the Lessor for the purpose of credit preservation, the Lessee will immediately provide overall outstanding liabilities of the Lessee, credit status of the Lessee and the Guarantor, and information regarding status of securities to the Lessor, and cooperate with the Lessor for any investigations thereon. At Lessor's request, the Lessee is required to provide a copy of its year-end financial statements as soon as possible and not later than two (2) months the end of the financial year. The Lessee will immediately notify the Lessor of any material change or any suspected material change in the status of credit or securities of the Lessee or the Guarantor.



**17. TAXES AND COSTS**

(a) Lessee is responsible for all license and registration fees, and all sales, use, property, stamp and other taxes and charges relating in any manner to the Equipment or this Lease Agreement, except the Medical Device Excise Tax.

(b) All payments by the Lessee under the Lease Agreement will be made free and clear of and without any deduction for or on account of any taxes and

withholding taxes, except to the extent that the Lessee is required by law to make payment subject to taxes. If any amounts in respect of tax or any other deduction must be made from any amounts payable by the Lessee to the Lessor under the Lease Agreement, the Lessee will pay such additional amounts as may be necessary to ensure that the Lessor receives a net amount equal to the full amount which it would have received had the payment not been made subject to tax or the deduction.

(c) Intentionally Omitted.

(d) Unless otherwise provided, this Lease Agreement is entered into with the assumption that Lessor is the owner of the Equipment for income tax purposes and is entitled to certain federal and state tax benefits available to the owner of equipment (collectively "Tax Benefits"), including without limitation, accelerated cost recovery deductions and deductions for interest incurred by Lessor to finance the purchase of the Equipment, available under the Code. Lessee represent, warrant, and covenant to Lessor that (a) unless Lessee has provided Lessor with a 501(c)(3) letter indicating that Lessee is tax exempt, then Lessee is not a tax exempt entity (as defined in Section 168(h) of the Code, (b) Lessee will use the Equipment solely within the United States, and (c) Lessee will take no position inconsistent with the assumption that Lessor is the owner of the Equipment for any tax purposes. If, because of any act or omission by Lessee, or any party acting through Lessee, or the breach or the inaccuracy of any representation, warranty or covenant made by Lessee in this Agreement, Lessor reasonably determine that Lessor cannot claim, are not allowed to claim, lose, or must recapture any or all of the Tax Benefits otherwise available with respect to the Equipment (a "Tax Loss"), then Lessee will, promptly upon demand, pay to Lessor an amount sufficient to provide Lessor the same after-tax rate of return and aggregate after-tax cash flow through the end of the term of the Lease Agreement as Lessor would have realized but for such Tax Loss.

**18. INDEMNITY**

Except for damages, claims or losses due to Lessor's acts or negligence, to the extent it is expressly authorized by applicable law, the Lessee will indemnify the Lessor against all damages, claims or liabilities which may be incurred or suffered by the Lessor in connection with: (i) the occurrence of any Event of Default; (ii) any late payment of any sum (including, without limitation, any overdue amount) being received from any source otherwise than on its due date; (iii) Lessee's breach of any law affecting the Equipment, their use, operation or leasing, or the Lease Payment to be paid; (iv) any failure of any Obligor to perform any of its obligations under the Lease Agreement or any Guarantee; (v) the execution or enforcement (including any attempts thereof) of any of the rights, powers, remedies, authorities or discretions vested in the Lessor under or pursuant to the Lease Agreement; (vi) any failure or delay by Lessee in completing the procedure required for importation and providing Equipment; or (vii) any loss arising from non-or incomplete performance by Lessee of the Lease Agreement, the delivery and the inspection of the Equipment.

**19. FORCE MAJURE**

(a) Neither Lessor nor Lessee will be liable for any loss, damage, detention, delay, or failure to perform in whole or in part resulting from causes beyond that party's control including, but not limited to, acts of terrorism, acts of God, fire, earthquake, war, the threat of imminent war, riots, or other acts of civil disobedience, insurrection, labor or trade disputes, shortage of components, any governmental law, order, regulation, ordinance or any other supranational legal authority, explosion, storms, floods, lightning, or earthquake.

**20. UCC FILINGS AND FINANCIAL STATEMENTS.** Lessee authorizes Lessor to file a financing statement with respect to the Equipment and grants the Lessor the right to sign such financing statement on Lessee's behalf. If Lessor deems it necessary, Lessee agrees to submit financial statements (audited if available) on a quarterly basis.

**21. UCC-ARTICLE 2A Provisions**: Lessee agrees that this Lease Agreement is a Finance Lease as that term is defined in Article 2A of the Uniform Commercial Code ("UCC"). Lessee waives any and all rights and remedies granted Lessee under Sections 2A-508 2A-522 of the UCC.

**22. MISCELLANEOUS**

(a) The Lease Agreement will not be construed to be a purchase or an agreement for the purchase of the Equipment by the Lessee.

(b) The Lessee may not assign or transfer any of its rights and obligations under the Lease Agreement. The Lessor may at any time without the consent of the Lessee assign or transfer any of its rights and obligations under the Lease Agreement and dispose of its rights and title to the Equipment.

(c) This Lease Agreement constitutes the entire obligation of the parties hereto and supersedes any prior expressions of intent or understandings with respect to this transaction. Any amendment of this Lease Agreement will be in writing and will be signed by duly authorized representatives of both parties hereto.

(d) No failure or delay on the part of either party to exercise any right provided for in this Lease Agreement will constitute a waiver of such right or any obligation of the other party under this Lease Agreement, nor will any single or partial exercise of any such right preclude any further exercise thereof. No waiver by either party hereunder will be effective unless it is in writing. The rights and remedies provided for in this Lease Agreement are cumulative and not exclusive of any other rights or remedies which either party may otherwise have.

(e) If any one or more of the provisions of this Lease Agreement or any document executed in connection herewith will be invalid, illegal or unenforceable in any respect under any applicable law, the validity, legality and enforceability of the remaining provisions contained herein will not in any way be affected or impaired thereby.

(f) The obligations of the Obligors under this Lease Agreement will be joint and several.

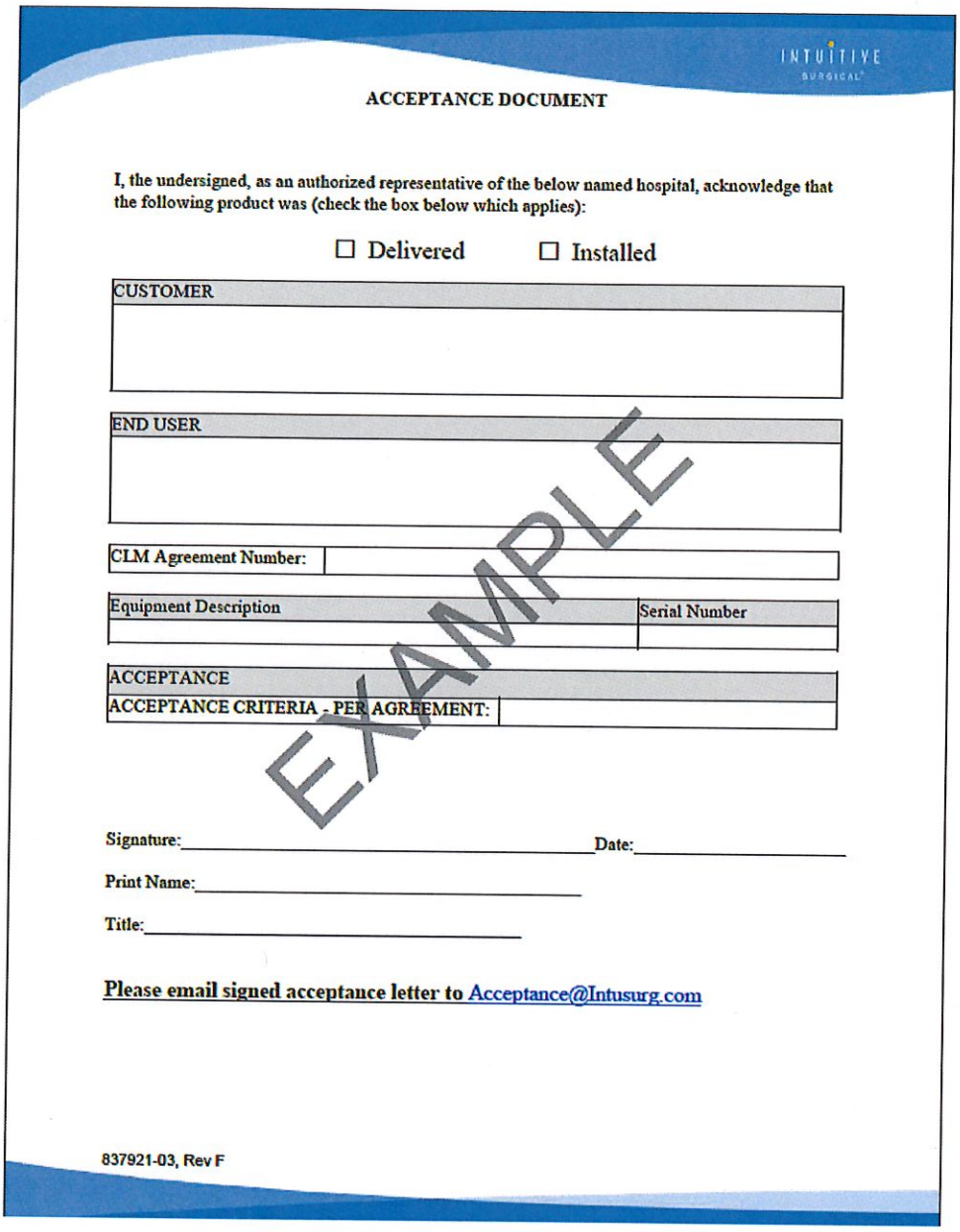
(g) The Lessee acknowledges and agrees that the sole responsibility for determining the proper treatment of this Lease Agreement for tax purposes rests with the Lessee. The Lessor makes no representations whatsoever as to the proper treatment of this Lease Agreement for tax purposes. The Lessee acknowledges that the Lessor is the legal owner of the Equipment.

(h) All notices, claims, requests, demands, and other formal communications hereunder will be in writing and will be deemed given at the time of personal delivery or completed facsimile, or, if sent by a reputable overnight courier or registered or certified mail, one business day after such sending to the parties at their respective addresses listed on page 1 of the Lease Agreement.

(i) The Lessee will notify the Lessor promptly of any changes in company name, registered office, and any other matters which may affect this Lease Agreement.

(j) Intentionally omitted.

## Annex 1



INTUITIVE SURGICAL

**ACCEPTANCE DOCUMENT**

I, the undersigned, as an authorized representative of the below named hospital, acknowledge that the following product was (check the box below which applies):

☐ Delivered ☐ Installed

| CUSTOMER |
|---|
| |

| END USER |
|---|
| |

| CLM Agreement Number: | |
|---|---|

| Equipment Description | Serial Number |
|---|---|
| | |

| ACCEPTANCE | |
|---|---|
| ACCEPTANCE CRITERIA - PER AGREEMENT: | |

EXAMPLE

Signature:_____ Date:_____

Print Name:_____

Title:_____

**Please email signed acceptance letter to Acceptance@Intusurg.com**

837921-03, Rev F

# University Med Center S Nevada - ULSA and Lease - 26Dec19

Final Audit Report 2019-12-26

| | |
|---|---|
| Created: | 2019-12-26 |
| By: | Jennifer Wood (Jennifer.Wood@intusurg.com) |
| Status: | Signed |
| Transaction ID: | CBJCHBCAABAA52gJeyrJv7El7YVL8gQpYDY9LGKWetUm |

## "University Med Center S Nevada - ULSA and Lease - 26Dec19" History

Document created by Jennifer Wood (Jennifer.Wood@intusurg.com)
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Approval Date: 2019-12-26 - 9:36:25 PM GMT - Time Source: server- IP address: 168.149.143.78

Signed document emailed to Nick Santore (nick.santore@intusurg.com), Revenue Team (revenue.adobesign@intusurg.com), Jennifer Wood (Jennifer.Wood@intusurg.com), and Marc Giuffrida (marc.giuffrida@intusurg.com)

2019-12-26 - 9:36:25 PM GMT

JPK Surgical, Inc

**Quotation**
##########

| | |
|---|---|
| **From:** Aimee Kelly<br>JPK Surgical, Inc.<br>12011 S. Blackfoot Dr<br>Phoenix, AZ 85044<br>Cell: (602) 430-4967<br>Fax: (480) 893-6724 | **To:** **UMC**<br><br>**Attention: Corrie Lee** |

| Quantity | Catalog # | Description | Price | Extended Price |
|---|---|---|---|---|
| 10 | E346SL | Wave Grasper Slide Lok 35cm | $699.00 | $6,990.00 |
| 6 | 52255-40B7 | Fenestrated Grasper 33cm | $610.00 | $3,660.00 |
| 6 | 52505-85 | Lap Needle Holder 33cm | $845.00 | $5,070.00 |
| 10 | 52236-58B3 | Hunter Bowel Grasper | $625.00 | $6,250.00 |
| 6 | E365MR | Marayland Grasper Ratchet non Locking | $520.00 | $3,120.00 |
| | | ***TERMS AND CONDITIONS: NET 45*** | | |
| | | | **Total** | $25,090.00 |

**JPKSurgical Inc.**
**Aimee Kelly**
**Email: JPKSurgical@aol.com**

# DISCLOSURE OF OWNERSHIP/PRINCIPALS

| Business Entity Type (Please select one) | | | | | | |
|---|---|---|---|---|---|---|
| ☐ Sole Proprietorship | ☐ Partnership | ☐ Limited Liability Company | ☒ Corporation | ☐ Trust | ☐ Non-Profit Organization | ☐ Other |

| Business Designation Group (Please select all that apply) | | | | | | |
|---|---|---|---|---|---|---|
| ☐ MBE | ☒ WBE | ☐ SBE | ☐ PBE | ☐ VET | ☐ DVET | ☐ ESB |
| Minority Business Enterprise | Women-Owned Business Enterprise | Small Business Enterprise | Physically Challenged Business Enterprise | Veteran Owned Business | Disabled Veteran Owned Business | Emerging Small Business |

**Number of Clark County Nevada Residents Employed:** 0

| | | |
|---|---|---|
| **Corporate/Business Entity Name:** | JPK Surgical Inc. | |
| **(Include d.b.a., if applicable)** | | |
| **Street Address:** | 12011 S. Blackfoot Dr. | **Website:** — |
| **City, State and Zip Code:** | Phoenix, AZ 85044 | **POC Name:** **Email:** JPKSurgical@AOL.com |
| **Telephone No:** | (602)430-4967 | **Fax No:** — |
| **Nevada Local Street Address:** **(If different from above)** | | **Website:** |
| **City, State and Zip Code:** | | **Local Fax No:** |
| **Local Telephone No:** | | **Local POC Name:** **Email:** |

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

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

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

| Full Name | Title | % Owned (Not required for Publicly Traded Corporations/Non-profit organizations) |
|---|---|---|
| Aimee Marie Kelly | 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.

