
# Audit and Finance Committee

ProVidence Suite

# AGENDA

**University Medical Center of Southern Nevada**
GOVERNING BOARD
AUDIT & FINANCE COMMITTEE
**February 19, 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 Andi Lou at (702) 383-2297. The Audit & Finance Committee may combine two or more agenda items for consideration.
- Items on the agenda may be taken out of order.
- The Audit & Finance Committee may remove an item from the agenda or delay discussion relating to an item at any time.

## SECTION 1: OPENING CEREMONIES

## CALL TO ORDER

1. Public Comment

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

2. Approval of minutes of the regular meeting of the UMC Governing Board Audit and Finance Committee meeting of January 22, 2020. *(For possible action).*

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

**SECTION 2: BUSINESS ITEMS**

4. Review the results of the Surgery Inventory Follow Up Audit dated February 7, 2020; and direct staff accordingly *(For possible action)*

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

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

7. Receive an update regarding FY20 CEO Performance Goals related to the Audit and Finance Committee; and direct staff accordingly. *(For possible action)*

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)*

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)*

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)*

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)*

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)*

**SECTION 3: EMERGING ISSUES**

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)*

**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***
*January 22, 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 2:06 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 (joined via phone @ 2:06)
Harry Hagerty
Mary Lynn Palenik
Dr. Donald Mackay
Christian Haase (joined @ 2:10)

Absent:

Others Present:
Mason VanHouweling, Chief Executive Officer
Tony Marinello, Chief Operating Officer
Jennifer Wakem, Chief Financial Officer
Lonnie Richardson, Chief Information Officer
Deb Fox, Chief Nursing Officer
Susan Pitz, General Counsel
Carissa Rey, Associate Administrator
Vick Gill, Associate Administrator
Rose Coker, Director, Managed Care
Jacqueline Saites, Director, Contracts Management
Lia Allen, Attorney
Andi Lou, 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): None

**ITEM NO. 2 Approval of minutes of the regular meeting of the UMC Governing Board Audit and Finance Committee meeting on December 11, 2019. *(For possible action)***

FINAL ACTION: A motion was made by Member Dr. MacKay that the minutes be approved as amended. Member Hagerty abstained from the vote. 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 Receive the monthly financial report for November and December FY20; and direct staff accordingly. *(For possible action)***

DOCUMENTS SUBMITTED:
- November FY20 Financials
- December FY20 Financials

DISCUSSION: Jennifer Wakem, Chief Financial Officer presented the financials for November and December.

-November Financials
Net Patient Revenue below budget by $1.7 million or 3%, primarily driven by volume and admits were down.
In-patient surgery cases were up. Medicare payor mix was down.
Medicaid was down 2% and Medicare was up 2%.
Other Revenue over by $6K.
Operating expenses up by $1.3 million
Income from Ops over budget by $200,000

-YTD
Net Patient Revenue down $2.4 million, less than 1%
Other Revenue is up 4.2%
Total Net Revenue is up $1.8 million from budget
Operating expenses is favorable to budget by $1.8 million
YTD we are running above budget from bottom line of $3.6 million

-December Financials
Admissions below budget 4%
Hospital CMI above budget by 1.6%

Medicare CMI below budget 9%
Inpatient surgeries above budget by 7%
Outpatient surgeries below budget by 7%
Conversion rate is 20.3%
QC above budget 7%
PC above budget 7%

Mr. Marinello, COO mentioned Primary Care hours are expanding to Saturdays. Centennial Hills is the first to start this trend.

A continuation of the discussion from last month's meeting regarding the average tenure for a QC physician is 10 years.

-Trending stats- 12-month average
Admissions – September has the lowest admissions with 1780 and with an upward climb for October, November, and December. Expect a high number in January.
Case mix index – in October dropped down to 1.67% and November and December back up 1.96%
Inpatient surgeries – Sept dropped to 725 surgeries, increased to 783 for December.
Conversion rate from ED down 2.25%
QC- Dec 17597, 1500 visits more

Discussion ensued regarding our patient population versus volume and growth

-Payer Mix by Admits
Medicaid is down by 2%
Medicare is up 3.5%

-Summary Income Statement
Net patient revenue – admits are down by 88
Inpatient surgeries up by 49 cases
CMI up 1.7%
Medicare Case Mix Index is 1.296%
Outpatient surgeries is down
Other Hospital Volume up 10.5%
QC/PC up

Overall Net Revenue down $728,000
Other revenue right on budget
Total Net Revenue fell short $761,000
Operating expenses were slightly unfavorable over $430,00
Income from Ops less Depr. and Amort. is $376,000, missed our budget by $1.2 million
YTD over budget by $2.4 million

Discussion ensued regarding the 340B Revenue and Ms. Wakem has not trued up the revenue and is still waiting for vendor to send us checks. She will continue to monitor it closely.

-Key Financial Indicators
Days Cash on Hand currently at 5 months
Team hit cash goal this month
Net days in AR – 89 days to collect, it is too high and needs to come down, ideally we would like to see at 60 days.
Candidate for Billing day is at 7.4 days

Member MacKay asked is there an issue with commercial payors?
Ms. Wakem responded with we do have some issues with our commercial payors, but working with Rose through our JOCs and also still working through Epic clean up issues on accounts with long term payments plans.

Salary and Benefits favorable by 149K
Contract labor over budget due to nursing and coding vacancies

Supplies budget is up due to types of patient surgeries
Purchase Services is favorable

Capital Plan – out of $31 million, almost $600,000 spent and committed to spending $21million.

Provider UPL 1.6 million, did receive it in Jan. and at this time no federal supplemental payments outstanding.
Overall cash decreased by $5 million but YTD up by $6 million.

Member Hagerty asked what can you do to use vendors as a borrowing source? Is this something that is focused on?
Ms. Saites stated vendors will put a hold on our account if we don't make those timely payments, if contractually we are not meeting the obligation. Most contracts state net 30 days, but rarely is it followed by letter. We can try to push it out but most vendors don't like that we don't pay late fees. There are some vendors that allow past 30 days, but then we are overnighting stuff and patients can get caught in the middle.

-Balance Sheet
Cash decreasing by a million
Net working Capital $78.8

A discussion on internally designated cash followed due to the difference from 2018 to 2019. Per Ms. Wakem stated they moved items internally between unrestricted and internally designated.

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

DOCUMENTS SUBMITTED:
- None submitted

DISCUSSION: Ms. Wakem will update on Mason's goals at next month's meeting. DSH cuts were scheduled for October but delayed until May.

Medicaid rate increase per diem changes are effective 1-1-2020. The state is waiting for approval from CMS.

FINAL ACTION TAKEN: None taken

**ITEM NO. 6** **Review and recommend for approval by the Governing Board the First Amendment to the Hospital Participation Agreement with Laughlin Healthcare Coalition; and take action as deemed appropriate. *(For possible action)***

DOCUMENTS SUBMITTED:
- First Amendment to Hospital Participation Agreement

DISCUSSION: Chair Caspersen noted on the Agenda item had a date error that needed to be corrected from Dec 2019 and should say Dec 2018. Rose Coker, Director of Managed Care, explained this contract is for the members of the hotels in Laughlin to extend the Agreement term for 2 years.

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. 7** **Review and recommend for approval by the Governing Board the Acknowledgement Form for reference laboratory testing services with Laboratory Corporation of America Holdings and its subsidiaries (LabCorp); authorize the Chief Executive Officer to execute future amendments within his delegation of authority; and take action as deemed appropriate. *(For possible action)***

DOCUMENTS SUBMITTED:
- Reference Laboratory Testing Services Acknowledgement Form

DISCUSSION: Jacqueline Saites, Director of Contracts, explained this is designated as a new contract but historically we have been with LabCorp for a while. Pricing for these lab services is similar but now we are on HPG contract which will entitle UMC to rebates.

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

**ITEM NO. 8** **Review and recommend for approval by the Governing Board the Client Agreement with FocusOne Solutions, LLC for temporary labor staffing services; authorize the Chief Executive Officer to exercise the extension option; and take action as deemed appropriate. *(For possible action)***

DOCUMENTS SUBMITTED:
- FocusOne Solutions, LLC Client Agreement

DISCUSSION: Debra Fox, Chief Nursing Officer, explained FocusOne is a national 3rd party vendor used to coordinate the attainment and negotiations for travel nurse and other clinical and non-clinical personnel. We have had a long standing contract and are now asking for a one-year new contract with a one-year option to renew as we continue to look for other ways to replace this contract for agency and travel resources. Currently, UMC has an increase in vacancies and are utilizing FocusOne for hard to fill positions and to fill in for staff out on long term FMLA. A director monitors this contract as part of her job duties along with the coordinator effort of a department level cost center manager. This contract follows normal HR processes to recruit.

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

**ITEM NO. 9 Review and recommend for approval by the Governing Board the Pricing Agreement with Northfield Medical, Inc. to provide repair of surgical instruments; and take action as deemed appropriate. *(For possible action)***

DOCUMENTS SUBMITTED:
- Pricing Agreement
- Disclosure of Ownership
- HPG Letter Dated January 2, 2020

DISCUSSION: Jacqueline Saites, Director of Contracts details this is a five-year agreement for repair and sterilization services for UMC beds and equipment. It is also a GPO contract.

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

**ITEM NO. 10 Review and recommend for approval by the Governing Board the Provider Agreement between Alireza Farabi, M.D., PC and University Medical Center of Southern Nevada for primary care and infectious disease medical services to Ryan White participants; authorize the Chief Executive Officer to exercise any extension options; and take action as deemed appropriate. *(For possible action)***

DOCUMENTS SUBMITTED:
- Provider Agreement
- Disclosure of Ownership

DISCUSSION: Jacqueline Saites, Director of Contracts explains Dr. Farabi handles our infectious disease physician services for the Ryan White

Program. There is no change in the pricing and half of the funding comes from the Ryan White Program.

A conversation ensued regarding UMC's involvement with the current outbreak of the Coronavirus. UMC is working closely with the Southern Nevada Health District and we are following all CDC requirements, if UMC is called upon to receive any patients.
Chair Caspersen has requested for Mason Vanhouweling, CEO to address this concern at the next Governing Board meeting.

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

**ITEM NO. 11 Review and recommend for approval by the Governing Board the End User License Agreement and related documents with Imprivata, Inc.; authorize the Chief Executive Officer to exercise any extension options; and take action as deemed appropriate. *(For possible action)***

DOCUMENTS SUBMITTED:
- End User License Agreement
- Certificate of Liability Insurance
- Statement of Work (SOW)
- Proposal
- Disclosure of Ownership

DISCUSSION: Lonnie Richardson, Chief Information Officer clarifies, this is a new agreement for identity governance software. It is a three-year agreement and two, one-year renewals. As an exit strategy perspective we will own the licenses and all the data it generates. Maria Sexton, Director of Information Technology and Security Officer, clarified further, this solution will continue to automate the granting modifying and removal or termination access to our systems, it will help improve and speed up the on boarding of staff and eliminates risks by being able to terminate faster upon departure. This will not change the current badging system.

A typo was addressed on the funding portion of the Agenda Item and it will be corrected.

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

**ITEM NO. 12 Review and recommend for approval by the Governing Board the documents for the purchase of a Zenition 70 Mobile C-Arm with Philips Healthcare; and take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- Purchase Order
- Certificate of Insurance
- Disclosure of Ownership
- HPG Letter dated December 30, 2019

DISCUSSION: Mr. Marinello explains this is the cardiac replacement C-Arm. It will enable UMC to expand services into the OR. It is a mini Cath Lab but in a surgery arena. This is a mobile unit with high resolution and better imaging quality.

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

**ITEM NO. 13 Review and recommend for approval by the Governing Board the Philips RightFit Primary Service Agreement with Philips Healthcare; and take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:
- Service Agreement
- Disclosure of Ownership

DISCUSSION: Ms. Saites describes this is a maintenance agreement for our equipment. Not just repairs but also for preventative maintenance.

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

**ITEM NO. 14 Review and recommend for approval by the Board of Hospital Trustees for University Medical Center of Southern Nevada the agreements with Philips Healthcare, a division of Philips North America LLC for the Philips Monitors Enterprise; authorize the CEO to sign any future change orders within his delegated authority; and take action as deemed appropriate. *(For possible action)***

DOCUMENTS SUBMITTED:
- Amendment One
- MATC Software Quotation
- Disclosure of Ownership
- Scope of Work (SOW)
- Sales Quotes
- HPG Letter Dated November 22, 2019

DISCUSSION: Ms. Saites explains this is a GPO contract and capital purchase. Allows our monitors to follow the patient to each department. It will require some installation and includes software. Ms. Fox elaborates the Philips

monitoring system is an upgrade enterprise wide and the purpose is to standardize equipment, interface with EPIC and will download patient information that we currently have to manually enter. It has bedside central stations and transport monitors. Majority of current equipment is at end of life.

FINAL ACTION TAKEN: A motion was made by Member Dr. Mackay to approve and make a recommendation to the Board of Hospital Trustees to approve the agreements. Motion carried by unanimous vote.

**ITEM NO. 15 Review and recommend for approval by the Board of Hospital Trustees for University Medical Center of Southern Nevada, the Primary Commitment Agreement for Acute Care and Surgery Centers with Medline Industries, Inc. for medical/surgical products distribution services; authorize the Chief Executive Officer to exercise any extension options; and take action as deemed appropriate. *(For possible action)***

DOCUMENTS SUBMITTED:
- Primary Commitment Agreement

DISCUSSION: Medline is our major distributor for the majority of the Hospital supplies. Reduces the amount of POs, makes sure we have stock in hand and is more efficient than going through multiple vendors.

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

**ITEM NO. 16 Review and recommend for approval by the Governing Board the agreements related to the Nuclear Medicine Room project with Siemens Medical Solutions USA, Inc.; and take action as deemed appropriate. *(For possible action)***

DOCUMENTS SUBMITTED:
- Proposal
- Purchase Agreement
- Quote
- Certificate of Insurance
- HPG Letter Dated December 30, 2019

DISCUSSION: Mr. Marinello discussed we are submitting to install two state-of-the art cameras in our Med rooms. Currently two out of the three cameras are down. The third camera is at end of life. Cost is from the construction to remodel, design layout, installation, equipment and warranty. We will need to remodel the rooms to make it more efficient for the cameras. The vendor will be following the building codes that are current and applicable.

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

**ITEM NO. 17 Review and recommend for approval by the Governing Board the Freight Management Agreement and Amendment No. 1 between Cardinal Health 200, LLC and University Medical Center of Southern Nevada; authorize the Chief Executive Officer to exercise any extension options; and take action as deemed appropriate. *(For possible action)***

DOCUMENTS SUBMITTED:
- OptiFreight Agreement
- Amendment No. 1
- Disclosure of Ownership
- HPG Letter dated October 10th, 2019

DISCUSSION: Ms. Saites explains this is a new service contract and a GPO contract for shipping inbound and outbound for supplies.

FINAL ACTION TAKEN: A motion was made by Member Palenik to approve and make a recommendation to the Governing Board to approve the agreement and Amendment No. 1. Motion carried by unanimous vote.

**ITEM NO. 18 Review and recommend for approval by the Governing Board the Wireless Devices & Services Agreement between T-Mobile USA Inc., and University Medical Center of Southern Nevada; authorize the Chief Executive Officer to exercise any extension options; and take action as deemed appropriate. *(For possible action)***

DOCUMENTS SUBMITTED:
- Disclosure of Ownership
- Service Quote

DISCUSSION: Mr. Richardson states the life expectancy of our devices is at two years. Ms. Sexton elaborates this is renewal of our services and wireless devices. We are taking advantage of the state rates and we get great rates for this contract.

A conversation ensued regarding telemedicine and mobile broadband usage.

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

**SECTION 3: EMERGING ISSUES**

**ITEM NO. 19 Identify emerging issues to be addressed by staff or by the Audit and Finance Committee at future meetings; and direct staff accordingly. (*For possible action)***

Update on CEOs goals for next month.
Cast Clinic is being demolished for our façade update.

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.

**COMMENTS BY THE GENERAL PUBLIC:** None

SPEAKERS(S): None

There being no further business to come before the Committee at this time, at the hour of 3: 58 pm., Chair Caspersen adjourned the meeting.

MINUTES APPROVED:
Minutes Prepared by: Andi Lou

# Contracts Report Out Final - February 2020

## Audit and Finance Committee Agenda 2/19/2020

**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 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 8 | NRS 332.115.1 (h) Software | No | Imprivata | Amendment | Yes | 1 year | 30 days w/o cause | Base Contract<br>$1,080,062.75<br>Amendment<br>$56,350.00<br>Aggregate<br>$1,136,412.75 | Maintenance<br>$56,350.00 | Increase<br>$6,433.34 | IT | This Amendment adds maintenance to the Single SignOn Authentication/Management License previously bought through another vendor. Increase is due to vendors pricing increase. |
| 9 | RFI 2009-10 | No | Change Healthcare Technologies, LLC | Amendment | No | 2 Year Extension, with One 1-Year Option | 60 days w/ cause | Base Contract<br>Est. $5,759,987.80<br>Previous Amendments<br>Est. $2,961,364.76<br>Amendment 4<br>NTE $2,100,000<br>Potential Aggregate<br>Est. $10,821,352.56 | None | Savings / estimated<br>$124,961.76 per year | Patient Access Services | This Amendment 4 requests to (i) extend the Agreement term for two (2) years ending February 28, 2022 with a one (1) year option; and (ii) update the Fee Schedule with a new Exhibit 1. |
| 10 | NRS 332.115(1)(b) | No | Robert B. McBeath, M.D., PC d/b/a OptumCare Cancer Care | Amendment | No | 1 Year | 30 days<br>w/o cause | Base Contract<br>$511,000.00<br>Option Year 1<br>$255,500.00<br>Amendment 1<br>$255,500.00<br>Aggregate<br>$1,022,000.00 | None | None | Administration | Extends the agreement for hematology and medical oncology services for the Hospital through February 28, 2021. |
| 11 | N/A | No | WRSI Charleston Commons | Amendment | Yes | 6 months | Cause or Budget Fund Out | 11/99 Lease Previous Value: $5,684,200<br>Renewal 2020: $110,400<br>Aggregate Value: $5,794,600 | None | None | Legal | This is a renewal of our lease for Nellis Quick Care from July 1, 2020 to December 31, 2020. |
| 12 | RFP 2019-16 | No | Aargon Agency, Inc. d/b/a Aargon Collection Agency and CMRE Financial Services, Inc. | New Contract | N/A | 3 Years, with Two 1-Year Options | 30 days w/o cause | Base Contract<br>NTE $5,500,000.00 | None | Revenue / estimated<br>$6,000,000 per year<br>Increase / estimated<br>$500,000 per year | Patient Accounting | Agencies to provide self-pay bad debt collection services to UMC. |

**Audit and Finance Committee Agenda 2/19/2020**

| 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:** | **Follow Up of the Surgical Inventory Audit** | **Back-up:** |
| **Petitioner:** | Jennifer Wakem, Chief Financial Officer | |

**Recommendation:**

**That the Audit and Finance committee review the results of the follow up of the Surgical Inventory Audit dated February 7, 2020; and direct staff accordingly *(For possible action)***

**FISCAL IMPACT:**

None

**BACKGROUND:**

The University Medical Center Audit Department recently performed a follow up of the Surgical Inventory dated February 7, 2020. The Committee will review the results of the audit.



Respectfully submitted,

Jennifer Wakem
Chief Financial Officer

Cleared for Agenda
February 19, 2020

Agenda Item #
**4**

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

UMC
UNIVERSITY MEDICAL CENTER

Mason VanHouweling
Chief Executive Officer

February 7, 2020

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

Dear Mr. VanHouweling:

We recently completed a follow-up to the Surgical Inventory Audit dated April 9, 2018. Our objective was to determine whether corrective actions were implemented to address findings included in the original audit.

To accomplish our objective, we performed a cycle count of inventory items in the ambient cabinets for the period of May 24 through June 5, 2019. While University Medical Center has made improvements on the storage and tracking of inventory, we found variances in 3 out of 15 (20%) of the inventory items stored in the ambient cabinets.

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

Sincerely,

Nate Strohl
Internal Auditor
Internal Audit

# Audit Report

## Surgical Inventory Follow Up Audit

**February 2020**

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# REPORT DETAILS

## BACKGROUND

As part of our audit plan for fiscal year 2019, we performed a follow up audit of the surgical inventory. University Medical Center of Southern Nevada (UMC) offers various surgical services in numerous specialties. In support of the various surgeries and services, surgical inventory is maintained at the hospital. In fiscal year 2018, UMC purchased approximately $43,106,000 in surgical inventory and supplies. Additionally, an annual independent inventory count is performed by an outside vendor. In fiscal year 2018 UMC maintained approximately $3,373,000 in inventory on hand.

## OBJECTIVES, SCOPE, AND METHODOLOGY

The objective of this audit was to determine whether corrective action was taken on the significant findings included in the UMC Surgical Inventory Follow Up audit report dated April 9, 2018. Our procedures consisted of reviewing the original audit report and supporting documents, interviews with management and staff, examination of documentation, and performance of detailed tests and analyses.

The objective of this audit was to:

- Complete a cycle count of 15 inventory items (39% of items in ambient cabinets) for the period of May 24 through June 5, 2019.

In order to complete the cycle count testing we did the following:

- Performed a beginning inventory count of ambient cabinets on May 24, 2019.
- Examined the Qsight report to determine items used for the testing period.
- Reviewed the inventory purchased for the testing period.
- Performed a final inventory count of the ambient cabinets on June 5, 2019.

We did not select statistically relevant samples for review. However, we believe the items selected are sufficient to identify findings related to the population. Our review included an assessment of internal controls in the audited areas. Any significant findings related to internal controls are included in the detailed results. The last day of fieldwork was September 12, 2019.

We conducted the performance audit in accordance with generally accepted government auditing standards except for the requirements of an external peer review every three years and supervision. Those standards required that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. The exception to full compliance is because the Internal Audit department has not yet

undergone an external peer review. However, these exceptions had no effect on the audit or the assurances provided.

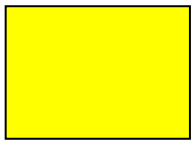
## CONCLUSION

During our testing of 15 (39%) inventory items we found variances in 3 out of 15 (20%) of the inventory items stored in the ambient cabinets.

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

# FINDINGS, RECOMMENDATIONS, AND RESPONSES

## FINDING 1 – CYCLE COUNT VARIANCES



At the end of fiscal year 2018, UMC maintained approximately $3,373,000 in surgical inventory. Surgery inventory is stored in various locations throughout the hospital which require a badge or key for entry. Additionally, vendors are required to use a badge for access into UMC surgical areas. UMC manages certain inventory items within ambient cabinets. All of the counted inventory items are implantable items that are tracked by the Qsight system prior to entry into the electronic patient billing record.

Previously, we performed the following audits:

- During the original audit we found variances in the ending inventory in 10 out of 19 (52%) of items stored in the ambient cabinet.
- During the first follow up audit we found variances in the ending inventory in 11 out of 39 (28%) items stored in the ambient cabinet.

For this follow up we performed a cycle count for 15 (39%) of the surgical inventory items within the ambient cabinets to ensure that the internal tracking controls were accurate. We found variances in the ending inventory in 3 out of the 15 (20%) items stored in the ambient cabinets.

### AUDITOR'S RECOMMENDATION

1. Develop procedures to ensure that the surgical inventory items stored can be accurately counted.

### MANAGEMENT RESPONSE

We respectfully offer the following response to the Internal Audit Surgical Inventory Follow Up Audit Report.

**Response:**

**AI-5200 – AmnioFix Amniotic Tissue Membrane**

At the time of audit, the Material Handlers were not involved in the count. It was unknown to the auditor that product was stored outside of the ambient cabinet, by a Material Handler, due to space issues. This fact was not communicated to the rest of the team. This is what resulted in the variance.

It was discovered that the ambient cabinet could not accommodate the volume of product being stored, so the product was monitored and kept outside of the cabinet until needed.

**Mitigation and Action Plan**
Upon knowledge, the Materials team acted to immediately increase communication. The team documented what was stored outside of the cabinet by placing an inventory list within the cabinet for documentation and communication purposes. As product is consumed from the ambient cabinet, product stored outside of the cabinet is placed in the cabinet and the list is then updated on remaining product stored outside of the cabinet in a secure and locked location.

In addition, the Periodic Automatic Replenishment (PAR) product level has been adjusted by decreasing the amount of on-hand product to be stored in the ambient cabinet.

**Completion**

This issue was resolved as of September 24, 2019.

**AI-5125 – AmnioFix Injectable 100mg**
At the time of audit, the Material Handlers were not involved in the count. It was unknown to the auditor that product was stored outside of the ambient cabinet, by a Material Handler, due to space issues. This fact was not communicated to the rest of the team. This is what resulted in the variance.

It was discovered that the ambient cabinet could not accommodate the volume of product being stored, so the product was monitored and kept outside of the cabinet until needed. The Material Handler had left work for the day with the intention of restocking with available product the next day.

**Mitigation and Action Plan**
Upon knowledge, the Materials team acted to immediately increase communication. The team documented what was stored outside of the cabinet by placing an inventory list within the cabinet for documentation and communication purposes. As product is consumed from the ambient cabinet, product stored outside of the cabinet is placed in the cabinet and the list is then updated on remaining product stored outside of the cabinet in a secure and locked location.

In addition, the Periodic Automatic Replenishment (PAR) product level has been adjusted by decreasing the amount of on-hand product to be stored in the ambient cabinet.

**Completion**

This issue was resolved as of September 24, 2019.

**MWM4101 - 4in x 10in Integra Meshed Bilayer Wound Matrix (EA/1)**
When MWM4101 was counted on May 24, 2019, there were two (2) of the MWM4101 out of the cabinet during the count. A report run in Q-Sight by serial number show that 4 of the MWM4101 should be on hand, and had not yet been consumed. Two (2) of the MWM4101 were removed from the cabinet prior to the count on May 24, 2019. After the count was performed, the two MWM4101 were

returned to the cabinet. On June 3, 2019, one MWM4101 was consumed leaving a total of 3 MWM4101 remaining. This was the final number counted on June 5, 2019, and is in fact an accurate count with no variance.

**Mitigation and Action Plan**

Upon knowledge, the Materials team acted to run a utilization report to match serial numbers for used tissue. Materials was able to analyze transactions which documented that the tissue was accounted for and returned to the cabinet per internal process.

**Completion**

This issue was resolved as of June 5, 2019.

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

| | | |
|---|---|---|
| **Issue:** | **Monthly Financial Report January FY 20** | **Back-up:** |
| **Petitioner:** | Jennifer Wakem, Chief Financial Officer | |
| **Recommendation:** | | |
| **That the Governing Board Audit and Finance Committee receive the monthly financial report for January FY 20; and direct staff accordingly.** ***(For possible action)*** | | |

**FISCAL IMPACT:**

None

**BACKGROUND:**

The Chief Financial Officer will present the financial report for January FY 20 for the committee's review and direction.