Signature: Aimee Kelly

Print Name: Aimee Kelly

Title: President

Date: 2/17/20



REVISED 7/25/2014

## 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

# QUOTATION

January 13, 2020

Corrie Lee
Clinical Supervisor
University Med Ctr So Nevada
1800 W Charleston Blvd
Las Vegas, NV 89102-2386

All Purchase Orders must be made out to:
COVIDIEN SALES LLC
15 Hampshire St.
Mansfield, MA 02048

Remit to address:
COVIDIEN SALES LLC
4642 Collection Center Dr
Chicago, IL 60693-0046

Quote Number: 1571309
Customer Reporting Number: 0001107710
GPO Affiliation: HEALTHTRUST PURCHASING GROUP
Net Payment Terms: Net 30
Freight: FOB Shipping Point Prepay and Add
**Quote Expires: 4/12/2020**

Medtronic Contact: Christina Viviano, AST EXECUTIVE SPECIALIST (COMBINED)
Phone: (702) 290-5928

**Quote Products and Pricing**

| Line | QTY | UOM | Catalog No | Product Description | Quote Price | Extended Price |
|---|---|---|---|---|---|---|
| 1 | 1 | Each | VLFT10GEN | GENERATOR FT10 | [redacted] | [redacted] |
| 2 | 1 | Each | VLFTCRT | CART FT10 | [redacted] | [redacted] |
| 2 | 1 | Each | E0502-1 | E0502-1 REUSABLE UNIVERSAL ADAPTER X1 | [redacted] | [redacted] |
| 2 | 1 | Each | E6009 | E6009 E6009 BIP FOOTSW X1 | [redacted] | [redacted] |
| 2 | 1 | Each | E6008 | E6008 STANDARD FOOTSWITCH X1 | [redacted] | [redacted] |

**Quote Summary**

| | |
|---|---|
| Net Amount | $23,967.52 |
| Quote Notes | Please Send Purchase Order to: christina.m.viviano@medtronic.com |

The discounts provided by Medtronic under this Quote may constitute a "discount or other reduction in price" of the products under Section 1128B(b)(3)(A) of the Social Security Act, 42 U.S.C. §1320a-7b(b)(3)(A). Customer is responsible for reporting and/or providing information on all such discounts to reimbursing agencies (including Medicare and Medicaid) and other entities in accordance with all applicable laws and regulations.

Additional Quote Terms and Conditions for purchase of products from Covidien Sales LLC, a Medtronic company ("Medtronic")

If applicable, purchases resulting from this Quote will be subject to the applicable contract between Medtronic and customer's Group Purchasing Organization (GPO) identified above. Such contract terms override any conflicting terms stated in this Quote. If purchases are not being made under a GPO contract, then Medtronic's applicable Standard Terms and Conditions of Sale will apply. Additional terms and conditions, if any, are attached to this Quote. All purchases direct from Medtronic are subject to Medtronic's Minimally Invasive Therapies Group Direct Policies and Procedures. No other terms and conditions apply unless expressly agreed to in writing between Medtronic and customer

Quoted prices do not include applicable sales or use taxes. Such taxes will be added to the invoice unless customer is exempt from such taxes.

Quoted prices are based on the use of equipment within the 50 United States. Equipment that is shipped outside of the 50 United States needs to be shipped back to a designated Medtronic Service Center within the 50 United States, at customer's sole expense, for warranty service.

The pricing and other terms and conditions contained in this Quote are confidential and intended solely for the identified customer's consideration. This information may not be disclosed to any other person or entity or used for any purpose other than the proposed transaction.

Purchase of the quoted products may be subject to the terms of Medtronic's Software License Agreement and/or software policies, provided for reference upon request.

# DISCLOSURE OF OWNERSHIP/PRINCIPALS

| **Business Entity Type (Please select one)** | | | | | | |
|---|---|---|---|---|---|---|
| ☐ Sole Proprietorship | ☐Partnership | ☒ Limited Liability Company | ☐ Corporation | ☐ Trust | ☐ Non-Profit Organization | ☐ Other |

| **Business Designation Group (Please select all that apply)** | | | | | | |
|---|---|---|---|---|---|---|
| ☐ MBE | ☐ WBE | ☐ SBE | ☐ PBE | ☐ VET | ☐DVET | ☐ ESB |
| Minority Business Enterprise | Women-Owned Business Enterprise | Small Business Enterprise | Physically Challenged Business Enterprise | Veteran Owned Business | Disabled Veteran Owned Business | Emerging Small Business |

## Number of Clark County Nevada Residents Employed:

| | | |
|---|---|---|
| **Corporate/Business Entity Name:** | Covidien Sales LLC, a Medtronic company | |
| **(Include d.b.a., if applicable)** | | |
| **Street Address:** | 60 Middletown Avenue | **Website:** www.Medtronic.com |
| **City, State and Zip Code:** | North Haven, CT 06473 | **POC Name:**<br>**Email:** |
| **Telephone No:** | 1-800-633-8766 | **Fax No:** |
| **Nevada Local Street Address:**<br>**(If different from above)** | | **Website:** |
| **City, State and Zip Code:** | | **Local Fax No:** |
| **Local Telephone No:** | | **Local POC Name:**<br>**Email:** |

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

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

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

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

***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.

| | |
|---|---|
| Adam Seitman | Adam Seitman |
| Signature | Print Name |
| Sr. Regional Manager | 3.11.2020 |
| Title | Date |

# DISCLOSURE OF RELATIONSHIP

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

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

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

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

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

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

---

***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

March 2, 2020

Fran Heiy
Management Analyst - Contracts
University Medical Center of Southern Nevada
1800 W. Charleston Blvd.
Las Vegas, NV 89102

Re: Request for competitive bidding information regarding Electrosurgery.

Dear Ms. Heiy:

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

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

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

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

The above-described process was followed with respect to Electrosurgery issued RFPs and received proposals from identified suppliers in the Electrosurgery. Contracts were executed with Covidien, Ethicon, Progressive Medical, Symmetry Surgical and Medline in February of 2019. I hope this satisfies your request. Please contact me with any additional questions.

Sincerely,

Craig Dabbs
Account Director, Member Services

## AMENDMENT ONE TO TERMS & CONDITIONS
## [No. 1571309]

**Covidien Sales, LLC,** a division of **Medtronic (“**Company**”),** and **University Medical Center of Southern Nevada, a publicly owned and operated hospital created by virtue of Chapter 450 of the Nevada Revised Statutes (“**Customer**”),** agree to amend the Terms and Conditions of the above referenced Quote Number. If there are any conflicts between the terms of this Amendment and the terms of the above referenced Quote Number or any other agreement between the parties relating to this subject matter, the terms of this Amendment shall control. All paragraphs specifically listed below shall either supersede the same paragraphs as listed or to be added in the Agreement. Capitalized terms used herein and not otherwise defined herein, unless the context otherwise requires, shall have the same meanings set forth in the Agreement.

1) The following is hereby deleted in its entirety:
   The pricing and other terms and conditions in this Quote are confidential and intended solely for the identified customer’s consideration. This information may not be disclosed to any other person or entity or used for any purpose other than the proposed transaction.

   And insert in its place:
   The pricing and other terms and conditions contained in this Quote are considered confidential, neither party shall disclose such confidential information. Notwithstanding the foregoing, if a receiving party is requested or required to disclose all or any part of any confidential information of the furnishing party by legal or administrative process or by law, rule or regulation, the receiving party shall, to the extent practicable and subject to applicable Nevada laws, give prompt written notice of such request to the furnishing party and shall give the furnishing party the opportunity to seek an appropriate protective order or otherwise intervene, prevent, delay or otherwise affect the response to such request and the receiving party shall reasonably cooperate in such efforts. Absent any such protective order or notification by the furnishing party within the required timeframe for a response, the information requested will be released.

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

3) Non-Excluded Healthcare Provider. Company represents and warrants to Customer that neither it nor to its knowledge that any of its affiliates (a) are excluded from participation in any federal health care program, as defined under 42 U.S.C. §1320a-7b (f), for the provision of items or services for which payment may be made under such federal health care programs and (b) has arranged or contracted (by employment or otherwise) with any employee, contractor or agent that such party or its affiliates knows are excluded from participation in any federal health care program, to provide items or services hereunder. Company represents and warrants to Customer that no final adverse action, as such term is defined under 42 U.S.C. §1320a-7e (g), has occurred or to its knowledge is pending or threatened against Company or its affiliates or to their knowledge against any employee, contractor or agent engaged to provide items or services under this Agreement (collectively “Exclusions / Adverse Actions”).

4) Governing Law. Parties agree to remain silent.

5) Indemnification. Parties agree that Customer does not indemnify, warrant, or otherwise guarantee or hold harmless Company from enforcement and/or legal action brought by any third party.

This Amendment One contains the full, final, and complete expression of all agreements between Customer and Company with respect to the subject matter of this Agreement and shall supersede all prior or contemporaneous agreements between Customer and Company, whether oral or written. Any change, modification or amendment of this Agreement must be in writing and signed by an authorized representative of both Customer and Company.

The parties to this Agreement have signed this Amendment to be executed by their duly authorized officers on the dates set forth below.

| | |
|---|---|
| **Covidien Sales LLC,** a division of **Medtronic** | ***University Medical Center of Southern Nevada*** |
| Signature:  | Signature: _____ |
| Name: Michael Blackwell | Name: Mason VanHouweling |
| Title: Vice President of Sales, West | Title: Chief Executive Officer |
| Date: March 11, 2020 | Date: _____ |

Flex Financial, a division of Stryker Sales Corporation
1901 Romence Road Parkway
Portage, MI 49002
t: 1-888-308-3146 f: 877-204-1332
www.stryker.com

Date: March 9, 2020

RE: Reference no: 21237667

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
1800 W Charleston Blvd Attn: Receiving
Las Vegas, Nevada 89102-2386

Thank you for choosing Flex Financial, a division of Stryker Sales Corporation, for your equipment financing needs. Enclosed please find the financing documents necessary to enter into the financing arrangement. Once all of the documents are completed, properly executed and returned to us, we will issue an order for release of the financed equipment.

**PLEASE COMPLETE ALL ENCLOSED DOCUMENTS TO EXPEDITE THE SHIPMENT OF YOUR ORDER.**

**Schedule to Master Lease Agreement**
**Exhibit A - Detail of Equipment**
**State and Local Government Rider**
**Certificate of Acceptance**
**Addendum**

****Conditions of Approval: ,State and Local Government Rider , Certificate of Acceptance (once all equipment is received)**

**PLEASE PROVIDE THE FOLLOWING WITH THE COMPLETED DOCUMENTS:**

| | | | |
|---|---|---|---|
| **Federal tax ID number:** | _____ | **AP address:** | _____ |
| **Purchase order number:** | _____ | **Contact name:** | _____ |
| **Phone number:** | _____ | **Email address:** | _____ |

**Please fax completed documents to (877) 204-1332. Return original documents to 1901 Romence Road Parkway Portage, MI 49002 (using Fed-Ex Shipping ID# 612-309469)**

Your personal documentation specialist is Michelle Warren and can be reached at 269-389-1909 or by email michelle.warren@stryker.com for any questions regarding these documents.

The financing proposal evidenced by these documents is valid through the last business day of **March, 2020**

Sincerely,

**Flex Financial, a division of Stryker Sales Corporation**

**Notice: To help the government fight the funding of terrorism and money laundering activities, U.S. Federal law requires financial institutions to obtain, verify and record information that identifies each person (individuals or businesses) who opens an account. What this means for you: When you open an account or add any additional service, we will ask you for your name, address, federal employer identification number and other information that will allow us to identify you. We may also ask to see other identifying documents. For your records, the federal employer identification number for Flex Financial, a Division of Stryker Sales Corporation is 38-2902424.**

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# EQUIPMENT SCHEDULE No: 009 TO MASTER LEASE AGREEMENT No. 21237667

| Lessor: | Lessee: | Supplier: |
|---|---|---|
| Flex Financial, a division of Stryker Sales Corporation<br>1901 Romence Road<br>Parkway Portage, MI 49002 | UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA<br>1800 W Charleston BlvdAttn: Receiving<br>Las Vegas, Nevada 89102-2386 | Stryker Sales Corporation<br>5900 Optical Court<br>San Jose, CA 95138 |

**Equipment description: See Part I on attached Exhibit A**
**(and/or as described in invoice(s) or equipment list attached hereto and made a part hereof collectively, the "Equipment")**

**Equipment location:1800 W CHARLESTON BLVD, LAS VEGAS, Nevada 89102-2386**

**Schedule of periodic rent payments:**

39 Monthly payments of **$4,488.04** (First payment due 30 days after Agreement is commenced), (Plus Applicable Sales/Use Tax)

| Term in months: 39 | Minimum monthly uses: N/A | Fee per use: N/A |
|---|---|---|

**Purchase term (If blank, the Fair Market Value Option will be deemed chosen):Fair Market Value Option**

**TERMS AND CONDITIONS**

**1. Agreement.** The undersigned Lessee ("**Lessee**") unconditionally and irrevocably agrees to lease from the Lessor whose name is listed above ("**Lessor**") the Equipment described above, on the terms specified in this Schedule, including all attachments to this Schedule and in the Master Lease Agreement referred to above (as amended from time to time, the "**Agreement**"). Except as modified herein, the terms of the Agreement are hereby ratified and incorporated into this Schedule as if set forth herein in full, and shall remain fully enforceable throughout the Term of this Schedule. Capitalized terms used and not otherwise defined in this Schedule have the respective meanings given to those terms in the Agreement. The Minimum Monthly Uses and Fee Per Use described above shall not affect the amount of any monthly payment.

**2. Purchase option.** If either the Fair Market Value Option or the Fixed Purchase Option is selected above, or otherwise applies, upon expiration of the Term and provided that the Lease has not been terminated early and Lessee is in compliance with the Lease in all respects, Lessee may upon at least 90 but not more than180 days prior written notice to Lessor exercise the applicable purchase option, and upon the giving of such notice Lessee shall be irrevocably and unconditionally obligated to purchase all (but not less than all) of the Equipment, for the purchase amount shown above (plus all applicable Taxes), which amount shall be due and payable upon the expiration of the Term of this Schedule. If the $1.00 Buyout is selected above, upon expiration of the Term, Lessee shall pay the amount of all Rent owed by Lessee hereunder but unpaid as of such date and $1.00 (plus all applicable Taxes). Any purchase of the Equipment by Lessee pursuant to a purchase option or $1.00 Buyout shall be "**AS IS, WHERE IS**", without representation or warranty of any kind from Lessor. "Fair Market Value" shall be the amount determined by Lessor as the fair market value of the Equipment on the basis of an arms-length sale between an informed and willing buyer who is currently in possession of the Equipment and a willing Seller under no compulsion to sell.

**3. Equipment acceptance.** Notwithstanding anything to the contrary in Section 2 of the Agreement, at Lessor's request, Lessee shall confirm in writing Lessee's acceptance of the Equipment for all purposes under this Lease. If Lessor does not make such a request, then by signing this Schedule Lessee certifies that the Equipment described above shall be deemed accepted by Lessee for all purposes under this Lease on the date that is ten (10) days after the date it is shipped to Lessee by the Supplier of the Equipment.