Respectfully submitted,

Jennifer Wakem
Chief Financial Officer

Cleared for Agenda
February 19, 2020

Agenda Item #
**5**

UNIVERSITY MEDICAL CENTER

# January 2020 Financials

# KEY INDICATORS

| Current Month | Actual | Budget | Variance | % | Prior Year | % |
|---|---|---|---|---|---|---|
| APDs | 17,011 | 16,721 | 290 | 1.73% | 16,294 | 4.40% |
| Total Admissions | 1,876 | 2,084 | (208) | (9.98%) | 2,068 | (9.28%) |
| Observation Cases | 1,315 | 1,466 | (151) | (10.30%) | 1,466 | (10.30%) |
| AADC | 549 | 539 | 10 | 1.86% | 526 | 4.37% |
| ALOS (Admits) | 5.67 | 5.43 | 0.24 | 4.42% | 5.39 | 5.19% |
| ALOS (Obs) | 1.53 | 1.64 | (0.11) | (6.43%) | 1.64 | (6.43%) |
| Hospital CMI | 1.75 | 1.79 | (0.04) | (2.23%) | 1.79 | (2.23%) |
| Medicare CMI | 1.99 | 2.18 | (0.19) | (8.72%) | 2.18 | (8.72%) |
| IP Surgery Cases | 712 | 791 | (79) | (9.99%) | 791 | (9.99%) |
| OP Surgery Cases | 497 | 563 | (66) | (11.72%) | 563 | (11.72%) |
| Total ER Visits | 10,469 | 9,573 | 896 | 9.36% | 10,027 | 4.41% |
| ED to Admission | 7.13% | - | - | - | 7.66% | (6.92%) |
| ED to Observation | 12.19% | - | - | - | 15.45% | (21.10%) |
| ED to Adm/Obs | 19.31% | - | - | - | 23.10% | (16.40%) |
| Quick Cares | 20,214 | 20,521 | (307) | (1.50%) | 18,320 | 10.34% |
| Primary Care | 5,591 | 6,715 | (1,124) | (16.74%) | 5,931 | (5.73%) |
| Deliveries | 142 | - | - | - | 159 | (10.69%) |

# Trending Stats

| | Jan- 19 | Feb- 19 | Mar- 19 | Apr- 19 | May- 19 | Jun- 19 | Jul- 19 | Aug- 19 | Sep- 19 | Oct- 19 | Nov- 19 | Dec- 19 | Jan- 20 | 12-Mo Avg | Jan to Avg Var |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| APDs | 16,294 | 14,739 | 16,180 | 15,580 | 15,982 | 15,534 | 15,832 | 16,174 | 15,157 | 15,742 | 14,915 | 15,590 | 17,011 | 15,643 | 1,368 |
| Total Admissions | 2,068 | 2,004 | 2,131 | 2,111 | 2,135 | 1,961 | 1,884 | 1,927 | 1,780 | 1,796 | 1,830 | 1,935 | 1,876 | 1,964 | (88) |
| Observation Cases | 1,466 | 1,378 | 1,514 | 1,469 | 1,375 | 1,420 | 1,462 | 1,348 | 1,292 | 1,438 | 1,287 | 1,340 | 1,315 | 1,399 | (84) |
| AADC | 526 | 526 | 522 | 519 | 516 | 510 | 511 | 522 | 505 | 508 | 497 | 503 | 549 | 514 | 35 |
| ALOS (Adm) | 5.39 | 5.08 | 5.21 | 5.07 | 5.21 | 5.32 | 5.63 | 5.58 | 5.51 | 5.33 | 5.13 | 5.23 | 5.67 | 5.31 | 0.36 |
| ALOS (Obs) | 1.64 | 1.36 | 1.29 | 1.39 | 1.26 | 1.69 | 1.44 | 1.49 | 1.87 | 1.41 | 1.46 | 1.49 | 1.53 | 1.48 | 0.05 |
| Hospital CMI | 1.79 | 1.88 | 1.84 | 1.90 | 2.13 | 1.85 | 1.78 | 1.75 | 1.67 | 1.72 | 1.74 | 1.84 | 1.75 | 1.82 | (0.07) |
| Medicare CMI | 2.18 | 2.27 | 2.24 | 2.64 | 2.65 | 2.07 | 2.10 | 1.88 | 1.81 | 1.67 | 1.86 | 1.96 | 1.99 | 2.11 | (0.12) |
| IP Surgery Cases | 791 | 825 | 837 | 922 | 936 | 869 | 803 | 826 | 725 | 755 | 742 | 783 | 712 | 818 | (106) |
| OP Surgery Cases | 563 | 401 | 510 | 453 | 472 | 477 | 559 | 552 | 480 | 595 | 493 | 506 | 497 | 505 | (8) |
| Total ER Visits | 10,027 | 8,990 | 10,308 | 9,904 | 9,871 | 9,336 | 9,782 | 9,633 | 9,373 | 9,795 | 10,339 | 9,676 | 10,469 | 9,753 | 716 |
| ED to Admission | 7.66% | 8.02% | 8.42% | 8.57% | 8.45% | 10.46% | 6.64% | 7.08% | 6.83% | 5.94% | 6.79% | 7.59% | 7.13% | 7.70% | (0.58%) |
| ED to Observation | 15.45% | 16.25% | 15.84% | 14.90% | 14.26% | 15.20% | 15.00% | 15.05% | 13.54% | 14.24% | 11.86% | 12.72% | 12.19% | 14.53% | (2.34%) |
| ED to Adm/Obs | 23.10% | 24.27% | 24.26% | 23.47% | 22.71% | 25.66% | 21.64% | 22.13% | 20.37% | 20.18% | 18.65% | 20.31% | 19.31% | 22.23% | (2.92%) |
| Quick Care | 18,320 | 17,428 | 19,279 | 17,084 | 15,548 | 13,548 | 13,194 | 14,074 | 14,217 | 15,792 | 18,339 | 17,597 | 20,214 | 16,202 | 4,012 |
| Primary Care | 5,931 | 5,751 | 5,987 | 6,789 | 6,225 | 5,060 | 5,532 | 5,003 | 5,400 | 5,979 | 4,448 | 4,846 | 5,591 | 5,579 | 12 |
| Deliveries | 159 | 129 | 128 | 135 | 139 | 145 | 174 | 190 | 164 | 146 | 139 | 153 | 142 | 150 | (8) |

# Payor Mix by Admits- Trend

| Fin Class | Jan- 19 | Feb- 19 | Mar- 19 | Apr- 19 | May- 19 | Jun- 19 | Jul- 19 | Aug- 19 | Sep- 19 | Oct- 19 | Nov- 19 | Dec- 19 | Jan- 20 | 12-Mo Avg | Jan to Avg Var |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Commercial | 21.10% | 21.10% | 20.60% | 20.97% | 22.04% | 19.94% | 19.73% | 20.31% | 17.31% | 18.68% | 21.66% | 19.44% | 19.35% | 20.24% | (0.89%) |
| Government | 4.90% | 5.00% | 5.00% | 3.28% | 3.79% | 4.92% | 4.89% | 5.48% | 5.05% | 5.28% | 4.25% | 4.19% | 4.97% | 4.67% | 0.30% |
| Medicaid | 46.30% | 42.90% | 43.60% | 44.75% | 42.96% | 43.28% | 45.36% | 43.77% | 45.87% | 43.06% | 42.31% | 42.12% | 43.93% | 43.86% | 0.07% |
| Medicare | 18.50% | 25.30% | 24.50% | 24.86% | 24.57% | 25.93% | 22.63% | 24.28% | 23.88% | 25.99% | 25.38% | 27.37% | 26.68% | 24.43% | 2.25% |
| Self Pay | 9.20% | 5.70% | 6.30% | 6.14% | 6.64% | 5.94% | 7.39% | 6.16% | 7.89% | 6.99% | 6.40% | 6.88% | 5.07% | 6.80% | (1.73%) |

# SUMMARY INCOME STATEMENT – JAN

| REVENUE | Actual | Budget | Variance | % Variance |
|---|---|---|---|---|
| Total Gross Patient Revenue | $301,115,963 | $308,393,319 | ($7,277,356) | (2.36%) |
| Net Patient Revenue | $52,822,078 | $58,277,804 | ($5,455,726) | (9.36%) |
| Other Revenue | $2,217,668 | $1,534,854 | $682,814 | 44.49% |
| Total Net Revenue | $55,039,746 | $59,812,658 | ($4,772,912) | (7.98%) |
| Net Patient Revenue as a % of Gross | 17.54% | 18.90% | (1.36%) | - |

| EXPENSE | Actual | Budget | Variance | % Variance |
|---|---|---|---|---|
| Total Operating Expense | $55,951,472 | $60,755,763 | $4,804,291 | 7.91% |

| INCOME FROM OPS | Actual | Budget | Variance | % Variance |
|---|---|---|---|---|
| Total Inc from Ops | ($911,726) | ($943,105) | $31,379 | 3.33% |
| Add back: Depr & Amort. | $1,843,577 | $1,874,568 | $30,991 | 1.65% |
| **Tot Inc from Ops plus Depr & Amort.** | **$931,851** | **$931,464** | **$388** | **0.04%** |

# SUMMARY INCOME STATEMENT – YTD JAN

| REVENUE | Actual | Budget | Variance | % Variance |
|---|---|---|---|---|
| Total Gross Patient Revenue | $2,094,212,873 | $2,039,129,653 | $55,083,220 | 2.70% |
| Net Patient Revenue | $377,113,022 | $385,705,076 | ($8,592,054) | (2.23%) |
| Other Revenue | $16,042,393 | $11,186,581 | $4,855,811 | 43.41% |
| Total Net Revenue | $393,155,414 | $396,891,657 | ($3,736,243) | (0.94%) |
| Net Patient Revenue as a % of Gross | 18.01% | 18.92% | (0.91%) | - |

| EXPENSE | Actual | Budget | Variance | % Variance |
|---|---|---|---|---|
| Total Operating Expense | $399,812,510 | $406,016,876 | $6,204,366 | 1.53% |

| INCOME FROM OPS | Actual | Budget | Variance | % Variance |
|---|---|---|---|---|
| Total Inc from Ops | ($6,657,096) | ($9,125,219) | $2,468,123 | 27.05% |
| Add back: Depr & Amort. | $13,002,425 | $13,044,769 | $42,344 | 0.32% |
| **Tot Inc from Ops plus Depr & Amort.** | **$6,345,329** | **$3,919,550** | **$2,425,779** | **61.89%** |

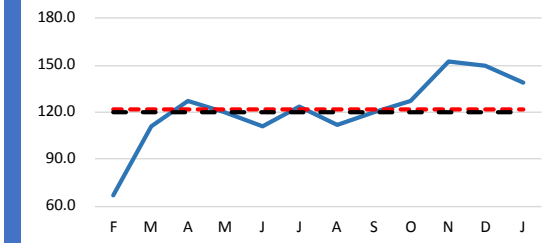
# KEY FINANCIAL INDICATORS - JAN

UNIVERSITY MEDICAL CENTER

## LIQUIDITY

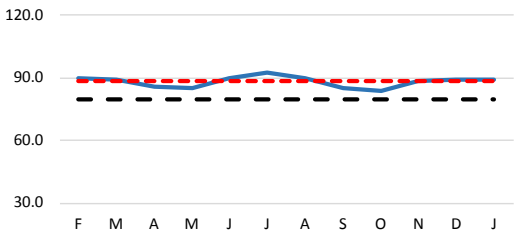
**138.5** Days Cash on Hand

Jan-20 (Rolling 12 Avg: 121.5)



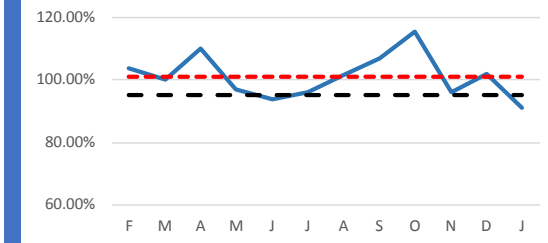

**89.0** Net Days in AR

Jan-20 (Rolling 12 Avg: 88.2)



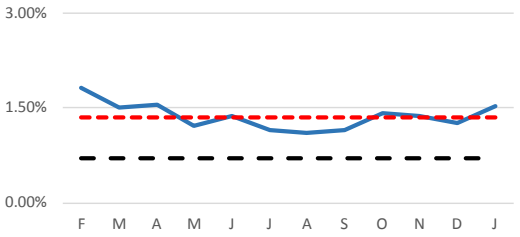

**91.2%** Cash Collections as % of Adjusted Net Revenue

Jan-20 (Rolling 12 Avg: 101.2%)



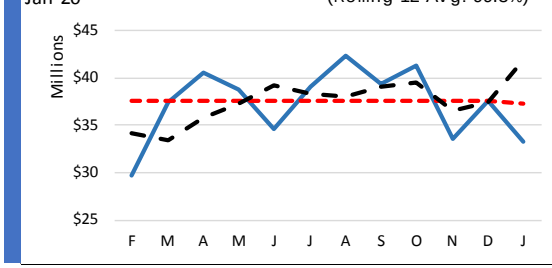

**1.53%** POS Collections as % of Adjusted Net Revenue

Jan-20 (Rolling 12 Avg: 1.36%)



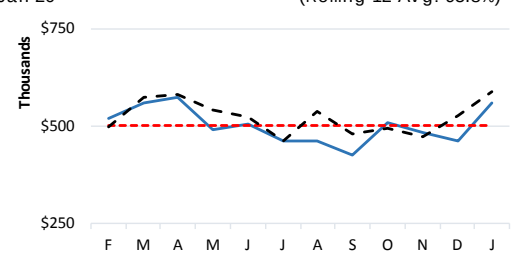

**79.5%** Cash Collection Goal

Jan-20 (Rolling 12 Avg: 99.3%)




**95.1%** POS Collection Goal

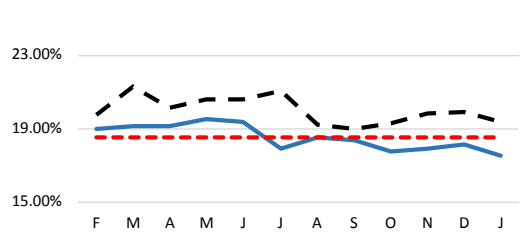
Jan-20 (Rolling 12 Avg: 95.8%)




## PROFITABILITY

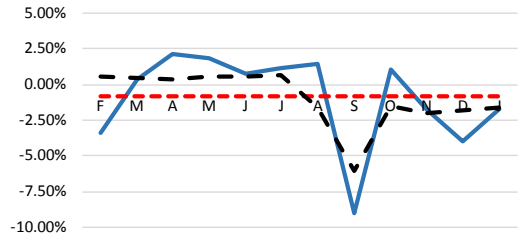
**17.54%** Net to Gross Ratio

Jan-20 (Rolling 12 Avg: 18.51%)



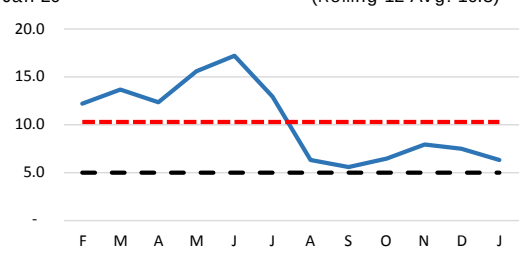

**(1.66%)** Operating Margin

Jan-20 (Rolling 12 Avg: -0.78%)




**6.3** Candidate for Billing Days

Jan-20 (Rolling 12 Avg: 10.3)




Actual

Rolling Average

Target

# SALARY & BENEFIT EXPENSE - JAN

| | Actual | Budget | Variance | % Variance |
|---|---|---|---|---|
| Salaries | $22,625,451 | $24,693,309 | $2,067,858 | 8.37% |
| Benefits | $11,057,593 | $11,581,415 | $523,822 | 4.52% |
| Overtime | $724,878 | $1,079,186 | $354,308 | 32.83% |
| Contract Labor | $257,839 | $104,294 | ($153,546) | (147.22%) |
| **TOTAL** | **$34,665,761** | **$37,458,204** | **$2,792,443** | **7.45%** |

# EXPENSES - JAN

| | Actual | Budget | Variance | % Variance |
|---|---|---|---|---|
| Professional Fees | $3,548,164 | $3,683,359 | $135,195 | 3.67% |
| Supplies | $8,083,847 | $9,601,465 | $1,517,618 | 15.81% |
| Purchased Services | $5,112,538 | $5,466,188 | $353,650 | 6.47% |
| Depreciation & Amortization | $1,843,577 | $1,874,568 | $30,991 | 1.65% |
| Repairs & Maintenance | $370,091 | $477,443 | $107,352 | 22.48% |
| Utilities | $334,334 | $325,162 | ($9,172) | (2.82%) |
| Other Expenses | $1,313,801 | $1,163,155 | ($150,646) | (12.95%) |
| Rental/Leases | $679,357 | $706,218 | $26,860 | 3.80% |
| **Total Other Expenses** | **$21,285,711** | **$23,297,559** | **$2,011,848** | **8.64%** |

# 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 | $327K | $9.9M |
| Service Line Enhancements<br>• Pediatrics<br>• Ambulatory<br>• Orthopedics<br>• Cardiology<br>• Surgery<br>• Oncology | $6M | $55K | $9M |
| Master Plan<br>• Immediate Facility Needs<br>• Facility Facade Upgrades<br>• 2040 Building Renovation<br>• Parking Improvements | $10M | $308K | $5.4M |
| **Total** | **$31M** | **$690K** | **$24.3M** |

# FY20 CASH FLOW

| | JANUARY 2020 | DECEMBER 2019 | NOVEMBER 2019 | YTD of FY2020 |
|---|---|---|---|---|
| **Operating Activities** | | | | |
| Cash received from patients and payors | 44,750,022 | 50,907,741 | 61,100,534 | 399,463,601 |
| Cash paid to vendors | (31,503,628) | (25,536,192) | (19,390,416) | (152,826,267) |
| Cash paid to employees | (44,542,301) | (31,572,975) | (30,260,866) | (251,950,309) |
| Other operating receipts/(disbursements) | 2,217,668 | 1,943,607 | 2,136,471 | 16,042,393 |
| Net cash provided by/(used in) operations | (29,078,239) | (4,257,820) | 13,585,723 | 10,729,418 |
| **Investing Activities** | | | | |
| Purchase of property and equipment, net | (1,868,427) | (1,021,243) | (1,477,898) | (9,184,010) |
| Interested received | 432,891 | 436,852 | 394,679 | 1,125,030 |
| Addition/(reduction) in donor-restricted cash | - | - | - | - |
| Addition/(reduction) in internally designated cash | 12,643,831 | (272,983) | (30,546,939) | (24,998,566) |
| Net cash provided by/(used in) investing activities | 11,208,294 | (857,374) | (31,630,158) | (33,057,547) |
| **Financing Activities** | | | | |
| From/(to) Clark County | - | - | 31,000,000 | 31,000,000 |
| Unrestricted donations and other | | | | |
| Borrowing/(repayment) of debt | - | - | - | (175,000) |
| Interest paid | - | - | (46) | (456,865) |
| Other | - | - | - | - |
| Net cash provided by/(used in) financing activities | - | - | 30,999,954 | 30,368,135 |
| Increase/(decrease) in cash | (17,869,945) | (5,115,194) | 12,955,519 | 8,040,006 |
| Cash beginning of period | 77,415,569 | 82,530,762 | 69,575,243 | 51,505,618 |
| Cash end of period | 59,545,624 | 77,415,569 | 82,530,762 | 59,545,624 |
| Unrestricted cash | 59,545,624 | 77,415,569 | 82,530,762 | 59,545,624 |
| Cash restricted by donor | 5,147,402 | 5,343,199 | 5,122,470 | 5,147,402 |
| Internally designated cash | 179,805,983 | 192,449,814 | 192,176,831 | 179,805,983 |

# FY20 BALANCE SHEET HIGHLIGHTS

| | Jan-20 | Dec-19 | Jan-19 |
|---|---|---|---|
| **CASH** | | | |
| Unrestricted | $ 59.5 | $ 77.4 | $ 12.1 |
| Restricted by donor | 5.1 | 5.3 | 15.9 |
| Internally designated | 179.8 | 192.4 | 119.1 |
| | $ 244.4 | $ 275.1 | $ 147.1 |
| **NET WORKING CAPITAL** | $ 90.7 | $ 78.8 | $ 142.5 |
| **NET PP&E** | $ 203.5 | $ 203.4 | $ 208.9 |
| **LONG-TERM DEBT** | $ 31.1 | $ 31.1 | $ 37.2 |
| **NET PENSION LIABILITY** | $ 513.0 | $ 513.0 | $ 476.0 |
| **NET POSITION** | $ (336.7) | $ (334.3) | $ (354.3) |

UNIVERSITY MEDICAL CENTER

# IAF Update

Nevada Hospital Association

## ~ Estimated Impact to IAF Payment ~

Based upon SFY 2019

Removes the 1.5 Cent Ad Valorem Tax

| Medicare ID | Facility Name | Payment Based on Medicaid CMI* Adj. Days | Trauma Payment | Original Payment | Estimated Reduced Payment | Estimated IAF Payment Reduction |
|---|---|---|---|---|---|---|
| 290012 | St Rose Dominican Hospital - De Lima | 776,888.17 | | 776,888.17 | 497,208.43 | (279,679.74) |
| 290053 | St Rose Dominican Hospital - San Martin | 601,703.83 | | 601,703.83 | 385,090.45 | (216,613.38) |
| 290045 | St Rose Dominican Hospital - Siena | 1,697,074.89 | 2,538.20 | 1,699,613.09 | 1,087,752.38 | (611,860.71) |
| 290039 | Mountainview Hospital | 4,441,129.45 | | 4,441,129.45 | 2,842,322.85 | (1,598,806.60) |
| 290047 | Southern Hills Hospital | 1,655,060.66 | | 1,655,060.66 | 1,059,238.82 | (595,821.84) |
| 290003 | Sunrise Hospital & Medical Center | 17,150,809.92 | 609,168.46 | 17,759,978.38 | 11,366,386.16 | (6,393,592.22) |
| 290008 | Northeastern Nevada Regional Hospital | 391,632.67 | | 391,632.67 | 250,644.91 | (140,987.76) |
| 290005 | North Vista Hospital | 6,104,067.78 | | 6,104,067.78 | 3,906,603.38 | (2,197,464.40) |
| 290009 | St Marys Regional Medical Center | 2,524,230.09 | | 2,524,230.09 | 1,615,507.26 | (908,722.83) |
| 290001 | Renown Regional Medical Center | 13,258,116.25 | 928,981.91 | 14,187,098.16 | 9,079,742.82 | (5,107,355.34) |
| 290049 | Renown South Meadows Medical Center | 309,854.96 | | 309,854.96 | 198,307.17 | (111,547.79) |
| 290054 | Centennial Hills Hospital Medical Center | 2,128,846.16 | | 2,128,846.16 | 1,362,461.54 | (766,384.62) |
| 290022 | Desert Springs Hospital Inc | 3,290,239.58 | | 3,290,239.58 | 2,105,753.33 | (1,184,486.25) |
| 290057 | Henderson Hospital | 103,535.07 | | 103,535.07 | 66,262.44 | (37,272.63) |
| 290032 | Northern Nevada Medical Center | 561,565.23 | | 561,565.23 | 359,401.75 | (202,163.48) |
| 290046 | Spring Valley Medical Center | 3,035,153.17 | | 3,035,153.17 | 1,942,498.03 | (1,092,655.14) |
| 290041 | Summerlin Hospital Medical Center | 4,366,104.04 | | 4,366,104.04 | 2,794,306.59 | (1,571,797.45) |
| 290021 | Valley Hospital Medical Center | 10,103,297.54 | | 10,103,297.54 | 6,466,110.43 | (3,637,187.11) |
| 290019 | Carson Tahoe Regional Healthcare | $5,257,030.84 | | $5,257,030.84 | $3,364,499.74 | $ (1,892,531.10) |
| 290056 | Orthopedic Specialty Hospital | 5,251.78 | | 5,251.78 | 3,361.14 | (1,890.64) |
| 290007 | University Medical Center of Southern Nevada | 15,714,448.34 | 1,350,323.43 | 17,064,771.77 | 10,921,453.93 | (6,143,317.84) |
| | **TOTALS** | **$93,476,040.42** | **$2,891,012.00** | **$96,367,052.42** | **$61,674,913.55** | **$ (34,692,138.87)** |

**Notes:**

* The **Case Mix Index** (CMI) is the average realative DRG weight of a hospital's inpatient discharges, calculated by summing the Medicare Severity-Diagnosis Related Group (MS-DRG) weight forr each discharge and dividing the total by the number of discharges.

# 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:**<br><br>**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
February 19, 2020

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

| | | |
|---|---|---|
| **Issue:** | **Update Regarding FY20 CEO Performance Goals** | **Back-up:** |
| **Petitioner:** | Jennifer Wakem, Chief Financial Officer | |
| **Recommendation:** | | |
| **Receive an update regarding FY20 CEO Performance Goals related to the Audit and Finance Committee; and direct staff accordingly.** ***(For possible action)*** | | |

**FISCAL IMPACT:**

None

**BACKGROUND:**

The Chief Financial Officer will provide an update on the UMC CEO Performance Objectives for FY20.



Respectfully submitted,

Jennifer Wakem
Chief Financial Officer

Cleared for Agenda
February 19, 2020

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UNIVERSITY MEDICAL CENTER

# January 2020
# CEO Goals Update

# UMC CEO Performance Objectives- Finance/ Operations

## 1. Meet or exceed fiscal year budgeted income from operations less depreciation and amortization

| FY20 YTD Jan | | | | |
|---|---|---|---|---|
| **INCOME FROM OPS** | **Actual** | **Budget** | **Variance** | **% Variance** |
| **Tot Inc from Ops plus Depr & Amort.** | **$6,345,329** | **$3,919,550** | **$2,425,779** | **61.89%** ↑ |

## 2. Implement new federal/state direct payment program to assist in UMC's supplemental reimbursement

- CFO will provide update

## 3. Actual SWB as a percentage of net revenue is equal to or less than 61.4%

| FY20 YTD Jan | | | | |
|---|---|---|---|---|
| REVENUE | Actual | Target | Variance | % Variance |
| SWB as a percentage of net revenue | 62.54% | 61.40% | | (1.14%) ↓ |

## 4. Decrease cost to collect .5% and bad debt expense .5% over prior year.

| FY20 YTD Jan vs FY19 YTD Jan | | | | |
|---|---|---|---|---|
| | FY20 YTD Jan | FY19 YTD Jan | Variance | % Variance |
| Cost to Collect | 6.35% | 8.00% | | (1.65%) ↑ |
| Bad Debt Expense | 93,830,858 | 110,925,772 | (17,094,914) | (15.41%) ↑ |

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

| | | |
|---|---|---|
| **Issue:** | **Renewal of Maintenance for OneSign Single Sign-On Authentication/Management License with Imprivata, Inc.** | **Back-up:** |
| **Petitioner:** | Jennifer Wakem, Chief Financial Officer | **Clerk Ref. #** |

**Recommendation:**

**That the Governing Board Audit and Finance Committee review and recommend for approval by the Governing Board the 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)***

**FISCAL IMPACT:**

Fund Number: 5420.000
Fund Center: 3000854000
Description: Identity Governance Software
Bid/RFP/CBE: NRS 332.115(1)(h) – Software
Term: One (1) year
Amount: NTE $56,350.00
Out Clause: 30 days w/o cause

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

**BACKGROUND:**

This request is to approve the annual support maintenance for OneSign Single Sign-On licenses with Imprivata, Inc. which is an addition to UMC's existing Identity Governance software project. The annual maintenance cost is $56,350.00 bringing the total spend for the Imprivata project to $1,136,412.75. Staff also requests Board approval for the Chief Executive Officer to execute annual extensions of this service if beneficial to UMC.

In accordance with NRS 332.115(1)(h), the competitive bidding process is not required for software.

UMC's Director of Information Technology has reviewed and recommends approval of this Renewal. The Renewal Quote has been approved as to form by UMC's Office of General Counsel.

Imprivata has applied for a business license with Clark County.



Respectfully submitted,

Jennifer Wakem
Chief Financial Officer

Cleared for Agenda
February 19, 2020

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imprivata®

**Quote:** Q-111531

10 Maguire Road, Building 1
Lexington, MA 02421
mailto:renewals@imprivata.com
(781) 644-6600

**Date:** January 15th, 2020
**Quote Expiration:** February 15th, 2020
**Proposal Name:** University Medical Center of Southern Nevada - OneSign - Maintenance Renewal - 2019
**Sales Rep:** Noreen Hartigan
**Prepared By:** Noreen Hartigan

**Bill To:** University Medical Center of Southern Nevada

**Address:** 1800 W Charleston Blvd
Las Vegas, NV
United States 89102
**Contact:** Maria Sexton
**Email:** maria.sexton@umcsn.com

**Phone:** (702) 671-6579

**Ship To:** University Medical Center of Southern Nevada

**Address:** 1800 W. Charleston Boulevard
Las Vegas, Nevada
United States 89102
**Contact:** Maria Sexton
**Email:** maria.sexton@umcsn.com

**Phone:** (702) 671-6579

**Order Type:** Maintenance Renewal

**Currency:** USD
**Direct/Indirect:** Direct
**Partner:** N/A
**Deal Registration:** No
**Account:** University Medical Center of Southern Nevada
**NetSuite ID:** 12474

## Licenses

| Qty | Product Code | Description |
|---|---|---|
| 4,600 | SSO/AM | License: OneSign Single Sign-On/Authentication Management (SSO/AM) License |
| 1 | CONN-EPIC | License: Imprivata Connector For Epic Hyperspace |

## Support

| Product Code | Description | Term | Start Date | End Date | Volume Price | Net Price | Total Net Price |
|---|---|---|---|---|---|---|---|
| SUPV25-R | Maintenance: OneSign Premium Virtual Support 4600 SSO/AM, 1 CONN-EPIC | 12 | 1/1/2020 | 12/31/2020 | $4,695.83 | $4,695.83 | $56,350.00 |

| | |
|---|---|
| **TOTAL:** | **USD 56,350.00** |
| **This proposal is valid until:** | **2/15/2020** |

**Quote:** Q-111531

10 Maguire Road, Building 1
Lexington, MA 02421
mailto:renewals@imprivata.com
(781) 644-6600

**Date:** January 15th, 2020
**Quote Expiration:** February 15th, 2020
**Proposal Name:** Q-111531
**Sales Rep:** Noreen Hartigan
**Prepared By:** Noreen Hartigan

**Comments:** None

**Order Acceptance:**

By signing below, I certify that (i) this purchase has been approved in accordance with customer's purchasing policy, (ii) a purchase order is either not required or attached and (iii) I am authorized to sign on behalf of customer accepting the terms of this proposal as an irrevocable purchase order.

Signature:_____

Name:_____

Title:_____

Date: _____

**TERMS & CONDITIONS**

**Maintenance and Support Renewals Terms**
Prices are valid for 90 days from quote date unless otherwise noted. This quote excludes applicable sales taxes and should not be considered the final total price and it will be added upon invoicing if taxable. Imprivata shall not accept, and this Quote does not operate as an acceptance of, any different or additional terms and conditions, and this Quote shall prevail over any such different or additional provisions, of any customer purchase order or any other customer originated instruments, unless mutually agreed upon in writing by both parties. Maintenance, services and subscriptions will be invoiced upon receipt of customer purchase order. Payment is due Net 30 days. These terms and conditions shall be accepted by either signing this quote and/ or by issuing a purchase order. Upon expiration of the Initial Maintenance and Support Period, maintenance and support may be renewed for successive twelve month periods (each an "Annual Maintenance and Support Period") with written confirmation at least thirty (30) days prior to the expiration of the applicable Initial Maintenance and Support Period or Annual Maintenance and Support Period. In the event of a lapse in coverage in maintenance and support, any reinstatement of maintenance and support should be subject to payment by customer of all M&S fees that would be payable from the time the customer discontinued maintenance and support to the time of its reinstatement . The terms and conditions can be viewed at http://www.imprivata.com/imprivata- maintenance-and-support. Please note this quote does not include sales tax or other miscellaneous charges for which you may be responsible. If you choose to pay based on the quote, upon receipt of payment, we will promptly issue a final invoice which may include sales tax as applicable. These terms and conditions shall be accepted by either signing this quote and/or by issuing a purchase order.

# 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:** | Imprivata, Inc | |
| **(Include d.b.a., if applicable)** | | |
| **Street Address:** | 10 Maguire Road, Building 1, Suite 125 | **Website: https://www.imprivata.com** |
| **City, State and Zip Code:** | Lexington, MA 02421 | **POC Name: Devin Head**<br>**Email: dhead@IMPRIVATA.com** |
| **Telephone No:** | 1 781 674 2700 | **Fax No:** |
| **Nevada Local Street Address:**<br>**(If different from above)** | N/A | **Website:** N/A |
| **City, State and Zip Code:** | N/A | **Local Fax No:** N/A |
| **Local Telephone No:** | N/A | **Local POC Name:** N/A<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) |
|---|---|---|
| Thoma Bravo | Parent Company | 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

DocuSigned by:
Jeff Kowalski
16969808AB824B7...
Signature

Jeff Kowalski
Print Name

Vice President, Legal
Title

1/10/2020
Date



REVISED 7/25/2014

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

| | | |
|---|---|---|
| **Issue:** | **Fourth Amendment to Agreement with Change Healthcare Technologies, 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 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)***

**FISCAL IMPACT:**

Fund Number: 5420.000
Fund Name: UMC Operating Fund
Fund Center: 3000856000
Funded Pgm/Grant: N/A
Description: Clearance and Assurance Transactional Activities
Bid/RFP/CBE: RFI 2009-10
Term: Amendment 4 – extend through 2/28/2022 with one (1) year extension option
Amount: Amendment 4 – additional estimated $700,000 per year or potential aggregate is estimated $2,100,000 for three (3) years
Out Clause: 60 days w/ cause

**BACKGROUND:**

On November 15, 2011, UMC executed an Order Form with Change Healthcare Technologies (CHC) (previously called RelayHealth) for the purchase of software and a variety of revenue cycle transaction services for claims clearinghouse, eligibility verification, payment processing, propensity to pay, and other services. Amendment 1, updated Exhibit A-1-1 on Processing Services Recurring Fees. Amendment 2, updated the RelayLearn Services recurring fee. On November 16, 2016, UMC executed a Contract Supplement which provided an Epic interface for the services, extended the Agreement term for RelayAssurance and RelayClearance through November 14, 2019, and allowed UMC to move from Experian's Credit Reporting services to TransUnion's Credit Reporting services. On March 8, 2018, UMC executed a Sales Order which extended CHC's products to the UNLV School of Medicine (UNLVSOM) and to future UMC partners through the Physicians Community Connect Program. The transaction charges are billed to UMC and passed through to UNLVSOM at actual cost. Amendment 3, extended the Agreement term through February 29, 2020.



Cleared for Agenda
February 19, 2020

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This Amendment 4 requests to (i) extend the Agreement term for two (2) years ending February 28, 2022 with an option to extend for one (1) year; and (ii) update the Fee Schedule with a new Exhibit 1.

Staff has negotiated the terms of the Amendment and fees associated with these services and found them equitable for the work to be performed. Also, UMC was able to avoid annual CPI increases by retaining the transactions fees at fixed rates during the extension period.

UMC's Patient Access/EFS and Patient Accounting Directors have reviewed and recommends approval of this Amendment. This Amendment has been approved as to form by UMC's Office of General Counsel.

A Clark County business license is not required because this Agreement is for the provision of remote services.



Respectfully submitted,

Jennifer Wakem
Chief Financial Officer

CHANGE HEALTHCARE

University Medical Center of Southern Nevada
Customer No: 1008590
Amendment No: P202010031080
January 18, 2020

**Amendment**

This Fourth Amendment ("Amendment") to the contract(s) listed in the Amended Agreements table ("Agreement") is between Change Healthcare Technologies, LLC ("CHC") and University Medical Center of Southern Nevada ("Customer") (each a "Party" and collectively, the "Parties"). This Amendment is effective as of the last signature date in the signature block ("Amendment Effective Date").

**Amended Agreements**

| Contract No./Name: | Effective Date: |
|---|---|
| RH-58257_PS4A_PS4B (Order Form) | November 15, 2011 |
| P201610009868 (Contract Supplement) | November 16, 2016 |
| RHF-060430 (Sales Order) | March 8, 2018 |

**Purpose**

The Parties want to 1) extend the current term for certain Products or Services under the Agreement; 2) restate the pricing for the Products or Services that are being extended; and 3) add a Customer Facility to the Agreement.

Based on the foregoing, the Parties desire to amend the Agreement as of the Amendment Effective Date on the terms and conditions set forth below.

**Terms and Conditions**

1. The term of the Agreement is extended for a new two (2) year period, with an option to extend for one (1) year subject to mutual written agreement, beginning on March 1, 2020 and ending on February 28, 2022 ("Extended Term"), specifically as it relates to those Products or Services listed in Exhibit 1 to this Amendment. For the avoidance of doubt, Exhibit 1 of this Amendment is intended to replace Exhibits A and A-1 of the Agreement.

2. As of November 15, 2019, UNLV School of Medicine is added as a Customer Facility to the Agreement and the pricing for the Products or Services that are being extended is restated by deleting the existing Exhibits A and A-1 in its entirety and replacing with the new Exhibit A, attached hereto as Exhibit 1.

3. The monthly and transaction rates as set forth in the new Exhibit A will remain fixed for the duration of the thirty-six (36) month Extended Term only (includes the one year extension option). Thereafter, CHC reserves the right to increase prices as a condition of entering into any renewal term.

4. Customer agrees to pay CHC for the performance of services described in this Amendment for the not-to-exceed ("NTE") amount of **$700,000 per year.** The Parties estimate that performance of this contract will not exceed the NTE amount of $700,000 per year, and CHC agrees to use commercially reasonable efforts to perform the work and all obligations under this contract within the NTE amount. Customer shall notify CHC in writing whenever it has reason to believe that the costs it expects to incur under this contract in the next 60 days, when added to all costs/invoices previously incurred/paid, will exceed the NTE amount. Upon receipt of such notices, the Parties shall meet to discuss their options, including but not limited to amending the NTE amount. If, after the Parties' meeting(s), additional funds are not allotted by an agreed-upon date, *upon CHC's written request* the Customer will terminate this contract on that date in accordance with the provisions of the termination clause of this contract. Notwithstanding anything to the contrary contained herein, CHC is not obligated to continue performance under this contract (including actions under the termination clause of this contract) or otherwise incur costs in excess of the NTE amount and shall have no liability accruing from such action.

5. Upon expiration of the Extended Term, the term of the Agreement will renew only by written consent of both Parties.

6. Customer is responsible for determining if there has been any impact on its previously-filed cost reports regarding the subject matter of this Amendment.

7. Capitalized terms not defined in this Amendment are defined in the Agreement. All terms in the Agreement that are not modified by this Amendment are still in force. This Amendment contains all the terms agreed upon by the Parties regarding the subject matter of this Amendment and supersedes any other communications about the subject matter of this Amendment. Any amendment or modification of this Amendment must be in writing, and signed by the duly authorized representatives of both Parties. Any amendment or modification not made in this manner shall have no force or effect.

| **Change Healthcare Technologies, LLC** | **University Medical Center of Southern Nevada** |
|---|---|
| By: _____ | By: _____ |
| Name: Ann Aschenbrenner | Name: Mason VanHouweling |
| Title: VP Account Management | Title: Chief Executive Officer |
| Date: 02/18/2020 | Date: _____ |

**Exhibit 1**

**[see following pages]**

## EXHIBIT A

**University Medical Center of Southern Nevada**
**Customer Number: 1008590**
**Opportunity Number: RHF-077979**

### 1. FEES SUMMARY

| Processing Services | Initial Term (in months) | Minimum Recurring Fees | One-Time Fees |
|---|---|---|---|
| **Clearance** | 24 | $25,285.75 Monthly (includes minimum fee(s)) | N/A |
| **Assurance** | 24 | $26,363.08 Monthly (includes minimum fee(s)) | N/A |
| | **Grand Total** | **$51,648.83 Monthly** | **N/A** |

The pricing in this Exhibit expires unless Change Healthcare receives this Amendment signed by Customer on or before **3/10/2020**.

### 2. PAYMENT SCHEDULE

| | |
|---|---|
| **Recurring:** | **Assurance**: Fees are due monthly commencing on the earlier of Live Date/Services Installation Date or 90 days after the Contract Supplement (CS)/Order Form (OF)/Sales Order (SO)/Amendment Effective Date.<br>**Clearance**: Fees are due monthly commencing on the earlier of Live Date/Services Installation Date or 90 days after the CS/OF/SO/Amendment Effective Date. |
| **One-Time:** | 100% is due on the CS/OF/SO/Amendment Effective Date. |
| **Change Healthcare Services Already Live:** | Recurring Fees are due monthly commencing on the CS/OF/SO/Amendment Effective Date. |

## 3. QUOTE DETAIL

**Processing Services Recurring Fees:**

| Product Code(s) | Product Description | Fee Basis | Net Fee | Contracted Facilities |
|---|---|---|---|---|
| **Assurance** | | | | |
| 74039094 | Assurance Plus Subscription | Monthly fee based on Minimum Volume of 48,960 claims per month. Additional charges per transaction is $0.38389** | $15,355.78 Monthly, plus additional charges per transaction | 1, 3 |
| 74039101 | Assurance Plus Paper Claim | Per Transaction Net Fee: $0.25856 | Billed Monthly based on paper claims processed, plus postage fee per paper claim | 1, 3 |
| 74039086 | Assurance Plus HCDirect Original | Per Transaction Net Fee: $0.34889 | Billed Monthly based on paper claims processed, plus postage fee per paper claim | 1, 3 |
| 74038528 | Assurance Plus Host Integ | Per Transaction Net Fee: $0.05613 | Billed Monthly based on Plus claims processed | 1, 3 |
| 74039088 | Assurance Plus Medicare Direct Entry (MDE) | Per Transaction Net Fee: $0.24088 Monthly Minimum Volume: 2,500 Monthly Minimum Fee: $602.20 | Billed Monthly based on the greater of actual usage of MDE claims processed or minimum transaction volume commitment | 1, 3 |
| 74047416 | Assurance Plus Enhanced Claim Status through Payer Portal transaction | Per Transaction Net Fee: $0.21537 | Billed Monthly based on actual usage | 1, 3 |
| 74047417 | Assurance Plus Claim Status Enhanced response workflow feature | Monthly Workflow Subscription Fee | $3,840.00 | 1, 3 |
| 73022751 | Assurance Plus Test Sys | Monthly Fee is based on number of Test Systems | $301.10 | 1, 3 |
| 74039094 | Assurance Plus Subscription | Monthly fee based on Minimum Volume of 15,000 claims per month. Additional charges per transaction is $0.41760** | $6,264.00 Monthly, plus additional charges per transaction | 2 |
| 74039101 | Assurance Plus Paper Claim | Per Transaction Net Fee: $0.2304 | Billed Monthly based on paper claims processed, plus postage fee per paper claim | 2 |

| | | | | |
|---|---|---|---|---|
| 74039086 | Assurance Plus HCDirect Original | Per Transaction Net Fee: $0.3168 | Billed Monthly based on paper claims processed, plus postage fee per paper claim | 2 |
| 74038528 | Assurance Plus Host Integ | Per Transaction Net Fee: $0.0504 | Billed Monthly based on Plus claims processed | 2 |
| | | **Assurance Recurring Fees Total:** | **$26,363.08 Monthly, plus applicable transaction fees** | |
| **Clearance** | | | | |
| 73019774 | Clearance Plus Acute | Monthly Fee is based on Encounter Volume up to 50,000, unlimited transactions, per encounter. | $19,053.21 | 1 |
| 73019766 | Clearance Address w/ Fraud Acute | Per Transaction Net Fee: $0.30151 Monthly Minimum Volume: 1,000 Monthly Minimum Fee: $301.51** | Billed Monthly based on the greater of actual usage or minimum transaction volume commitment | 1, 3 |
| 74036973 | Clearance Test System Recurring | Monthly Fee | $360.71 | 1, 3 |
| 73019775 | Clearance Plus Physician | Monthly Fee is based on Encounter Volume up to 40,000, unlimited transactions, per encounter. | $3,881.92 | 3 |
| 73019775 | Clearance Plus Physician | Monthly Fee is based on Encounter Volume up to 12,500, unlimited transactions, per encounter. | $1,688.40 | 2 |
| 73019767 | Clearance Address w/ Fraud Physician | Per Transaction Net Fee: $0.30 | Billed Monthly based on actual usage | 2 |
| | | **Clearance Recurring Fees Total:** | **$25,285.75 Monthly, plus applicable transaction fees** | |
| | | **TOTAL RECURRING FEES*:** | **$51,648.83 Monthly, plus applicable transaction fees** | |

***Total Recurring Fees only include monthly minimum fees. Any additional per transaction fees will apply over and above these totals and will be listed separately on Customer's invoice.**

****74039188** Material Code will be used for Assurance claim volume overages; **73022911** Material Code will be used for Clearance Address w/ Fraud transaction overages. Material/Product Codes for overage transaction fees may differ from Subscription/Minimum Volume Commitment Material/Product overages on invoices.

## 4. FACILITIES

| Customer No. | Facility Account | Bill To Account | Numerated Facilities |
|---|---|---|---|
| **1008590** | University Medical Center of Southern Nevada<br>1800 W Charleston Blvd<br>Las Vegas, NV 89102 | University Medical Center of Southern Nevada<br>1800 W Charleston Blvd<br>Las Vegas, NV 89102 | 1 |
| **1200803** | University Medical Center of Southern Nevada Physicians<br>1800 W Charleston Blvd<br>Las Vegas, NV 89102 | University Medical Center of Southern Nevada<br>1800 W Charleston Blvd<br>Las Vegas, NV 89102 | 3 |
| **TBD** | UNLV School of Medicine<br>1701 W Charleston Blvd<br>Las Vegas, NV 89102 | University Medical Center of Southern Nevada<br>1800 W Charleston Blvd<br>Las Vegas, NV 89102 | 2 |

## 5. ADMINISTRATION

| **Sold To:** | **Bill To:** |
|---|---|
| University Medical Center of Southern Nevada | University Medical Center of Southern Nevada |
| 1800 W Charleston Blvd<br>Las Vegas, NV 89102<br>USA | 1800 W Charleston Blvd<br>Las Vegas, NV 89102<br>USA |
| 1008590 | 1008590 |
| Attention: | Attention: Accounts Payable |
| Telephone: (702) 383-2000 | Telephone: (702) 383-2000 |
| Fax: (702) 383-2067 | Fax: (702) 383-2067 |
| | |
| **Paid By:** | **Ship To:** |
| University Medical Center of Southern Nevada | University Medical Center of Southern Nevada |
| 1800 W Charleston Blvd<br>Las Vegas, NV 89102<br>USA | 1800 W Charleston Blvd<br>Las Vegas, NV 89102<br>USA |
| 1008590 | 1008590 |
| Attention: | Attention: |
| Telephone: (702) 383-2000 | Telephone: (702) 383-2000 |

# 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:** 2

| | | |
|---|---|---|
| **Corporate/Business Entity Name:** | Change Healthcare Technologies, LLC | |
| **(Include d.b.a., if applicable)** | | |
| **Street Address:** | 5995 Windward Parkway | **Website:** www.changehealthcare.com |
| **City, State and Zip Code:** | Alpharetta, GA 30005 | **POC Name:** Elizabeth Way<br>**Email:** elizabeth.way@changehealthcare.com<br>corporatesecretary@changehealthcare.com |
| **Telephone No:** | 615-932-3000 | **Fax No:** 404-420-2300 |
| **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) |
|---|---|---|
| See officer list attached. | | |
| | | |
| | | |

***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.

Loretta A. Cecil — Signature

Loretta A. Cecil — Print Name

Secretary — Title

1/3/2020 — Date



REVISED 7/25/2014

| Change Healthcare Technologies, LLC Officers |
| --- |
| Neil E. de Crescenzo – President & CEO |
| Fredrik J. Eliasson – CFO & Treasurer |
| Paul Rareshide - Controller |
| Derrick Kirkwood – VP, Tax |
| John McGoun – VP, Procurement |
| Loretta Cecil – Secretary |
| Carrie Ratliff – Assistant Secretary |
| Joe Ashkouti – Assistant Secretary |

*This entity does not have directors

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

| | | |
|---|---|---|
| **Issue:** | **Amendment One to Professional Services Agreement for Hematology and Medical Oncology Services with OptumCare Cancer Care** | **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 Amendment One to the Professional Services Agreement between Robert B. McBeath, M.D., PC dba OptumCare Cancer Care and University Medical Center of Southern Nevada; and take action as deemed appropriate.** ***(For possible action)***

**FISCAL IMPACT:**

Fund Number: 5420.000
Fund Center: 3000608300
Description: Hematology and Medical Oncology Services
Bid/RFP/CBE: NRS 332.115(1)(b) – Professional Services
Term: Extend through 2/28/2021
Amount: $255,500 per year
Out Clause: 30 days w/o cause

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

**BACKGROUND:**

On March 15, 2017, the Hospital entered into a Professional Services Agreement with Robert B. McBeath, M.D., PC dba OptumCare Cancer Care ("Provider") (previously called Nevada Cancer Specialists) under which, among other things, Provider provides hematology and medical oncology services at the Hospital. On February 28, 2019, the Hospital exercised the first of two one-year options under the Agreement, extending the term to February 28, 2020.

This request is to approve Amendment One to the Agreement, to exercise the second one-year option to extend the term to February 28, 2021. The Agreement may be terminated with a 30-day written notice by either party.

In accordance with NRS 332.115.1(b), the competitive bidding process is not required as the services to be performed are professional in nature.

This Amendment has been reviewed by UMC's Associate Administrator and approved as to form by the Office of General Counsel.



Provider currently holds a Clark County business license.

Respectfully submitted,

Jennifer Wakem
Chief Financial Officer

Cleared for Agenda
February 19, 2020

Agenda Item #
**10**

**AMENDMENT ONE TO**
**PROFESSIONAL SERVICES AGREEMENT**

This Amendment One is made by and between **University Medical Center of Southern Nevada**, a publicly owned and operated hospital created by virtue of Chapter 450 of the Nevada Revised Statutes ("Hospital") and **Robert B. McBeath, M.D., PC dba OptumCare Cancer Care**, a professional corporation existing under and by virtue of the laws of the State of Nevada, with its principal place of business at 2716 N. Tenaya Way, Las Vegas, Nevada ("Provider"). Terms not otherwise defined in this Amendment One shall have the meanings set forth in the Agreement (defined below).

**RECITALS:**

WHEREAS, the parties entered into the Professional Services Agreement dated March 15, 2017 ("Agreement"), under which, among other things, Provider provides hematology and medical oncology services at Hospital; and

WHEREAS, on February 28, 2019, Hospital exercised the first of two one-year options under the Agreement extending the Term to February 28, 2020; and

WHEREAS, Hospital desires to exercise the second of two (2) one-year options to extend the Agreement with this Amendment One, as further described below.

NOW, THEREFORE, the parties agree as follows:

1. Section 6.1, Term of Agreement, is hereby amended to extend the Term of the Agreement for one (1) year to February 28, 2021.

2. Except as expressly amended in this Amendment One, the remainder of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have caused this Amendment One to be effective upon the last date of signature set forth below.

PROVIDER:

**Robert B. McBeath, M.D., PC**
**dba OptumCare Cancer Care**

By: _____

Name: Robert B. McBeath, MD

Its: President

Date: 2/11/2020

HOSPITAL:

**University Medical Center of**
**Southern Nevada**

By: _____

Name: Mason VanHouweling

Its: Chief Executive Officer

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:** Est. 3,000

| | | |
|---|---|---|
| **Corporate/Business Entity Name:** | Robert B. McBeath, MD, PC | |
| **(Include d.b.a., if applicable)** | OptumCare Cancer Care | |
| **Street Address:** | PO Box 204646 | **Website: https://www.optumcare.com/state-networks/locations/nevada/ocnv/types-of-care/specialty-care/cancer-care.html#** |
| **City, State and Zip Code:** | Dallas, TX 75320-4646 | **POC Name: Ernest Barela**<br>**Email: ernest.barela@optum.com** |
| **Telephone No:** | 702-724-8787 | **Fax No: 702-878-3078** |
| **Nevada Local Street Address:**<br>**(If different from above)** | 2716 N. Tenaya Way | **Website: https://www.optumcare.com/state-networks/locations/nevada/ocnv/types-of-care/specialty-care/cancer-care.html#** |
| **City, State and Zip Code:** | Las Vegas, NV 89128 | **Local Fax No: 702-878-3078** |
| **Local Telephone No:** | 702-724-8787 | **Local POC Name: Ernest Barela**<br>**Email: ernest.barela@optum.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) |
|---|---|---|
| Robert B. McBeath, MD | President | 100% |
| | | |
| | | |

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

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

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

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

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

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

Signature: Robert B. McBeath

Print Name: Robert B. McBeath, MD

Title: PRESIDENT

Date: 2/4/2020



REVISED 7/25/2014

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

| | | |
|---|---|---|
| **Issue:** | **Renewal Letter for Extension of Lease with WRI Charleston Commons, 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 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)***

**FISCAL IMPACT:**

Fund Number: 5420.000
Fund Center: 3000728000
Description: Letter of Renewal for Nellis Quick Care/Primary Care
Bid/RFP/CBE: N/A
Term: 6 months
Amount: $110,400
Out Clause: Terminable for cause or Fiscal Fund Out

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

**BACKGROUND:**

Since March 1994, UMC has had an agreement with WRI Charleston Commons (previously Charleston Commons Associates LP) ("WRI") to lease office space for the Nellis Quick Care located at 61 N. Nellis Boulevard, Las Vegas, Nevada.

On November 16, 1999, the Board approved a new agreement with WRI increasing the rentable square footage from 7,200 to 9,600 square feet with a new lease term of 10 years ending December 31, 2009, and with an annual rate increase of five percent (5%). On December 1, 2009, the Board agreed to extend the contract through June 30, 2010. The Board then approved an extension to June 30, 2015 with an additional 5-year option; annual increase of 3%. The current lease as amended will expire on June 30, 2020.

This request is to extend the lease through December 31, 2020 with a monthly fee of $18,400 unless sooner terminated in accordance with the terms of the lease.

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



Respectfully submitted,

Jennifer Wakem
Chief Finance Officer

Cleared for Agenda
February 19, 2020

Agenda Item #
**11**

WRI Charleston Commons, LLC
P.O. Box 924133
Houston, Texas 77292-4133

RE: Lease Dated: November 16, 1999
Landlord: WRI Charleston Commons, LLC
Tenant: University Medical Center of Southern Nevada, a county-owned hospital
Premises: Approximately 9,600 square feet in Landlord's
Charleston Commons SC, Las Vegas, NV

Gentlemen:

Reference is made to the above captioned lease, together with all subsequent amendments and extensions thereto, collectively herein referred to as "Lease", for a term which shall terminate June 30, 2020. This letter agreement ("Renewal Letter"), when executed by the parties, amends the Lease as hereinafter set forth:

1. The term of the Lease is extended through December 31, 2020, unless sooner terminated in accordance with the terms of the Lease.

2. Effective July 1, 2020, the monthly minimum rental (exclusive of any additional charges) due and payable in accordance with the terms of the Lease shall be as follows:

July 1, 2020 - December 31, 2020 : $18,400.00 per month

3. All unexercised options, if any, to extend the term of the Lease are hereby rendered null and void and shall be of no further force or effect. Tenant has no further option to extend the term of the Lease beyond December 31, 2020.

Except as otherwise provided in this Renewal Letter, all of the terms and provisions of the Lease shall be applicable during such extension period unless any such interpretation is expressly negated. Tenant acknowledges that there are no off-sets or defenses against enforcement of the Lease as of this date, and Landlord is not in default of any obligation thereunder.

The parties to this agreement desire to expedite the drafting and completion of this agreement. They acknowledge that the Lease, which is modified by this agreement, includes capitalized and defined terms. In order to avoid the delay which would be necessary to reference properly the capitalized and defined terms used in the Lease, the parties have elected rather to use generic terminology in this agreement rather than the defined terms of the Lease. For example, where the Lease may use the defined terms “Minimum Rent,” “Base Rent,” or “Fixed Minimum Rent,” this agreement will use the term “monthly minimum rental” to describe the regular monthly rental payments due under the Lease, as hereby modified. Any capitalized or defined terms used in this agreement, if any, will have the meanings ascribed to them in this agreement, which may or may not correspond to a similarly defined term in the Lease.

This Renewal Letter (and any riders, exhibits and guaranties attached hereto) constitutes the entire agreement between Landlord and Tenant relative to the matters addressed in this document; no prior written or prior or contemporaneous oral promises or representations regarding the matters addressed in this document shall be binding. Landlord and Tenant each represent and acknowledge to the other that (i) none of us is relying upon any statement or representation of the other or any statement or representation of any employee, representative, or agent of the other party, except for any representations expressly contained in this Renewal Letter, and (ii) each of us is relying on his or her own judgment in making its decision to enter into this Renewal Letter. Landlord and Tenant represent and acknowledge that the only statements and/or representations upon which Landlord and Tenant have respectively relied upon in entering into this Renewal Letter are those expressly contained herein. Tenant acknowledges and agrees that it either has been represented by legal counsel or was afforded the opportunity to engage legal counsel on its behalf and has not received, and does not and has not relied on, the advice of legal counsel for Landlord.

If this Renewal Letter is executed by more than one person or entity as "Tenant", each such person or entity shall be jointly and severally liable hereunder. It is expressly understood that any one of the parties who have executed this Renewal Letter as "Tenant" (herein individually referred to as "Signatory") shall be empowered to execute any modification, amendment, exhibit, floor plan, or other document ("Future Instrument") and bind each of the Signatories who has executed this Renewal Letter regardless of whether each Signatory, in fact, executes such Future Instrument.

Except as otherwise expressly provided herein, the effective date of all of the terms and conditions of this Renewal

Letter shall be deemed to be the date upon which the Renewal Letter is executed by Landlord.

THE PARTIES HERETO KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT TO A TRIAL BY JURY FOR ANY AND ALL CLAIMS, DISPUTES, DEMANDS, CAUSES OF ACTION, PROCEEDINGS, LAWSUITS AND LITIGATIONS BETWEEN THEM, INCLUDING, WITHOUT LIMITATION, THOSE ARISING OUT OF, RELATING TO OR IN CONNECTION WITH THIS AGREEMENT, ITS INTERPRETATION AND ENFORCEMENT, AS WELL AS THE PARTIES' PERFORMANCES DUE HEREUNDER.

THE SUBMISSION OF THIS RENEWAL LETTER FOR EXAMINATION BY TENANT AND/OR EXECUTION THEREOF BY TENANT DOES NOT CONSTITUTE A RESERVATION OF OR OPTION FOR THE PREMISES AND THIS RENEWAL LETTER SHALL BECOME EFFECTIVE ONLY UPON EXECUTION BY ALL PARTIES HERETO AND DELIVERY OF A FULLY EXECUTED COUNTERPART HEREOF BY LANDLORD TO TENANT.

THIS DOCUMENT MAY BE EXECUTED IN SEVERAL COUNTERPARTS, EACH OF WHICH WILL BE DEEMED AN ORIGINAL, AND ALL OF SUCH COUNTERPARTS TOGETHER WILL CONSTITUTE ONE AND THE SAME INSTRUMENT. SIGNATURE AND ACKNOWLEDGEMENT (IF ANY) PAGES MAY BE DETACHED FROM THE COUNTERPARTS AND ATTACHED TO A SIGNED COPY OF THIS DOCUMENT TO PHYSICALLY FORM ONE DOCUMENT. IMAGES OF THE HANDWRITTEN SIGNATURE AND ACKNOWLEDGEMENT (IF ANY) PAGES OF EACH SIGNATORY ON THIS DOCUMENT MAY BE EXECUTED VIA AN INKED OR “WET” SIGNATURE OR VIA AN ELECTRONIC SIGNATURE VALID UNDER THAT STATES UNIFORM ELECTRONIC TRANSACTIONS ACT (“UETA”), OR IF NO SUCH ACT EXISTS, UNDER THE ELECTRONICS SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT, 15 USC § 7001, ET SEQ. (“E-SIGN”) AND THE EXECUTED SIGNATURE AND ACKNOWLEDGMENT (IF ANY) PAGES MAY BE DELIVERED USING PORTABLE DOCUMENT FORMAT (I.E., PDF) OR SIMILAR FILE TYPE AND TRANSMITTED VIA FACSIMILE, ELECTRONIC MAIL, CLOUD-BASED SERVER, E-SIGNATURE TECHNOLOGY OR SIMILAR ELECTRONIC MEANS, AND, UPON RECEIPT, WILL BE DEEMED ORIGINALS AND BINDING UPON THE SIGNATORIES HERETO. ANY MANUAL SIGNATURE UPON THIS DOCUMENT THAT IS FAXED, SCANNED OR PHOTOCOPIED, AND ANY ELECTRONIC SIGNATURE VALID UNDER UETA OR E-SIGN SHALL FOR ALL PURPOSES HAVE THE SAME VALIDITY, LEGAL EFFECT AND ADMISSIBILITY IN EVIDENCE AS AN ORIGINAL INKED OR “WET” SIGNATURE AND THE PARTIES HEREBY WAIVE ANY OBJECTION TO THE CONTRARY.

AGREED AND ACCEPTED on the date signed by Landlord set forth below.

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA, A COUNTY-OWNED HOSPITAL

By: _____
Name: _____
Title: _____

"TENANT"

WRI CHARLESTON COMMONS, LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

Date: _____

"LANDLORD"

RR/CH/SD
P: 21300 L: 13702

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Roseville, CA 95661
916.727.1005
916.727.1030 (fax)
www.weingarten.com

February 5, 2020

Shana Tello
University Medical Center of Southern Nevada
1800 West Charleston Blvd.
Las Vegas, NV 89102

| | | |
|---|---|---|
| RE: | Lease Dated: | November 16, 1999 |
| | Landlord: | WRI Charleston Commons, LLC |
| | Tenant: | University Medical Center of Southern Nevada, a county-owned hospital |
| | Premises: | Approximately 9,600 square feet in Landlord's Charleston Commons SC, Las Vegas, NV |

Dear Shana:

Attached is a Renewal Letter extending the term of the captioned Lease.

The Renewal Letter is being sent to you in connection with the ongoing negotiations between Tenant and Landlord for the renewal of the term of the referenced Lease. Please be advised that the transmittal of this document does not constitute a reservation of the Premises beyond the current term or an option to extend the term of the referenced Lease. The Renewal Letter shall be binding and effective only upon full execution by both Landlord and Tenant and a delivery of a fully executed counterpart of the Renewal Letter by Landlord to Tenant.

If this instrument is in acceptable form, secure ALL signatures required and return to Landlord for execution in one of the following ways **no later than February 14, 2020**:

1) **Originals**: Tenant to print **two (2) single-sided** copies and all parties sign **(DO NOT DATE)** where indicated. Return **both** signed copies to my attention at the address above; **OR**
2) **Electronic signatures**: Landlord will send the document via Docusign. Provide names and email addresses of all signers to Susan Downs at sdowns@weingarten.com.

If you have any questions pertaining to the terms of the document, contact Christine Hillman at chillman@weingarten.com or (602) 217-8851. Otherwise, please contact me at sdowns@weingarten.com or (916) 727-2104.

Sincerely,

WRI CHARLESTON COMMONS, LLC

*Susan Downs*
Executive Assistant / Leasing

/sd
attachment

# DISCLOSURE OF OWNERSHIP/PRINCIPALS

| Type of Business | | | | | |
|---|---|---|---|---|---|
| ☐ Individual | ☐ Partnership | ☒ Limited Liability Corporation | ☐ Corporation | ☐ Trust | ☐ Other |

| Business Designation Group (For informational purposes only) | | | | | |
|---|---|---|---|---|---|
| ☐ MBE | ☐ WBE | ☐ SBE | ☐ PBE | ☐ LBE | ☐ NBE |
| Minority Business Enterprise | Women-Owned Business Enterprise | Small Business Enterprise | Physically Challenged Business Enterprise | Large Business Enterprise | Nevada Business Enterprise |

| | | |
|---|---|---|
| **Business Name:** | WRI Charleston Commons, LLC | |
| **(Include d.b.a., if applicable)** | | |
| **Business Address:** | 2600 Citadel Plaza Drive, Suite 100 | |
| | Houston, TX 77008 | |
| **Business Telephone:** | 713.866.6000 | **Email:** |
| **Business Fax:** | 713.866.6950 | |
| **Local Business Address** | | |
| **Local Business Telephone:** | | **Email:** |
| **Local Business Fax:** | | |

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

"Business 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.