**4. Miscellaneous.** The amount of each Periodic Rent payment set forth above is based on Supplier's best estimate of the cost of the Equipment described in this Schedule. If prior to the Rent Commencement Date, Equipment price changes have been accepted by both parties, Rent may be increased up to 15%, or decreased without limit, if the actual cost of the Equipment differs from that assumed under this Schedule and such change in Rent will be effectuated by written notice from Lessor to Lessee. If Lessee fails to pay (within thirty days of invoice date) any freight, sales tax or other amounts related to the Equipment which are billed directly by Lessor to Lessee, such amounts shall be added to the Periodic Rent payments set forth above (plus interest or additional charges thereon) and Lessee authorizes Lessor to adjust such Periodic Rent payments accordingly. In the event the transaction evidenced by this Schedule is determined to be a secured transaction, then as security for all existing or hereafter arising obligations of Lessee under this Lease and all other obligations of Lessee to Lessor, Lessee hereby grants to Lessor a first priority security interest in all of Lessee's rights, title (if any) and interests in the Equipment and any additional collateral described herein, and all proceeds and products thereof, including, without limitation, all proceeds of insurance. This Schedule will not be valid and binding on Lessor until signed by Lessor. Lessee acknowledges that Lessee has not received any tax or accounting advice from Lessor. If Lessee is required to report the components of its payment obligations hereunder to certain state and/or federal agencies or public health coverage programs such as Medicare, Medicaid, SCHIP or others, the various components are provided above or in an attachment hereto.

**LESSEE HAS READ (AND UNDERSTANDS THE TERMS OF) THIS SCHEDULE BEFORE SIGNING IT.**

| Customer signature | |
|---|---|
| **Signature:** | **Date:** |
| **Print name:** | |
| **Title:** | |

| Accepted by Flex Financial, a division of Stryker Sales Corp. | |
|---|---|
| **Signature:** | **Date:** 3-9-2020 |
| **Print name:** Devon Ivy | |
| **Title:** Controller | |

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# Exhibit A to Schedule 009 to Master Lease Agreement No. 21237667
## Description of equipment

**Customer name:** UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
**Delivery address:** 1800 W CHARLESTON BLVD, LAS VEGAS, Nevada 89102-2386

**Part I - Equipment/Service Coverage (if applicable)**

| Model number | Equipment description | Quantity |
|---|---|---|
| 0240099155 | Connected OR Cart, 120 V | 1 |
| 1688010000 | PKG, 1688 Camera Control Unit (CCU) | 1 |
| 0220230300 | PKG, L11 LED Light Source with AIM | 1 |
| 0240200300 | CONNECTED OR HUB BASE WITH SDP1000 PRINTER KIT | 1 |
| 0620050001 | PNEUMOCLEAR CO2 CONDITIONING INSUFFLATOR KIT (BOTTLE GAS) | 1 |
| 0240031050 | PKG, 32" 4K SURGICAL DISPLAY | 1 |
| 0240099110K | FLAT PANEL ROLL STAND KIT | 1 |
| 0240031000 | PKG, VISIONPRO SYNK 26" WIRELESS LED DISPLAY | 1 |
| 1688610122 | PKG, 1688 AIM 4K CAMERA HEAD WITH INTEGRATED COUPLER | 4 |
| 0678001048 | REPAIR KIT, SPI3, DVI-I RECEIVE (P/N P11075) | 1 |

**Total equipment:** $169,173.48

**Service coverage:**

| Model number | Service coverage description | Quantity | Years |
|---|---|---|---|
| 1688TWR | 1688 TOWER COVERAGE SERVICE CONTRACT | 1 | 3.25 |
| 0240031050 | 32" 4K SURGICAL DISPLAY | 1 | 3.25 |
| 1688610122 | 1688 AIM 4K CAMERA HEAD WITH INTEGRATED COUPLER | 4 | 3.25 |

**Total service coverage: $25,268.75**

**Total Financed Amount:** $194,442.23

| Customer signature | |
|---|---|
| Signature: | Date: |
| Print name: | |
| Title: | |

| Accepted by Flex Financial, a division of Stryker Sales Corp. | |
|---|---|
| Signature: | Date: 3-9-2020 |
| Print name: Devon Ivy | |
| Title: Controller | |

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# State and Local Government Customer Rider

This State and Local Government Customer Rider (the "Rider") is an addition to and hereby made a part of **Schedule 009 to Master Lease Agreement No. 21237667** (the "Agreement") between **Flex Financial**, a division of Stryker Sales Corporation ("Owner") and UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA **("Customer") to be executed simultaneously herewith and to which this Rider is attached. Capitalized terms used but not defined in this Rider shall have the respective meanings provided in the Agreement. Owner and Customer agree as follows:**

1. Customer represents and warrants to Owner that as of the date of, and throughout the Term of, the Agreement: (a) Customer is a political subdivision of the state or commonwealth in which it is located and is organized and existing under the constitution and laws of such state or commonwealth; (b) Customer has complied, and will comply, fully with all applicable laws, rules, ordinances, and regulations governing open meetings, public bidding and appropriations required in connection with the Agreement, the performance of its obligations under the Agreement and the acquisition and use of the Equipment; (c) The person(s) signing the Agreement and any other documents required to be delivered in connection with the Agreement (collectively, the "Documents") have the authority to do so, are acting with the full authorization of Customer's governing body, and hold the offices indicated below their signatures, each of which are genuine; (d) The Documents are and will remain valid, legal and binding agreements, and are and will remain enforceable against Customer in accordance with their terms; and (e) The Equipment is essential to the immediate performance of a governmental or proprietary function by Customer within the scope of its authority and will be used during the Term of the Agreement only by Customer and only to perform such function. Customer further represents and warrants to Owner that, as of the date each item of Equipment becomes subject to the Agreement and any applicable schedule, it has funds available to pay all Agreement payments payable thereunder until the end of Customer's then current fiscal year, and, in this regard and upon Owner's request, Customer shall deliver in a form acceptable to Owner a resolution enacted by Customer's governing body, authorizing the appropriation of funds for the payment of Customer's obligations under the Agreement during Customer's then current fiscal year.

2. To the extent permitted by applicable law, Customer agrees to take all necessary and timely action during the Agreement Term to obtain and maintain funds appropriations sufficient to satisfy its payment obligations under the Agreement (the "Obligations"), including, without limitation, providing for the Obligations in each budget submitted to obtain applicable appropriations, causing approval of such budget, and exhausting all available reviews and appeals if an appropriation sufficient to satisfy the Obligations is not made.

3. Notwithstanding anything to the contrary provided in the Agreement, if Customer does not appropriate funds sufficient to make all payments due during any fiscal year under the Agreement and Customer does not otherwise have funds available to lawfully pay the Agreement payments (a "Non-Appropriation Event"), and provided Customer is not in default of any of Customer's obligations under such Agreement as of the effective date of such termination, Customer may terminate such Agreement effective as of the end of Customer's last funded fiscal year ("Termination Date") without liability for future monthly charges or the early termination charge under such Agreement, if any, by giving at least 60 days' prior written notice of termination ("Termination Notice") to Owner.

4. If Customer terminates the Agreement prior to the expiration of the end of the Agreement's initial (primary) term, or any extension or renewal thereof, as permitted under Section 3 above, Customer shall (i) on or before the Termination Date, at its expense, pack and insure the related Equipment and send it freight prepaid to a location designated by Owner in the contiguous 48 states of the United States and all Equipment upon its return to Owner shall be in the same condition and appearance as when delivered to Customer, excepting only reasonable wear and tear from proper use and all such Equipment shall be eligible for manufacturer's maintenance, (ii) provide in the Termination Notice a certification of a responsible official that a Non-Appropriation Event has occurred, (iii) deliver to Owner, upon request by Owner, an opinion of Customer's counsel (addressed to Owner) verifying that the Non-Appropriation Event as set forth in the Termination Notice has occurred, and (iv) pay Owner all sums payable to Owner under the Agreement up to and including the Termination Date.

5. Any provisions in this Rider that are in conflict with any applicable statute, law or rule shall be deemed omitted, modified or altered to the extent required to conform thereto, but the remaining provisions hereof shall remain enforceable as written.

| Customer signature | |
|---|---|
| **Signature:** | **Date:** |
| **Print name:** | |
| **Title:** | |

| Accepted by Flex Financial, a division of Stryker Sales Corp. | |
|---|---|
| **Signature:** | **Date:** 3-9-2020 |
| **Print name:** Devon Ivy | |
| **Title:** Controller | |

# Certificate of Acceptance

Flex Financial, a division of
Stryker Sales Corporation
1901 Romence Road Parkway
Portage, MI 49002

**Name and address of customer:**
UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
1800 W Charleston BlvdAttn: Receiving
Las Vegas, Nevada 89102-2386

Schedule No. 009 to Master Lease Agreement No. 21237667 between Flex Financial, a division of Stryker Sales Corporation and UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA

**Equipment description:** See the attached Exhibit "A" to Schedule No. 009 to Master Lease Agreement No. 21237667

**Equipment location:** 1800 W CHARLESTON BLVD, LAS VEGAS, Nevada 89102-2386

## Acceptance certification:

All of the equipment described above (the "Equipment") has been delivered to us pursuant to the agreement referred to above (the "Agreement"),we have inspected the Equipment and we hereby unqualifiedly accept the Equipment for all purposes under the Agreement.

| **Customer signature** | |
|---|---|
| **Signature:** | **Date:** |
| **Print name:** | |
| **Title:** | |

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# ADDENDUM TO SCHEDULE TO MASTER LEASE AGREEMENT NO. 21237667 BETWEEN FLEX FINANCIAL, A DIVISION OF STRYKER SALES CORPORATION AND UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA

This Addendum is hereby made a part of the agreement described above (the "Agreement"). In the event of a conflict between the provisions of this Addendum and the provisions of the Agreement, the provisions of this Addendum shall control.

The parties hereby agree as follows:

1. Section 3 of the Schedule is hereby amended in its entirety to read as follows:

"Within fifteen (15) days after the date the Equipment is delivered to Lessee under this Schedule, Lessee shall either: (i) accept the Equipment by executing and delivering to Lessor a Certificate of Acceptance in a form acceptable to Lessor; or (ii) reject the Equipment and promptly return the Equipment to Lessor, at no expense to Lessee, at which time the Schedule shall terminate. If Customer fails within fifteen (15) days after the Equipment is delivered to Customer under this Schedule to execute and deliver to Owner a Certificate of Acceptance or reject and promptly return the Equipment to Owner the Customer shall be deemed to have accepted the Equipment for all purposes hereunder."

2. The third sentence of Section 4 of the Schedule is hereby amended in its entirety to read as follows:

"If Lessee fails to pay within (forty-five days of invoice date) any freight, sales tax or other amounts related to the Equipment which are billed directly by Lessor to Lessee, such amounts shall be added to the Periodic Rent payments set forth above (plus interest or additional charges thereon) and Lessee authorizes Lessor to adjust such Periodic Rent payments accordingly."

3. The second sentence of Section 4 of the Schedule, which reads as follows, is hereby deleted in its entirety:

"If prior to the Rent Commencement Date, Equipment price changes have been accepted by both parties, Rent may be increased up to 15%, or decreased without limit, if the actual cost of the Equipment differs from that assumed under this Schedule and such change in Rent will be effectuated by written notice from Lessor to Lessee."

4. The following language is hereby added to the end of Section 4 of the Schedule:

"Notwithstanding anything to the contrary herein, Lessee shall be entitled to self-insure with respect to its insurance obligations hereunder so long as such self insurance is maintained in a manner and fashion typical of institutions of Lessee's size and nature, including suitable re-insurance structures and so long as (i) no event of default has occurred and remains outstanding and (ii) Lessee promptly delivers certifications or other reasonable proof of self insured amounts and reinsurance upon Lessor's request, including without limitation, financial statements related thereto."

5. New Sections 5 and 6 are hereby added to the Schedule, which shall read as follows:

"5. Lessee is a public agency as defined by state law, and as such, it is subject to the Nevada Public Records Law (Chapter 239 of the Nevada Revised Statutes. Under that law, all of Lessee's records are public records (unless otherwise declared by law to be confidential and are subject to inspection and copying by any person.

6. In accordance with the Nevada Revised Statutes (NRS 354.626, the financial obligations under this Schedule between the parties shall not exceed those monies appropriated and approved by Lessee for the then current fiscal year under the Local Government Budget Act. This Schedule shall terminate and Lessee's obligations under it shall be extinguished at the end of any of Lessee's fiscal years *(the "Termination Date")* in which Lessee'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 Schedule *(a "Non-Appropriation Event")*. Lessee agrees that this section shall not be utilized as a subterfuge or in a discriminatory fashion as it relates to this Schedule. In the event this section is invoked, this Schedule will expire on the 30th day of June of the current fiscal year. Termination under this section shall not relieve Lessee of its obligations incurred through the 30th day of June of the fiscal year for which monies were appropriated.

Lessee represents and warrants to Lessor that as of the date of, and throughout the Term of, this Schedule: (a) Lessee is a political subdivision of the state or commonwealth in which it is located and is organized and existing under the constitution and laws of such state or commonwealth; (b) Lessee has complied, and will comply, fully with all applicable laws, rules, ordinances, and regulations governing open meetings, public bidding and appropriations required in connection with this Schedule, the performance of its obligations under this Schedule and the acquisition and use of the Equipment; (c) The person(s signing this Schedule and any other documents required to be delivered in connection with this Schedule (collectively, the "Documents" have the authority to do so, are acting with the full authorization of Lessee's governing body, and hold the offices indicated below their signatures, each of which are genuine; (d) The Documents are and will remain valid, legal and binding agreements, and are and will remain enforceable against Lessee in accordance with their terms; and (e) The Equipment is essential to the immediate performance of a governmental or proprietary function by Lessee within the scope of its authority and will be used during the Term of this Schedule only by Lessee and only to perform such function. Lessee further represents and warrants to Lessor that, as of the date each item of Equipment becomes subject to this Schedule, it has funds available to pay all Schedule payments payable thereunder until the end of Lessee's then current fiscal year.

If Lessee terminates this Schedule prior to the expiration of the end of this Schedule's initial (primary) term, or any extension or renewal thereof, as permitted under *this Section 6*, Lessee shall (i) on or before the Termination Date, pack and insure the related Equipment and send it freight prepaid to a location designated by Lessor in the contiguous 48 states of the United States and all Equipment upon its return to Lessor shall be in the same condition and appearance as when delivered to Lessee, excepting only reasonable wear and tear from proper use and all such Equipment shall be eligible for manufacturer's maintenance, (ii) provide in the Termination Notice a certification of a responsible official that a Non-Appropriation Event has occurred, (iii) deliver to Lessor, upon request by Lessor, an

opinion of Lessee's counsel (addressed to Lessor) verifying that the Non-Appropriation Event has occurred, and (iv) pay Lessor all sums payable to Lessor under this Schedule up to and including the Termination Date."

| Customer signature | |
|---|---|
| **Signature:** | **Date:** |
| **Print name:** | |
| **Title:** | |

| Accepted by Flex Financial, a division of Stryker Sales Corp. | |
|---|---|
| **Signature:** | **Date:** 3-9-2020 |
| **Print name:** Devon Ivy | |
| **Title:** Controller | |

# DISCLOSURE OF OWNERSHIP/PRINCIPALS

| Business Entity Type (Please select one) | | | | | | |
|---|---|---|---|---|---|---|
| ☐ Sole Proprietorship | ☐Partnership | ☐ Limited Liability Company | x☐ Corporation | ☐ Trust | ☐ Non-Profit Organization | ☐ Other |

| Business Designation Group (Please select all that apply) | | | | | | |
|---|---|---|---|---|---|---|
| ☐ MBE | ☐ WBE | ☐ SBE | ☐ PBE | ☐ VET | ☐DVET | ☐ ESB |
| Minority Business Enterprise | Women-Owned Business Enterprise | Small Business Enterprise | Physically Challenged Business Enterprise | Veteran Owned Business | Disabled Veteran Owned Business | Emerging Small Business |

**Number of Clark County Nevada Residents Employed: 16**

| | | |
|---|---|---|
| **Corporate/Business Entity Name:** | Stryker Corporation | |
| **(Include d.b.a., if applicable)** | | |
| **Street Address:** | 1901 Romence Road Parkway | **Website:www.stryker.com** |
| **City, State and Zip Code:** | Portage, MI 49002 | **POC Name:** **Email:** |
| **Telephone No:** | | **Fax No:** |
| **Nevada Local Street Address:** **(If different from above)** | | **Website:** |
| **City, State and Zip Code:** | | **Local Fax No:** |
| **Local Telephone No:** | | **Local POC Name:** **Email:** |

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

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

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

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

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

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

   ☐ Yes ☐ No (If yes, please note that University Medical Center of Southern Nevada employee(s), or appointed/elected official(s) may not perform any work on professional service contracts, or other contracts, which are not subject to competitive bid.)