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

| Full Name | Title | % Owned (Not required for Publicly Traded Corporations) |
|---|---|---|
| Andrew M. Alexander | President and Chief Executive Officer/Board of Director | |
| Jeffrey A. Tucker | Senior Vice President | |
| Stephen C. Richter | Executive Vice President/CFO/Treasurer/Asst. Secretary | |
| M. Candace DuFour | Senior Vice President and Secretary | |
| Joe D. Shafer | Vice President/Assistant Secretary | |
| Stanford J. Alexander | Chairman of the Board of Directors | |

1. Are any individual members, partners, owners or principals, involved in the business entity, a Clark County, University Medical Center, Department of Aviation, or Clark County Water Reclamation District full-time employee(s), or appointed/elected official(s)?

   ☐ Yes ☒ No (If yes, please note that County 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, children, parent, in-laws or brothers/sisters, half-brothers/half-sister, grandchildren, grandparents, in-laws related to a Clark County, University Medical Center, Department of Aviation, or Clark County Water Reclamation District full-time employee(s), or appointed/elected official(s)?

   ☐ Yes ☒ No (If yes, please disclose on the attached Disclosure of Relationship form.)



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

Signature

Mark D. Stout
Vice President /
Associate General Counsel

Title

Print Name

April 6, 2010

Date

# DISCLOSURE OF RELATIONSHIP

**List any disclosures below:**

| NAME OF BUSINESS OWNER/PRINCIPAL | NAME OF COUNTY* EMPLOYEE(S) | RELATIONSHIP TO COUNTY* EMPLOYEE | COUNTY DEPARTMENT |
|---|---|---|---|
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* County employee means Clark County, University Medical Center, Department of Aviation, or Clark County Water Reclamation District.

"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)

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

| | | |
|---|---|---|
| **Issue:** | **Award RFP No. 2019-16 Collection Agency for Self-Pay Bad Debt to Aargon Agency, Inc. d/b/a Aargon Collection Agency and CMRE Financial Services, 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. 2019-16 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)***

**FISCAL IMPACT:**

Fund Number: 5420.000
Fund Name: UMC Operating Fund
Fund Center: 3000853000
Funded Pgm/Grant: N/A
Description: Collection Agency for Self-Pay Bad Debt
Bid/RFP/CBE: RFP 2019-16
Term: 4/1/2020 to 3/31/2023 with two 1-year options
Amount: NTE $550,000 per year for each collection agency or potential aggregate is NTE $2,750,000 for five (5) years for each collection agency
Out Clause: 30 days w/o cause

**BACKGROUND:**

On August 29, 2019, a notice of interest was sent out to twenty-five (25) companies allowing them to express their interest in participating in RFP No. 2019-16 for Collection Agency for Self-Pay Bad Debt. The RFP was also published in the Las Vegas Review Journal on September 1, 2019 and posted on the Clark County Website under Current Contracting Opportunities. On October 8, 2019, responses were received from:

Aargon Collection Agency
Clark County Collection Service
CMRE Financial Services
Convergent Healthcare Recoveries
OneAdvantage
USCB America



Cleared for Agenda
February 19, 2020

Agenda Item #
**12**

An ad hoc committee (comprised of UMC Patient Accounting Management, Information Technology and a Consultant) reviewed the proposals independently and anonymously. On December 6, 2019, the top three (3) respondents were invited back to conduct oral presentations. The committee recommends the selection of, and contract approval with Aargon Collection Agency (Aargon) and CMRE Financial Services (CMRE).

For the total not to exceed RFP award of $550,000 per year for each collection agency, Aargon and CMRE will provide self-pay bad debt collection services to UMC. This service includes providing outgoing dialing campaigns, letters and email messaging when appropriate, establishing and managing payment arrangements, answering questions related to statements and fielding calls for account audits and charge disputes. All unresolved accounts will be assigned to each collection agency at day 121. UMC expects that each collection agency will strictly adhere to the Fair Debt Collection Practices Act and all applicable Federal and State laws related to billing and collections.

The Agreement term is from April 1, 2020 through March 31, 2023 with the option to extend for two (2) one-year periods unless terminated with a 30-day written notice. UMC will compensate Aargon and CMRE as follows:

- Commission on collections between day 121 to day 240 11%
- Commission on collections between day 241 to day 1095 14%

Staff has negotiated the proposed Agreement and fees associated, and found them equitable for the work to be performed. Staff also requests authorization for the Hospital CEO, at the end of the initial term, to exercise the extension options at his discretion if deemed beneficial to UMC.

UMC's Patient Accounting Director has reviewed and recommends award of these Agreements. These Agreements have been approved as to form by UMC's Office of General Counsel.

Aargon currently holds a Clark County business license while CMRE currently holds a Clark County Limited Vendor Registration.



Respectfully submitted,

Jennifer Wakem
Chief Financial Officer

# UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA

# SERVICE AGREEMENT

# RFP NO. 2019-16

| |
|---|
| Aargon Agency, Inc. d/b/a Aargon Collection Agency |
| NAME OF COMPANY |
| Duane Christy, CEO |
| DESIGNATED CONTACT, NAME AND TITLE<br>(Please type or print) |
| 8668 Spring Mountain Road<br>Las Vegas, NV 89117 |
| ADDRESS OF COMPANY<br>INCLUDING CITY, STATE AND ZIP CODE |
| (702) 220-7037 ext 247 |
| (AREA CODE) AND TELEPHONE NUMBER |
| (702) 220-7036 |
| (AREA CODE) AND FAX NUMBER |
| duane@aargon.com |
| EMAIL ADDRESS |

**SERVICE AGREEMENT**

This Service Agreement (the "Agreement") is made and entered into this 26th day of February 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 AARGON AGENCY, INC. D/B/A AARGON COLLECTION AGENCY (hereinafter referred to as "COMPANY"), for Collection Agency for Self-Pay Bad Debt (hereinafter referred to as "PROJECT").

W I T N E S S E T H:

WHEREAS, COMPANY has the personnel and resources necessary to accomplish the PROJECT within the required schedule and budget allowance, as further described herein; and

WHEREAS, COMPANY has the required licenses and/or authorizations pursuant to all federal, State of Nevada and local laws in order to conduct business relative to this Agreement.

NOW, THEREFORE, HOSPITAL and COMPANY agree as follows:

**SECTION I: TERM OF AGREEMENT**

HOSPITAL agrees to retain COMPANY for the period from April 1, 2020 through March 31, 2023 ("Initial Term"). At the end of the Initial Term, HOSPITAL has the option to extend this Agreement for two, 1-year periods (each an "Extension Term") upon written notice to COMPANY. The Initial Term and all Extension Terms shall collectively be referred to herein as the "Term." During this period, COMPANY agrees to provide services as required by HOSPITAL within the scope of this Agreement.

**SECTION II: COMPENSATION AND TERMS OF PAYMENT**

A. Compensation

HOSPITAL agrees to pay COMPANY for the performance of services described in the Fee Schedule (**Attachment B**) for the not-to-exceed amount of **$550,000 per year**. It is expressly understood that the entire Scope of Work defined in **Attachment A** must be completed by COMPANY and it shall be COMPANY's responsibility to ensure that hours and tasks are properly budgeted so the entire PROJECT is completed for the said fee.

B. Terms of Payments

1. Payment of monthly invoices will be made within ninety (90) calendar days after receipt of an accurate invoice that has been reviewed and approved by HOSPITAL.
2. HOSPITAL, at its discretion, may not approve or issue payment on invoices if COMPANY fails to provide the following information required on each invoice:
    a. The title of the PROJECT as stated in **Attachment A**, Scope of Work, itemized description of products delivered or services rendered and amount due, Project Number, Purchase Order Number, Invoice Date, Invoice Period, Invoice Number, and the Payment Remittance Address.
    b. Any expenses not defined in **Attachment A**, Scope of Work, will not be paid without prior written authorization by HOSPITAL.
    c. HOSPITAL's representative shall notify COMPANY in writing within fourteen (14) calendar days of any disputed amount included on the invoice. COMPANY must submit a new invoice for the undisputed amount which will be paid in accordance with paragraph B.1 above. Upon mutual resolution of the disputed amount, COMPANY will submit a new invoice for the agreed amount and payment will be made in accordance with paragraph B.1 above.
3. HOSPITAL shall 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 or services, which have not been previously paid to COMPANY.

4. 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 **Attachment A**, Scope of Work.
5. Invoices shall be submitted to: University Medical Center of Southern Nevada, Attn: Accounts Payable, 1800 W. Charleston Blvd., Las Vegas, NV 89102.

C. HOSPITAL's Fiscal Limitations

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

**SECTION III: SCOPE OF WORK**

Services to be performed by COMPANY for the PROJECT shall consist of the work described in the Scope of Work as set forth in **Attachment A** of this Agreement, attached hereto.

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

A. HOSPITAL may at any time, by written order, make changes within the general scope of this Agreement and in the services or work to be performed. If such changes cause an increase or decrease in COMPANY's cost or time required for performance of any services under this Agreement, an equitable adjustment limited to an amount within current unencumbered budgeted appropriations for the PROJECT shall be made and this Agreement shall be modified in writing accordingly.

B. No services for which an additional compensation will be charged by COMPANY shall be furnished without the written authorization of HOSPITAL.

**SECTION V: RESPONSIBILITY OF COMPANY**

A. It is understood that in the performance of the services herein provided for, COMPANY shall be, and is, an independent contractor, and is not an agent, representative or employee of HOSPITAL and shall furnish such services in its own manner and method except as required by this Agreement. Further, COMPANY has and shall retain the right to exercise full control over the employment, direction, compensation and discharge of all persons employed by COMPANY in the performance of the services hereunder. COMPANY shall be solely responsible for, and shall indemnify, defend and hold HOSPITAL harmless from all matters relating to the payment of its employees, including compliance with social security, withholding and all other wages, salaries, benefits, taxes, demands, and regulations of any nature whatsoever.

B. COMPANY shall appoint a Manager, upon written acceptance by HOSPITAL, who will manage the performance of services. All of the services specified by this Agreement shall be performed by the Manager, or by COMPANY's associates and employees under the personal supervision of the Manager. Should the Manager, or any employee of COMPANY be unable to complete his or her responsibility for any reason, COMPANY must obtain written approval by HOSPITAL prior to replacing him or her with another equally qualified person. If COMPANY fails to make a required replacement within thirty (30) days, HOSPITAL may terminate this Agreement for default.

C. COMPANY agrees that its officers and employees will cooperate with HOSPITAL in the performance of services under this Agreement and will be available for consultation with HOSPITAL at such reasonable times with advance notice as to not conflict with their other responsibilities.

D. COMPANY shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all services furnished by COMPANY, its subcontractors and its and their principals, officers, employees and agents under this Agreement. In performing the specified services, COMPANY shall follow practices consistent with generally accepted professional and technical standards.

E. It shall be the duty of COMPANY to assure that all services of its effort are technically sound and in conformance with all pertinent Federal, State and Local statutes, codes, ordinances, resolutions and other regulations. If applicable, COMPANY will not produce a work product which violates or infringes on any copyright or patent rights. COMPANY shall, without additional compensation, correct or revise any errors or omissions in its services:

   1. Permitted or required approval by HOSPITAL of any products or services furnished by COMPANY shall not in any way relieve COMPANY of responsibility for the professional and technical accuracy and adequacy of its work.

   2. HOSPITAL's review, approval, acceptance, or payment for any of COMPANY's services herein shall not be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement, and COMPANY shall be and remain liable in accordance with the terms of this Agreement and applicable law for all damages to HOSPITAL caused by COMPANY's performance or failures to perform under this Agreement.

F. All materials, information, and documents, whether finished, unfinished, drafted, developed, prepared, completed, or acquired by COMPANY for HOSPITAL relating to the services to be performed hereunder and not otherwise used or useful in connection with services previously rendered, or services to be rendered, by COMPANY to parties other than HOSPITAL shall become the property of HOSPITAL and shall be delivered to HOSPITAL's representative upon completion or termination of this Agreement, whichever comes first. COMPANY shall not be liable for damages, claims, and losses arising out of any reuse of any work products on any other project conducted by HOSPITAL. HOSPITAL shall have the right to reproduce all documentation supplied pursuant to this Agreement.

G. The rights and remedies of HOSPITAL provided for under this Section are in addition to any other rights and remedies provided by law or under other Sections of this Agreement.

**SECTION VI: SUBCONTRACTS**

A. Services specified by this Agreement shall not be subcontracted by COMPANY, without prior written approval of HOSPITAL.

B. Approval by HOSPITAL of COMPANY's request to subcontract, or acceptance of, or payment for, subcontracted work by HOSPITAL shall not in any way relieve COMPANY of responsibility for the professional and technical accuracy and adequacy of the work. COMPANY shall be and remain liable for all damages to HOSPITAL caused by negligent performance or non-performance of work under this Agreement by COMPANY's subcontractor or its sub-subcontractor.

C. The compensation due under Section II shall not be affected by HOSPITAL's approval of COMPANY's request to subcontract.

**SECTION VII: RESPONSIBILITY OF HOSPITAL**

A. HOSPITAL agrees that its officers and employees will cooperate with COMPANY in the performance of services under this Agreement and will be available for consultation with COMPANY at such reasonable times with advance notice as to not conflict with their other responsibilities.

B. The services performed by COMPANY under this Agreement shall be subject to review for compliance with the terms of this Agreement by HOSPITAL's representative, **Kimberly Hart, Patient Accounting,** telephone number **(702) 383-3762** or their designee. HOSPITAL's representative may delegate any or all of his responsibilities under this Agreement to appropriate staff members, and shall so inform COMPANY by written notice before the effective date of each such delegation.

C. HOSPITAL shall assist COMPANY in obtaining data on documents from public officers or agencies, and from private citizens and/or business firms, whenever such material is necessary for the completion of the services specified by this Agreement.

D. COMPANY will not be responsible for accuracy of information or data supplied by HOSPITAL or other sources to the extent such information or data would be relied upon by a reasonably prudent COMPANY.

**SECTION VIII: TIME SCHEDULE**

A. Time is of the essence of this Agreement.

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

**SECTION IX: TERMINATION**

A. Termination

1. Termination for Cause

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

a. Not less than thirty (30) calendar days written notice of intent to terminate; and

b. An opportunity for consultation with the terminating party prior to termination, and an opportunity to remedy or cure the default within thirty (30) calendar days. If, after the thirty (30) day calendar period (or such other time frame as agreed to by the parties) the breaching party does not remedy or cure such default, the non-breaching party may then terminate this Agreement effective immediately thereafter.

2. Termination for Convenience

a. This Agreement may be terminated in whole or in part by HOSPITAL for its convenience; but only after COMPANY is given not less than thirty (30) calendar days written notice of intent to terminate; and

b. If termination is for HOSPITAL's convenience, HOSPITAL shall pay COMPANY that portion of the compensation which has been earned as of the effective date of termination but no amount shall be allowed for anticipated profit on performed or unperformed services or other work.

3. Effect of Termination

a. If termination for substantial failure or default is effected by HOSPITAL, HOSPITAL will pay COMPANY that portion of the compensation which has been earned as of the effective date of termination but:

i. No amount shall be allowed for anticipated profit on performed or unperformed services or other work; and

ii. Any payment due to COMPANY at the time of termination may be adjusted to the extent of any additional costs occasioned to HOSPITAL by reason of COMPANY's default.

b. Upon receipt or delivery by COMPANY of a termination notice, COMPANY shall (i) continue services through mutually agreed upon time frame between HOSPITAL and COMPANY; and (ii) deliver or otherwise make available to HOSPITAL's representative, copies of all deliverables as provided in Section V paragraph F.

c. If after termination for failure of COMPANY to fulfill contractual obligations it is determined that COMPANY has not so failed, the termination shall be deemed to have been effected for the convenience of HOSPITAL.

d. Upon termination, HOSPITAL may take over the work and prosecute the same to completion by agreement with another party or otherwise. In the event COMPANY shall cease conducting business, HOSPITAL shall have the right to make an unsolicited offer of employment to any employees of COMPANY assigned to the performance of this Agreement.

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

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

**SECTION X: INSURANCE**

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

**SECTION XI: NOTICES**

Any notice required to be given hereunder shall be deemed to have been given when received by the party to whom it is directed by personal service, hand delivery, certified U.S. mail, return receipt requested, 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:
Aargon Collection Agency
Attn: Duane Christy, CEO
8668 Spring Mountain Rd.
Las Vegas, NV 89117

**SECTION XII: MISCELLANEOUS**

A. Amendments

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

the parties.

B. Independent Contractor

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

C. Immigration Reform and Control Act

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

D. Public Funds / Non-Discrimination

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

E. Assignment

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

F. Indemnity

COMPANY does hereby agree to 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 and costs, that are caused by the negligence, errors, omissions, recklessness or intentional misconduct of COMPANY or the employees, contractors or agents of COMPANY in the performance of this Agreement.

G. Governing Law / Venue

Nevada law shall govern the interpretation and enforcement of this Agreement with Clark County, Nevada as the exclusive venue of any action or proceeding related to or arising out of this Agreement.

H. Covenant Against Contingent Fees

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

I. Gratuities

1. HOSPITAL may, by written notice to COMPANY, terminate this Agreement if it is found after notice and hearing by HOSPITAL that gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by COMPANY or any agent or representative of COMPANY to any officer or employee of HOSPITAL with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending or making of any determinations with respect to the performance of this Agreement.

2. In the event this Agreement is terminated as provided in paragraph 1 hereof, HOSPITAL shall be entitled:

   a. to pursue the same remedies against COMPANY as it could pursue in the event of a breach of this

Agreement by COMPANY; and

b. as a penalty in addition to any other damages to which it may be entitled by law, to exemplary damages in an amount (as determined by HOSPITAL) which shall be not less than three (3) nor more than ten (10) times the costs incurred by COMPANY in providing any such gratuities to any such officer or employee.

3. The rights and remedies of HOSPITAL provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

J. Audits

The performance of this Agreement by COMPANY is subject to review by HOSPITAL to ensure Agreement compliance. COMPANY agrees to provide HOSPITAL and the Vendor Management Office any and all information requested that relates to the performance of this Agreement. All request for information will be in writing to COMPANY. Time is of the essence during the audit process. Failure to provide the information requested within the timeline provided in the written information request may be considered a material breach of Agreement and be cause for suspension and/or termination of this Agreement.

K. Covenant

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

L. Confidential Treatment of Information

COMPANY shall preserve in strict confidence any information obtained, assembled or prepared in connection with the performance of this Agreement.

M. ADA Requirements

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

N. Non-Excluded Healthcare Provider

COMPANY represents and warrants to HOSPITAL that neither it nor any of its affiliates (1) 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 (2) 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 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, defend and hold harmless HOSPITAL from any claims or actions, including all associated costs and

attorney's fees, regarding or related to any demand for the disclosure of COMPANY documents in HOSPITAL's custody and control in which COMPANY claims to be confidential and proprietary.

P. Travel Policy

If applicable, 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
- Meal receipts for each meal
- Airline receipt
- Car rental receipt (Identify driver and passengers)
- Airport parking receipt (traveler's Airport origin)
- Gas re-fuel upon return of rental vehicle capped at $50 per vehicle
- Airport long term parking (only for economy rate)

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

- Personal vehicle (UMC will not pay costs associated to driving a personal vehicle in lieu of air travel)
- Excess baggage fares
- Upgrades for transportation, lodging, or vehicles
- Alcohol
- Room service
- In-room movie rentals
- In-room beverage/snacks
- Gas for personal vehicles
- Transportation to and from traveler's home and the airport
- Mileage
- Travel time

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. Business Associate Agreement

COMPANY agrees to complete and submit the attached Business Associate Agreement as set for in **Attachment D.**

S. 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, COMPANY may be required to obtain a Clark County business license or register annually as a limited vendor business with the Clark County Business License Department.

1. Clark County Business License is Required if:
   a. A business is physically located in unincorporated Clark County, Nevada.
   b. The work to be performed is located in unincorporated Clark County, Nevada.
2. Register as a Limited Vendor Business Registration if:
   a. A business is physically located outside of unincorporated Clark County, Nevada
   b. A business is physically located outside the state of Nevada.

The Clark County Department of Business License can answer any questions concerning determination of which requirement is applicable to your company. It is located at the Clark County Government Center, 500 South Grand Central Parkway, 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)

This Agreement contains the full, final, and complete expression of all agreements between HOSPITAL and COMPANY with respect to the subject matter of this Agreement and shall supersede all prior or contemporaneous agreements between HOSPITAL and COMPANY, whether oral or written.

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be executed and delivered on the dates below to be effective as of the Effective Date.

HOSPITAL:

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA

By:_____ _____
MASON VANHOUWELING DATE
Chief Executive Officer

COMPANY:

AARGON COLLECTION AGENCY

By:_____ 1-22-20
DUANE CHRISTY DATE
Chief Executive Officer

**ATTACHMENT A**
**COLLECTION AGENCY FOR SELF-PAY BAD DEBT**
**SCOPE OF WORK**

**1. Scope of Work**

To provide billing and collection activities related to:

a. Primary bad debt collection services for self-pay balances. All unresolved accounts are assigned to COMPANY at day one hundred and twenty-one (121). Bad debt collection services include providing outgoing dialing campaigns, letters and email messaging when appropriate, establishing and managing payment arrangements, answering questions related to statements and fielding calls for account audits and charge disputes.

b. Provide for Collection Agency intervention in an effort to collect medical bills determined to be uncollectible by HOSPITAL and its affiliated physician group(s). The average monthly HOSPITAL bad debt to be assigned to collections is on average (i) 383 accounts for $3 million per month on the inpatient side and (ii) 4,306 accounts for $5M per month on the outpatient side. HOSPITAL will select two (2) Collection Agencies to share in the collections. HOSPITAL expectation is a minimum of three percent (3%) return on the first (1st) year, six percent (6%) the second (2nd) year, and nine percent (9%) the third (3rd) year of net assignments averaged out over the respective 12, 24 and 36 month periods.

c. HOSPITAL will award this PROJECT to two (2) Collection Agencies to perform both the primary bad debt collections and the secondary bad debt collections. The timeline would be as follows:

i. **Day 121 to 240:**

Each Collection Agency will get one-half (½) of the alphabet (i.e., Company A gets A-L and Company B gets M-Z) from days 121 through 240, that is, given four (4) months to collect on or establish the accounts on a payment plan.

ii. **Day 241 to 1095:**

On day 241, the Collection Agencies will exchange their inventory (i.e., Company A that had A-L from day 121 to 240 will now get M-Z and vice versa for Company B). Each Collection Agency will have from day 241 through 1095 (about two [2] years and four [4] months) to collect on that inventory or set up a payment plan.

iii. **Day 1095:**

If no payment arrangement has been established at that time with an account, then such account(s) will be returned to HOSPITAL and will be labeled as "uncollectable Bad Debt".

d. Collection Procedures.

i. Once a placement account is received, it will be loaded into COMPANY's system within twenty-four (24) hours of placement.
ii. The following collection efforts will be sent to the patient at a minimum:
  ii.1 Letters:
    ii.1.1 The first demand letter is generated and mailed within the first 96 hours of placement. All subsequent letters can go out at intervals of approximately 30 days, 60 days, 90 days, and 120 days respectfully.
    ii.1.2 All accounts over $15 dollars with a good address information will receive up to three (3) letters for the first 90 days or until contact is successful.
  ii.2 Emails – same frequency as Letters (refer to subsection ii.1 herein).
  ii.3 Phone Calls:
    ii.3.1 All accounts over $15 dollars will begin receiving telephone calls from COMPANY within 30 to 45 days of placement.
    ii.3.2 All accounts with a valid telephone number will receive appropriate phone call attempts for the first 90 days or until contact is successful.
    ii.3.3 All subsequent phone calls can go out at intervals of approximately 30 days, 60 days, 90 days, and 120 days respectfully.
iii. All accounts over $100 will receive insurance searches.
iv. All accounts over $50 will receive either Experian or LexisNexis Scrubs.
v. Will pull credit bureau reports on a selective basis or as needed.

*Note:* A Collection Agency (i.e., COMPANY) that fails to meet expectations will be considered non-responsive and forfeit the incremental extensions. In addition, all assigned accounts will be returned to HOSPITAL for re-assignment. Refer to **Attachment B** on alphabet assignment timeline.

**2. General Service Level Expectations**

a. Licensing and Membership requirements.

i. COMPANY must be licensed as a Collection Agency in Nevada.
ii. Maintain membership in good standing with either the Nevada Collectors Association or with the ACA International (at national level).

b. Assignments of Accounts.

i. Assignments of accounts will be made weekly.
ii. Placements are intended to include fifty percent (50%) of all applicable self-pay bad debt balances including balances after insurance. Accounts placed to COMPANY will be at the sole discretion of HOSPITAL.
  ii.1 International accounts will not be included.
  ii.2 HOSPITAL reserves the right to withhold certain self-pay accounts up to one percent (1%) of the total value without obligation.
  ii.3 Placements will be transmitted and received via secure SFTP processes.
  ii.4 Previously placed bad debt accounts (i.e., legacy accounts) will be included in this PROJECT which will be determined by HOSPITAL on placement.
iii. COMPANY will have a maximum of 1095 days or three (3) years to work on an account placed at the onset of the partnership and based on the timeline set forth above (refer to Section 1.c).
  iii.1 COMPANY will send daily cancel files to HOSPITAL for all unresolved accounts at day 1095 from the date of placement.
  iii.2 If appropriate HOSPITAL payment arrangements are established, the account will remain with COMPANY for the term of the arrangements.
    iii.2.1 HOSPITAL will provide a copy of current self-pay discount and payment arrangement guidelines.
    iii.2.2 All exceptions to the approved discounts and payment arrangement guidelines must be requested in writing and approved by HOSPITAL.
  iii.3 COMPANY agrees to follow HOSPITAL's guidelines for acceptable payment schedules.
iv. Upon identification of third-party insurance, the accounts will be properly updated in HOSPITAL's system to initiate the claims filing process.
v. Remote access will be granted to HOSPITAL account management systems as determined appropriate by HOSPITAL.
  v.1 COMPANY representative(s) will be required to complete HOSPITAL's Information Security Agreement prior to being provided remote access.
  v.2 COMPANY will be responsible for arranging an appropriate number of staff to attend HOSPITAL application training onsite or via WebEx. COMPANY will include specific number of staff that will be working HOSPITAL accounts based on given volumes.
  v.3 HOSPITAL reserves the right to revoke access.
  v.4 All payments will be processed using COMPANY's payment processor.
    v.4.1 Payment Card Industry compliance is required for all payment transactions.

c. Assigned accounts will not be co-mingled with other clients.

i. Accounts forwarded for legal action on behalf of HOSPITAL will be processed separately from other client accounts.
ii. Assigned accounts <u>will not</u> be outsourced to a foreign country.

d. Compliance.

i. To insure HIPAA compliance, HOSPITAL assignments must be maintained separately.
ii. Use of demographics for any purpose other than to collect a HOSPITAL account is prohibited.
iii. Should any new legislation take effect during the term of this Agreement which necessitates changes to current HOSPITAL collection activities, HOSPITAL will be notified of the changes in writing.
iv. COMPANY must be able to demonstrate that appropriate encryption is used to maintain system security.
v. COMPANY must be able to demonstrate that all personnel are trained on HIPAA compliance and PHI security.

e. Interest and Fees.

i. The charging of interest on assigned accounts without a court order is expressly prohibited. Court ordered interest will be remitted to HOSPITAL.
ii. Assessing fees, with the exception of legal fees as limited in paragraph g herein, is prohibited. This includes, but is not limited to, collection fees, copy fees, attorney fees or any other fees or costs associated with the collection of assigned accounts.
iii. Patients will not be charged interest or payment processing fees at any time while the account is in the primary bad debt COMPANY's inventory.

f. Legal Action.

i. The use of a Confession of Judgment (COJ) as an acknowledgement of a debt and a commitment to pay is authorized. It will be limited to the principal amount only.
ii. The filing of a COJ in lieu of obtaining a court ordered judgment is prohibited.
iii. Authorization to file for legal (Assignment of Account) must be obtained after the account status changes to "Legal Review". COMPANY must provide information regarding tangible assets prior to HOSPITAL authorizing action.

g. Assessed legal fees to patient (i.e., court costs – filing fees, etc.) will not exceed $250.00. This fee will be kept by COMPANY.

h. Demographic and Collection Information Limitations.

i. Adhere to EPIC's standard data specs **(Attachment E)**.
ii. Copies of Conditions of Admission and Financial Statements (COA/FS) will be provided upon receipt of a copy of the dispute letter from the patient/guarantor requesting proof of service. No other copies from a patient's medical or billing records will be provided without receipt of a valid authorization signed by the patient or a legal representative of the patient or a court order. A judge must sign all court ordered requests.
iii. Data transfer will be via a secure FTP VPN connector.
iv. Data transfer will be via a secure FTP site.
v. Collection status changes (i.e., active, inactive, cancelled and returned, referred to legal, etc.) will be updated daily for the FTP site.
vi. COMPANY must be able to send and receive emails via TLS encryption to insure strict adherence to patient privacy.

i. COMPANY Representation/Training.

i. Throughout the term of this Agreement, COMPANY will be responsible for the initial and quarterly training of all representatives associated with the collection of HOSPITAL accounts. Mandatory training must include all applicable laws, policies and regulations governing collection practices inclusive of special conditions associated with medical collections.
ii. COMPANY must provide HOSPITAL with a detailed plan of representative training activities associated with collection of HOSPITAL's accounts.
iii. Designated representatives must be assigned to HOSPITAL accounts.

j. Call System Requirements.

i. COMPANY's call center system must be able to handle high volume calls (greater than 5,000 HOSPITAL calls per month).
ii. Call center must be staffed at a minimum of Monday – Friday, 7:30 AM – 6:00 PM Pacific Standard Time excluding holidays.
iii. Dialing campaigns must comply with all applicable laws and regulations.
iv. All telephone messages must be returned within twenty-four (24) business hours.
v. HOSPITAL calls may not be co-mingled with other client calls.
vi. HOSPITAL is to be notified as soon as possible of any phone outages, system outages or other unforeseen circumstances that affect HOSPITAL calls.
vii. All calls must be recorded for future reference should a complaint or dispute be filed.

k. Concerns and Disputes Registered by Guarantor.

i. COMPANY will be responsible for resolving patient concerns/disputes presented to them in written form within one (1) business day or twenty-four (24) hours from date of concern/dispute. Resolution means either a payment arrangement has been established, payment in full is made, or the account has been referred back to HOSPITAL due to patient complaint or concern surrounding the billed charges.