2. Do any individual members, partners, owners or principals have a spouse, registered domestic partner, child, parent, in-law or brother/sister, half-brother/half-sister, grandchild, grandparent, related to a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?

   ☐ Yes ☒ No (If yes, please complete the Disclosure of Relationship form on Page 2. If no, please print N/A on Page 2.)

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

Signature — Print Name: DEVON IVY

Title: CONTROLLER — Date: 2/19/2020

# DISCLOSURE OF RELATIONSHIP

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

| NAME OF BUSINESS OWNER/PRINCIPAL | NAME OF UMC* EMPLOYEE/OFFICIAL AND JOB TITLE | RELATIONSHIP TO UMC* EMPLOYEE/OFFICIAL | UMC* EMPLOYEE'S/OFFICIAL'S DEPARTMENT |
|---|---|---|---|
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* UMC employee means an employee of University Medical Center of Southern Nevada

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

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

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

---

***For UMC Use Only:***

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

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

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

Notes/Comments:

_____
Signature

_____
Print Name
Authorized Department Representative

March 2, 2020

Fran Heiy
Management Analyst - Contracts
University Medical Center of Southern Nevada
1800 W. Charleston Blvd.
Las Vegas, NV 89102

Re: Request for competitive bidding information regarding Endoscopy and Arthroscopy, Visualization.

Dear Ms. Heiy:

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

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

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

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

The above-described process was followed with respect to Endoscopy and Arthroscopy, Visualization. HealthTrust issued RFPs and received proposals from identified suppliers in the Endoscopy and Arthroscopy, Visualization category. Contracts were executed with Conmed, Stryker, Richard Wolf, Karl Storz and Olympus in March of 2018. I hope this satisfies your request. Please contact me with any additional questions.

Sincerely,

Craig Dabbs

Account Director, Member Services

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

| | | |
|---|---|---|
| **Issue:** | **Award RFP No. 2019-12 Website Redesign Phase II to R&R Partners, Inc.** | **Back-up:** |
| **Petitioner:** | Jennifer Wakem, Chief Financial Officer | **Clerk Ref. #** |

**Recommendation:**

**That the Governing Board Audit and Finance Committee review and recommend for award by the Governing Board RFP No. 2019-12 Website Redesign Services Phase II to R&R Partners, Inc.; approve the Agreement for Website Redesign Phase II; authorize the Chief Executive Officer to exercise any extension options; and take action as deemed appropriate.** ***(For possible action)***

**FISCAL IMPACT:**

Fund Number: 5430.011
Fund Center: 3000863800
Description: Consultant Services
Bid/RFP/CBE: RFP
Term: 04/01/2020 – 03/31/2025
Amount: NTE $614,523.52
Out Clause: 30-day written notice; Budget Fund Out

Fund Name: Clark County Capital Equipment Transfer
Funded Pgm/Grant: N/A

**BACKGROUND:**

On October 13, 2019, a Request for Proposal No. 2019-12 was published in the Las Vegas Review Journal, posted on the Clark County website under Current Contracting Opportunities and emailed to eight (8) corporations that provide web design services. On November 8, 2019 proposals were received from R&R Partners, Inc., Lola Tech, & MedTouch, Inc.

An ad hoc committee comprised of representatives from UMCSN Administration, Information Technology, and Experience Department reviewed the proposals independently and anonymously. The committee recommends the selection of and contract approval with R&R Partners, Inc.

For the total RFP award of $614,523.52, R&R Partners will conduct Discovery & Strategy sessions, provide User Experience /Information Architecture tools, Search Engine Optimization, Art Direction, Technical Review, Hosting, and Project Management services for UMCSN.com, CHNV.org, and the UMCSN Intranet websites. The period of performance is from April 1, 2020 through March 31, 2025, with the option to renew for one six (6) month period. UMCSN may terminate for its convenience upon 30 day's written notice. Staff also requests authority for the CEO to exercise the renewal option if deemed beneficial to UMCSN.



R&R Partners Inc. currently holds a Clark County Business License.

Cleared for Agenda
March 18, 2020

Agenda Item #
**9**

UMC's Chief Experience Officer has reviewed and recommends award of the Agreement. The Agreement has been approved as to form by UMC's Office of General Counsel.



Respectfully submitted,

Jennifer Wakem
Chief Financial Officer

# UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA

## AGREEMENT FOR WEBSITE REDESIGN PHASE II

| |
|---|
| **R&R PARTNERS, INC** |
| NAME OF FIRM |
| Erik Sandhu, Chief Financial Officer |
| DESIGNATED CONTACT, NAME AND TITLE<br>(Please type or print) |
| 900 S. Pavilion Center Drive<br>Las Vegas, NV 89144 |
| ADDRESS OF FIRM<br>INCLUDING CITY, STATE AND ZIP CODE |
| (702) 228-0222 |
| (AREA CODE) AND TELEPHONE NUMBER |
| |
| (AREA CODE) AND FAX NUMBER |
| erik.sandhu@rrpartners.com |
| E-MAIL ADDRESS |

## AGREEMENT FOR WEBSITE DEVELOPMENT PHASE II

This Agreement for WEBSITE DEVELOPMENT (the "Agreement") is made and entered into this 1st day of April, 2020 ("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.(hereinafter referred to as "COMPANY"), for WEBSITE DEVELOPMENT (hereinafter referred to as "PROJECT").

W I T N E S S E T H:

WHEREAS, the COMPANY has the personnel and resources necessary to accomplish the PROJECT within the required schedule and with a budget allowance not to exceed $614,523.52, including all travel, lodging, meals and miscellaneous expenses, as further described herein; and

WHEREAS, the 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 five (5) years beginning April 1, 2020 through March 31, 2025 ("Term"), with the option to renew for one six (6) month period. During this period, COMPANY agrees to provide services as required by HOSPITAL within the scope of this Agreement.

**SECTION II: COMPENSATION AND TERMS OF PAYMENT**

A. Compensation

HOSPITAL agrees to pay COMPANY for the performance of services described in the Scope of Work (**Exhibit A**) for the not-to-exceed amount of $614,523.52 in COMPANY fees and expenses. HOSPITAL's obligation to pay PROVIDER cannot exceed the not-to-exceed amount. It is expressly understood that the entire Scope of Work defined in **Exhibit A** must be completed by the COMPANY and it shall be the COMPANY's responsibility to ensure that hours and tasks are properly budgeted so the entire PROJECT is completed for the said fee.

B. Price Adjustment Request

Prices shall not be subject to change during the Term of the Agreement. A Price Adjustment Request may be made if both parties exercise any of the succeeding renewal option(s).

C. Progress **OR** Milestone Payments

The COMPANY will be entitled to periodic payments for work completed in accordance with the completion of tasks indicated in the Timing and Invoicing Milestones section in the Scope of Work (**Exhibit A**).

D. Terms of Payments

1. Each invoice received by HOSPITAL must include a Progress Report based on actual work performed to date in accordance with the completion of tasks indicated in **Exhibit A** - Scope of Work, Milestone/Deliverable Invoicing Schedule.
2. Payment of invoices will be made within thirty (30) calendar days after receipt of an accurate invoice that has been reviewed and approved by HOSPITAL.
3. Payment of travel expenses, with a not-to-exceed amount of $5,000, will be made within forty-five (45) calendar days upon receipt of an accurate invoice(s) with supporting documentation that has been reviewed and approved by HOSPITAL. Travel includes the following anticipated trips:
    - Discovery in-person session
        - Kellie Starr, Sr. Director of Project Management
        - Nicole Snarr, Digital Producer
        - Joel Flint, Lead Developer
        - Jeremy Fishman, Experiential Design Director

- QA in-person session – UMCSN.com
  - Kellie Starr, Sr. Director of Project Management
  - Nicole Snarr, Digital Producer
- QA in person session – Children's
  - Kellie Starr, Sr. Director of Project Management
  - Nicole Snarr, Digital Producer

4. 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, HOSPITAL's Contract Number, Project Number, Purchase Order Number, Invoice Date, Invoice Period, Invoice Number, and the Payment Remittance Address.
   b. If applicable, copies of all receipts, bills, statements, and/or invoices pertaining to reimbursable expenses such as; airline itineraries, car rental receipts, cab and shuttle receipts, and statement of per diem rate being requested must accompany any invoices containing travel expenses. Expenses not defined in **Exhibit A**, Scope of Work, or expenses greater than the per diem rates will not be paid without prior written authorization by HOSPITAL.
   c. A "BUDGET SUMMARY COMPARISON" which outlines the total amount COMPANY was awarded, the amount expended to date, the current invoice amount, the total expenditures, and the remaining award balance must accompany all invoices.
   d. HOSPITAL's representative shall notify the COMPANY in writing within fourteen (14) calendar days of any disputed amount included on the invoice. The COMPANY must submit a new invoice for the undisputed amount which will be paid in accordance with paragraph D above. Upon mutual resolution of the disputed amount, the COMPANY will submit a new invoice for the agreed amount and payment will be made in accordance with paragraph D above.
5. No penalty will be imposed on HOSPITAL if HOSPITAL fails to pay COMPANY within forty-five (45) calendar days after receipt of a properly documented invoice, and HOSPITAL will receive no discount for payment within that period.
6. 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, provided Company shall be provided notice and thirty (30) days to cure any deficiencies.
7. 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.
8. Invoices shall be submitted to: University Medical Center of Southern Nevada, Attn: Accounts Payable, 1800 W. Charleston Blvd., Las Vegas, NV 89102.

E. 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

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 the COMPANY.

**SECTION III: SCOPE OF WORK**

Services to be performed by the COMPANY for the PROJECT shall consist of the work described in the Scope of Work as set forth in **Exhibit A** of this Agreement, attached hereto.

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

A. HOSPITAL may at any time, by written order, make changes within the general scope of this Agreement and in the services or work to be performed. If such changes cause an increase or decrease in the 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 the COMPANY for the adjustment under this clause must be submitted in writing within thirty (30) calendar days from the date of receipt by the 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 the 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, the COMPANY must obtain written approval by HOSPITAL prior to replacing him or her with another equally qualified person. If COMPANY fails to make a required replacement within thirty (30) days, HOSPITAL may terminate this Agreement for default.

C. COMPANY 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. The 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. The COMPANY will follow HOSPITAL's standard procedures as followed by HOSPITAL's staff in regard to programming changes; testing; change control; and other similar activities, including HOSPITAL's Policy I-66 (Contracted Non-Employees/Allied Health Non-Credentialed /Dependent Allied Health / Temporary Staff / Construction/Third Party Equipment), as may be amended from time to time. HOSPITAL will provide a copy of said policy upon COMPANY request.

F. The COMPANY shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all services furnished by the 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.

G. It shall be the duty of the COMPANY to assure that all products / services of its effort are technically sound and in conformance with all

pertinent Federal, State and Local statutes, codes, ordinances, resolutions and other regulations. If applicable, COMPANY will not produce a work product which violates or infringes on any copyright or patent rights. The COMPANY shall, without additional compensation, correct or revise any errors or omissions in its services / work products provided HOSPITAL gives COMPANY notice of such errors during the warranty period of 30 days after the date of acceptance of the final version of the deliverables ("Warranty Period"). This warranty shall not apply in the event that (i) the Deliverables have been modified by any Party other than the Agency; (ii) the Deliverables have been used by Client in any unauthorized manner; or (iii) the error results from causes outside Agency's reasonable control.

1. Permitted or required approval by HOSPITAL of any products or services furnished by COMPANY shall not in any way relieve the 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. HOSPITAL agrees and acknowledges that materials not incorporated into the Project may not be used without permission, licenses, or releases from third parties.

I. Drawings and specifications remain the property of the 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. Subject to applicable third party licenses or agreements, 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. HOSPITAL'S use and ownership of the materials incorporated into the Project and the use and ownership of the Project are subject to all third party licenses that have been disclosed to HOSPITAL

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

**SECTION VI: SUBCONTRACTS**

A. It is the understanding of the parties that COMPANY will not engage subcontractors without HOSPITAL permission. Notwithstanding, services specified by this Agreement shall not be subcontracted by the COMPANY, without prior written approval of HOSPITAL.

B. Approval by HOSPITAL of COMPANY's request to subcontract, or acceptance of, or payment for, subcontracted work by HOSPITAL shall not in any way relieve COMPANY of responsibility for the professional and technical accuracy and adequacy of the work. COMPANY shall be and remain liable for all damages to HOSPITAL caused by negligent performance or non-performance of work under this Agreement by COMPANY's subcontractor or its sub-subcontractor.

C. The compensation due under Section II shall not be affected by HOSPITAL's approval of COMPANY's request to subcontract.

**SECTION VII: RESPONSIBILITY OF HOSPITAL**

A. HOSPITAL agrees that its officers and employees will cooperate with COMPANY in the performance of services under this Agreement and will be available for consultation with COMPANY at such reasonable times with advance notice as to not conflict with their other

responsibilities.

B. The services performed by COMPANY under this Agreement shall be subject to review for compliance with the terms of this Agreement by HOSPITAL's representative, Maria Sexton, telephone number 702-671-6579 or their designee. HOSPITAL's representative may delegate any or all of his responsibilities under this Agreement to appropriate staff members, and shall so inform COMPANY by written notice before the effective date of each such delegation.

C. 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. COMPANY shall complete the PROJECT in accordance with the milestones contained in **EXHIBIT A** of this Agreement.

C. If the COMPANY's performance of services is delayed or if the 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.

D. In the event that the COMPANY fails to complete the PROJECT within the time specified in the Agreement, or with such additional time(s) as may be agreed to between the parties, or fails to prosecute the work or any separable part thereof, with such diligence as will ensure completion within the time(s) specified in the Agreement or any extensions thereof, the COMPANY shall pay to the HOSPITAL, as liquidated damages, the sum of $150.00 for each calendar day of delay until such reasonable time as may be required for final completion of the work, together with any increased costs incurred by the HOSPITAL in completing the work.

**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 ten (10) 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 the COMPANY is given not less than thirty (30) calendar days written notice of intent to terminate; and

b. If termination is for HOSPITAL's convenience, HOSPITAL shall pay the 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 the COMPANY at the time of termination may be adjusted to the extent of any additional costs occasioned to HOSPITAL by reason of the PROVIDER's / COMPANY's default.

b. Upon receipt or delivery by COMPANY of a termination notice, the COMPANY shall promptly discontinue all services affected (unless the notice directs otherwise) and deliver or otherwise make available to HOSPITAL's representative, copies of all deliverables as provided in Section V paragraph H.

c. If after termination for failure of the COMPANY to fulfill contractual obligations it is determined that the 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 the COMPANY shall cease conducting business, HOSPITAL shall have the right to make an unsolicited offer of employment to any employees of the COMPANY assigned to the performance of this Agreement.

4. The rights and remedies of HOSPITAL and the 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**

The COMPANY shall obtain and maintain the insurance coverage required in **Exhibit B** incorporated herein by this reference. The 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, email or facsimile, at the following addresses:

TO HOSPITAL: University Medical Center of Southern Nevada
Attn: Contracts Management
1800 W. Charleston Blvd.
Las Vegas, NV 89102

TO COMPANY: R&R Partners, Inc.
Attn: Erik Sandhu, Chief Financial Officer
900 S. Pavilion Center Drive
Las Vegas, NV 89144

**SECTION XII: MISCELLANEOUS**

A. Amendments

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

B. Independent Contractor

COMPANY acknowledges that COMPANY and any subcontractors, agents or employees employed by COMPANY shall not, under any circumstances, be considered employees of 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.

C. Immigration Reform and Control Act

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

D. Public Funds / Non-Discrimination

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

E. Assignment

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

F. Indemnity

The 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 the COMPANY or the employees or agents of the COMPANY in the performance of this Agreement.

G. Governing Law

Nevada law shall govern the interpretation of this Agreement.

H. Covenant Against Contingent Fees

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

I. Gratuities

1. HOSPITAL may, by written notice to the 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 the COMPANY or any agent or representative of the 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 the COMPANY as it could pursue in the event of a breach of this Agreement by the 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 the COMPANY in providing any such gratuities to any such officer or employee.

3. The rights and remedies of HOSPITAL provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

J. Audits

The performance of this Agreement by the COMPANY is subject to review by HOSPITAL to ensure Agreement compliance. The COMPANY agrees to provide HOSPITAL any and all information requested that relates to the performance of this Agreement. All request for information will be in writing to the 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.

K. Covenant

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

L. Confidential Treatment of Information

COMPANY shall preserve in strict confidence any information obtained, assembled or prepared in connection with the performance of this Agreement.

M. ADA Requirements

All work performed or services rendered by COMPANY shall comply with the Americans with Disabilities Act standards adopted by Clark County. All facilities built prior to January 26, 1992 must comply with the Uniform Federal Accessibility Standards; and all facilities completed after January 26, 1992 must comply with the Americans with Disabilities Act Accessibility Guidelines. COMPANY will perform the services as set forth in the Scope of Work (Exhibit A) to facilitate section 508 Compliance (Accessibility) requirements; however, HOSPITAL is responsible for compliance requirements and testing as set forth in Exhibit A.

N. Non-Excluded Healthcare Provider

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

O. Public Records

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

P. Travel Policy

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

Reimbursement shall only be for the contract personnel.

Transportation:

- Domestic Airlines (Coach Ticket). Number of trips must be approved by HOSPITAL.

- Personal Vehicle: HOSPITAL will not pay costs associated to driving a personal vehicle in lieu of air travel.

Meals: All meal charges will be paid up to and not to exceed $50 per day. This includes a 15% tip.

Lodging: Lodging will either be booked by HOSPITAL or reimbursed for costs of a reasonable room rate plus taxes for Las Vegas, NV, not to exceed $150 per night.

Rental Vehicles: One (1) automobile rental will be authorized per four (4) travelers. Rental must be mid-size or smaller. HOSPITAL will reimburse up to $150 per week. Return re-fuel cap of $50 per vehicle.

Each traveler shall submit the following documents in order to claim travel reimbursement. The documents shall be readable copies of the ***original itemized receipts*** with each traveler's full name. Only actual costs (including all applicable sales tax) will be reimbursed.

- Company's Invoice
  - With copy of executed Agreement highlighting the allowable travel
  - List of travelers
  - Number of days in travel status
- Hotel receipt
- Meals receipts for each meal
- Airline receipt
- Rental receipt (Identify driver and passengers)
- Gas re-fuel upon return of rental vehicle capped at $50 per vehicle
- Airport long term parking (only for economy rate)

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

- Excess baggage fares
- Upgrades for transportation, lodging, or vehicles
- Alcohol
- Room service
- In-room movie rentals
- Gas for personal vehicles
- Transportation to and from traveler's home and the airport
- Mileage
- Travel time

Q. 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.

R. Disclosure of Ownership Form

The COMPANY agrees to provide the information on the attached Disclosure of Ownership/Principals Form as set forth **in Exhibit E** and Disclosure of Relationship (Suppliers) Form prior to any Agreement and/or Agreement amendment to be awarded by the Governing Board.

S. The COMPANY agrees to provide the information on the attached Subcontractor Information Form as set forth in **Exhibit C**.

T. Business Associate Agreement

The COMPANY agrees to complete and submit the attached Business Associate Agreement as set for in **Exhibit D**, if HOSPITAL notifies Company in writing that it is providing Protected Health Information to Company.

U. Clark County Business License / Registration

Prior to award of this Agreement, other than for the supply of goods being shipped directly to a UMC facility, the COMPANY may be required to obtain a Clark County business license or register annually as a limited vendor business with the Clark County Business License Department.

a. Clark County Business License is Required if:
   i. A business is physically located in unincorporated Clark County, Nevada.
   ii. The work to be performed is located in unincorporated Clark County, Nevada.

b. Register as a Limited Vendor Business Registration if:
   i. A business is physically located outside of unincorporated Clark County, Nevada
   ii. A business is physically located outside the state of Nevada.

The Clark County Department of Business License can answer any questions concerning determination of which requirement is applicable to your company. It is located at the Clark County Government Center, 500 South Grand Central Parkway, 3rd Floor, Las Vegas, NV or you can reach them via telephone at (702) 455-4252 or toll free at (800) 328-4813.

You may also obtain information on line regarding Clark County Business Licenses by visiting the website at www.clarkcountynv.gov , go to "Business License Department" (http://www.clarkcountynv.gov/Depts/business_license/Pages/default.aspx)

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

HOSPITAL:

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA

By:_____ _____

MASON VANHOUWELING DATE
Chief Executive Officer

COMPANY:

R & R PARTNERS, INC.

By:_____ _____

//NAME// DATE

//TITLE//

EXHIBIT A
SCOPE OF WORK
University Medical Center • Website Development

## Overview

COMPANY will develop both the main University Medical Center ("UMC" or "HOSPITAL") website and the UMC Children's Hospital site from the approved designs.

COMPANY proposes to engage in a discovery audit phase that will include a review of the current third-party integrations, current database feeds and the chosen ER wait time software; a review of the Physician Privileges functionality; a review of the approved designs and user testing feedback; and a consultation with UMC IT's team to discuss the proposed website environment. Also from the discovery phase, COMPANY will provide a recommendation on an ESP platform that can be integrated into the site.

COMPANY proposes using a .NET content management platform Kentico Ultimate MVC that would be hosted on an Azure web app platform. Kentico will pave the way for efficient responsive development on both sites and allow for shared content modules. Industry standard security measures will be implemented within the CMS as well as on Azure web app servers.

COMPANY will build both sites to support multiple languages, link out appropriately to current UMC systems (Patient Portal, My Chart Bedside Reporting, etc.), and integrate smoothly with third-party platforms. HOSPITAL will provide a list of required languages during the discovery phase.

## Scope of Work

### Content and Page Build

COMPANY will create the pages and content and load all 200+ pages outlined in the UMCSN.com sitemap in Exhibit G of the RFP 2019-12 Website Redesign Phase II published October 13, 2019 in the Las Vegas Review Journal using the approved components in Exhibit G. In addition, for CHNV.org, COMPANY will create the pages and content and load all 150+ pages outlined in the sitemap in Exhibit G using the approved component in Exhibit G. All pages built will use the identified components in Exhibit G and be styled according to their respective site style guide.

COMPANY will work with UMC stakeholders on finessing the approved content into the components. This process will include, but not limited to, reviewing the copy to fit within the defined character counts per the approved components, adjusting image sizes, identifying hyperlink opportunities, and reviewing downloadable files types.

### SEO Optimization

COMPANY will ensure that SEO best practices are implemented as well as a thorough 301 redirect strategy for all existing website links. SEO Content will be presented on both sites using the approved content modules.

SEO work on the site has the added benefit of providing the site's own search mechanism with indexing and results, as search will be a high priority on the new site.

### Automated SEO

COMPANY will provide manual SEO at the launch of the site. Though not intended to replace manual SEO efforts, several automated systems in the CMS will contribute to ongoing SEO.

- Automated metatag creation – Keywords and descriptions will automatically be filled in based on content provided, when available.
- XML site maps – The XML site map standard is provided to search engines to help them determine the structure of the site. This document is automatically generated by the menu structure and may have content priority adjusted by site admins.

### 508 Compliance (Accessibility) ADA

HTML code follows general accessibility practices, including, but not limited to:

- Variable text size for visually impaired

- Screen-reader-friendly HTML code
- Meta title and meta description per page
- Alt tags on images and videos
- Proper label coding for content, navigation and form elements
- “Skip navigation” option for keyboard users; allows them to skip past repetitive navigation links
- Translation of web content/copy

**Quality Assurance (QA) Testing**

Quality assurance must begin with the developer. COMPANY’S developers understand that sound practices, an intimate understanding of the features required, and frequent pass/fail assessments throughout the development life cycle will help the website reach maturity significantly faster and more efficiently.

COMPANY uses a two-phase approach to testing:

Step 1 - COMPANY employees conduct an initial thorough review that includes:

**Proofreading**

Brand consistency review against the approved style guides

**Browser testing**

Quality assurance will be verified not only as functional, but also as an optimal experience for customers using the systems below. Since two of the most prominent browsers, Firefox and Google Chrome, have dismissed the traditional concept of “versions” in exchange for an aggressive update cycle, and these updates have been automated on the vast majority of customer computers, “latest update” will be used for testing purposes.

**Desktop Browsers**

Safari 11 (Mac OSX only)

Google Chrome

Firefox

Internet Explorer 10, 11 and Edge (Windows only)

**Mobile testing**

Responsive design – COMPANY will design and develop the website as “mobile first.” This is a design strategy that focuses primarily on delivering the highest quality mobile experience before adding features and enhancements to the desktop user. Using a responsive design framework allows us to ensure presentation capability across all devices.

Mobile-centric user experience and interface design – The responsive actions of the website will not only collapse to fit the screen, but will also take into account the touch capability of the smaller devices.

Mobile bandwidth optimized – Performance optimizations and graphics implementation will reduce the amount of bandwidth needed by as much as possible to decrease loading time over cellular networks.

**Mobile Browsers**

Mobile Safari (iOS only; efforts will be made to accommodate the “notch” in the new iPhone X devices)

Google Chrome (iOS and Android)

Step 2 - Engage ULTRA Testing

ULTRA Testing is a vendor that focuses solely on providing world-class testing services to ensure an outside perspective and expertise in the following areas:

**Functional testing**

Device and browser testing

Design quality assurance

Once all testing is complete and the website is stable, COMPANY will move the site from a staging environment to a live production setup.

**Users**

This ensures that all users, particularly those who are logged in, are presented with utility that is specific and relative to their roles. This

also provides security to sections of the system based on context, down to the user. For instance, segmenting content responsibilities by functional area to users and roles relevant to those areas provides a simpler set of tasks and workflows, but it also provides sandboxing from other parts of the site.

**Role Hierarchy**

Role access does not necessarily overlap, but may be “stacked” to add privileges, adjustable via site administration. For instance, a “contributor” may be granted content editing capability by adding them to the Content Editor role. Roles may change or be divided into more specific rights based on growing company needs. Initial role setup is as follows:

**Workflow**

The workflow in Kentico allows administrators the ability to track, manage and approve all content throughout each stage of the publishing process. The admin is able to create, publish and archive content on the site. They are also able to design and customize the approval process and assign roles to the appropriate content areas.

**Front-end (User facing) Standards**

Document Type - All pages will be generated to standards-compliant HTML 5 through a combination of CSS for styling and JavaScript for additional functionality. This format will provide a foundation for accessible content with respect to the American with Disabilities Act, section 508 compliance for screen readers, and other assistive devices, while still providing an engaging platform for content and design. General care is taken to eliminate unnecessary code or other information, page compression and caching headers are used to reduce the volume of information (bandwidth) needed to deliver a page.

**Back-end (Server-side) Standards**

Platform - Kentico 12 MVC on Azure Web App

Azure App Service, customized by COMPANY

Azure SQL DBaaS on the latest stable version of Microsoft SQL Server

Kentico installations for staging and live environments

Azure Search service for optimal search performance

Azure CDN support for delivery performance

**Libraries and Software**

Azure App Service

Version control: GitHub

Dependency Manager: NPM, Composer

SQL Administration: Microsoft Enterprise Manager

Gulp/Webpac

**Security and compliance**

App Service is ISO, SOC and PCI compliant. Authenticate users with Azure Active Directory or with social login (Google, Facebook, Twitter and Microsoft). COMPANY to create IP address restrictions and manage service identities.

CMS Customer and Third-party Architecture

**Email Collection**

Emails collected for marketing purposes may either be sent directly to a provider of HOSPITAL’S choice or downloaded on-demand in CSV format for manual management in another HOSPITAL owned or operated system.

**External Domain Content**

Any menu item whose content is provided by a third party may be loaded into an iframe beneath the navigation. This will help reduce, but may not entirely eliminate, the need for third-party cooperation when website styling or menu changes are made.

CMS Development Architecture

**Visual Studio integration**

Dedicated tools in Visual Studio will help streamline the work of creating, deploying and debugging.

Version Control Architecture

Git version control allows for distributed developer collaboration. It allows developers to gracefully merge separately developed code into a single document and keeps detailed records of updates made for referencing. And, should problems arise from an update, it allows instant retrieval of previous versions.

**Deployment**

Continuous integration will be configured using Azure DevOps and GitHub. Updates will be promoted through test and staging environments. Both Azure PowerShell and the cross-platform command-line interface (CLI) will be utilized.

**Hosting Architecture**

Azure Web App

Azure App Service is an HTTP-based service for hosting web applications, REST APIs and mobile back-ends.

**Support**

Azure Web App is responsible for hosting, hosting maintenance and anything related to up-time. Azure Web App provides a dedicated account team for one year under current suggested agreement. COMPANY will have constant communication with the Azure Web App team for hosting related issues that may require COMPANY's cooperation to apply code-based updates. COMPANY will also communicate to HOSPITAL marketing and IT when any issues arise, as well as share proposed solution and timeline of when the issue(s) will be resolved.

**Security from Azure**

Microsoft covered cloud services are audited at least annually against the SOC reporting framework by independent third-party auditors. The audit for Microsoft cloud services covers controls for data security, availability, processing integrity, and confidentiality as applicable to in-scope trust principles for each service.

Microsoft has achieved SOC 1 Type 2, SOC 2 Type 2, and SOC 3 reports. In general, the availability of SOC 1 and SOC 2 reports is restricted to customers who have signed nondisclosure agreements with Microsoft; the SOC 3 report is publicly available.