ii. COMPANY must be able to provide HOSPITAL with the record telephone conversation upon request.
iii. A copy of all correspondence from COMPANY to the patient will be provided to HOSPITAL as needed.
iv. COMPANY's failure to respond to written concerns/disputes in the prescribed time could place HOSPITAL at risk. Should this transpire, the offending COMPANY will be considered non-responsive which will void this Agreement.

l. Medicaid and County Eligibility.

i. Accounts identified as Medicaid or County eligible must be closed and returned to HOSPITAL along with a billing request form or adjustment, as applicable. Proof of eligibility must accompany the request.

m. Credit Bureau Reporting.

i. All undisputed balances will be reported to TransUnion and at least one (1) other major credit bureau at time of second placement unless paid in full or in an acceptable payment arrangement secured with a promissory note or COJ (see paragraph f herein on COJ limitations).

n. Remittance of Collections.

i. All collections along with the supporting remittance advice(s) will be remitted to HOSPITAL once (1x) a month as follows:
i.1 Monies collected for the month will be remitted within five (5) business days of the start of the following month.

ii. A proper remittance includes the electronic update of cash received, a detailed invoice and a remittance check.
ii.1 The invoice and remittance check will be delivered to HOSPITAL's Patient Accounting Department by 4:00 PM PST by the due date as described in paragraph i.1 herein.
ii.2 Late remittances for reasons beyond COMPANY's control must be justified and acknowledged by HOSPITAL. If COMPANY is demonstrating a pattern of late remittances, it will be considered as non-responsive. (See Note under **Attachment A**, Section 1, Scope of Work)
ii.3 HOSPITAL would consider two (2) consecutive, unjustified, late remittances in any given time period or three (3) late remittances in a twelve (12) month period as a pattern.
iii. The invoices and remittance checks will be delivered to HOSPITAL's Patient Accounting Department by 4:00 PM PST by the due date as described in paragraph i.1 herein.
iv. COMPANY must be able to provide an itemized statement of payments, discount adjustments, contingency amounts and account balances to HOSPITAL's Accounts Payable Department on a monthly basis.

o. Workflow.

i. COMPANY will provide a detailed diagram describing the workflow used throughout the entire life cycle of the account from placement to cancellation/return.
ii. COMPANY shall make changes to its workflow as directed by HOSPITAL.

p. Statements.

i. COMPANY will be responsible for sending all past-due notices to debtors. The cost associated with such notices will be included in the rate proposed by COMPANY.
i.1 Contact information on past-due notices will direct the patient to COMPANY's call center.
i.2 COMPANY will have all past-due notices and other debtor correspondence approved by HOSPITAL before incorporated into COMPANY's workflow.

q. Reporting Requirements: HOSPITAL's Patient Accounting System is EPIC. All inbound and outbound file transfers will utilize EPIC's standard file specifications.

i. HOSPITAL will provide file layouts to COMPANY (refer to **Attachment F**) outlining the files that COMPANY will be required to accept for placements, transactions, cancels, etc.
ii. Daily placement files will be sent via FTP from HOSPITAL to COMPANY.
iii. Daily transaction files that include payments, adjustments, notes, and other miscellaneous transactions will be sent via FTP from HOSPITAL to COMPANY.
iv. Daily deletion files will be sent via FTP from HOSPITAL to COMPANY.
iv.1 Bankruptcy Discharges
iv.2 Legal Cases
iv.3 Approved for Retroactive Medicaid
v. Daily acknowledgement of assignments by COMPANY.

vi. Inventory Report (Weekly).
vii. Performance Report (Monthly).
viii. Semi-Monthly Remittance Report (Due the 5th and 20th of each month).
ix. Twelve (12) Month Summary of Account Status (Monthly).
x. Close Report.
xi. Cancellation Report (Approved categories):
  xi.1 Disputed (dispute validated by HOSPITAL)
  xi.2 Deceased (No assets/No estate)
  xi.3 Documentation (Charges cannot be validated)
  xi.4 Wrong Party (Admitting error)
  xi.5 Guarantor is Minor (Admitting error)
  xi.6 Suit dismissed (Lost Court Case)
  xi.7 Client Request (Cancelled by HOSPITAL)
  xi.8 Bankruptcy (Discharged)
  xi.9 Welfare Eligible (Clark County/Medicaid)
xii. Daily notes files will be required from COMPANY.

r. Performance Expectations.

i. Call abandonment rate of less than three percent (3%).
ii. Wait times should not exceed two (2) minutes without being offered the option to leave a message.
iii. Account notes are required for every action taken on HOSPITAL accounts including automated dialing campaign logs.
  iii.1 COMPANY must be able to provide a file of notations in an agreed upon format for upload to HOSPITAL's system.
  iii.2 Note files will be transmitted daily via FTP.

s. Contacts.

i. COMPANY must be able to identify a point person for Information Services issues.
ii. Provide a point person for FTP login.
iii. Designate a contact for dispute resolution and information requests related to concerns or complaints.
iv. Designate a liaison person for client service.

t. Terms and Pricing.

i. Terms and pricing will remain in effect for the duration of this Agreement including the extension options.

u. Standards.

i. HOSPITAL expects that COMPANY will strictly adhere to the Fair Debt Collection Practices Act and all applicable Federal and State laws related to billing and collections. Standards of quality customer service and respect for human dignity will be maintained at all times when dealing with HOSPITAL's customers/patients.
ii. The responsibility for effectively training COMPANY representatives regarding customer service expectations, the provisions of the Fair Debt Collection Practices Act and the U.S. Bankruptcy Code relating to the collection of debts rests exclusively with COMPANY (see Note under **Attachment A**, Section 1, Scope of Work).
iii. COMPANY will conduct business in a manner that supports HOSPITAL's mission, vision and core values.
iv. Compliance with all 501(r) regulations (specifically pertaining to Extraordinary Collection Actions).
v. Customer Service Standards:
  v.1 HOSPITAL expects that COMPANY will provide quality customer service to the patients upon each contact.
  v.2 All patient inbound inquiries will have a twenty-four (24) hour or one (1) business day, whichever is less, turnaround time.
vi. COMPANY will ensure that 100% of inbound and outbound call activity is recorded and retrievable by HOSPITAL within twenty-four (24) business hours of the initial request.

3. **Ownership of Records:** All documents and data made available by HOSPITAL to COMPANY hereunder shall remain the property of HOSPITAL.

**ATTACHMENT B**
**FEE SCHEDULE**

1. **Fees/Invoices:**

   HOSPITAL agrees to pay COMPANY the following contingency rates:

   - **Commission on collections between day 121 to day 240** **11%**
   - **Commission on collections between day 241 to day 1095** **14%**
   - **Legal action (only applies when approved lawsuit is filed)** **19%**
     - For larger balance accounts of $5,000 and greater

2. **COMPANY has the following alphabet timeline:**

   - **Day 121 to 240:**

     COMPANY gets A – L accounts.

     COMPANY is given four (4) months to collect on or establish the accounts on a payment plan.

   - **Day 241 to 1095:**

     COMPANY gets M – Z accounts.

     On day 241, the awarded Collection Agencies will exchange their inventory (refer to **Attachment A**, Section 1.c). COMPANY will have from day 241 through 1095 (about two [2] years and four [4] months) to collect on that inventory or set up a payment plan.

   - **Day 1095:**

     If no payment arrangement has been established at that time with an account, then such account(s) will be returned to HOSPITAL and will be labeled as "uncollectable Bad Debt".

**ATTACHMENT C**

## INSURANCE REQUIREMENTS

**TO ENSURE COMPLIANCE WITH THE CONTRACT DOCUMENT, COMPANY SHOULD FORWARD THE FOLLOWING INSURANCE CLAUSE AND SAMPLE INSURANCE FORM TO THEIR INSURANCE AGENT PRIOR TO PROPOSAL SUBMITTAL.**

Format/Time: COMPANY shall provide HOSPITAL with Certificates of Insurance, per the sample format (page B-3), for coverages as listed below, and endorsements affecting coverage required by this Contract within **10 calendar days** after the award by HOSPITAL. All policy certificates and endorsements shall be signed by a person authorized by that insurer and who is licensed by the State of Nevada in accordance with NRS 680A.300. All required aggregate limits shall be disclosed and amounts entered on the Certificate of Insurance, and shall be maintained for the duration of the Contract and any renewal periods.

Best Key Rating: HOSPITAL requires insurance carriers to maintain during the Contract term, a Best Key Rating of A.VII or higher, which shall be fully disclosed and entered on the Certificate of Insurance.

HOSPITAL Coverage: HOSPITAL, its officers and employees must be expressly covered as additional insured except on workers' compensation and professional liability insurance coverages. COMPANY's insurance shall be primary as respects to HOSPITAL, its officers and employees.

Endorsement/Cancellation: COMPANY's general liability insurance policy shall be endorsed to recognize specifically COMPANY's contractual obligation of additional insured to HOSPITAL. All policies must note that HOSPITAL will be given thirty (30) calendar days advance notice by certified mail "return receipt requested" of any policy changes, cancellations, or any erosion of insurance limits.

Deductibles: All deductibles and self-insured retentions shall be fully disclosed in the Certificates of Insurance and may not exceed $25,000.

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.

Commercial General Liability: Subject to Paragraph 6 of this Attachment, 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.

Automobile Liability: Subject to Paragraph 6 of this Attachment, 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 Contract.

Professional Liability: COMPANY shall maintain limits of no less than $1,000,000 aggregate. If the professional liability insurance provided is on a Claims Made Form, then the insurance coverage required must continue for a period of 2 years beyond the completion or termination of this Contract. Any retroactive date must coincide with or predate the beginning of this and may not be advanced without the consent of HOSPITAL.

Workers' Compensation: COMPANY shall obtain and maintain for the duration of this Contract, 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.

Failure To Maintain Coverage: If COMPANY fails to maintain any of the insurance coverages required herein, HOSPITAL may withhold payment, order COMPANY to stop the work, declare COMPANY in breach, suspend or terminate the Contract, assess liquidated damages as defined herein, or may purchase replacement insurance or pay premiums due on existing policies. HOSPITAL may collect any replacement insurance costs or premium payments made from COMPANY or deduct the amount paid from any sums due to COMPANY under this Contract.

Additional Insurance: COMPANY is encouraged to purchase any such additional insurance as it deems necessary.

Damages: COMPANY is required to remedy all injuries to persons and damage or loss to any property of HOSPITAL, caused in whole or in part by COMPANY, their subcontractors or anyone employed, directed or supervised by COMPANY.

Cost: COMPANY shall pay all associated costs for the specified insurance. The cost shall be included in the price(s).

Insurance Submittal Address: All Insurance Certificates requested shall be sent to the University Medical Center of Southern Nevada, Attention: Contracts Management. See the Submittal Requirements Clause in the RFP package for the appropriate mailing address.

Insurance Form Instructions: The following information must be filled in by COMPANY's Insurance Company representative:

1) Insurance Broker's name, complete address, phone and fax numbers.

2) COMPANY's name, complete address, phone and fax numbers.

3) Insurance Company's Best Key Rating

4) Commercial General Liability (Per Occurrence)
   (A) Policy Number
   (B) Policy Effective Date
   (C) Policy Expiration Date
   (D) General Aggregate ($2,000,000)
   (E) Products-Completed Operations Aggregate ($2,000,000)
   (F) Personal & Advertising Injury ($1,000,000)
   (G) Each Occurrence ($1,000,000)
   (H) Fire Damage ($50,000)
   ( I ) Medical Expenses ($5,000)

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) Description: Number and Name of Contract (must be identified on the initial insurance form and each renewal form).

8) Certificate Holder:

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

   **THE CERTIFICATE HOLDER, UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA, MUST BE NAMED AS AN ADDITIONAL INSURED.**

Appointed Agent Signature to include license number and issuing state

# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 3/15/2019

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>Collectors Insurance Agency<br>4040 W 70th Street<br><br>Edina MN 55435 | CONTACT NAME: CIAI<br>PHONE (A/C, No, Ext): (952) 926-6547 FAX (A/C, No): (952) 928-3837<br>E-MAIL ADDRESS: collectorsinsurance@acainternational.org |
| INSURED<br>Aargon Agency Inc; Total Credit Recovery, Inc.<br>DBA Aargon Collection Agency; TCR<br>8668 Spring Mountain Rd<br>Las Vegas NV 89117-4132 | INSURER(S) AFFORDING COVERAGE — NAIC #<br>INSURER A: AMCO Insurance Company — 19100<br>INSURER B:<br>INSURER C:<br>INSURER D:<br>INSURER E:<br>INSURER F: |

COVERAGES CERTIFICATE NUMBER: 11127875 REVISION NUMBER:

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

| INSR LTR | TYPE OF INSURANCE | ADDL INSD | SUBR WVD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS | |
|---|---|---|---|---|---|---|---|---|
| A | X COMMERCIAL GENERAL LIABILITY<br>CLAIMS-MADE [X] OCCUR<br>GEN'L AGGREGATE LIMIT APPLIES PER:<br>POLICY PRO-JECT [X] LOC<br>OTHER: | X | | ACPBPO7166093318 | 4/2/2019 | 4/2/2020 | EACH OCCURRENCE<br>DAMAGE TO RENTED PREMISES (Ea occurrence)<br>MED EXP (Any one person)<br>PERSONAL & ADV INJURY<br>GENERAL AGGREGATE<br>PRODUCTS - COMP/OP AGG<br>Additional Insured | $ 1,000,000<br>$ 300,000<br>$ 5,000<br>$ 1,000,000<br>$ 2,000,000<br>$ 2,000,000<br>$ |
| A | AUTOMOBILE LIABILITY<br>ANY AUTO<br>ALL OWNED AUTOS<br>SCHEDULED AUTOS<br>X HIRED AUTOS<br>X NON-OWNED AUTOS | X | | ACPBPO7166093318 | 4/2/2019 | 4/2/2020 | COMBINED SINGLE LIMIT (Ea accident)<br>BODILY INJURY (Per person)<br>BODILY INJURY (Per accident)<br>PROPERTY DAMAGE (Per accident) | $ INCLUDED<br>$<br>$<br>$ |
| A | X UMBRELLA LIAB X OCCUR<br>EXCESS LIAB CLAIMS-MADE<br>DED RETENTION $ | X | | ACPCAA7166093318 | 4/2/2019 | 4/2/2020 | EACH OCCURRENCE<br>AGGREGATE | $ 5,000,000<br>$ 5,000,000<br>$ |
| | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY<br>ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N N/A<br>If yes, describe under DESCRIPTION OF OPERATIONS below | | | | | | PER STATUTE OTH-ER<br>E.L. EACH ACCIDENT<br>E.L. DISEASE - EA EMPLOYEE<br>E.L. DISEASE - POLICY LIMIT | $<br>$<br>$ |

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

IT IS AGREED THAT UNIVERSITY MEDICAL CENTER IS INCLUDED AS ADDITIONAL INSURED SOLELY AS THEIR INTERESTS MAY APPEAR IN ACCORDANCE WITH THE PROVISIONS OF THE POLICY FORM.

CERTIFICATE HOLDER

UNIVERSITY MEDICAL CENTER
ATTN: SHELLEY TODDY, KRISTINE SY
1800 WEST CHARLESTON BLVD
LAS VEGAS, NV 89102

CANCELLATION

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

AUTHORIZED REPRESENTATIVE

J St. Martin/GEORGE

# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 05/06/2019

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

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

| | |
|---|---|
| PRODUCER<br>Aon Risk Services Central, Inc.<br>5600 W 83rd St. 8200 Tower<br>Ste 1100<br>Minneapolis MN 55437-3844 | CONTACT NAME: CIAI<br>PHONE (A/C, No, Ext): (952) 926-6547 FAX (A/C, No): (952) 928-3837<br>E-MAIL ADDRESS: collectorsinsurance@acainternational.org |
| INSURED<br>AARGON AGENCY, INC.; TOTAL CREDIT RECOVERY, INC.<br>8668 SPRING MOUNTAIN RD<br>LAS VEGAS NV 89117 | INSURER(S) AFFORDING COVERAGE / NAIC #<br>INSURER A : QBE Insurance Corporation 39217<br>INSURER B :<br>INSURER C :<br>INSURER D :<br>INSURER E :<br>INSURER F : |

**COVERAGES** **CERTIFICATE NUMBER:** 11127875 **REVISION NUMBER:**

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

| INSR LTR | TYPE OF INSURANCE | ADDL INSD | SUBR WVD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS | |
|---|---|---|---|---|---|---|---|---|
| | COMMERCIAL GENERAL LIABILITY | | | | | | EACH OCCURRENCE | $ |
| | ☐ CLAIMS-MADE ☐ OCCUR | | | | | | DAMAGE TO RENTED PREMISES (Ea occurrence) | $ |
| | | | | | | | MED EXP (Any one person) | $ |
| | | | | | | | PERSONAL & ADV INJURY | $ |
| | GEN'L AGGREGATE LIMIT APPLIES PER: | | | | | | GENERAL AGGREGATE | $ |
| | ☐ POLICY ☐ PRO-JECT ☐ LOC | | | | | | PRODUCTS - COMP/OP AGG | $ |
| | ☐ OTHER: | | | | | | | $ |
| | AUTOMOBILE LIABILITY | | | | | | COMBINED SINGLE LIMIT (Ea accident) | $ |
| | ☐ ANY AUTO | | | | | | BODILY INJURY (Per person) | $ |
| | ☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS | | | | | | BODILY INJURY (Per accident) | $ |
| | ☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY | | | | | | PROPERTY DAMAGE (Per accident) | $ |
| | | | | | | | | $ |
| | ☐ UMBRELLA LIAB ☐ OCCUR | | | | | | EACH OCCURRENCE | $ |
| | ☐ EXCESS LIAB ☐ CLAIMS-MADE | | | | | | AGGREGATE | $ |
| | ☐ DED ☐ RETENTION $ | | | | | | | $ |
| | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N | | | | | | ☐ PER STATUTE ☐ OTH-ER | |
| | ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? ☐ N/A (Mandatory in NH) | | | | | | E.L. EACH ACCIDENT | $ |
| | If yes, describe under DESCRIPTION OF OPERATIONS below | | | | | | E.L. DISEASE - EA EMPLOYEE | $ |
| | | | | | | | E.L. DISEASE - POLICY LIMIT | $ |
| A | ERRORS & OMISSIONS | | | ADC01408-03 | 05/01/2019 | 05/01/2020 | Per Claim Aggregate | $2,000,000 |

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

IT IS AGREED THAT THE CERTIFICATE HOLDER SHALL BE DEEMED AN INSURED BUT ONLY AS RESPECT TO THEIR BEING A CLIENT OR CUSTOMER OF THE INSURED ORGANIZATION IN ACCORDANCE WITH THE POLICY TERMS AND CONDITIONS.

**CERTIFICATE HOLDER**

UNIVERSITY MEDICAL CENTER
1800 W CHARLESTON BLVD
LAS VEGAS NV 89102

**CANCELLATION**

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

AUTHORIZED REPRESENTATIVE

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**COMPLETE NAMES AND ADDRESSES OF THE ADDITIONAL INSURED**
**RE: PB0448**

**CITY OF LAS VEGAS, ITS OFFICERS, EMPLOYEES, & AGENTS**
**C/O INSURANCE TRACKING SERVICES, INC. (ITS)**
**PO BOX 21919**
**LONG BEACH, CA 90801**

**UNIVERSITY MEDICAL CENTER**
**1800 W CHARLESTON BLVD**
**LAS VEGAS, NV 89102**

**DEPARTMENT OF WATER SUPPLY**
**COUNTY OF HAWAII**
**345 KEKUANAOA ST STE 20**
**HILO, HI 96720**

**All terms and conditions of this policy apply unless modified by this endorsement.**

**ATTACHMENT D**
**BUSINESS ASSOCIATE AGREEMENT**

This Agreement is made effective the 26th of February, 2020, 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 **Aargon Agency, Inc. d/b/a Aargon Collection Agency**, 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 Covered Entity's Chief Privacy Officer immediately upon discovery of the Breach, and

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

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

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

V. RIGHT TO AUDIT

(a) Business Associate agrees:

(i) To provide Covered Entity with timely and appropriate access to records, electronic records, HIPAA assessment questionnaires provided by Covered Entity, personnel, or facilities sufficient for Covered Entity to gain reasonable assurance that Business Associate is in compliance with the HIPAA Rules and the provisions of this Agreement.

(ii) That in accordance with the HIPAA Rules, the Secretary of the U.S. Department of Health and Human Services has the right to review, audit, or investigate Business Associate's records, electronic records, facilities, systems, and practices related to safeguarding, use, and disclosure of Protected Health Information to ensure Covered Entity's or Business Associate's compliance with the HIPAA Rules.

VI. COVERED ENTITY REQUESTS AND ACCOUNTING FOR DISCLOSURES

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

(i) To comply with any requests for restrictions on certain disclosures of Protected Health Information pursuant to Section 164.522 of the HIPAA Rules to which Covered Entity has agreed and of which Business Associate is notified by Covered Entity.

(ii) To make available Protected Health Information to the extent and in the manner required by Section 164.524 of the HIPAA Rules. If Business Associate maintains Protected Health Information electronically, it agrees to make such Protected Health Information electronically available to the Covered Entity.

(iii) To make Protected Health Information available for amendment and incorporate any amendments to Protected Health Information in accordance with the requirements of Section 164.526 of the HIPAA Rules.

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

VII. TERMINATION

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

At termination of this Agreement, the Underlying Agreement (or any similar documentation of the business relationship of

the Parties), or upon request of Covered Entity, whichever occurs first, if feasible, Business Associate will return or destroy all Protected Health Information received from or created or received by Business Associate on behalf of Covered Entity that Business Associate still maintains in any form 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 | Duane Christ |
| Printed Name | Printed Name |
| Chief Executive Officer | CEO |
| Title | Title |
| | 8668 Spring Mountain Rd |
| | Address |
| | Las Vegas, NV 89117 |
| | City/State/Zip |

**ATTACHMENT E**
**STANDARD EPIC FILE SPECIFICATIONS**

| Field | Required or Optional? | Format | Example | Notes |
|---|---|---|---|---|
| **1-Account ID** | Required | Numerical | 1000789 | Compared to Hospital Account ID (I HAR .1). |
| **2-Note Type** | Optional | Category Number | 1 | For account-level notes: Category value from the Hospital Account Note Type (I HNO 542) item. The default value is 1-General.<br>For guarantor-level notes: Category value from the Account Notepad Type (I HNO 540) item. |
| **3-User** | Required | Alphanumeric | 6188 | Must be a valid external Epic user ID from the User Number (I EMP .1) item. |
| **4-Summary (title)** | Optional | Alphanumeric | Account Note Addendum for Overdue Accounts from September | If blank, defaults to the first 80 characters from the Text field. |
| **5-Text** | Required (see notes) | Alphanumeric | This note indicates that this account is overdue. | This field is required only if you're creating account notes with this file. If you are using this file to exclusively place billing indicators, this field is not required. The placement of a billing indicator also automatically creates a system generated note in Epic based on your hospital billing system definitions (HSD) setting. |
| **6-Expiration Date** | Optional | MM/DD/YYYY | 01/02/2017 | |
| **7-Level** | Optional | Category Number | 2 | Guarantor level notes appear on all HARs for that guarantor and are generally used very sparingly. |
| **8-Priority** | Optional | Category Number | 1 | Use a category number from the Priority (I HNO 545) item. |
| **9-Billing Indicator** | Optional | Category Number | 104 | Use a category number from the Billing Indicator (I HAR 85) item. The system only posts the billing indicator if Level=1. |

| DEMOGRAPHICS | |
|---|---|
| **Column Name** | **Value** |
| Free Text | 01 |
| Hospital Account ID | |
| Account Service Area | UMC |
| Account Location | UMC Parent Location |
| Patient MRN | |
| Patient Name (Last, First, Middle) | |
| SSN (EPT) | |
| Patient DOB | |
| Patient Sex (EPT) | |
| Marital Status | |
| Patient Preferred Language | |
| Coding Admission Date | |
| Admission Time | |
| Coding Discharge Date | |
| Discharge Time | |
| Discharge Location | |
| ID, PATIENT ADDRESS | |
| ID, PATIENT ADDRESS | |
| TPR City (EPT) | |
| Patient State | |
| ID, PATIENT ZIP | |
| Country | |
| Patient Phone Number | |
| Patient Phone Number | |
| Patient E-mail Address | |
| Emergency Contact 1 - Name | |
| Next of Kin Relationship | |
| Emergency Contact 1 Address Line 1 | |
| Emergency Contact 1 Address Line 2 | |
| Emergency Contact 1 City | |
| Emergency Contact 1 State | |
| Emergency Contact 1 ZIP Code | |
| (Retired) Emergency Contact 1 Primary Phone Number | |
| Emergency Contact 1 Work Phone | |
| Emergency Contact 1 is Legal Guardian? | |
| Emergency Contact 2 - Name | |
| Emergency Contact 2 Relationship | |
| Emergency Contact 2 Address Line 1 | |
| Emergency Contact 2 Address Line 2 | |
| Emergency Contact 2 City | |
| Emergency Contact 2 State | |

| | |
|---|---|
| Emergency Contact 2 ZIP Code | |
| Emergency Contact 2 Home Phone Number | |
| Emergency Contact 2 Work Phone | |
| Emergency Contact 2 is Legal Guardian? | |
| Third Emergency Contact | |
| Emergency Contact 3 Relationship | |
| Emergency Contact 3 Address Line 1 | |
| Emergency Contact 3 Address Line 2 | |
| Emergency Contact 3 City | |
| Emergency Contact 3 State | |
| Emergency Contact 3 ZIP Code | |
| Emergency Contact 3 Home Phone Number | |
| Emergency Contact 3 Work Phone | |
| Emergency Contact 3 is Legal Guardian? | |
| Patient Employer | |
| Employer Address | |
| Employer Address | |
| Employer City | |
| Patient Employer State | |
| Employer Postal Code | |
| Employer Country | |
| Employer Phone | |
| Hospital Account Base Class | |
| Patient Types (EPT) | |
| Account Class | |
| Patient Deceased Date | |
| Account Primary Service | |
| Primary Financial Class | |
| SBO Total Charges | |
| SBO Self-Pay Balance | |
| Account Balance | |
| Stop Bill Reason | |
| Primary Plan | |
| Primary Payor | |
| Primary Coverage Subscriber Name | |
| Primary Coverage Subscriber Name | |
| Primary Coverage Subscriber Date of Birth | |
| Primary Coverage Subscriber Sex | |
| Primary Coverage Subscriber Social Security Number | |
| Primary Coverage Subscriber Address | |
| Primary Coverage Subscriber City | |
| Primary Coverage Subscriber State | |
| Primary Coverage Subscriber ZIP Code | |
| Primary Coverage Subscriber Country | |

| | |
|---|---|
| Primary Coverage Subscriber Phone Number | |
| Primary Coverage Subscriber Employer Name | |
| Primary Coverage Policy Number | |
| Primary Coverage Group Number | |
| Primary Coverage Group Name | |
| Primary Coverage Authorization Number | |
| Primary Coverage Subscriber Relation to Patient | |
| Primary Coverage Address | |
| Primary Coverage City | |
| Primary Coverage State | |
| Primary Coverage ZIP Code | |
| Primary Coverage Country | |
| Primary Coverage Phone Number | |
| Secondary Plan ID | |
| Secondary Payor (Current) | |
| Secondary Coverage Subscriber Name | |
| Secondary Coverage Subscriber Name | |
| Secondary Coverage Subscriber Date of Birth | |
| Secondary Coverage Subscriber Sex | |
| Secondary Coverage Subscriber Social Security Number | |
| Secondary Coverage Subscriber Address | |
| Secondary Coverage Subscriber City | |
| Secondary Coverage Subscriber State | |
| Secondary Coverage Subscriber ZIP Code | |
| Secondary Coverage Subscriber Country | |
| Secondary Coverage Subscriber Phone Number | |
| Secondary Coverage Subscriber Employer Name | |
| Secondary Coverage Policy Number | |
| Secondary Coverage Group Number | |
| Secondary Coverage Group Name | |
| Secondary Coverage Auth Number | |
| Secondary Coverage Subscriber Relationship to Patient | |
| Secondary Coverage Address | |
| Secondary Coverage City | |
| Secondary Coverage State | |
| Secondary Coverage ZIP Code | |
| Second Coverage Country | |
| Secondary Coverage Phone Number | |
| Tertiary Plan ID | |
| Tertiary Payor (Current) | |
| Tertiary Coverage Subscriber Name | |
| Tertiary Coverage Subscriber Name | |
| Tertiary Coverage Subscriber Date of Birth | |
| Tertiary Coverage Subscriber SSN | |

| | |
|---|---|
| Tertiary Coverage Subscriber Address | |
| Tertiary Coverage Subscriber City | |
| Tertiary Coverage Subscriber State | |
| Tertiary Coverage Subscriber ZIP Code | |
| Tertiary Coverage Subscriber Country | |
| Tertiary Coverage Subscriber Phone Number | |
| Tertiary Coverage Subscriber Employer Name | |
| Tertiary Coverage Policy Number | |
| Tertiary Coverage Group Number | |
| Tertiary Coverage Authorization Number | |
| Tertiary Coverage Subscriber Relationship to Patient | |
| Tertiary Coverage Authorization Number | |
| Tertiary Coverage Subscriber Relationship to Patient | |
| Tertiary Coverage Address | |
| Tertiary Coverage City | |
| Tertiary Coverage State | |
| Tertiary Coverage ZIP Code | |
| Tertiary Coverage Country | |
| Tertiary Coverage Phone Number | |
| Quaternary Plan ID | |
| Quaternary Payor | |
| Quaternary Coverage Subscriber Name | |
| Quaternary Coverage Subscriber Name | |
| Quaternary Coverage Subscriber Date of Birth | |
| Quaternary Coverage Subscriber Sex | |
| Quaternary Coverage Subscriber Social Security Number | |
| Quaternary Coverage Subscriber Address | |
| Quaternary Coverage Subscriber City | |
| Quaternary Coverage Subscriber State | |
| Quaternary Coverage Subscriber ZIP Code | |
| Quaternary Coverage Subscriber Country | |
| Quaternary Coverage Subscriber Phone Number | |
| Quaternary Coverage Subscriber Employer Name | |
| Quaternary Coverage Policy Number | |
| Quaternary Coverage Group Number | |
| Quaternary Coverage Group Name | |
| Quaternary Coverage Auth Number | |
| Quaternary Coverage Subscriber Relation to Patient | |
| Quaternary Coverage Address Line 1 | |
| Quaternary Coverage City | |
| Quaternary Coverage State | |
| Quaternary Coverage ZIP Code | |
| Quaternary Coverage Country | |
| Quaternary Coverage Phone Number | |