Azure Web App will handle 100% of the security monitoring. HOSPITAL IT can provide additional monitoring expectations to COMPANY and/or Azure Web App security team if initial support does not meet HOSPITAL IT expectations. COMPANY will be a part of all communication if updates to the code base are required to improve security measures.

**Scalability and availability**

The Azure App Service will scale up or out manually or automatically as needed. The app will be hosted in Microsoft's global datacenter infrastructure, so the App Service SLA promises high availability.

**DNS**

HOSPITAL will point DNS to Azure Web App instance. COMPANY is available to help if necessary.

Roles and Responsibilities

The following roles and responsibilities will be assumed by Company and the Hospital team, respectively:

Company

**Meetings –**

Conduct one in-person discovery session with HOSPITAL at kickoff,

Hold regular status meetings with HOSPITAL (frequency determined at discovery/kickoff),

Progress presentations to HOSPITAL (detailed in the timing and invoicing milestones section below)

Conduct one in-person QA session per website (2 total), and one recorded web-based CMS training session per site (2 total) a recording of which will be delivered to Hospital.

**Implementation**

Build of websites

Contract with vendors and complete set up of Kentico licenses, secure hosting and quality assurance (QA) testing of websites

Run free test scan for 508 ADA compliance (testing tool to be identified in Discovery)

Finesse HOSPITAL-provided written content as required for page layout

Support (as needed)

Ensure security of websites and supporting infrastructure

Ensure sites are operational and accessible per agreed upon SLA between COMPANY and third party. Monthly monitoring of Kentico and Azure platforms, performing any necessary updates as required

**HOSPITAL Team implementation**

Provide COMPANY with all original content assets including copy, resized and retouched images, video files, and all attachments including forms, PDFs, etc.

All database implementation and configuration of systems on the UMC network

All application development and programming of systems of the UMC network

Participation in Quality Assurance (QA)

Final review and approval of site to launch

**Support**

Ongoing update of content for both desktop and mobile versions of websites

Resolution of database, application or programming issues of systems on the UMC network

**Response Times**

COMPANY will respond within one business day to all email communication unless HOSPITAL communicates an expected response time. For matters HOSPITAL identifies as urgent, COMPANY will make an effort to respond within 24 hours via phone and/or text. HOSPITAL shall contact the appropriate individuals that will be identified during the discovery phase

The Azure Web App team will manage any requests outside the code-base. For urgent matters that require both COMPANY and Azure Web App, COMPANY will be the main POC to ensure the site is rectified and up and running with little to no down time.

After Project launch, any additional maintenance or service requests (outside of the monthly monitoring and platform updates) will be subject to additional fees and will be set out in a separate Statement of Work.

**Offline Requests**

If necessary, when situations arise outside of normal business hours, COMPANY will contact Azure Web App to understand the situation and communicate back to HOSPITAL marketing and IT teams. Issues that require COMPANY's immediate assistance will be mutually agreed upon and documented prior to the commencement of maintenance support. One potential issue that will require COMPANY'S immediate assistance is the website being down.

After Project launch, any additional maintenance or service requests will be subject to additional fees and will be set out in a separate Statement of Work.

**Assumptions**

The following assumptions were used for the estimation of the COMPANY budget, cost budget and timing of this scope of work.

HOSPITAL will provide a single point of contact for feedback and approvals.

HOSPITAL will supply all relevant requirements and specifications for stated deliverables.

HOSPITAL will supply brand assets and all associated licenses and copyrights, and notify COMPANY of any limitations on HOSPITAL's right to use such assets.

Out-of-pocket expenses such as photography and icon library will be estimated and billed separately. All applicable usage and rights will be noted on those estimates.

HOSPITAL will purchase usage rights for all photos and icon libraries

HOSPITAL is responsible for trademark search and registration if any logos or taglines.

COMPANY will run a free test scan for 508 ADA compliance (testing tool to be identified in Discovery), however HOSPITAL may wish to purchase additional software at their own expense if they wish to conduct further compliance testing and analysis.

COMPANY will integrate HOSPITAL's email service provider into the new website (identified during Discovery), however this scope of work does not include the hard cost or initial set up of a CRM or email service provider.

COMPANY will put forth its best efforts to maintain the look and feel of integrated third-party content for the UMC website using CSS (style sheets) or assets created in the design process. However, some systems or pages used by third parties may not be compatible

with COMPANY'S mobile strategy, or may not allow access required to alter the user experience. In some cases, it will be up to the third-party vendor to provide an optimal experience for mobile devices.

**Constraints**

It is critical that both COMPANY and HOSPITAL commit to their scheduled deadlines for all milestones to be met on time and within budget. Any delays in providing information, assets, feedback, approvals, etc., will affect the overall project timeline and possibly the scope of work. Additional rounds of revisions over and above those outlined in the original scope of work may also affect timeline and scope. Additional features required that are not defined and approved in advance from the discovery and kickoff phase may also affect timeline and scope.

**Fee Summary**

Subject to Section II(A) of the Agreement:

COMPANY Flat Project Fee - Initial Website development: $395,000*

COMPANY ongoing administrative fee – Expected to not exceed $1500/month

Includes monthly monitoring of Kentico and Azure, performing any necessary platform updates and billing of platform hard costs Cost of Hosting Responsibility of COMPANY*:

2 Kentico Single Site License: not to exceed $30,000

Hosting: expected to not exceed $530/month**

Ultra QA: Not to exceed $30,000

Travel budget: Not to exceed $5,000

COMPANY shall subcontract directly with its vendors and subcontracts are subject to this Master Agreement.

*Additional requirements determined during the discovery phase that go above and beyond the requirements listed in the current SOW will be estimated separately or a change order submitted to determine which prior requirements will be substituted. All hard costs will be approved in advance by UMC before purchasing.

**Azure will bill based on actual website traffic. If the website has a huge spike in traffic on a particular month, it is possible the amount could be over this. COMPANY will provide all Azure pricing plans to HOSPITAL.

This Scope of Work does not include web maintenance. If requested by Hospital, Company shall bill Hospital $180.00 per hour and shall provide an estimate of the hours of service necessary to complete Hospital request.

**Timing and Invoicing Milestones**

The following milestones will be invoiced according to the payment terms outlined in Section II of the agreement. A detailed timeline of these milestones will be provided upon project kickoff and may adjust as required throughout the project per the Assumptions and Constraints sections above.

**Discovery (Milestone 1):**

Audit of third-party integrations, current designs and IT environment for seamless interaction between current systems In-person discovery and kickoff session with COMPANY and UMC at HOSPITAL's office to define all key requirements and anticipated project timeline

Development (all milestones noted are invoiced based on individual completion per site)*:

**Milestone 2**

Environment set up (includes licensing and hosting)

Kentico Ultimate MVC (content management system)

Azure web app (hosting)

Development of 5-10 modules

Finesse and integration of content for up to 25 pages

Progress check-in with HOSPITAL

**Milestone 3**

Development of additional 5-10 modules

Finesse and integration of content for up to 50 pages

ESP Integration

Integration of up to 2 Third Party APIs

Progress check-in with HOSPITAL

**Milestone 4**

Development of remaining modules

Finesse and integration of content for up to 100 pages

Multi Language integration

Integration of up to 2 Third Party APIs

Progress check-in with HOSPITAL

**Milestone 5**

Finesse and integration of final content (estimated at approx. 25 remaining pages)

ADA Compliance

SEO integration

Finesse and integration of remaining Third Party APIs

Progress check-in with HOSPITAL

**Milestone 6**

Quality Assurance (QA) Testing (includes an in-person development presentation)

301 redirects

Launch

Training

Ongoing (monthly)

Administrative fee for monitoring Kentico and Azure, performing any necessary platform updates and billing platform hard costs borne by COMPANY

*All development milestones include on-going status meetings with HOSPITAL at a frequency determined after Discovery.

## EXHIBIT B
## WEBSITE DEVELOPMENT
## 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**: The 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 the 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**: The 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**: The HOSPITAL, its officers and employees must be expressly covered as additional insured's except on Workers' Compensation. The COMPANY's insurance shall be primary as respects the HOSPITAL, its officers and employees.

D. **Endorsement/Cancellation**: The COMPANY's general liability and automobile liability insurance policy shall be endorsed to recognize specifically the COMPANY's contractual obligation of additional insured to HOSPITAL and must note that the 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, the 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, the 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**: The 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 the HOSPITAL.

J. **Workers' 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, inclusive, provided, however, a COMPANY that is a Sole Proprietor shall be required to submit an affidavit (Attachment 1) indicating that the 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 the COMPANY fails to maintain any of the insurance coverage required herein, HOSPITAL may withhold payment, order the COMPANY to stop the work, declare the 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 the COMPANY or deduct the amount paid from any sums due the COMPANY under this Agreement.

L. **Additional Insurance**: The COMPANY is encouraged to purchase any such additional insurance as it deems necessary.

M. **Damages**: The 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 the COMPANY, their subcontractors or anyone employed, directed or supervised by COMPANY.

N. **Cost**: The 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 Submittal Requirements Clause in the RFP package for the appropriate mailing address.

P. **Insurance Form Instructions**: The following information must be filled in by the PROVIDER/s / COMPANY's Insurance Company representative:

1. Insurance Broker's name, complete address, phone and fax numbers.
2. PROVIDER's / COMPANY's name, complete address, phone and fax numbers.
3. Insurance Company's Best Key Rating
4. Commercial General Liability (Per Occurrence)
   (A) Policy Number

(B) Policy Effective Date
(C) Policy Expiration Date
(D) Each Occurrence ($1,000,000)
(E) Damage to Rented Premises ($50,000)
(F) Medical Expenses ($5,000)
(G) Personal & Advertising Injury ($1,000,000)
(H) General Aggregate ($2,000,000)
(I) Products - Completed Operations Aggregate ($2,000,000)

5. Automobile Liability (Any Auto)
   (J) Policy Number
   (K) Policy Effective Date
   (L) Policy Expiration Date
   (M) Combined Single Limit ($1,000,000)
6. Worker's Compensation
7. Professional Liability
   (N) Policy Number
   (O) Policy Effective Date
   (P) Policy Expiration Date
   (Q) Aggregate ($1,000,000)
8. Description: CBE Number and Name of Agreement (must be identified on the initial insurance form and each renewal form).
9. Certificate Holder:
   University Medical Center of Southern Nevada
   c/o Contracts Management
   1800 W. Charleston Blvd.
   Las Vegas, Nevada 89102
10. Appointed Agent Signature to include license number and issuing state.

ACORD®

# 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**<br>**1.** INSURANCE BROKER'S NAME<br>ADDRESS | CONTACT NAME: | |
| | PHONE (A/C No. Ext): BROKER'S PHONE NUMBER | FAX (A/C No.) BROKER'S FAX NUMBER |
| | E-MAIL ADDRESS: BROKER'S EMAIL ADDRESS | |
| | INSURER(S) AFFORDING COVERAGE | NAIC # |
| **INSURED**<br>**2.** //TYPE//'S NAME<br>ADDRESS<br>PHONE & FAX NUMBERS | INSURER A: | **3.** |
| | INSURER B: | COMPANY'S |
| | INSURER C: | |
| | INSURER D: | BEST KEY |
| | INSURER E: | |
| | INSURER F: | 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 | X | | (A) | (B) | (C) | EACH OCCURRENCE | $(D) | 1,000,000 |
| | X COMMERCIAL GENERAL LIABILITY | | | | | | DAMAGE TO RENTED PREMISES (Ea occurrence) | $(E) | 50,000 |
| | CLAIMS-MADE X OCCUR. | | | | | | 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 | $(I) | 2,000,000 |
| | POLICY X PROJECT LOC | | | | | | **DEDUCTIBLE MAXIMUM** | **$** | **25,000** |
| **5.** | AUTOMOBILE LIABILITY | X | | (J) | (K) | (L) | COMBINED SINGLE LIMIT (Ea accident) | $(M) | 1,000,000 |
| | X ANY AUTO | | | | | | BODILY INJURY (Per person) | $ | |
| | ALL OWNED AUTOS | | | | | | BODILY INJURY (Per accident) | $ | |
| | SCHEDULED AUTOS | | | | | | PROPERTY DAMAGE (Per accident) | $ | |
| | HIRED AUTOS | | | | | | | $ | |
| | NON-OWNED AUTOS | | | | | | **DEDUCTIBLE MAXIMUM** | **$** | **25,000** |
| **6.** | WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY Y/N | N/A | | | | | WC STATU-TORY LIMITS OTHER | $ | |
| | ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) describe under DESCRIPTION OF OPERATIONS below | | | | | | 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.** | HOMEOWNER'S LIABILITY | | | (R) | (S) | (T) | LIMIT (PER OCCURRENCE) | $(U) | 300,000 |

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

**9.** CBE NO. 2019-12 WEBSITE REDESIGN PHASE II

**10.** CERTIFICATE HOLDER

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

CANCELLATION

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

**11.** AUTHORIZED REPRESENTATIVE

POLICY NUMBER: _____ COMMERCIAL GENERAL AND AUTOMOBILE LIABILITY

CBE NUMBER AND CONTRACT NAME:

**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 INSUREDS WITH RESPECT TO LIABILITY ARISING OUT OF THE ACTIVITIES BY OR ON BEHALF OF THE NAMED INSURED IN CONNECTION WITH THIS PROJECT.

## ATTACHMENT 1 (OPTIONAL)

### AFFIDAVIT

### (ONLY REQUIRED FOR A SOLE PROPRIETOR)

I, _____, on behalf of my company, _____, being duly sworn,
(Name of Sole Proprietor) (Legal Name of Company)

depose and declare:

1. I am a Sole Proprietor;

2. I will not use the services of any employees in the performance of this Agreement, identified as CBE No. RFP 2019-12, entitled Website Design Phase II;

3. I have elected to not be included in the terms, conditions, and provisions of NRS Chapters 616A-616D, inclusive; and

4. I am otherwise in compliance with the terms, conditions, and provisions of NRS Chapters 616A-616D, inclusive.

I release University Medical Center of Southern Nevada from all liability associated with claims made against me and my Company, in the performance of this Agreement, that relate to compliance with NRS Chapters 616A-616D, inclusive.

Signed this _____ day of _____, _____.

Signature _____

State of Nevada )
)ss.
County of Clark )

Signed and sworn to (or affirmed) before me on this _____ day of _____, 20___,

by _____ (name of person making statement).

Notary Signature

STAMP AND SEAL

## EXHIBIT C
## SUBCONTRACTOR INFORMATION

**DEFINITIONS:**

MINORITY OWNED BUSINESS ENTERPRISE (MBE): An independent and continuing **Nevada** business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more minority persons of Black American, Hispanic American, Asian-Pacific American or Native American ethnicity.

WOMEN OWNED BUSINESS ENTERPRISE (WBE): An independent and continuing **Nevada** business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more women.

PHYSICALLY-CHALLENGED BUSINESS ENTERPRISE (PBE): An independent and continuing **Nevada** business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more disabled individuals pursuant to the federal Americans with Disabilities Act.

SMALL BUSINESS ENTERPRISE (SBE): An independent and continuing **Nevada** business for profit which performs a commercially useful function, is **not** owned and controlled by individuals designated as minority, women, or physically-challenged, and where gross annual sales does not exceed $2,000,000.

NEVADA BUSINESS ENTERPRISE (NBE): Any Nevada business which has the resources necessary to sufficiently perform identified County projects, and is owned or controlled by individuals that are not designated as socially or economically disadvantaged.

VETERAN OWNED ENTERPRISE (VET): A Nevada business at least 51% owned/controlled by a veteran.

DISABLED VETERAN OWNED ENTERPRISE (DVET): A Nevada business at least 51% owned/controlled by a disabled veteran.

It is our intent to utilize the following MBE, WBE, PBE, SBE, and NBE subcontractors in association with this Agreement:

1. Subcontractor Name:_____
   Contact Person:_____ Telephone Number:_____
   Description of Work:_____
   _____
   Estimated Percentage of Total Dollars:_____
   Business Type: ___ MBE ___ WBE ___ PBE ___ SBE ___ NBE

2. Subcontractor Name:_____
   Contact Person:_____ Telephone Number:_____
   Description of Work:_____
   _____
   Estimated Percentage of Total Dollars:_____
   Business Type: ___ MBE ___ WBE ___ PBE ___ SBE ___ NBE

3. Subcontractor Name:_____
   Contact Person:_____ Telephone Number:_____
   Description of Work:_____
   _____
   Estimated Percentage of Total Dollars:_____
   Business Type: ___ MBE ___ WBE ___ PBE ___ SBE ___ NBE

4. Subcontractor Name:_____
   Contact Person:_____ Telephone Number:_____
   Description of Work:_____
   _____
   Estimated Percentage of Total Dollars:_____
   Business Type: ___ MBE ___ WBE ___ PBE ___ SBE ___ NBE

□ No MBE, WBE, PBE, SBE, or NBE subcontractors will be used.

# EXHIBIT D
# BUSINESS ASSOCIATE AGREEMENT

This Agreement is made effective the ____ of _____, 201__, 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 _____, hereinafter referred to as "Business Associate", (individually, a "Party" and collectively, the "Parties").

WITNESSETH:

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

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

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

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

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

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

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

I. DEFINITIONS

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

"Protected Health Information" means individually identifiable health information created, received, maintained, or transmitted in any medium, including, without limitation, all information, data, documentation, and materials, including without limitation, demographic, medical and financial information, that relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present, or future payment for the provision of health care to an individual; and that identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual. "Protected Health

Information" includes without limitation "Electronic Protected Health Information" as defined below.

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

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

II. ACKNOWLEDGMENTS

Business Associate and Covered Entity acknowledge and agree that in the event of an inconsistency between the provisions of this Agreement and mandatory provisions of the HIPAA Rules, the HIPAA Rules shall control. Where provisions of this Agreement are different than those mandated in the HIPAA Rules, but are nonetheless permitted by the HIPAA Rules, the provisions of this Agreement shall control. Business Associate acknowledges and agrees that all Protected Health Information that is disclosed or made available in any form (including paper, oral, audio recording or electronic media) by Covered Entity to Business Associate or is created or received by Business Associate on Covered Entity's behalf shall be subject to this Agreement.

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

III. USE AND DISCLOSURE OF PROTECTED HEALTH INFORMATION

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

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

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

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

(c) Where Business Associate is permitted to use Subcontractors that create, receive, maintain, or transmit Protected Health Information; Business Associate agrees to execute a "Business Associate Agreement" with Subcontractor as defined in the HIPAA Rules that includes the same covenants for using and disclosing, safeguarding, auditing, and otherwise administering Protected Health Information as outlined in Sections I through VII of this Agreement (45 CFR 164.314).

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

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

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

IV. SAFEGUARDING PROTECTED HEALTH INFORMATION

(a) Business Associate agrees:

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

(ii) To implement "Administrative Safeguards," "Physical Safeguards," and "Technical Safeguards" as defined in the

HIPAA Rules to protect and secure the confidentiality, integrity, and availability of Electronic Protected Health Information (45 CFR 164.308, 164.310, 164.312). Business Associate shall document policies and procedures for safeguarding Electronic Protected Health Information in accordance with 45 CFR 164.316.

(iii) To notify Covered Entity of any 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 the Covered Entity HIPAA Program Management Office 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) To provide Covered Entity with timely and appropriate access to records, electronic records, personnel, or facilities sufficient for Covered Entity to gain reasonable assurance that Business Associate is in compliance with the HIPAA Rules and the provisions of this Agreement.

(ii) That in accordance with the HIPAA Rules, the Secretary of the U.S. Department of Health and Human Services has the right to review, audit, or investigate Business Associate's records, electronic records, facilities, systems, and practices related to safeguarding, use, and disclosure of Protected Health Information to ensure Covered Entity's or Business Associate's compliance with the HIPAA Rules.

VI. COVERED ENTITY REQUESTS AND ACCOUNTING FOR DISCLOSURES

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

(i) To comply with any requests for restrictions on certain disclosures of Protected Health Information pursuant to Section 164.522 of the HIPAA Rules to which Covered Entity has agreed and of which Business Associate is notified by Covered Entity.

(ii) To make available Protected Health Information to the extent and in the manner required by Section 164.524 of the HIPAA Rules. If Business Associate maintains Protected Health Information electronically, it agrees to make such Protected Health Information electronically available to the Covered Entity.

(iii) To make Protected Health Information available for amendment and incorporate any amendments to Protected Health Information in accordance with the requirements of Section 164.526 of the HIPAA Rules.

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

VII. TERMINATION

Notwithstanding anything in this Agreement to the contrary, Covered Entity shall have the right to terminate this Agreement and the Underlying Agreement immediately if Covered Entity determines that Business Associate has violated any material term of this Agreement. If Covered Entity reasonably believes that Business Associate will violate a material term of this Agreement and, where practicable, Covered

Entity gives written notice to Business Associate of such belief within a reasonable time after forming such belief, and Business Associate fails to provide adequate written assurances to Covered Entity that it will not breach the cited term of this Agreement within a reasonable period of time given the specific circumstances, but in any event, before the threatened breach is to occur, then Covered Entity shall have the right to terminate this Agreement and the Underlying Agreement immediately.

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

VIII. MISCELLANEOUS

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

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

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

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

| COVERED ENTITY: | BUSINESS ASSOCIATE: |
|---|---|
| By:_____ | By:_____ |
| Mason VanHouweling | (Name) |
| Title:_____ | Title:_____ |
| Date:_____ | Date:_____ |

# EXHIBIT E

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

**Purpose of the Form**

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

**General Instructions**

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

**Detailed Instructions**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## DISCLOSURE OF OWNERSHIP/PRINCIPALS

| **Business Entity Type (Please select one)** | | | | | | |
|---|---|---|---|---|---|---|
| ☐ Sole Proprietorship | ☐Partnership | ☐ Limited Liability Company | ☐ Corporation | ☐ Trust | ☐ Non-Profit Organization | ☐ Other |

| **Business Designation Group (Please select all that apply)** | | | | | | |
|---|---|---|---|---|---|---|
| ☐ MBE | ☐ WBE | ☐ SBE | ☐ PBE | ☐ VET | ☐DVET | ☐ ESB |
| Minority Business Enterprise | Women-Owned Business Enterprise | Small Business Enterprise | Physically Challenged Business Enterprise | Veteran Owned Business | Disabled Veteran Owned Business | Emerging Small Business |

**Number of Clark County Nevada Residents Employed:**

| | | |
|---|---|---|
| **Corporate/Business Entity Name:** | | |
| **(Include d.b.a., if applicable)** | | |
| **Street Address:** | | **Website:** |
| **City, State and Zip Code:** | | **POC Name:**<br>**Email:** |
| **Telephone No:** | | **Fax No:** |
| **Nevada Local Street Address:**<br>**(If different from above)** | | **Website:** |
| **City, State and Zip Code:** | | **Local Fax No:** |
| **Local Telephone No:** | | **Local POC Name:**<br>**Email:** |

**All entities,** with the exception of publicly-traded and non-profit organizations**,** must list the names of individuals holding more than five percent (5%) ownership or financial interest in the business entity appearing before the Board.
**Publicly-traded entities and non-profit organizations shall list all Corporate Officers and Directors** in lieu of disclosing the names of individuals with ownership or financial interest. The disclosure requirement, as applied to land-use applications, extends to the applicant and the landowner(s).
**Entities** include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations.

| Full Name | Title | % Owned<br>(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

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

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

Signature _____ Print Name _____

Title _____ Date _____

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

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

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|---|---|---|---|
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* UMC employee means an employee of University Medical Center of Southern Nevada

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

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

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

---

***For UMC Use Only:***

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

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

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

Notes/Comments:

_____

Signature

_____

Print Name

Authorized Department Representative

**INSTRUCTIONS FOR COMPLETING THE**

**DISCLOSURE OF RELATIONSHIP**
**(Suppliers)**

**Purpose of the Form**

The purpose of the Disclosure of Relationship Form is to gather information pertaining to the business entity for use by the Board of Hospital Trustees and Hospital Administration in determining whether a conflict of interest exists prior to awarding a contract.

**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 UMC. Failure to submit the requested information may result in a refusal by the UMC to enter into an agreement/contract and/or release monetary funding to such disclosing entity.

**Detailed Instructions**

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

***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.

***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.

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.

**Definition**
An actual or potential conflict of interest is present when an actual or potential conflict exists between an individual's duty to act in the best interests of UMC and the patients we serve and his or her desire to act in a way that will benefit only him or herself or another third party. Although it is impossible to list every circumstance giving rise to a conflict of interest, the following will serve as a guide to the types of activities that might cause conflict of interest and to which this policy applies.

**Key Definitions**

**"Material financial interest"** means

- An employment, consulting, royalty, licensing, equipment or space lease, services arrangement or other financial relationship
- An ownership interest
- An interest that contributes more than 5% to a member's annual income or the annual income of a family member
- A position as a director, trustee, managing partner, officer or key employee, whether paid or unpaid

**"Family member"** means a spouse or domestic partner, children and their spouses, grandchildren and their spouses, parents and their spouses, grandparents and their spouses, brothers and sisters and their spouses, nieces and nephews and their spouses, parents-in-law and their spouses. Children include natural and adopted children. Spouses include domestic partners.

**"Personal interests"** mean those interests that arise out of a member's personal activities or the activities of a family member.

## DISCLOSURE OF RELATIONSHIP
## (Suppliers)

| | |
|---|---|
| **Corporate/Business Entity Name:** | |
| **(Include d.b.a., if applicable)** | |
| **Street Address:** | |
| **City, State and Zip Code:** | |
| **Telephone No:** | |
| **Point of Contact Name:** | |
| **Email:** | |

1. **COMPENSATION ARRANGEMENTS -** Does a UMC employee or physician who is a member of UMC's medical staff (or does a family member of either group) have an employment, consulting or other financial arrangement (including, without limitation, an office or space lease, royalty or licensing agreement, or sponsored research agreement) with the company?
   ☐ Yes ☐ No (If yes, complete following.)

| **Name of Person** (self or family member) | **Name of Company** | **Describe the Compensation Arrangement** | **Dollar Value of Compensation** |
|---|---|---|---|
| **1.** | | | |
| **2.** | | | |
| **3.** | | | |

*(Use additional sheets as necessary)*

2. **BUSINESS POSITIONS -** Is a UMC employee or physician who is a member of UMC's medical staff (or does a family member of either group) an officer, director, trustee, managing partner, officer or key employee of the company?
   ☐ Yes ☐ No (If yes, complete following.)

| **Name of Person** (self or family member) | **Name of Company** | **Business Position or Title** | **Dollar Value of Compensation** (include meeting stipends and travel reimbursement) |
|---|---|---|---|
| **1.** | | | |
| **2.** | | | |
| **3.** | | | |

*(Use additional sheets as necessary)*

I certify under penalty of perjury, that all of the information provided herein is current, complete, and accurate.

Signature _____ Print Name _____

Title _____ Date _____

***For UMC Use Only:***

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

☐ Yes ☐ No Is the UMC employee or physician who is a member of UMC's medical staff (or a family member of either group) noted above involved in the contracting/selection process?

☐ Yes ☐ No Is the UMC employee or physician who is a member of UMC's medical staff (or a family member of either group) noted above involved in anyway with the business in performance of the contract?

Notes/Comments:

_____
Signature

_____
Print Name
Authorized Department Representative

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

| | | |
|---|---|---|
| **Issue:** | **Professional Services Order Form with Kaufman, Hall & Associates, LLC** | **Back-up:** |
| **Petitioner:** | Jennifer Wakem, Chief Financial Officer | **Clerk Ref. #** |

**Recommendation:**

**That the Governing Board Audit and Finance Committee review and recommend for approval by the Governing Board the Professional Services Order Form with Kaufman, Hall & Associates, LLC; authorize the Chief Executive Officer to execute future orders within his delegation of authority; and take action as deemed appropriate. (*For possible action*)**

**FISCAL IMPACT:**

Fund #: 5420.00
Fund Center: 3000851000
Description: Licenses/Professional Services/Support

Savings: N/A
Out Clause: 30-day written notice (For cause)
Bid/RFP/CBE: NRS 332.115.1(b) Professional Services

Fund Name: Operating Fund
Funded Pgm/Grant: N/A
Amount: $9,000.00
(Total Cost of Contract $1,997,512.76)
Term:
- Fixed fee – no set time on SOW.
- Subscription Agreement: 5 years (3 years + 2 options of 1 year)

**BACKGROUND:**

On December 14, 2016, the Board approved a new Subscription Services Agreement ("Agreement") with Kaufman Hall & Associates, LLC which allowed UMCSN to obtain performance analytics and budgeting software to replace the software used with UMC's previous EHR vendor. The Kaufman Hall software (Axiom) provides performance analytics and budgeting functions. The November 20, 2019, First Amendment revised the Agreement to extend the term to six years.

This Order Form is for professional services to assist in the FY 2020-2021 budget and FY2020-2024 Financial Planning. The cost of the professional services is a fixed fee of $9,000 bringing the total contract value to $1,997,512.76. Staff also requests authorization for the Hospital CEO to execute future order forms within his delegation of authority if deemed beneficial to UMC.

The Order Form has been approved by UMCSN's Decision Support Manager of Finance and Chief Financial Officer and approved as to form by UMCSN's Office of General Counsel.



Cleared for Agenda
March 18, 2020

Agenda Item #
**10**

Kaufman Hall has obtained a Vendor Registration/Business License with Clark County, NV.

In accordance with NRS 332.115.1(b), the competitive bidding process is not required for professional services.



Respectfully submitted,

Jennifer Wakem
Chief Financial Officer

**ORDER FORM**
**PROFESSIONAL SERVICES**

**Customer:** **University Medical Center of Southern Nevada**
Agreement No: 810042
Agreement Date: 11/28/2016
Sales Executive: Debra Miller

Billing Contact: Madhu Shettian
University Medical Center of Southern Nevada
1800 West Charleston Blvd.
Las Vegas, Nevada 89102
Email: (702) 207-8876
Phone: Madhu.Shettian@umcsn.com

| | **Billing Schedule** | **Fixed Fees** |
|---|---|---|
| **Professional Services Fees** | | **$9,000** |
| Remote Budget and Financial Planning Assistance | Upon receipt of signed Order Form from Customer | $9,000 |

Terms:

1. The rate is subject to change if Kaufman Hall does not receive the signed Order within 30 days of the Order Form date. The schedule identified in the Statement of Work ("**SOW**") below is subject to change if the signed Order Form is not received within seven (7) days of the Order Form date.
2. Intentionally deleted.
3. Applicable taxes may apply to all amounts listed above.
4. The scope of work described in the SOW is based on Kaufman Hall's understanding of the project based on interactions with Customer to date. Should the scope or schedule in the SOW change for reasons outside of Our control additional fees may apply.