| | |
|---|---|
| Guarantor Payment Plan End Date Estimate | |
| Guarantor ID | |
| Guarantor Name | |
| Guarantor SSN (EAR) | |
| Guarantor DOB (EAR) | |
| Guarantor Relation to Patient | |
| Billing Address | |
| Billing Address | |
| Billing City | |
| Billing State | |
| Billing ZIP | |
| Billing Country | |
| Billing Home Phone Number | |
| Billing Work Phone Number | |
| Guarantor Status | |
| Employer | |
| Employer Address | |
| Employer Address | |
| Employer City | |
| Employer State | |
| Employer ZIP | |
| Employer Country | |
| Employer Phone | |
| Guarantor Employer Fax | |
| Employment Status | |
| Claim Admission Type | |
| Claim Admission Source | |
| Claim Discharge Disposition | |
| Claim Occurrence Codes | |
| Occurrence Date | |
| Claim Occurrence Codes | |
| Occurrence Date | |
| Claim Occurrence Codes | |
| Occurrence Date | |
| Claim Occurrence Codes | |
| Occurrence Date | |
| Free Text | |
| Free Text | |
| Claim Condition Code | |
| Claim Condition Code | |
| Claim Value Code | |
| Value Code Amount | |
| Claim Value Code | |
| Value Code Amount | |

| | |
|---|---|
| Admission Diagnosis | |
| Diagnosis Code | |
| Diagnosis Code | |
| Diagnosis Code | |
| Diagnosis Code | |
| Diagnosis Code | |
| Diagnosis Code | |
| Diagnosis Code | |
| Diagnosis Code | |
| ICD Procedure | |
| Procedure Date | |
| ICD Procedure | |
| Procedure Date | |
| ICD Procedure | |
| Procedure Date | |
| ICD Procedure | |
| Procedure Date | |
| ICD Procedure | |
| Procedure Date | |
| Attending Provider (ID) | |
| Attending Provider (ID) | |
| Attending Provider (ID) | |
| Referring Provider Name | |
| Referring Provider Name | |
| Referring Provider Name | |
| Claim Accident Type | |
| Workers' Comp Auto Accident Claim Number | |
| Claim Info Injury Date | |
| Claim Info Time of Injury | |
| Claim Place of Injury | |
| Workers' Comp Condition Employment Related | |
| Workers' Comp Claim Number | |
| Workers' Comp Place of Service | |
| Workers' Comp Employer | |
| Primary Payor Payment Total | |
| Last Payment Date Primary Payor | |
| Secondary Payor Payment Total | |
| Last Payment Date Secondary Payor | |
| Tertiary Payor Payment Total | |
| Last Payment Date Tertiary Payor | |
| Quaternary Payor Payment Total | |
| Last Payment Date Quaternary Payor | |
| Primary Adjustments | |
| Secondary Adjustments | |

| | |
|---|---|
| Tertiary Adjustments | |
| Quaternary Adjustments | |
| Total Insurance Payments | |
| Total Insurance Adjustments | |
| Total Self-pay Payments | |
| Total Self-Pay Adjustments | |
| Last Statement Date | |
| Self-pay Follow-up Level | |
| Self-Pay Follow-up Date | |
| Payment Plan Current Balance | |
| Payment Plan Amount | |
| Payment Plan Amount Due | |
| Payment Plan Hospital Accounts | |
| Guarantor Payment Plan End Date Estimate | |
| Discharge Department ID | |
| Record Creation Department | |
| | |
| **CHARGES** | |
| **Column Name** | **Value** |
| Free Text | 02 |
| Hospital Account | |
| Procedure Code | |
| Description | |
| Revenue Code | |
| CPT® Code | |
| Modifier | |
| Quantity | |
| Service Date | |
| Amount | |
| | |
| **PAYMENTS** | |
| **Column Name** | **Value** |
| Free Text | 04 |
| Hospital Account | |
| Procedure Code | |
| Description | |
| Post Date | |
| Payor ID | |
| Amount | |
| Transaction Reference Number | |
| | |
| **ADJUSTMENTS** | |
| **Column Name** | **Value** |

| | |
|---|---|
| Free Text | 05 |
| Hospital Account | |
| Procedure Code | |
| Description | |
| Post Date | |
| Payor ID | |
| Amount | |
| Transaction Reference Number | |
| | |
| **INSURANCE BUCKETS** | |
| **Column Name** | **Value** |
| Free Text | 06 |
| Hospital Account | |
| Bucket Type | |
| Bucket Plan | |
| Payor | |
| Bucket Claim Invoice Number | |
| Current Balance | |
| First Claim Date | |
| Last Claim Date | |
| First External Claim Sent Date | |
| Last External Claim Sent Date | |
| Claim Form Type | |
| Claim Form Type | |
| | |
| **CHARGES** | |
| **Column Name** | **Value** |
| Free Text | 12 |
| Hospital Account | |
| Procedure Code | |
| Procedure Description | |
| Transaction Date | |
| (Retired) Payor ID | |
| Transaction Amount | |
| | |
| **PAYMENTS** | |
| **Column Name** | **Value** |
| Free Text | 14 |
| Hospital Account | |
| Procedure Code | |
| Procedure Description | |
| Transaction Date | |
| (Retired) Payor ID | |

| | |
|---|---|
| Transaction Amount | |
| Reference Number | |
| | |
| **ADJUSTMENTS** | |
| **Column Name** | **Value** |
| Free Text | 15 |
| Hospital Account | |
| Procedure Code | |
| Procedure Description | |
| Transaction Date | |
| (Retired) Payor ID | |
| Transaction Amount | |
| Reference Number | |

**ATTACHMENT F**
**VENDOR FILE FORMAT SPECIFICATIONS**

## A. Vendor File Format Specifications – Dialer

This document outlines the data fields, naming convention, and transmission schedule of a 'dialer' file to be used for purposes of account audits. The file is to contain a complete log of all calls (dialer/manual or inbound/outbound) made or received by a vendor within twenty-four (24) hours of the date the file was generated. The file is to be generated in Excel format (.xls or .xlsx) or CSV. CSV format is preferred if it is available.

**Data fields:**

| Field | Attribute | Description |
|---|---|---|
| 1 | Account No. | Unique account identifier used in the hospital and/or physician practice information system |
| 2 | Guarantor No. | Unique patient identifier used in the hospital and/or physician practice information system |
| 3 | Medical Record No. | Patient's unique medical record identifier |
| 4 | Event Date | Date of last contact (contact defined as last call – i.e., inbound, outbound, manual or dialer, etc.)<br>Format: mm/dd/yyyy |
| 5 | Event Type | Description of follow-up touch – including all calls. Examples:<br>• Automated outbound call<br>• Manual outbound call<br>• Inbound call |
| 6 | Call Start Time | Time Call began<br>Format: HH:mm:ss:SSS (hour, minute, second, millisecond)<br>*i.e., 18:45:12.000* |
| 7 | Call End Time | Time Call ends<br>Format: HH:mm:ss:SSS (hour, minute, second, millisecond)<br>*i.e., 18:45:12.000* |
| 8 | Call Duration | Total Time on Call<br>Format: HH:mm:ss:SSS (hour, minute, second, millisecond)<br>*i.e., 18:45:12.000* |
| 9 | Collector ID | Id or Name of collector making or receiving the call |
| 10 | Call Connected Indicator | If call connected enter 'Connected' if not 'No Connection' |
| 11 | Facility | Name of facility for main hospital |

**Data field notes:**
- If a guarantor number is provided in the inventory file, make sure to include on the dialer file.
- Medical Record No. to be included only if different from Guarantor No.
- If abbreviations are used in the event type field, provide a dictionary describing *all* event types.
- *All column headers need to be included even if the columns do not contain data.*

**Naming convention:**
*mmddyy_hospital_Facility_vendor*_Dialer

| | | |
|---|---|---|
| *mmddyy* | = | Date the file was generated |
| *hospital* | = | Hospital name (abbreviation is preferred) |
| *facility* | = | Facility name (abbreviation is preferred) |
| *vendor* | = | Vendor name (abbreviation is preferred) |

**Transmission schedule:**
A new file is to be uploaded to the Healthfuse secure FTP site each day. It is recommended that the transmission process be automated, if possible. The details of the secure FTP site will be provided separately.

If this is the first time you are providing a dialer file, this initial file must contain at least 150 days of past follow-up activity (6 months/180 days if Bad Debt Vendor)

**Headers and Footers:**
Please include headers named the same as outlined in the "Attribute" field of table above. **No footers** (i.e., page numbers, dates, row counts, etc.) should be included in the file. **No graphics or extra rows** should be above the column headers. **No merged or hidden rows or columns**.

## B. Vendor File Format Specifications – Invoice Detail File

This document outlines the data fields, naming convention, and transmission schedule of an 'Invoice Detail' file to be used for purposes of vendor invoice reviews. The file is to contain a complete snapshot of all payments and fees for the invoiced month. The file is to be generated in CSV or Excel format (.xls or .xlsx). CSV format is preferred if it is available. If generated in Excel, do NOT name the sheet.

**File data fields:**
Attributes in BOLD are crucial data elements, remaining attributes to be added if easily exportable.

| Field | Attribute | Description |
|---|---|---|
| 1 | **Account No.** | Unique account identifier used in the hospital and/or physician practice information system |
| 2 | **Guarantor No.** | Unique patient identifier used in the hospital and/or physician practice information system |
| 3 | Medical Record No. | Patient's unique medical record identifier used in the hospital and/or physician practice information system |
| 4 | **Patient Name** | Patient's first and last name that is associated with the account number (do not separate by a comma) |
| 5 | Date of Service | Service date for the account number (Format: *mm/dd/yyyy)* |
| 6 | Agency Assignment Date | Date of initial placement to Agency<br>Format: *mm/dd/yyyy* |
| 7 | **Paid Us** | The dollar value paid by the patient to the Agency (Format: Up to 12 Char + "." + 2 Char (ex. 2000.16) |
| 8 | Paid You | The dollar value paid by the patient to the Hospital (Format: Up to 12 Char + "." + 2 Char (ex. 2000.16) |
| 9 | **Additional Payment to Us** | The dollar value paid by the patient to the Agency for anything other than the principle balance (ex. processing fee, interest, etc.) |
| 10 | **Transaction Description** | The spelled-out transaction description (identifies PT vs INS payment, etc.) |
| 11 | **Payment Receipt Date** | Date in which the payment was originally received (Format: *mm/dd/yyyy)* |
| 12 | **Payment Post Date** | Date in which the payment was posted to the hospital's Patient Accounting System received (Format: *mm/dd/yyyy)* |
| 13 | **Fee** | Fee amount charged by the Agency (Format: Up to 12 Char + "." + 2 Char (ex. 2000.16) |
| 14 | **Placed Account Balance Amount** | The dollar value of account balance at time of placement with Agency (Format: Up to 12 Char + "." + 2 Char (ex. 2000.16) |
| 15 | **Current Account Balance** | The dollar value of current account balance with Agency (Format: Up to 12 Char + "." + 2 Char (ex. 2000.16) |

| | | |
|---|---|---|
| 16 | **Facility** | Name of facility for main hospital |

**Data field notes:**
- *All column headers need to be included even if the columns do not contain data*

**File naming convention:**
*mmddyy_hospital_Facility_vendor_*Invoice

| | | |
|---|---|---|
| *mmddyy* | = | Date the file was generated |
| *hospital* | = | Hospital name (abbreviation is preferred) |
| *facility* | = | Facility name (abbreviation is preferred) |
| *vendor* | = | Vendor name (abbreviation is preferred) |

**File Transmission:**
A new file is to be uploaded to the Healthfuse secure FTP site the beginning of each month for the previous month's transactions. The details of the secure FTP site will be provided separately.

**Headers and Footers:**
Please include headers named the same as outlined in the "Attribute" field of table above. **No footers** (i.e., page numbers, dates, row counts, etc.) should be included in the file. **No graphics, hidden rows or extra rows** should be above the column headers. **No merged or hidden rows or columns**.

## C. Vendor File Format Specifications – Inventory – Early-Out Self-Pay Bad Debt (EOSP/BD)

This document outlines the data fields, naming convention, and transmission schedule of an 'inventory' file to be used for purposes of account audits. The file is to contain a complete snapshot of all accounts in vendor's active inventory (i.e., accounts currently assigned to vendor as of date of weekly file). The file is to be generated in Excel format (.xls or .xlsx) or CSV. CSV format is preferred if it is available.

**File data fields:**
Attributes in BOLD are required for set up, remaining attributes need to be added within ninety (90) days.

| Field | Attribute | Description |
|---|---|---|
| 1 | **Account No.** | **Unique account identifier used in the hospital and/or physician practice information system** |
| 2 | **Guarantor No.** | **Unique patient identifier used in the hospital and/or physician practice information system** |
| 3 | **Medical Record No.** | **Patient's unique medical record identifier** |
| 4 | **Placed Date** | **Date of initial placement**<br>**Format: *mm/dd/yyyy*** |
| 5 | **Last Pay Date** | **Date of last payment**<br>**Format: *mm/dd/yyyy*** |
| 6 | **Status** | **Current account status -- including but not limited to the following examples:**<br>• **Pay Plan**<br>• **Deceased**<br>• **Bankrupt**<br>• **Dispute**<br>• **Found Insurance** |
| 7 | **Placed Balance** | **Account balance at date of placement**<br>**Format: Up to 12 Char + "." + 2 Char (ex. 2000.16)** |
| 8 | **Current Balance** | **Current account balance**<br>**Format: Up to 12 Char + "." + 2 Char (ex. 2000.16)** |

| | | |
|---|---|---|
| **9** | **Current Guarantor Balance** | **Current guarantor balance**<br>**Format: Up to 12 Char + "." + 2 Char (ex. 2000.16)** |
| **10** | **Account Type** | **Pure self-pay (PSP), Balance after insurance (BAI)** |
| 11 | Guarantor Address | Guarantor street address |
| 12 | Guarantor City | City i.e., Milwaukee, Minneapolis, etc. (City should be spelled out/not abbreviated) |
| 13 | Guarantor State | State i.e., WI, MN, etc. (abbreviated) |
| 14 | Guarantor Zip Code | Guarantor zip code<br>• minimum 5 characters |
| 15 | Guarantor Home Phone No. | Guarantor home phone (any format) |
| 16 | Guarantor Work Phone No. | Guarantor work phone (any format) |
| 17 | Guarantor Mobile No. | Guarantor mobile phone (any format) |
| 18 | Guarantor Other No. | Guarantor other phone (any format) |
| 19 | Primary Insurance | Name of primary insurance carrier |
| 20 | Secondary Insurance | Name of secondary insurance carrier |
| 21 | Last Payment Amount | Last payment amount<br>Format: Up to 12 Char + "." + 2 Char (ex. 2000.16) |
| 22 | Last Payment Payer | i.e., 'Self-Pay', 'Blue Cross', etc. |
| **23** | **Last Call Date** | **Date of last call**<br>**Format: *mm/dd/yyyy*** |
| 24 | Last Note Date | Date of last note<br>Format: *mm/dd/yyyy* |
| **25** | **Guarantor Last Name** | **Guarantor last name** |
| **26** | **Guarantor DOB** | **Guarantor date of birth**<br>**Format: *mm/dd/yyyy*** |
| 27 | Assigned Collector | Name or ID shown in vendor system |
| 28 | Assigned Work queue | Name of queue, queue number or both |
| 29 | Action Result Code of Last Call Date | i.e., 'TR-LM' for telephone residence left message, etc. |
| 30 | Payment plan amount | Amount patient/debtor agreed to pay<br>Format: Up to 12 Char + "." + 2 Char (ex. 2000.16) |
| 31 | No. statements sent | Total number of statements sent per account (not by guarantor) |
| 32 | Next Payment Due Date | Date of next payment due<br>Format: *mm/dd/yyyy* |
| **33** | **Patient DOB** | **Patient date of birth**<br>**Format: *mm/dd/yyyy*** |
| **34** | **Facility** | **Name of facility for main hospital** |

**Data field notes:**
- Medical Record No. to be included only if different from Guarantor No.
- Provide separately: status code dictionary containing *all* status codes.
- The account type is not applicable if the account is in bad debt status.
- *All column headers need to be included even if the columns do not contain data.*

**File naming convention:**
*mmddyy_hospital_Facility_vendor*_Inv

| | | |
|---|---|---|
| *mmddyy* | = | Date the file was generated |
| *hospital* | = | Hospital name (abbreviation is preferred) |
| *facility* | = | Facility name (abbreviation is preferred) |
| *vendor* | = | Vendor name (abbreviation is preferred) |

**Transmission schedule:**
A new file is to be uploaded to the Healthfuse secure FTP site each week (preferably on late Sunday evening or early Monday morning). It is recommended that the file upload process be automated, if possible. The details of the secure FTP site will be provided separately.

**Headers and Footers:**
Please include headers named the same as outlined in the "Attribute" field of table above. **No footers** (i.e., page numbers, dates, row counts, etc.) should be included in the file. **No graphics, hidden or extra rows** should be above the column headers. **No merged or hidden rows or columns**.

## 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:** 50+

| | | |
|---|---|---|
| **Corporate/Business Entity Name:** | Aargon Agency, Inc. | |
| **(Include d.b.a., if applicable)** | Aargon Collection Agency | |
| **Street Address:** | 8668 Spring Mountain Road | **Website: www.aargon.com** |
| **City, State and Zip Code:** | Las Vegas, Nevada 89117 | **POC Name: Bill Woolbright**<br>**Email: bill@aargon.com** |
| **Telephone No:** | 702-220-7037 | **Fax No: 702-220-7036** |
| **Nevada Local Street Address:**<br>**(If different from above)** | Same as above | **Website:** |
| **City, State and Zip Code:** | | **Local Fax No:** |
| **Local Telephone No:** | 702-220-7037 | **Local POC Name: Duane Christy**<br>**Email: duane@aargon.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) |
|---|---|---|
| Duane Christy | Owner/CEO | 50% |
| Clyde "Bill" Woolbright | Owner/Manager | 25% |
| Noa Char | Owner/Manager | 12.5% |
| Daniel Robinson | Owner/Manager | 12.5% |

***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

Duane Christy
Print Name

CEO
Title

9-28-19
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 |
|---|---|---|---|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

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

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

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

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

***For UMC Use Only:***

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

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

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

Notes/Comments:

Signature

Print Name
Authorized Department Representative

# UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA

# SERVICE AGREEMENT

# RFP NO. 2019-16

| |
|---|
| CMRE Financial Services, Inc. |
| NAME OF COMPANY |
| Patrick Nixon, Vice President of Sales and Marketing |
| DESIGNATED CONTACT, NAME AND TITLE<br>(Please type or print) |
| 3075 East Imperial Highway, Suite 200<br>Brea, CA 92821 |
| ADDRESS OF COMPANY<br>INCLUDING CITY, STATE AND ZIP CODE |
| (714) 982-5224 |
| (AREA CODE) AND TELEPHONE NUMBER |
| (714) 528-8549 |
| (AREA CODE) AND FAX NUMBER |
| pnixon@cmrefsi.com |
| EMAIL ADDRESS |

**SERVICE AGREEMENT**

This Service Agreement (the "Agreement") is made and entered into this 26th day of February 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 CMRE FINANCIAL SERVICES, INC. (hereinafter referred to as "COMPANY"), for Collection Agency for Self-Pay Bad Debt (hereinafter referred to as "PROJECT").

W I T N E S S E T H:

WHEREAS, COMPANY has the personnel and resources necessary to accomplish the PROJECT within the required schedule and budget allowance, as further described herein; and

WHEREAS, COMPANY has the required licenses and/or authorizations pursuant to all federal, State of Nevada and local laws in order to conduct business relative to this Agreement.

NOW, THEREFORE, HOSPITAL and COMPANY agree as follows:

**SECTION I: TERM OF AGREEMENT**

HOSPITAL agrees to retain COMPANY for the period from April 1, 2020 through March 31, 2023 ("Initial Term"). At the end of the Initial Term, HOSPITAL has the option to extend this Agreement for two, 1-year periods (each an "Extension Term") upon written notice to COMPANY. The Initial Term and all Extension Terms shall collectively be referred to herein as the "Term." During this period, COMPANY agrees to provide services as required by HOSPITAL within the scope of this Agreement.

**SECTION II: COMPENSATION AND TERMS OF PAYMENT**

A. Compensation

HOSPITAL agrees to pay COMPANY for the performance of services described in the Fee Schedule (**Attachment B**) for the not-to-exceed amount of **$550,000 per year**. It is expressly understood that the entire Scope of Work defined in **Attachment A** must be completed by COMPANY and it shall be COMPANY's responsibility to ensure that hours and tasks are properly budgeted so the entire PROJECT is completed for the said fee.

B. Terms of Payments

1. Payment of monthly invoices will be made within ninety (90) calendar days after receipt of an accurate invoice that has been reviewed and approved by HOSPITAL.
2. HOSPITAL, at its discretion, may not approve or issue payment on invoices if COMPANY fails to provide the following information required on each invoice:
    a. The title of the PROJECT as stated in **Attachment A**, Scope of Work, itemized description of products delivered or services rendered and amount due, Project Number, Purchase Order Number, Invoice Date, Invoice Period, Invoice Number, and the Payment Remittance Address.
    b. Any expenses not defined in **Attachment A**, Scope of Work, will not be paid without prior written authorization by HOSPITAL.
    c. HOSPITAL's representative shall notify COMPANY in writing within fourteen (14) calendar days of any disputed amount included on the invoice. COMPANY must submit a new invoice for the undisputed amount which will be paid in accordance with paragraph B.1 above. Upon mutual resolution of the disputed amount, COMPANY will submit a new invoice for the agreed amount and payment will be made in accordance with paragraph B.1 above.
3. HOSPITAL shall 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 or services, which have not been previously paid to COMPANY.

4. 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 **Attachment A**, Scope of Work.

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

C. HOSPITAL's Fiscal Limitations

1. The content of this Section shall apply to the entire Agreement and shall take precedence over any conflicting terms and conditions, and shall limit HOSPITAL's financial responsibility as indicated in Sections 2 and 3 below.

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

3. HOSPITAL's total liability for all charges for services which may become due under this Agreement is limited to the total maximum expenditure(s) authorized in HOSPITAL's purchase order(s) to COMPANY.

**SECTION III: SCOPE OF WORK**

Services to be performed by COMPANY for the PROJECT shall consist of the work described in the Scope of Work as set forth in **Attachment A** of this Agreement, attached hereto.

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

A. HOSPITAL may at any time, by written order, make changes within the general scope of this Agreement and in the services or work to be performed. If such changes cause an increase or decrease in COMPANY's cost or time required for performance of any services under this Agreement, an equitable adjustment limited to an amount within current unencumbered budgeted appropriations for the PROJECT shall be made and this Agreement shall be modified in writing accordingly.

B. No services for which an additional compensation will be charged by COMPANY shall be furnished without the written authorization of HOSPITAL.

**SECTION V: RESPONSIBILITY OF COMPANY**

A. It is understood that in the performance of the services herein provided for, COMPANY shall be, and is, an independent contractor, and is not an agent, representative or employee of HOSPITAL and shall furnish such services in its own manner and method except as required by this Agreement. Further, COMPANY has and shall retain the right to exercise full control over the employment, direction, compensation and discharge of all persons employed by COMPANY in the performance of the services hereunder. COMPANY shall be solely responsible for, and shall indemnify, defend and hold HOSPITAL harmless from all matters relating to the payment of its employees, including compliance with social security, withholding and all other wages, salaries, benefits, taxes, demands, and regulations of any nature whatsoever.

B. COMPANY shall appoint a Manager, upon written acceptance by HOSPITAL, who will manage the performance of services. All of the services specified by this Agreement shall be performed by the Manager, or by COMPANY's associates and employees under the personal supervision of the Manager. Should the Manager, or any employee of COMPANY be unable to complete his or her responsibility for any reason, COMPANY must obtain written approval by HOSPITAL prior to replacing him or her with another equally qualified person. If COMPANY fails to make a required replacement within thirty (30) days, HOSPITAL may terminate this Agreement for default.

C. COMPANY agrees that its officers and employees will cooperate with HOSPITAL in the performance of services under this Agreement and will be available for consultation with HOSPITAL at such reasonable times with advance notice as to not conflict with their other responsibilities.

D. COMPANY shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all services furnished by COMPANY, its subcontractors and its and their principals, officers, employees and agents under this Agreement. In performing the specified services, COMPANY shall follow practices consistent with generally accepted professional and technical standards.

E. It shall be the duty of COMPANY to assure that all services of its effort are technically sound and in conformance with all pertinent Federal, State and Local statutes, codes, ordinances, resolutions and other regulations. If applicable, COMPANY will not produce a work product which violates or infringes on any copyright or patent rights. COMPANY shall, without additional compensation, correct or revise any errors or omissions in its services:

   1. Permitted or required approval by HOSPITAL of any products or services furnished by COMPANY shall not in any way relieve COMPANY of responsibility for the professional and technical accuracy and adequacy of its work.

   2. HOSPITAL's review, approval, acceptance, or payment for any of COMPANY's services herein shall not be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement, and COMPANY shall be and remain liable in accordance with the terms of this Agreement and applicable law for all damages to HOSPITAL caused by COMPANY's performance or failures to perform under this Agreement.

F. All materials, information, and documents, whether finished, unfinished, drafted, developed, prepared, completed, or acquired by COMPANY for HOSPITAL relating to the services to be performed hereunder and not otherwise used or useful in connection with services previously rendered, or services to be rendered, by COMPANY to parties other than HOSPITAL shall become the property of HOSPITAL and shall be delivered to HOSPITAL's representative upon completion or termination of this Agreement, whichever comes first. COMPANY shall not be liable for damages, claims, and losses arising out of any reuse of any work products on any other project conducted by HOSPITAL. HOSPITAL shall have the right to reproduce all documentation supplied pursuant to this Agreement.

G. The rights and remedies of HOSPITAL provided for under this Section are in addition to any other rights and remedies provided by law or under other Sections of this Agreement.

**SECTION VI: SUBCONTRACTS**

A. Services specified by this Agreement shall not be subcontracted by COMPANY, without prior written approval of HOSPITAL.

B. Approval by HOSPITAL of COMPANY's request to subcontract, or acceptance of, or payment for, subcontracted work by HOSPITAL shall not in any way relieve COMPANY of responsibility for the professional and technical accuracy and adequacy of the work. COMPANY shall be and remain liable for all damages to HOSPITAL caused by negligent performance or non-performance of work under this Agreement by COMPANY's subcontractor or its sub-subcontractor.

C. The compensation due under Section II shall not be affected by HOSPITAL's approval of COMPANY's request to subcontract.

**SECTION VII: RESPONSIBILITY OF HOSPITAL**

A. HOSPITAL agrees that its officers and employees will cooperate with COMPANY in the performance of services under this Agreement and will be available for consultation with COMPANY at such reasonable times with advance notice as to not conflict with their other responsibilities.

B. The services performed by COMPANY under this Agreement shall be subject to review for compliance with the terms of this Agreement by HOSPITAL's representative, **Kimberly Hart, Patient Accounting**, telephone number **(702) 383-3762** or their designee. HOSPITAL's representative may delegate any or all of his responsibilities under this Agreement to appropriate staff members, and shall so inform COMPANY by written notice before the effective date of each such delegation.

C. HOSPITAL shall assist COMPANY in obtaining data on documents from public officers or agencies, and from private citizens and/or business firms, whenever such material is necessary for the completion of the services specified by this Agreement.

D. COMPANY will not be responsible for accuracy of information or data supplied by HOSPITAL or other sources to the extent such information or data would be relied upon by a reasonably prudent COMPANY.

**SECTION VIII: TIME SCHEDULE**

A. Time is of the essence of this Agreement.

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

**SECTION IX: TERMINATION**

A. Termination

1. Termination for Cause

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

a. Not less than thirty (30) calendar days written notice of intent to terminate; and

b. An opportunity for consultation with the terminating party prior to termination, and an opportunity to remedy or cure the default within thirty (30) calendar days. If, after the thirty (30) day calendar period (or such other time frame as agreed to by the parties) the breaching party does not remedy or cure such default, the non-breaching party may then terminate this Agreement effective immediately thereafter.

2. Termination for Convenience

a. This Agreement may be terminated in whole or in part by HOSPITAL for its convenience; but only after COMPANY is given not less than thirty (30) calendar days written notice of intent to terminate; and

b. If termination is for HOSPITAL's convenience, HOSPITAL shall pay COMPANY that portion of the compensation which has been earned as of the effective date of termination but no amount shall be allowed for anticipated profit on performed or unperformed services or other work.

3. Effect of Termination

a. If termination for substantial failure or default is effected by HOSPITAL, HOSPITAL will pay COMPANY that portion of the compensation which has been earned as of the effective date of termination but:

i. No amount shall be allowed for anticipated profit on performed or unperformed services or other work; and

ii. Any payment due to COMPANY at the time of termination may be adjusted to the extent of any additional costs occasioned to HOSPITAL by reason of COMPANY's default.

b. Upon receipt or delivery by COMPANY of a termination notice, COMPANY shall (i) continue services through mutually agreed upon time frame between HOSPITAL and COMPANY; and (ii) deliver or otherwise make available to HOSPITAL's representative, copies of all deliverables as provided in Section V paragraph F.

c. If after termination for failure of COMPANY to fulfill contractual obligations it is determined that COMPANY has not so failed, the termination shall be deemed to have been effected for the convenience of HOSPITAL.

d. Upon termination, HOSPITAL may take over the work and prosecute the same to completion by agreement with another party or otherwise. In the event COMPANY shall cease conducting business, HOSPITAL shall have the right to make an unsolicited offer of employment to any employees of COMPANY assigned to the performance of this Agreement.

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

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

**SECTION X: INSURANCE**

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

**SECTION XI: NOTICES**

Any notice required to be given hereunder shall be deemed to have been given when received by the party to whom it is directed by personal service, hand delivery, certified U.S. mail, return receipt requested, 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: CMRE Financial Services
Attn: Patrick Nixon, VP of Sales & Marketing
3075 E. Imperial Highway, Ste. 200
Brea, CA 92821

**SECTION XII: MISCELLANEOUS**

A. Amendments

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

the parties.

B. Independent Contractor

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

C. Immigration Reform and Control Act

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

D. Public Funds / Non-Discrimination

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

E. Assignment

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

F. Indemnity

COMPANY does hereby agree to 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 and costs, that are caused by the negligence, errors, omissions, recklessness or intentional misconduct of COMPANY or the employees, contractors or agents of COMPANY in the performance of this Agreement.

G. Governing Law / Venue

Nevada law shall govern the interpretation and enforcement of this Agreement with Clark County, Nevada as the exclusive venue of any action or proceeding related to or arising out of this Agreement.

H. Covenant Against Contingent Fees

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

I. Gratuities

1. HOSPITAL may, by written notice to COMPANY, terminate this Agreement if it is found after notice and hearing by HOSPITAL that gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by COMPANY or any agent or representative of COMPANY to any officer or employee of HOSPITAL with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending or making of any determinations with respect to the performance of this Agreement.
2. In the event this Agreement is terminated as provided in paragraph 1 hereof, HOSPITAL shall be entitled:
   a. to pursue the same remedies against COMPANY as it could pursue in the event of a breach of this

Agreement by COMPANY; and

b. as a penalty in addition to any other damages to which it may be entitled by law, to exemplary damages in an amount (as determined by HOSPITAL) which shall be not less than three (3) nor more than ten (10) times the costs incurred by COMPANY in providing any such gratuities to any such officer or employee.

3. The rights and remedies of HOSPITAL provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

J. Audits

The performance of this Agreement by COMPANY is subject to review by HOSPITAL to ensure Agreement compliance. COMPANY agrees to provide HOSPITAL and the Vendor Management Office any and all information requested that relates to the performance of this Agreement. All request for information will be in writing to COMPANY. Time is of the essence during the audit process. Failure to provide the information requested within the timeline provided in the written information request may be considered a material breach of Agreement and be cause for suspension and/or termination of this Agreement.

K. Covenant

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

L. Confidential Treatment of Information

COMPANY shall preserve in strict confidence any information obtained, assembled or prepared in connection with the performance of this Agreement.

M. ADA Requirements

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

N. Non-Excluded Healthcare Provider

COMPANY represents and warrants to HOSPITAL that neither it nor any of its affiliates (1) 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 (2) 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 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, defend and hold harmless HOSPITAL from any claims or actions, including all associated costs and

attorney's fees, regarding or related to any demand for the disclosure of COMPANY documents in HOSPITAL's custody and control in which COMPANY claims to be confidential and proprietary.

P. Travel Policy

If applicable, 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
- Meal receipts for each meal
- Airline receipt
- Car rental receipt (Identify driver and passengers)
- Airport parking receipt (traveler's Airport origin)
- Gas re-fuel upon return of rental vehicle capped at $50 per vehicle
- Airport long term parking (only for economy rate)

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

- Personal vehicle (UMC will not pay costs associated to driving a personal vehicle in lieu of air travel)
- Excess baggage fares
- Upgrades for transportation, lodging, or vehicles
- Alcohol
- Room service
- In-room movie rentals
- In-room beverage/snacks
- Gas for personal vehicles
- Transportation to and from traveler's home and the airport
- Mileage
- Travel time

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. Business Associate Agreement

COMPANY agrees to complete and submit the attached Business Associate Agreement as set for in **Attachment D.**

S. 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, COMPANY may be required to obtain a Clark County business license or register annually as a limited vendor business with the Clark County Business License Department.

1. Clark County Business License is Required if:
   a. A business is physically located in unincorporated Clark County, Nevada.
   b. The work to be performed is located in unincorporated Clark County, Nevada.
2. Register as a Limited Vendor Business Registration if:
   a. A business is physically located outside of unincorporated Clark County, Nevada
   b. A business is physically located outside the state of Nevada.

The Clark County Department of Business License can answer any questions concerning determination of which requirement is applicable to your company. It is located at the Clark County Government Center, 500 South Grand Central Parkway, 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)

This Agreement contains the full, final, and complete expression of all agreements between HOSPITAL and COMPANY with respect to the subject matter of this Agreement and shall supersede all prior or contemporaneous agreements between HOSPITAL and COMPANY, whether oral or written.

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be executed and delivered on the dates below to be effective as of the Effective Date.

HOSPITAL:

UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA

By:_____ _____
MASON VANHOUWELING DATE
Chief Executive Officer

COMPANY:

CMRE FINANCIAL SERVICES

By: Sandy Lawrence 1/24/2020
SANDY LAWRENCE DATE
President

**ATTACHMENT A**
**COLLECTION AGENCY FOR SELF-PAY BAD DEBT**
**SCOPE OF WORK**

1. **Scope of Work**

To provide billing and collection activities related to:

a. Primary bad debt collection services for self-pay balances. All unresolved accounts are assigned to COMPANY at day one hundred and twenty-one (121). Bad debt collection services include providing outgoing dialing campaigns, letters and email messaging when appropriate, establishing and managing payment arrangements, answering questions related to statements and fielding calls for account audits and charge disputes.

b. Provide for Collection Agency intervention in an effort to collect medical bills determined to be uncollectible by HOSPITAL and its affiliated physician group(s). The average monthly HOSPITAL bad debt to be assigned to collections is on average (i) 383 accounts for $3 million per month on the inpatient side and (ii) 4,306 accounts for $5M per month on the outpatient side. HOSPITAL will select two (2) Collection Agencies to share in the collections. HOSPITAL expectation is a minimum of three percent (3%) return on the first (1st) year, six percent (6%) the second (2nd) year, and nine percent (9%) the third (3rd) year of net assignments averaged out over the respective 12, 24 and 36 month periods.

c. HOSPITAL will award this PROJECT to two (2) Collection Agencies to perform both the primary bad debt collections and the secondary bad debt collections. The timeline would be as follows:

i. **Day 121 to 240:**

Each Collection Agency will get one-half (½) of the alphabet (i.e., Company A gets A-L and Company B gets M-Z) from days 121 through 240, that is, given four (4) months to collect on or establish the accounts on a payment plan.

ii. **Day 241 to 1095:**

On day 241, the Collection Agencies will exchange their inventory (i.e., Company A that had A-L from day 121 to 240 will now get M-Z and vice versa for Company B). Each Collection Agency will have from day 241 through 1095 (about two [2] years and four [4] months) to collect on that inventory or set up a payment plan.

iii. **Day 1095:**

If no payment arrangement has been established at that time with an account, then such account(s) will be returned to HOSPITAL and will be labeled as "uncollectable Bad Debt".

d. Collection Procedures.

i. Once a placement account is received, it will be loaded into COMPANY's system within twenty-four (24) hours of placement.
ii. The following collection efforts will be sent to the patient at a minimum:
  ii.1 Letters:
    ii.1.1 The first demand letter is generated and mailed within the first 96 hours of placement. All subsequent letters can go out at intervals of approximately 30 days, 60 days, 90 days, and 120 days respectfully.
    ii.1.2 All accounts over $15 dollars with a good address information will receive up to three (3) letters for the first 90 days or until contact is successful.
  ii.2 Emails – same frequency as Letters (refer to subsection ii.1 herein).
  ii.3 Phone Calls:
    ii.3.1 All accounts over $15 dollars will begin receiving telephone calls from COMPANY within 30 to 45 days of placement.
    ii.3.2 All accounts with a valid telephone number will receive appropriate phone call attempts for the first 90 days or until contact is successful.
    ii.3.3 All subsequent phone calls can go out at intervals of approximately 30 days, 60 days, 90 days, and 120 days respectfully.
iii. All accounts over $100 will receive insurance searches.
iv. All accounts over $50 will receive either Experian or LexisNexis Scrubs.
v. Will pull credit bureau reports on a selective basis or as needed.

*Note:* A Collection Agency (i.e., COMPANY) that fails to meet expectations will be considered non-responsive and forfeit the incremental extensions. In addition, all assigned accounts will be returned to HOSPITAL for re-assignment. Refer to **Attachment B** on alphabet assignment timeline.

**2. General Service Level Expectations**

a. Licensing and Membership requirements.

i. COMPANY must be licensed as a Collection Agency in Nevada.
ii. Maintain membership in good standing with either the Nevada Collectors Association or with the ACA International (at national level).

b. Assignments of Accounts.

i. Assignments of accounts will be made weekly.
ii. Placements are intended to include fifty percent (50%) of all applicable self-pay bad debt balances including balances after insurance. Accounts placed to COMPANY will be at the sole discretion of HOSPITAL.
  ii.1 International accounts will not be included.
  ii.2 HOSPITAL reserves the right to withhold certain self-pay accounts up to one percent (1%) of the total value without obligation.
  ii.3 Placements will be transmitted and received via secure SFTP processes.
  ii.4 Previously placed bad debt accounts (i.e., legacy accounts) will be included in this PROJECT which will be determined by HOSPITAL on placement.
iii. COMPANY will have a maximum of 1095 days or three (3) years to work on an account placed at the onset of the partnership and based on the timeline set forth above (refer to Section 1.c).
  iii.1 COMPANY will send daily cancel files to HOSPITAL for all unresolved accounts at day 1095 from the date of placement.
  iii.2 If appropriate HOSPITAL payment arrangements are established, the account will remain with COMPANY for the term of the arrangements.
    iii.2.1 HOSPITAL will provide a copy of current self-pay discount and payment arrangement guidelines.
    iii.2.2 All exceptions to the approved discounts and payment arrangement guidelines must be requested in writing and approved by HOSPITAL.
  iii.3 COMPANY agrees to follow HOSPITAL's guidelines for acceptable payment schedules.
iv. Upon identification of third-party insurance, the accounts will be properly updated in HOSPITAL's system to initiate the claims filing process.
v. Remote access will be granted to HOSPITAL account management systems as determined appropriate by HOSPITAL.
  v.1 COMPANY representative(s) will be required to complete HOSPITAL's Information Security Agreement prior to being provided remote access.
  v.2 COMPANY will be responsible for arranging an appropriate number of staff to attend HOSPITAL application training onsite or via WebEx. COMPANY will include specific number of staff that will be working HOSPITAL accounts based on given volumes.
  v.3 HOSPITAL reserves the right to revoke access.
  v.4 All payments will be processed using COMPANY's payment processor.
    v.4.1 Payment Card Industry compliance is required for all payment transactions.

c. Assigned accounts will not be co-mingled with other clients.

i. Accounts forwarded for legal action on behalf of HOSPITAL will be processed separately from other client accounts.
ii. Assigned accounts <u>will not</u> be outsourced to a foreign country.

d. Compliance.

i. To insure HIPAA compliance, HOSPITAL assignments must be maintained separately.
ii. Use of demographics for any purpose other than to collect a HOSPITAL account is prohibited.
iii. Should any new legislation take effect during the term of this Agreement which necessitates changes to current HOSPITAL collection activities, HOSPITAL will be notified of the changes in writing.
iv. COMPANY must be able to demonstrate that appropriate encryption is used to maintain system security.
v. COMPANY must be able to demonstrate that all personnel are trained on HIPAA compliance and PHI security.

e. Interest and Fees.

i. The charging of interest on assigned accounts without a court order is expressly prohibited. Court ordered interest will be remitted to HOSPITAL.
ii. Assessing fees, with the exception of legal fees as limited in paragraph g herein, is prohibited. This includes, but is not limited to, collection fees, copy fees, attorney fees or any other fees or costs associated with the collection of assigned accounts.
iii. Patients will not be charged interest or payment processing fees at any time while the account is in the primary bad debt COMPANY's inventory.

f. Legal Action.

i. The use of a Confession of Judgment (COJ) as an acknowledgement of a debt and a commitment to pay is authorized. It will be limited to the principal amount only.
ii. The filing of a COJ in lieu of obtaining a court ordered judgment is prohibited.
iii. Authorization to file for legal (Assignment of Account) must be obtained after the account status changes to "Legal Review". COMPANY must provide information regarding tangible assets prior to HOSPITAL authorizing action.

g. Assessed legal fees to patient (i.e., court costs – filing fees, etc.) will not exceed $250.00. This fee will be kept by COMPANY.

h. Demographic and Collection Information Limitations.

i. Adhere to EPIC's standard data specs **(Attachment E)**.
ii. Copies of Conditions of Admission and Financial Statements (COA/FS) will be provided upon receipt of a copy of the dispute letter from the patient/guarantor requesting proof of service. No other copies from a patient's medical or billing records will be provided without receipt of a valid authorization signed by the patient or a legal representative of the patient or a court order. A judge must sign all court ordered requests.
iii. Data transfer will be via a secure FTP VPN connector.
iv. Data transfer will be via a secure FTP site.
v. Collection status changes (i.e., active, inactive, cancelled and returned, referred to legal, etc.) will be updated daily for the FTP site.
vi. COMPANY must be able to send and receive emails via TLS encryption to insure strict adherence to patient privacy.

i. COMPANY Representation/Training.

i. Throughout the term of this Agreement, COMPANY will be responsible for the initial and quarterly training of all representatives associated with the collection of HOSPITAL accounts. Mandatory training must include all applicable laws, policies and regulations governing collection practices inclusive of special conditions associated with medical collections.
ii. COMPANY must provide HOSPITAL with a detailed plan of representative training activities associated with collection of HOSPITAL's accounts.
iii. Designated representatives must be assigned to HOSPITAL accounts.

j. Call System Requirements.

i. COMPANY's call center system must be able to handle high volume calls (greater than 5,000 HOSPITAL calls per month).
ii. Call center must be staffed at a minimum of Monday – Friday, 7:30 AM – 6:00 PM Pacific Standard Time excluding holidays.
iii. Dialing campaigns must comply with all applicable laws and regulations.
iv. All telephone messages must be returned within twenty-four (24) business hours.
v. HOSPITAL calls may not be co-mingled with other client calls.
vi. HOSPITAL is to be notified as soon as possible of any phone outages, system outages or other unforeseen circumstances that affect HOSPITAL calls.
vii. All calls must be recorded for future reference should a complaint or dispute be filed.

k. Concerns and Disputes Registered by Guarantor.

i. COMPANY will be responsible for resolving patient concerns/disputes presented to them in written form within one (1) business day or twenty-four (24) hours from date of concern/dispute. Resolution means either a payment arrangement has been established, payment in full is made, or the account has been referred back to HOSPITAL due to patient complaint or concern surrounding the billed charges.

ii. COMPANY must be able to provide HOSPITAL with the record telephone conversation upon request.
iii. A copy of all correspondence from COMPANY to the patient will be provided to HOSPITAL as needed.
iv. COMPANY's failure to respond to written concerns/disputes in the prescribed time could place HOSPITAL at risk. Should this transpire, the offending COMPANY will be considered non-responsive which will void this Agreement.

l. Medicaid and County Eligibility.

i. Accounts identified as Medicaid or County eligible must be closed and returned to HOSPITAL along with a billing request form or adjustment, as applicable. Proof of eligibility must accompany the request.

m. Credit Bureau Reporting.

i. All undisputed balances will be reported to TransUnion and at least one (1) other major credit bureau at time of second placement unless paid in full or in an acceptable payment arrangement secured with a promissory note or COJ (see paragraph f herein on COJ limitations).

n. Remittance of Collections.

i. All collections along with the supporting remittance advice(s) will be remitted to HOSPITAL once (1x) a month as follows:
i.1 Monies collected for the month will be remitted within five (5) business days of the start of the following month.

ii. A proper remittance includes the electronic update of cash received, a detailed invoice and a remittance check.
ii.1 The invoice and remittance check will be delivered to HOSPITAL's Patient Accounting Department by 4:00 PM PST by the due date as described in paragraph i.1 herein.
ii.2 Late remittances for reasons beyond COMPANY's control must be justified and acknowledged by HOSPITAL. If COMPANY is demonstrating a pattern of late remittances, it will be considered as non-responsive. (See Note under **Attachment A**, Section 1, Scope of Work)
ii.3 HOSPITAL would consider two (2) consecutive, unjustified, late remittances in any given time period or three (3) late remittances in a twelve (12) month period as a pattern.
iii. The invoices and remittance checks will be delivered to HOSPITAL's Patient Accounting Department by 4:00 PM PST by the due date as described in paragraph i.1 herein.
iv. COMPANY must be able to provide an itemized statement of payments, discount adjustments, contingency amounts and account balances to HOSPITAL's Accounts Payable Department on a monthly basis.

o. Workflow.

i. COMPANY will provide a detailed diagram describing the workflow used throughout the entire life cycle of the account from placement to cancellation/return.
ii. COMPANY shall make changes to its workflow as directed by HOSPITAL.

p. Statements.

i. COMPANY will be responsible for sending all past-due notices to debtors. The cost associated with such notices will be included in the rate proposed by COMPANY.
i.1 Contact information on past-due notices will direct the patient to COMPANY's call center.
i.2 COMPANY will have all past-due notices and other debtor correspondence approved by HOSPITAL before incorporated into COMPANY's workflow.

q. Reporting Requirements: HOSPITAL's Patient Accounting System is EPIC. All inbound and outbound file transfers will utilize EPIC's standard file specifications.

i. HOSPITAL will provide file layouts to COMPANY (refer to **Attachment** F) outlining the files that COMPANY will be required to accept for placements, transactions, cancels, etc.
ii. Daily placement files will be sent via FTP from HOSPITAL to COMPANY.
iii. Daily transaction files that include payments, adjustments, notes, and other miscellaneous transactions will be sent via FTP from HOSPITAL to COMPANY.
iv. Daily deletion files will be sent via FTP from HOSPITAL to COMPANY.
iv.1 Bankruptcy Discharges
iv.2 Legal Cases
iv.3 Approved for Retroactive Medicaid
v. Daily acknowledgement of assignments by COMPANY.

vi. Inventory Report (Weekly).
vii. Performance Report (Monthly).
viii. Semi-Monthly Remittance Report (Due the 5th and 20th of each month).
ix. Twelve (12) Month Summary of Account Status (Monthly).
x. Close Report.
xi. Cancellation Report (Approved categories):
  xi.1 Disputed (dispute validated by HOSPITAL)
  xi.2 Deceased (No assets/No estate)
  xi.3 Documentation (Charges cannot be validated)
  xi.4 Wrong Party (Admitting error)
  xi.5 Guarantor is Minor (Admitting error)
  xi.6 Suit dismissed (Lost Court Case)
  xi.7 Client Request (Cancelled by HOSPITAL)
  xi.8 Bankruptcy (Discharged)
  xi.9 Welfare Eligible (Clark County/Medicaid)
xii. Daily notes files will be required from COMPANY.

r. Performance Expectations.

i. Call abandonment rate of less than three percent (3%).
ii. Wait times should not exceed two (2) minutes without being offered the option to leave a message.
iii. Account notes are required for every action taken on HOSPITAL accounts including automated dialing campaign logs.
  iii.1 COMPANY must be able to provide a file of notations in an agreed upon format for upload to HOSPITAL's system.
  iii.2 Note files will be transmitted daily via FTP.

s. Contacts.

i. COMPANY must be able to identify a point person for Information Services issues.
ii. Provide a point person for FTP login.
iii. Designate a contact for dispute resolution and information requests related to concerns or complaints.
iv. Designate a liaison person for client service.

t. Terms and Pricing.

i. Terms and pricing will remain in effect for the duration of this Agreement including the extension options.

u. Standards.

i. HOSPITAL expects that COMPANY will strictly adhere to the Fair Debt Collection Practices Act and all applicable Federal and State laws related to billing and collections. Standards of quality customer service and respect for human dignity will be maintained at all times when dealing with HOSPITAL's customers/patients.
ii. The responsibility for effectively training COMPANY representatives regarding customer service expectations, the provisions of the Fair Debt Collection Practices Act and the U.S. Bankruptcy Code relating to the collection of debts rests exclusively with COMPANY (see Note under **Attachment A**, Section 1, Scope of Work).
iii. COMPANY will conduct business in a manner that supports HOSPITAL's mission, vision and core values.
iv. Compliance with all 501(r) regulations (specifically pertaining to Extraordinary Collection Actions).
v. Customer Service Standards:
  v.1 HOSPITAL expects that COMPANY will provide quality customer service to the patients upon each contact.
  v.2 All patient inbound inquiries will have a twenty-four (24) hour or one (1) business day, whichever is less, turnaround time.
vi. COMPANY will ensure that 100% of inbound and outbound call activity is recorded and retrievable by HOSPITAL within twenty-four (24) business hours of the initial request.

3. **Ownership of Records:** All documents and data made available by HOSPITAL to COMPANY hereunder shall remain the property of HOSPITAL.

**ATTACHMENT B**
**FEE SCHEDULE**

1. **Fees/Invoices:**

   HOSPITAL agrees to pay COMPANY the following contingency rates:

   - **Commission on collections between day 121 to day 240** **11%**
   - **Commission on collections between day 241 to day 1095** **14%**
   - **Legal action (only applies when approved lawsuit is filed)** **19%**
     - For larger balance accounts of $5,000 and greater

2. **COMPANY has the following alphabet timeline:**

   - **Day 121 to 240:**

     COMPANY gets M – Z accounts.

     COMPANY is given four (4) months to collect on or establish the accounts on a payment plan.

   - **Day 241 to 1095:**

     COMPANY gets A – L accounts.

     On day 241, the awarded Collection Agencies will exchange their inventory (refer to **Attachment A**, Section 1.c). COMPANY will have from day 241 through 1095 (about two [2] years and four [4] months) to collect on that inventory or set up a payment plan.

   - **Day 1095:**

     If no payment arrangement has been established at that time with an account, then such account(s) will be returned to HOSPITAL and will be labeled as "uncollectable Bad Debt".

**ATTACHMENT C**

## INSURANCE REQUIREMENTS

**TO ENSURE COMPLIANCE WITH THE CONTRACT DOCUMENT, COMPANY SHOULD FORWARD THE FOLLOWING INSURANCE CLAUSE AND SAMPLE INSURANCE FORM TO THEIR INSURANCE AGENT PRIOR TO PROPOSAL SUBMITTAL.**

Format/Time: COMPANY shall provide HOSPITAL with Certificates of Insurance, per the sample format (page B-3), for coverages as listed below, and endorsements affecting coverage required by this Contract within **10 calendar days** after the award by HOSPITAL. All policy certificates and endorsements shall be signed by a person authorized by that insurer and who is licensed by the State of Nevada in accordance with NRS 680A.300. All required aggregate limits shall be disclosed and amounts entered on the Certificate of Insurance, and shall be maintained for the duration of the Contract and any renewal periods.

Best Key Rating: HOSPITAL requires insurance carriers to maintain during the Contract term, a Best Key Rating of A.VII or higher, which shall be fully disclosed and entered on the Certificate of Insurance.

HOSPITAL Coverage: HOSPITAL, its officers and employees must be expressly covered as additional insured except on workers' compensation and professional liability insurance coverages. COMPANY's insurance shall be primary as respects to HOSPITAL, its officers and employees.

Endorsement/Cancellation: COMPANY's general liability insurance policy shall be endorsed to recognize specifically COMPANY's contractual obligation of additional insured to HOSPITAL. All policies must note that HOSPITAL will be given thirty (30) calendar days advance notice by certified mail "return receipt requested" of any policy changes, cancellations, or any erosion of insurance limits.

Deductibles: All deductibles and self-insured retentions shall be fully disclosed in the Certificates of Insurance and may not exceed $25,000.

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.

Commercial General Liability: Subject to Paragraph 6 of this Attachment, 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.

Automobile Liability: Subject to Paragraph 6 of this Attachment, 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 Contract.

Professional Liability: COMPANY shall maintain limits of no less than $1,000,000 aggregate. If the professional liability insurance provided is on a Claims Made Form, then the insurance coverage required must continue for a period of 2 years beyond the completion or termination of this Contract. Any retroactive date must coincide with or predate the beginning of this and may not be advanced without the consent of HOSPITAL.

Workers' Compensation: COMPANY shall obtain and maintain for the duration of this Contract, 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.

Failure To Maintain Coverage: If COMPANY fails to maintain any of the insurance coverages required herein, HOSPITAL may withhold payment, order COMPANY to stop the work, declare COMPANY in breach, suspend or terminate the Contract, assess liquidated damages as defined herein, or may purchase replacement insurance or pay premiums due on existing policies. HOSPITAL may collect any replacement insurance costs or premium payments made from COMPANY or deduct the amount paid from any sums due to COMPANY under this Contract.

Additional Insurance: COMPANY is encouraged to purchase any such additional insurance as it deems necessary.

Damages: COMPANY is required to remedy all injuries to persons and damage or loss to any property of HOSPITAL, caused in whole or in part by COMPANY, their subcontractors or anyone employed, directed or supervised by COMPANY.

Cost: COMPANY shall pay all associated costs for the specified insurance. The cost shall be included in the price(s).

Insurance Submittal Address: All Insurance Certificates requested shall be sent to the University Medical Center of Southern Nevada, Attention: Contracts Management. See the Submittal Requirements Clause in the RFP package for the appropriate mailing address.

Insurance Form Instructions: The following information must be filled in by COMPANY's Insurance Company representative:

1) Insurance Broker's name, complete address, phone and fax numbers.

2) COMPANY's name, complete address, phone and fax numbers.

3) Insurance Company's Best Key Rating

4) Commercial General Liability (Per Occurrence)
   (A) Policy Number
   (B) Policy Effective Date
   (C) Policy Expiration Date
   (D) General Aggregate ($2,000,000)
   (E) Products-Completed Operations Aggregate ($2,000,000)
   (F) Personal & Advertising Injury ($1,000,000)
   (G) Each Occurrence ($1,000,000)
   (H) Fire Damage ($50,000)
   ( I ) Medical Expenses ($5,000)

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) Description: Number and Name of Contract (must be identified on the initial insurance form and each renewal form).

8) Certificate Holder:

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

   **THE CERTIFICATE HOLDER, UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA, MUST BE NAMED AS AN ADDITIONAL INSURED.**

Appointed Agent Signature to include license number and issuing state

CMREFIN-01 JH914068

# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 1/31/2020

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

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

| | |
|---|---|
| PRODUCER License # 0B29370<br>Edgewood Partners Insurance Center<br>P.O. Box 7072<br>Pasadena, CA 91109 | CONTACT NAME:<br>PHONE (A/C, No, Ext): (626) 795-9000 FAX (A/C, No): (626) 577-8940<br>E-MAIL ADDRESS: |
| INSURED<br>CMRE Financial Services Inc.<br>3075 E. Imperial Highway, Suite 200<br>Brea, CA 92821 | INSURER(S) AFFORDING COVERAGE — NAIC #<br>INSURER A : Federal Insurance Company — 20281<br>INSURER B : Redwood Fire & Casualty Insurance Company — 11673<br>INSURER C : Evanston Insurance Company — 35378<br>INSURER D :<br>INSURER E :<br>INSURER F : |

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

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

| INSR LTR | TYPE OF INSURANCE | ADDL INSD | SUBR WVD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS | |
|---|---|---|---|---|---|---|---|---|
| A | X COMMERCIAL GENERAL LIABILITY<br>CLAIMS-MADE / X OCCUR<br>GEN'L AGGREGATE LIMIT APPLIES PER:<br>X POLICY / PRO-JECT / LOC<br>OTHER: | X | | 35809589WCE | 8/15/2019 | 8/15/2020 | EACH OCCURRENCE<br>DAMAGE TO RENTED PREMISES (Ea occurrence)<br>MED EXP (Any one person)<br>PERSONAL & ADV INJURY<br>GENERAL AGGREGATE<br>PRODUCTS - COMP/OP AGG | $ 1,000,000<br>$ 1,000,000<br>$ 10,000<br>$ 1,000,000<br>$ 2,000,000<br>$ Included |
| A | AUTOMOBILE LIABILITY<br>ANY AUTO<br>OWNED AUTOS ONLY / SCHEDULED AUTOS<br>X HIRED AUTOS ONLY / X NON-OWNED AUTOS ONLY | | | 74994855 | 8/15/2019 | 8/15/2020 | COMBINED SINGLE LIMIT (Ea accident)<br>BODILY INJURY (Per person)<br>BODILY INJURY (Per accident)<br>PROPERTY DAMAGE (Per accident) | $ 1,000,000<br>$<br>$<br>$ |
| A | X UMBRELLA LIAB / X OCCUR<br>EXCESS LIAB / CLAIMS-MADE<br>DED / RETENTION $ | | | 79842270 | 8/15/2019 | 8/15/2020 | EACH OCCURRENCE<br>AGGREGATE<br>Aggregate | $ 10,000,000<br>$<br>$ 10,000,000 |
| B | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY<br>ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N<br>If yes, describe under DESCRIPTION OF OPERATIONS below | N/A | | CMWC035568 | 9/8/2019 | 9/8/2020 | X PER STATUTE / OTH-ER<br>E.L. EACH ACCIDENT<br>E.L. DISEASE - EA EMPLOYEE<br>E.L. DISEASE - POLICY LIMIT | <br>$ 1,000,000<br>$ 1,000,000<br>$ 1,000,000 |
| C | Professional Liab. | | | EO873263 | 11/1/2018 | 3/1/2020 | Each Claim/Aggregate | 5,000,000 |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
University Medical Center of Southern Nevada, its officers, employees and volunteers where required by written contract are named as Additional Insured for General Liability per Form #80-02-2367 attached.

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 CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Cynthia A. Retter

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# Liability Insurance

## Endorsement

| | |
|---|---|
| *Policy Period* | AUGUST 15, 2019 TO AUGUST 15, 2020 |
| *Effective Date* | JANUARY 8, 2020 |
| *Policy Number* | 3580-95-89 WCE |
| *Insured* | CMRE FINANCIAL SERVICES INC |
| *Name of Company* | FEDERAL INSURANCE COMPANY |
| *Date Issued* | JANUARY 14, 2020 |

This Endorsement applies to the following forms:

GENERAL LIABILITY

Under Who Is An Insured, the following provision is added.

### Who Is An Insured

*Additional Insured - Scheduled Person Or Organization*

Persons or organizations shown in the Schedule are **insureds**; but they are **insureds** only if you are obligated pursuant to a contract or agreement to provide them with such insurance as is afforded by this policy.

However, the person or organization is an **insured** only:

- if and then only to the extent the person or organization is described in the Schedule;
- to the extent such contract or agreement requires the person or organization to be afforded status as an **insured**;
- for activities that did not occur, in whole or in part, before the execution of the contract or agreement; and
- with respect to damages, loss, cost or expense for injury or damage to which this insurance applies.

No person or organization is an **insured** under this provision:

- that is more specifically identified under any other provision of the Who Is An Insured section (regardless of any limitation applicable thereto).
- with respect to any assumption of liability (of another person or organization) by them in a contract or agreement. This limitation does not apply to the liability for damages, loss, cost or expense for injury or damage, to which this insurance applies, that the person or organization would have in the absence of such contract or agreement.

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## Liability Endorsement
*(continued)*

Under Conditions, the following provision is added to the condition titled Other Insurance.