[*Continued.*]

## STATEMENT OF WORK

Kaufman, Hall & Associates, LLC ("Kaufman Hall") will perform the following Professional Services under this Order Form:

### SCHEDULE

The remote Budget and Financial Planning Assistance Services are anticipated to occur in February through June, 2020.

### SCOPE OF WORK

Kaufman Hall will provide professional services to assist with completion of the FY2021 budget process and FY20-FY24 financial planning process.

### DELIVERABLES

Kaufman Hall will provide budget and financial planning assistance services to support University Medical Center of Southern Nevada's ("Client") Finance team to complete the FY2021 budget process and FY20-FY24 financial planning process on the Axiom Software platform. The services are described as follows:

- Client is responsible for making sure that monthly general ledger and biweekly payroll data is loaded through the most current period available.
- Kaufman Hall will provide remote assistance for the completion of the FY2021 budget process (February – April 2020)
    - Help with troubleshooting issues related to the annual budget process during scheduled weekly working session calls.
        - Topics for the weekly calls to include:
            - Review\ setup of the driver table configuration options to ensure budget driver optimization
        - Review KH standard reports available to analyze & summarize the budget
            - Review budget reconciliation reports
    - Review and assist with setup of the Budget Balance Sheet and Cash Flow utility
    - Discuss options for Deductions modeling and assist with setup, if necessary
- Client will coordinate any necessary User deployment and training

Additional user deployment assistance is out of scope but can be arranged for additional fees.

- Kaufman Hall will provide remote assistance for the completion of the FY20-FY24 financial planning process (February – June 2020)
    - Help with troubleshooting issues related to the annual financial planning process during scheduled weekly working session calls.
        - Topics for the weekly calls to include:

- Review\ setup of the driver table configuration options to ensure driver optimization
- Review KH standard reports available to analyze & summarize the financial plan

- Review and assist with setup of the Balance Sheet and Cash Flow sections
- Discuss options for Deductions modeling and assist with setup, if necessary

**ACCEPTED AND AGREED:**

| **KAUFMAN, HALL & ASSOCIATES, LLC** | | **UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA** | |
|---|---|---|---|
| By: | Kermit S. Randa | By: | |
| Name: | Kermit S. Randa | Name: | |
| Title: | CEO, Software Division | Title: | |
| Date: | March 10, 2020 | Date: | |

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

**Purpose of the Form**

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***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.

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***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.

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- **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.
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- **Emerging Small Business (ESB):** Certified by the Nevada Governor's Office of Economic Development effective January, 2014. Approved into Nevada law during the 77th Legislative session as a result of AB294.

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

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

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

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

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

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

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

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

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

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

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

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

# DISCLOSURE OF OWNERSHIP/PRINCIPALS

| **Business Entity Type (Please select one)** | | | | | | |
|---|---|---|---|---|---|---|
| ☐ Sole Proprietorship | ☐Partnership | ☒ Limited Liability Company | ☐ Corporation | ☐ Trust | ☐ Non-Profit Organization | ☐ Other |

| **Business Designation Group (Please select all that apply)** | | | | | | |
|---|---|---|---|---|---|---|
| ☐ MBE | ☐ WBE | ☐ SBE | ☐ PBE | ☐ VET | ☐DVET | ☐ ESB |
| Minority Business Enterprise | Women-Owned Business Enterprise | Small Business Enterprise | Physically Challenged Business Enterprise | Veteran Owned Business | Disabled Veteran Owned Business | Emerging Small Business |

**Number of Clark County Nevada Residents Employed: 0**

| | | |
|---|---|---|
| **Corporate/Business Entity Name:** | Kaufman, Hall & Associates LLC | |
| **(Include d.b.a., if applicable)** | | |
| **Street Address:** | 5202 Old Orchard Road, Suite N700 | **Website:** www.kaufmanhall.com |
| **City, State and Zip Code:** | Skokie, IL 60077 | **POC Name:**<br>**Email:** |
| **Telephone No:** | (847) 441-8780 | **Fax No:** |
| **Nevada Local Street Address:**<br>**(If different from above)** | | **Website:** |
| **City, State and Zip Code:** | | **Local Fax No:** |
| **Local Telephone No:** | | **Local POC Name:**<br>**Email:** |

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

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

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

| Full Name | Title | % Owned (Not required for Publicly Traded Corporations/Non-profit organizations) |
|---|---|---|
| KH Medial, LLC | | 96% |
| KH Kreg Acquisition, Inc. | | 4% |
| KH Medical, LLC is 100% owned by KH Intermediate Holdings, LLC | | |
| KH Intermediate Holdings, LLC is 99% owned by KH Acquisition, LLC | | |

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

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

   ☐ Yes ☐ No (If yes, please note that University Medical Center of Southern Nevada employee(s), or appointed/elected official(s) may not perform any work on professional service contracts, or other contracts, which are not subject to competitive bid.)

2. Do any individual members, partners, owners or principals have a spouse, registered domestic partner, child, parent, in-law or brother/sister, half-brother/half-sister, grandchild, grandparent, related to a University Medical Center of Southern Nevada full-time employee(s), or appointed/elected official(s)?

   ☐ Yes ☐ No (If yes, please complete the Disclosure of Relationship form on Page 2. If no, please print N/A on Page 2.)

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

Signature

Tom Walsh

Print Name

CEO, Software Division

Title

April 19, 2018

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 |
|---|---|---|---|
| NA | NA | NA | NA |
| | | | |
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| | | | |
| | | | |

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

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

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

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

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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

| | | |
|---|---|---|
| **Issue:** | **Tentative Budget for FY 2021** | **Back-up:** |
| **Petitioner:** | Jennifer Wakem, Chief Financial Officer | |

**Recommendation:**

**That the Audit and Finance Committee review and receive feedback on the tentative FY 2021 Operating Budget to be considered by Clark County and discuss any changes; and direct staff accordingly.** ***(For possible action)***

**FISCAL IMPACT:**

None

**BACKGROUND:**

The Chief Financial Officer will present the tentative FY 2021 Operating Budget.



Respectfully submitted,

Jennifer Wakem
Chief Financial Officer

Cleared for Agenda
March 18, 2020

Agenda Item #
**11**

UNIVERSITY MEDICAL CENTER

# Preliminary FY2021 Budget

AFC – 03/18/2020

# FY2021 Revenue Assumptions

**Gross Charges – Rolling 12 Months**

- Actual Gross Charges Dec 19 YTD adjusted for OP Surgery charging methodology change (procedures to OR minutes)
- Dec 19 YTD Gross Charges/Calendar Days for 6 months (Jul 19 – Dec 19) multiplied by Calendar days for 12 months (Jul 20 – Jun 21)
- 1% increase in inpatient volume over FY20
- Included service line expansions and new clinics
- 5% CDM increase effective July 1
- Payor mix determined by insurance plan and patient type (IP Hosp, OP Hosp, QC or PC) using Epic Data Jul 2019 – Jan 2020

**Net Revenue**

- Calculated Net Revenue per IP volume and per Visit (OP Hosp, QC & PC separately) by Insurance Plan using closed accounts data Jan 2019 – Dec 2019
- Fed Supplemental Payments calculated and built separately into budget

# FY2021 Budget Key Stats

| | FY19 Actuals | FY20 Projection | FY21 Budget | Variance | % |
|---|---|---|---|---|---|
| APDs | 186,942 | 185,461 | 191,883 | 6,422 | 3.46% |
| Total Admissions | 24,355 | 22,122 | 22,343 | 221 | 1.00% |
| Observation Days | 13,011 | 19,671 | 19,867 | 196 | 0.99% |
| AADC | 511 | 508 | 526 | 18 | 3.46% |
| ALOS (Adm) | 5.30 | 5.41 | 5.41 | (0.00) | (0.00%) |
| Hospital CMI | 1.82 | 1.74 | 1.82 | 0.09 | 4.92% |
| Medicare CMI | 2.21 | 1.86 | 1.89 | 0.03 | 1.54% |
| IP Surgery Cases | 10,051 | 9,192 | 9,283 | 91 | 0.99% |
| OP Surgery Cases | 5,940 | 6,318 | 6,318 | (0) | (0.00%) |
| Total ER Visits | 113,428 | 116,241 | 117,684 | 1,443 | 1.24% |
| Quick Care | 184,020 | 184,908 | 202,528 | 17,620 | 9.53% |
| Primary Care | 65,791 | 61,907 | 62,526 | 619 | 1.00% |
| Deliveries | 1,848 | 1,916 | 1,784 | (132) | (6.90%) |

# FY2021 Budget Income Statement Summary

| REVENUE | FY19 Actuals | FY20 Projection | FY21 Budget | Variance | % Variance |
|---|---|---|---|---|---|
| Total Gross Patient Revenue | $3,400,519,152 | $3,556,958,545 | $3,843,693,631 | $286,735,086 | 8.06% |
| Net Patient Revenue | $672,577,776 | $633,832,108 | $661,013,686 | $27,181,578 | 4.29% |
| Other Revenue | $20,353,859 | $21,025,927 | $26,067,564 | $5,041,637 | 23.98% |
| Total Net Revenue | $692,931,635 | $654,858,034 | $687,081,250 | $32,223,215 | 4.92% |
| Net Patient Revenue as a % of Gross | 19.78% | 17.82% | 17.20% | (0.62%) | |

| EXPENSE | FY19 Actuals | FY20 Projection | FY21 Budget | Variance | % Variance |
|---|---|---|---|---|---|
| Total Operating Expense | $688,905,920 | $674,630,626 | $710,921,056 | ($36,290,430) | (5.38%) |

| INCOME FROM OPS | FY19 Actuals | FY20 Projection | FY21 Budget | Variance | % Variance |
|---|---|---|---|---|---|
| Total Inc from Ops | $4,025,715 | ($19,772,591) | ($23,839,806) | ($4,067,215) | (20.57%) |
| Add back: Depr & Amort. | $28,556,742 | $22,149,489 | $25,693,104 | $3,543,614 | (16.00%) |
| **Tot Inc from Ops plus Depr & Amort.** | **$32,582,457** | **$2,376,898** | **$1,853,297** | **($523,600)** | **22.03%** |

# FY2021 Net Operating Revenue Explanations

- Federal supplemental payments decreasing $3.8M or 2.0%
- Total adjusted net patient revenue increasing $23.4M or 5.2%
  - Rates/Operations/Strategy
    - $6.7M – Managed Care Rate Increases
    - $4.5M – Inpatient Medicaid Rate Increases
    - $4.4M – IP volume impact
    - $3.4M – Service Line Business/Expansion
    - $2.0M – CMI/ coding improvement
    - $1.4M – Net revenue impact of CDM rate increase
    - $1.0M – Denials Management

Other Operating Revenue increasing 24% or $5.0M

- $5.2M – 340B Net Other Revenue

# FY2021 Budget Expense Summary

| | FY19 Actuals | FY20 Projection | FY21 Budget | Variance | % Variance |
|---|---|---|---|---|---|
| Salaries, Wages, and Benefits | $413,754,334 | $415,915,825 | $438,992,489 | ($23,076,664) | (5.55%) |
| Professional Fees | $44,026,765 | $43,092,703 | $42,605,098 | $487,605 | 1.13% |
| Supplies | $106,157,322 | $99,038,175 | $101,644,457 | ($2,606,283) | (2.63%) |
| Purchased Services | $64,582,076 | $62,501,871 | $66,963,539 | ($4,461,668) | (7.14%) |
| Depreciation & Amortization | $28,556,742 | $22,149,489 | $25,693,104 | ($3,543,614) | (16.00%) |
| Repairs & Maintenance | $5,011,154 | $5,168,999 | $7,811,445 | ($2,642,446) | (51.12%) |
| Utilities | $4,125,373 | $4,486,964 | $4,476,095 | $10,869 | 0.24% |
| Other Expenses | $14,013,583 | $14,012,620 | $14,665,939 | ($653,319) | (4.66%) |
| Rental/Leases | $8,678,570 | $8,263,980 | $8,068,889 | $195,091 | 2.36% |
| **Total Expenses** | **$688,905,920** | **$674,630,626** | **$710,921,056** | **($36,290,430)** | **(5.38%)** |

# FY2021 Budget SWB Summary

| | FY19 Actuals | FY20 Projection | FY21 Budget | Variance | % Variance |
|---|---|---|---|---|---|
| Salaries | $274,226,982 | $269,281,213 | $285,046,096 | ($15,764,883) | (5.85%) |
| Benefits | $126,657,317 | $134,100,697 | $140,628,259 | ($6,527,562) | (4.87%) |
| Overtime | $11,206,932 | $9,629,874 | $10,058,918 | ($429,044) | (4.46%) |
| Contract Labor | $1,663,103 | $2,904,041 | $3,259,215 | ($355,175) | (12.23%) |
| **TOTAL** | **$413,754,334** | **$415,915,825** | **$438,992,489** | **($23,076,664)** | **(5.55%)** |
| OT as % of Salaries | 4.09% | 3.58% | 3.53% | 0.05% | |
| **Total Paid FTEs** | **3,656** | **3,517** | **3,591** | **(74)** | **(2.11%)** |

# FY2021 Budget SWB Explanations

Salaries and Benefits Assumptions

- Budgeted SWB as a percent of Net Revenue 63.9% vs Projected 63.5%
- Estimated Wage Adjustments
- Peds hospitalists services brought in house
- Service Line Business/Expansion
- Group Health Insurance increases
- Retiree Medical Loss billing (amount provided by the County)
- Longevity (based on years of services)

# FY2021 Budget Expense Variance Explanations

## Professional Fees

- $425K – Pediatric hospitalist services (switched from PSA to employed model)

## Purchased Services

- $1.7M – Biomed (moved to Repairs & Maintenance)
- ($1.2M) – Due to contracted pharmacies 340B program
- ($1.1M) – EPIC maintenance and hosting fees due to volume increases, contract rate, and new modules
- ($950K) – Kidney cost and volume (Transplant)
- ($920K) – Advertising

## Supplies

- ($2.0M) – Medical Supplies and drugs due to inflation and volume

## Depreciation

- ($2.3M) – Estimated FY20 capital related to $31M
- ($1.2M) – EPIC costs related to Cupid, Beaker, and Phoenix

## Rentals and Leases

- Decreasing by $195K or 2.36%

# FY2021 Budget Expense Variance Explanations

Repairs and Maintenance

- ($2.6M) – Moving Biomed from Purchased Services plus contract increase of $900K.

Utilities

- ($29K) – New clinics

Other Expenses

- ($332K) – Coding software license
- ($185K) – Financial reporting software (moving from Purchased Services)
- ($115K) – New email cloud security system

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

| | | |
|---|---|---|
| **Issue:** | **Emerging Issues** | **Back-up:** |
| **Petitioner:** | Jennifer Wakem, Chief Financial Officer | |

**Recommendation:**

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

**FISCAL IMPACT:**

None

**BACKGROUND:**

None



Respectfully submitted,

Cleared for Agenda
March 18, 2020

Jennifer Wakem
Chief Financial Officer

Agenda Item #
**12**