### Conditions

*Other Insurance – Primary, Noncontributory Insurance – Scheduled Person Or Organization*

If you are obligated, pursuant to a contract or agreement, to provide the person or organization shown in the Schedule with primary insurance such as is afforded by this policy, then in such case this insurance is primary and we will not seek contribution from insurance available to such person or organization.

*Schedule*

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

All other terms and conditions remain unchanged.

*Authorized Representative*

**ATTACHMENT D**
**BUSINESS ASSOCIATE AGREEMENT**

This Agreement is made effective the 26th of February, 2020, 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 **CMRE Financial Services, Inc.**, hereinafter referred to as "Business Associate", (individually, a "Party" and collectively, the "Parties").

WITNESSETH:

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

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

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

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

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

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

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

I. DEFINITIONS

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

"Protected Health Information" means individually identifiable health information created, received, maintained, or transmitted in any medium, including, without limitation, all information, data, documentation, and materials, including without limitation, demographic, medical and financial information, that relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present, or future payment for the provision of health care to an individual; and that identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual. "Protected Health Information" includes without limitation "Electronic Protected Health Information" as defined below.

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

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

II. ACKNOWLEDGMENTS

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

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

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

III. USE AND DISCLOSURE OF PROTECTED HEALTH INFORMATION

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

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

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

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

(c) Where Business Associate is permitted to use Subcontractors that create, receive, maintain, or transmit Protected Health Information; Business Associate agrees to execute a "Business Associate Agreement" with Subcontractor as defined in the HIPAA Rules that includes the same covenants for using and disclosing, safeguarding, auditing, and otherwise administering Protected Health Information as outlined in Sections I through VII of this Agreement (45 CFR 164.314).

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

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

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

IV. SAFEGUARDING PROTECTED HEALTH INFORMATION

(a) Business Associate agrees:

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

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

(iii) To notify Covered Entity of any attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system ("Security Incident") upon discovery of the Security Incident.

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

(i) To notify Covered Entity's Chief Privacy Officer immediately upon discovery of the Breach, and

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

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

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

V. RIGHT TO AUDIT

(a) Business Associate agrees:

(i) To provide Covered Entity with timely and appropriate access to records, electronic records, HIPAA assessment questionnaires provided by Covered Entity, personnel, or facilities sufficient for Covered Entity to gain reasonable assurance that Business Associate is in compliance with the HIPAA Rules and the provisions of this Agreement.

(ii) That in accordance with the HIPAA Rules, the Secretary of the U.S. Department of Health and Human Services has the right to review, audit, or investigate Business Associate's records, electronic records, facilities, systems, and practices related to safeguarding, use, and disclosure of Protected Health Information to ensure Covered Entity's or Business Associate's compliance with the HIPAA Rules.

VI. COVERED ENTITY REQUESTS AND ACCOUNTING FOR DISCLOSURES

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

(i) To comply with any requests for restrictions on certain disclosures of Protected Health Information pursuant to Section 164.522 of the HIPAA Rules to which Covered Entity has agreed and of which Business Associate is notified by Covered Entity.

(ii) To make available Protected Health Information to the extent and in the manner required by Section 164.524 of the HIPAA Rules. If Business Associate maintains Protected Health Information electronically, it agrees to make such Protected Health Information electronically available to the Covered Entity.

(iii) To make Protected Health Information available for amendment and incorporate any amendments to Protected Health Information in accordance with the requirements of Section 164.526 of the HIPAA Rules.

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

VII. TERMINATION

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

At termination of this Agreement, the Underlying Agreement (or any similar documentation of the business relationship of

the Parties), or upon request of Covered Entity, whichever occurs first, if feasible, Business Associate will return or destroy all Protected Health Information received from or created or received by Business Associate on behalf of Covered Entity that Business Associate still maintains in any form 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:

By: _____

Mason VanHouweling
Printed Name

Chief Executive Officer
Title

BUSINESS ASSOCIATE:

By: Sandy Lawrence

SANDI LAWRENCE
Printed Name

PRESIDENT
Title

3075 E. IMPERIAL HIGHWAY, SUITE 200
Address

BREA, CA 92821
City/State/Zip

**ATTACHMENT E**
**STANDARD EPIC FILE SPECIFICATIONS**

| Field | Required or Optional? | Format | Example | Notes |
|---|---|---|---|---|
| **1-Account ID** | Required | Numerical | 1000789 | Compared to Hospital Account ID (I HAR .1). |
| **2-Note Type** | Optional | Category Number | 1 | For account-level notes: Category value from the Hospital Account Note Type (I HNO 542) item. The default value is 1-General.<br>For guarantor-level notes: Category value from the Account Notepad Type (I HNO 540) item. |
| **3-User** | Required | Alphanumeric | 6188 | Must be a valid external Epic user ID from the User Number (I EMP .1) item. |
| **4-Summary (title)** | Optional | Alphanumeric | Account Note Addendum for Overdue Accounts from September | If blank, defaults to the first 80 characters from the Text field. |
| **5-Text** | Required (see notes) | Alphanumeric | This note indicates that this account is overdue. | This field is required only if you're creating account notes with this file. If you are using this file to exclusively place billing indicators, this field is not required. The placement of a billing indicator also automatically creates a system generated note in Epic based on your hospital billing system definitions (HSD) setting. |
| **6-Expiration Date** | Optional | MM/DD/YYYY | 01/02/2017 | |
| **7-Level** | Optional | Category Number | 2 | Guarantor level notes appear on all HARs for that guarantor and are generally used very sparingly. |
| **8-Priority** | Optional | Category Number | 1 | Use a category number from the Priority (I HNO 545) item. |
| **9-Billing Indicator** | Optional | Category Number | 104 | Use a category number from the Billing Indicator (I HAR 85) item. The system only posts the billing indicator if Level=1. |

| DEMOGRAPHICS | |
|---|---|
| **Column Name** | **Value** |
| Free Text | 01 |
| Hospital Account ID | |
| Account Service Area | UMC |
| Account Location | UMC Parent Location |
| Patient MRN | |
| Patient Name (Last, First, Middle) | |
| SSN (EPT) | |
| Patient DOB | |
| Patient Sex (EPT) | |
| Marital Status | |
| Patient Preferred Language | |
| Coding Admission Date | |
| Admission Time | |
| Coding Discharge Date | |
| Discharge Time | |
| Discharge Location | |
| ID, PATIENT ADDRESS | |
| ID, PATIENT ADDRESS | |
| TPR City (EPT) | |
| Patient State | |
| ID, PATIENT ZIP | |
| Country | |
| Patient Phone Number | |
| Patient Phone Number | |
| Patient E-mail Address | |
| Emergency Contact 1 - Name | |
| Next of Kin Relationship | |
| Emergency Contact 1 Address Line 1 | |
| Emergency Contact 1 Address Line 2 | |
| Emergency Contact 1 City | |
| Emergency Contact 1 State | |
| Emergency Contact 1 ZIP Code | |
| (Retired) Emergency Contact 1 Primary Phone Number | |
| Emergency Contact 1 Work Phone | |
| Emergency Contact 1 is Legal Guardian? | |
| Emergency Contact 2 - Name | |
| Emergency Contact 2 Relationship | |
| Emergency Contact 2 Address Line 1 | |
| Emergency Contact 2 Address Line 2 | |
| Emergency Contact 2 City | |
| Emergency Contact 2 State | |

| | |
|---|---|
| Emergency Contact 2 ZIP Code | |
| Emergency Contact 2 Home Phone Number | |
| Emergency Contact 2 Work Phone | |
| Emergency Contact 2 is Legal Guardian? | |
| Third Emergency Contact | |
| Emergency Contact 3 Relationship | |
| Emergency Contact 3 Address Line 1 | |
| Emergency Contact 3 Address Line 2 | |
| Emergency Contact 3 City | |
| Emergency Contact 3 State | |
| Emergency Contact 3 ZIP Code | |
| Emergency Contact 3 Home Phone Number | |
| Emergency Contact 3 Work Phone | |
| Emergency Contact 3 is Legal Guardian? | |
| Patient Employer | |
| Employer Address | |
| Employer Address | |
| Employer City | |
| Patient Employer State | |
| Employer Postal Code | |
| Employer Country | |
| Employer Phone | |
| Hospital Account Base Class | |
| Patient Types (EPT) | |
| Account Class | |
| Patient Deceased Date | |
| Account Primary Service | |
| Primary Financial Class | |
| SBO Total Charges | |
| SBO Self-Pay Balance | |
| Account Balance | |
| Stop Bill Reason | |
| Primary Plan | |
| Primary Payor | |
| Primary Coverage Subscriber Name | |
| Primary Coverage Subscriber Name | |
| Primary Coverage Subscriber Date of Birth | |
| Primary Coverage Subscriber Sex | |
| Primary Coverage Subscriber Social Security Number | |
| Primary Coverage Subscriber Address | |
| Primary Coverage Subscriber City | |
| Primary Coverage Subscriber State | |
| Primary Coverage Subscriber ZIP Code | |
| Primary Coverage Subscriber Country | |

| | |
|---|---|
| Primary Coverage Subscriber Phone Number | |
| Primary Coverage Subscriber Employer Name | |
| Primary Coverage Policy Number | |
| Primary Coverage Group Number | |
| Primary Coverage Group Name | |
| Primary Coverage Authorization Number | |
| Primary Coverage Subscriber Relation to Patient | |
| Primary Coverage Address | |
| Primary Coverage City | |
| Primary Coverage State | |
| Primary Coverage ZIP Code | |
| Primary Coverage Country | |
| Primary Coverage Phone Number | |
| Secondary Plan ID | |
| Secondary Payor (Current) | |
| Secondary Coverage Subscriber Name | |
| Secondary Coverage Subscriber Name | |
| Secondary Coverage Subscriber Date of Birth | |
| Secondary Coverage Subscriber Sex | |
| Secondary Coverage Subscriber Social Security Number | |
| Secondary Coverage Subscriber Address | |
| Secondary Coverage Subscriber City | |
| Secondary Coverage Subscriber State | |
| Secondary Coverage Subscriber ZIP Code | |
| Secondary Coverage Subscriber Country | |
| Secondary Coverage Subscriber Phone Number | |
| Secondary Coverage Subscriber Employer Name | |
| Secondary Coverage Policy Number | |
| Secondary Coverage Group Number | |
| Secondary Coverage Group Name | |
| Secondary Coverage Auth Number | |
| Secondary Coverage Subscriber Relationship to Patient | |
| Secondary Coverage Address | |
| Secondary Coverage City | |
| Secondary Coverage State | |
| Secondary Coverage ZIP Code | |
| Second Coverage Country | |
| Secondary Coverage Phone Number | |
| Tertiary Plan ID | |
| Tertiary Payor (Current) | |
| Tertiary Coverage Subscriber Name | |
| Tertiary Coverage Subscriber Name | |
| Tertiary Coverage Subscriber Date of Birth | |
| Tertiary Coverage Subscriber SSN | |

| | |
|---|---|
| Tertiary Coverage Subscriber Address | |
| Tertiary Coverage Subscriber City | |
| Tertiary Coverage Subscriber State | |
| Tertiary Coverage Subscriber ZIP Code | |
| Tertiary Coverage Subscriber Country | |
| Tertiary Coverage Subscriber Phone Number | |
| Tertiary Coverage Subscriber Employer Name | |
| Tertiary Coverage Policy Number | |
| Tertiary Coverage Group Number | |
| Tertiary Coverage Authorization Number | |
| Tertiary Coverage Subscriber Relationship to Patient | |
| Tertiary Coverage Authorization Number | |
| Tertiary Coverage Subscriber Relationship to Patient | |
| Tertiary Coverage Address | |
| Tertiary Coverage City | |
| Tertiary Coverage State | |
| Tertiary Coverage ZIP Code | |
| Tertiary Coverage Country | |
| Tertiary Coverage Phone Number | |
| Quaternary Plan ID | |
| Quaternary Payor | |
| Quaternary Coverage Subscriber Name | |
| Quaternary Coverage Subscriber Name | |
| Quaternary Coverage Subscriber Date of Birth | |
| Quaternary Coverage Subscriber Sex | |
| Quaternary Coverage Subscriber Social Security Number | |
| Quaternary Coverage Subscriber Address | |
| Quaternary Coverage Subscriber City | |
| Quaternary Coverage Subscriber State | |
| Quaternary Coverage Subscriber ZIP Code | |
| Quaternary Coverage Subscriber Country | |
| Quaternary Coverage Subscriber Phone Number | |
| Quaternary Coverage Subscriber Employer Name | |
| Quaternary Coverage Policy Number | |
| Quaternary Coverage Group Number | |
| Quaternary Coverage Group Name | |
| Quaternary Coverage Auth Number | |
| Quaternary Coverage Subscriber Relation to Patient | |
| Quaternary Coverage Address Line 1 | |
| Quaternary Coverage City | |
| Quaternary Coverage State | |
| Quaternary Coverage ZIP Code | |
| Quaternary Coverage Country | |
| Quaternary Coverage Phone Number | |

| | |
|---|---|
| Guarantor Payment Plan End Date Estimate | |
| Guarantor ID | |
| Guarantor Name | |
| Guarantor SSN (EAR) | |
| Guarantor DOB (EAR) | |
| Guarantor Relation to Patient | |
| Billing Address | |
| Billing Address | |
| Billing City | |
| Billing State | |
| Billing ZIP | |
| Billing Country | |
| Billing Home Phone Number | |
| Billing Work Phone Number | |
| Guarantor Status | |
| Employer | |
| Employer Address | |
| Employer Address | |
| Employer City | |
| Employer State | |
| Employer ZIP | |
| Employer Country | |
| Employer Phone | |
| Guarantor Employer Fax | |
| Employment Status | |
| Claim Admission Type | |
| Claim Admission Source | |
| Claim Discharge Disposition | |
| Claim Occurrence Codes | |
| Occurrence Date | |
| Claim Occurrence Codes | |
| Occurrence Date | |
| Claim Occurrence Codes | |
| Occurrence Date | |
| Claim Occurrence Codes | |
| Occurrence Date | |
| Free Text | |
| Free Text | |
| Claim Condition Code | |
| Claim Condition Code | |
| Claim Value Code | |
| Value Code Amount | |
| Claim Value Code | |
| Value Code Amount | |

| | |
|---|---|
| Admission Diagnosis | |
| Diagnosis Code | |
| Diagnosis Code | |
| Diagnosis Code | |
| Diagnosis Code | |
| Diagnosis Code | |
| Diagnosis Code | |
| Diagnosis Code | |
| Diagnosis Code | |
| ICD Procedure | |
| Procedure Date | |
| ICD Procedure | |
| Procedure Date | |
| ICD Procedure | |
| Procedure Date | |
| ICD Procedure | |
| Procedure Date | |
| ICD Procedure | |
| Procedure Date | |
| Attending Provider (ID) | |
| Attending Provider (ID) | |
| Attending Provider (ID) | |
| Referring Provider Name | |
| Referring Provider Name | |
| Referring Provider Name | |
| Claim Accident Type | |
| Workers' Comp Auto Accident Claim Number | |
| Claim Info Injury Date | |
| Claim Info Time of Injury | |
| Claim Place of Injury | |
| Workers' Comp Condition Employment Related | |
| Workers' Comp Claim Number | |
| Workers' Comp Place of Service | |
| Workers' Comp Employer | |
| Primary Payor Payment Total | |
| Last Payment Date Primary Payor | |
| Secondary Payor Payment Total | |
| Last Payment Date Secondary Payor | |
| Tertiary Payor Payment Total | |
| Last Payment Date Tertiary Payor | |
| Quaternary Payor Payment Total | |
| Last Payment Date Quaternary Payor | |
| Primary Adjustments | |
| Secondary Adjustments | |

| | |
|---|---|
| Tertiary Adjustments | |
| Quaternary Adjustments | |
| Total Insurance Payments | |
| Total Insurance Adjustments | |
| Total Self-pay Payments | |
| Total Self-Pay Adjustments | |
| Last Statement Date | |
| Self-pay Follow-up Level | |
| Self-Pay Follow-up Date | |
| Payment Plan Current Balance | |
| Payment Plan Amount | |
| Payment Plan Amount Due | |
| Payment Plan Hospital Accounts | |
| Guarantor Payment Plan End Date Estimate | |
| Discharge Department ID | |
| Record Creation Department | |
| | |
| **CHARGES** | |
| **Column Name** | **Value** |
| Free Text | 02 |
| Hospital Account | |
| Procedure Code | |
| Description | |
| Revenue Code | |
| CPT® Code | |
| Modifier | |
| Quantity | |
| Service Date | |
| Amount | |
| | |
| **PAYMENTS** | |
| **Column Name** | **Value** |
| Free Text | 04 |
| Hospital Account | |
| Procedure Code | |
| Description | |
| Post Date | |
| Payor ID | |
| Amount | |
| Transaction Reference Number | |
| | |
| **ADJUSTMENTS** | |
| **Column Name** | **Value** |

| | |
|---|---|
| Free Text | 05 |
| Hospital Account | |
| Procedure Code | |
| Description | |
| Post Date | |
| Payor ID | |
| Amount | |
| Transaction Reference Number | |
| | |
| **INSURANCE BUCKETS** | |
| **Column Name** | **Value** |
| Free Text | 06 |
| Hospital Account | |
| Bucket Type | |
| Bucket Plan | |
| Payor | |
| Bucket Claim Invoice Number | |
| Current Balance | |
| First Claim Date | |
| Last Claim Date | |
| First External Claim Sent Date | |
| Last External Claim Sent Date | |
| Claim Form Type | |
| Claim Form Type | |
| | |
| **CHARGES** | |
| **Column Name** | **Value** |
| Free Text | 12 |
| Hospital Account | |
| Procedure Code | |
| Procedure Description | |
| Transaction Date | |
| (Retired) Payor ID | |
| Transaction Amount | |
| | |
| **PAYMENTS** | |
| **Column Name** | **Value** |
| Free Text | 14 |
| Hospital Account | |
| Procedure Code | |
| Procedure Description | |
| Transaction Date | |
| (Retired) Payor ID | |

| | |
|---|---|
| Transaction Amount | |
| Reference Number | |
| | |
| **ADJUSTMENTS** | |
| **Column Name** | **Value** |
| Free Text | 15 |
| Hospital Account | |
| Procedure Code | |
| Procedure Description | |
| Transaction Date | |
| (Retired) Payor ID | |
| Transaction Amount | |
| Reference Number | |

**ATTACHMENT F**
**VENDOR FILE FORMAT SPECIFICATIONS**

## A. Vendor File Format Specifications – Dialer

This document outlines the data fields, naming convention, and transmission schedule of a 'dialer' file to be used for purposes of account audits. The file is to contain a complete log of all calls (dialer/manual or inbound/outbound) made or received by a vendor within twenty-four (24) hours of the date the file was generated. The file is to be generated in Excel format (.xls or .xlsx) or CSV. CSV format is preferred if it is available.

**Data fields:**

| Field | Attribute | Description |
|---|---|---|
| 1 | Account No. | Unique account identifier used in the hospital and/or physician practice information system |
| 2 | Guarantor No. | Unique patient identifier used in the hospital and/or physician practice information system |
| 3 | Medical Record No. | Patient's unique medical record identifier |
| 4 | Event Date | Date of last contact (contact defined as last call – i.e., inbound, outbound, manual or dialer, etc.)<br>Format: mm/dd/yyyy |
| 5 | Event Type | Description of follow-up touch – including all calls. Examples:<br>• Automated outbound call<br>• Manual outbound call<br>• Inbound call |
| 6 | Call Start Time | Time Call began<br>Format: HH:mm:ss:SSS (hour, minute, second, millisecond)<br>*i.e., 18:45:12.000* |
| 7 | Call End Time | Time Call ends<br>Format: HH:mm:ss:SSS (hour, minute, second, millisecond)<br>*i.e., 18:45:12.000* |
| 8 | Call Duration | Total Time on Call<br>Format: HH:mm:ss:SSS (hour, minute, second, millisecond)<br>*i.e., 18:45:12.000* |
| 9 | Collector ID | Id or Name of collector making or receiving the call |
| 10 | Call Connected Indicator | If call connected enter 'Connected' if not 'No Connection' |
| 11 | Facility | Name of facility for main hospital |

**Data field notes:**
- If a guarantor number is provided in the inventory file, make sure to include on the dialer file.
- Medical Record No. to be included only if different from Guarantor No.
- If abbreviations are used in the event type field, provide a dictionary describing *all* event types.
- *All column headers need to be included even if the columns do not contain data.*

**Naming convention:**
*mmddyy_hospital_Facility_vendor*_Dialer

| | | |
|---|---|---|
| *mmddyy* | = | Date the file was generated |
| *hospital* | = | Hospital name (abbreviation is preferred) |
| *facility* | = | Facility name (abbreviation is preferred) |
| *vendor* | = | Vendor name (abbreviation is preferred) |

**Transmission schedule:**
A new file is to be uploaded to the Healthfuse secure FTP site each day. It is recommended that the transmission process be automated, if possible. The details of the secure FTP site will be provided separately.

If this is the first time you are providing a dialer file, this initial file must contain at least 150 days of past follow-up activity (6 months/180 days if Bad Debt Vendor)

**Headers and Footers:**
Please include headers named the same as outlined in the "Attribute" field of table above. **No footers** (i.e., page numbers, dates, row counts, etc.) should be included in the file. **No graphics or extra rows** should be above the column headers. **No merged or hidden rows or columns**.

## B. Vendor File Format Specifications – Invoice Detail File

This document outlines the data fields, naming convention, and transmission schedule of an 'Invoice Detail' file to be used for purposes of vendor invoice reviews. The file is to contain a complete snapshot of all payments and fees for the invoiced month. The file is to be generated in CSV or Excel format (.xls or .xlsx). CSV format is preferred if it is available. If generated in Excel, do NOT name the sheet.

**File data fields:**
Attributes in BOLD are crucial data elements, remaining attributes to be added if easily exportable.

| Field | Attribute | Description |
|---|---|---|
| 1 | **Account No.** | Unique account identifier used in the hospital and/or physician practice information system |
| 2 | **Guarantor No.** | Unique patient identifier used in the hospital and/or physician practice information system |
| 3 | Medical Record No. | Patient's unique medical record identifier used in the hospital and/or physician practice information system |
| 4 | **Patient Name** | Patient's first and last name that is associated with the account number (do not separate by a comma) |
| 5 | Date of Service | Service date for the account number (Format: *mm/dd/yyyy)* |
| 6 | Agency Assignment Date | Date of initial placement to Agency<br>Format: *mm/dd/yyyy* |
| 7 | **Paid Us** | The dollar value paid by the patient to the Agency (Format: Up to 12 Char + "." + 2 Char (ex. 2000.16) |
| 8 | Paid You | The dollar value paid by the patient to the Hospital (Format: Up to 12 Char + "." + 2 Char (ex. 2000.16) |
| 9 | **Additional Payment to Us** | The dollar value paid by the patient to the Agency for anything other than the principle balance (ex. processing fee, interest, etc.) |
| 10 | **Transaction Description** | The spelled-out transaction description (identifies PT vs INS payment, etc.) |
| 11 | **Payment Receipt Date** | Date in which the payment was originally received (Format: *mm/dd/yyyy)* |
| 12 | **Payment Post Date** | Date in which the payment was posted to the hospital's Patient Accounting System received (Format: *mm/dd/yyyy)* |
| 13 | **Fee** | Fee amount charged by the Agency (Format: Up to 12 Char + "." + 2 Char (ex. 2000.16) |
| 14 | **Placed Account Balance Amount** | The dollar value of account balance at time of placement with Agency (Format: Up to 12 Char + "." + 2 Char (ex. 2000.16) |
| 15 | **Current Account Balance** | The dollar value of current account balance with Agency (Format: Up to 12 Char + "." + 2 Char (ex. 2000.16) |

| | | |
|---|---|---|
| 16 | **Facility** | Name of facility for main hospital |

**Data field notes:**
- *All column headers need to be included even if the columns do not contain data*

**File naming convention:**
*mmddyy_hospital_Facility_vendor_*Invoice

| | | |
|---|---|---|
| *mmddyy* | = | Date the file was generated |
| *hospital* | = | Hospital name (abbreviation is preferred) |
| *facility* | = | Facility name (abbreviation is preferred) |
| *vendor* | = | Vendor name (abbreviation is preferred) |

**File Transmission:**
A new file is to be uploaded to the Healthfuse secure FTP site the beginning of each month for the previous month's transactions. The details of the secure FTP site will be provided separately.

**Headers and Footers:**
Please include headers named the same as outlined in the "Attribute" field of table above. **No footers** (i.e., page numbers, dates, row counts, etc.) should be included in the file. **No graphics, hidden rows or extra rows** should be above the column headers. **No merged or hidden rows or columns**.

## C. Vendor File Format Specifications – Inventory – Early-Out Self-Pay Bad Debt (EOSP/BD)

This document outlines the data fields, naming convention, and transmission schedule of an 'inventory' file to be used for purposes of account audits. The file is to contain a complete snapshot of all accounts in vendor's active inventory (i.e., accounts currently assigned to vendor as of date of weekly file). The file is to be generated in Excel format (.xls or .xlsx) or CSV. CSV format is preferred if it is available.

**File data fields:**
Attributes in BOLD are required for set up, remaining attributes need to be added within ninety (90) days.

| Field | Attribute | Description |
|---|---|---|
| **1** | **Account No.** | **Unique account identifier used in the hospital and/or physician practice information system** |
| **2** | **Guarantor No.** | **Unique patient identifier used in the hospital and/or physician practice information system** |
| **3** | **Medical Record No.** | **Patient's unique medical record identifier** |
| **4** | **Placed Date** | **Date of initial placement**<br>**Format: *mm/dd/yyyy*** |
| **5** | **Last Pay Date** | **Date of last payment**<br>**Format: *mm/dd/yyyy*** |
| **6** | **Status** | **Current account status -- including but not limited to the following examples:**<br>• **Pay Plan**<br>• **Deceased**<br>• **Bankrupt**<br>• **Dispute**<br>• **Found Insurance** |
| **7** | **Placed Balance** | **Account balance at date of placement**<br>**Format: Up to 12 Char + "." + 2 Char (ex. 2000.16)** |
| **8** | **Current Balance** | **Current account balance**<br>**Format: Up to 12 Char + "." + 2 Char (ex. 2000.16)** |

| | | |
|---|---|---|
| **9** | **Current Guarantor Balance** | **Current guarantor balance**<br>**Format: Up to 12 Char + "." + 2 Char (ex. 2000.16)** |
| **10** | **Account Type** | **Pure self-pay (PSP), Balance after insurance (BAI)** |
| 11 | Guarantor Address | Guarantor street address |
| 12 | Guarantor City | City i.e., Milwaukee, Minneapolis, etc. (City should be spelled out/not abbreviated) |
| 13 | Guarantor State | State i.e., WI, MN, etc. (abbreviated) |
| 14 | Guarantor Zip Code | Guarantor zip code<br>• minimum 5 characters |
| 15 | Guarantor Home Phone No. | Guarantor home phone (any format) |
| 16 | Guarantor Work Phone No. | Guarantor work phone (any format) |
| 17 | Guarantor Mobile No. | Guarantor mobile phone (any format) |
| 18 | Guarantor Other No. | Guarantor other phone (any format) |
| 19 | Primary Insurance | Name of primary insurance carrier |
| 20 | Secondary Insurance | Name of secondary insurance carrier |
| 21 | Last Payment Amount | Last payment amount<br>Format: Up to 12 Char + "." + 2 Char (ex. 2000.16) |
| 22 | Last Payment Payer | i.e., 'Self-Pay', 'Blue Cross', etc. |
| **23** | **Last Call Date** | **Date of last call**<br>**Format: *mm/dd/yyyy*** |
| 24 | Last Note Date | Date of last note<br>Format: *mm/dd/yyyy* |
| **25** | **Guarantor Last Name** | **Guarantor last name** |
| **26** | **Guarantor DOB** | **Guarantor date of birth**<br>**Format: *mm/dd/yyyy*** |
| 27 | Assigned Collector | Name or ID shown in vendor system |
| 28 | Assigned Work queue | Name of queue, queue number or both |
| 29 | Action Result Code of Last Call Date | i.e., 'TR-LM' for telephone residence left message, etc. |
| 30 | Payment plan amount | Amount patient/debtor agreed to pay<br>Format: Up to 12 Char + "." + 2 Char (ex. 2000.16) |
| 31 | No. statements sent | Total number of statements sent per account (not by guarantor) |
| 32 | Next Payment Due Date | Date of next payment due<br>Format: *mm/dd/yyyy* |
| **33** | **Patient DOB** | **Patient date of birth**<br>**Format: *mm/dd/yyyy*** |
| **34** | **Facility** | **Name of facility for main hospital** |

**Data field notes:**
- Medical Record No. to be included only if different from Guarantor No.
- Provide separately: status code dictionary containing *all* status codes.
- The account type is not applicable if the account is in bad debt status.
- *All column headers need to be included even if the columns do not contain data.*

**File naming convention:**
*mmddyy_hospital_Facility_vendor*_Inv

| | | |
|---|---|---|
| *mmddyy* | = | Date the file was generated |
| *hospital* | = | Hospital name (abbreviation is preferred) |
| *facility* | = | Facility name (abbreviation is preferred) |
| *vendor* | = | Vendor name (abbreviation is preferred) |

**Transmission schedule:**
A new file is to be uploaded to the Healthfuse secure FTP site each week (preferably on late Sunday evening or early Monday morning). It is recommended that the file upload process be automated, if possible. The details of the secure FTP site will be provided separately.

**Headers and Footers:**
Please include headers named the same as outlined in the "Attribute" field of table above. **No footers** (i.e., page numbers, dates, row counts, etc.) should be included in the file. **No graphics, hidden or extra rows** should be above the column headers. **No merged or hidden rows or columns.**

## 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: | CMRE Financial Services, Inc. | | |
| (include d.b.a., if applicable) | | | |
| Street Address: | 3075 E. Imperial Highway, Suite 200 | Website: | cmrefsi.com |
| City, State and Zip Code: | Brea, CA 92807 | POC Name: Email: | phixon@cmrefsi.com |
| Telephone No: | (800) 462-6341 x121 | Fax No: | (714) 528-8649 |
| 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) |
|---|---|---|
| Sandy Lawrence | President | 16.33% |
| Jon Nixon | Executive VP | 16.33% |
| Patrick Nixon | VP Sales/Marketing | 16.33% |
| Andrea Parr | Secretary of Board | 10.00% |

*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/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 — Sandy Lawrence (Print Name)

President (Title) — 09/04/2019 (Date)

# 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,

Jennifer Wakem
Chief Financial Officer

Cleared for Agenda
February 19, 2020

Agenda Item #
**13**