



December 13, 2024

TO: Legal Counsel

News Media

Salinas Californian

El Sol

Monterey County Herald

Monterey County Weekly

KION-TV

KSBW-TV/ABC Central Coast

KSMS/Entravision-TV

The Annual Meeting of the **BOARD OF DIRECTORS OF SALINAS VALLEY HEALTH¹** will be held **THURSDAY, DECEMBER 19, 2024, AT 4:00 P.M., DOWNING RESOURCE CENTER, ROOMS A, B, & C, SALINAS VALLEY HEALTH MEDICAL CENTER, 450 E. ROMIE LANE, SALINAS, CALIFORNIA.** (Visit <https://www.salinasvalleyhealth.com/about-us/healthcare-district-information-reports/board-of-directors/board-committee-meetings-virtual-link/> for Public Access Information).

A handwritten signature in black ink, appearing to read "Allen Radner", is positioned above the printed name.

Allen Radner, MD
President/Chief Executive Officer

¹Salinas Valley Memorial Healthcare System operating as Salinas Valley Health

**ANNUAL MEETING OF THE BOARD OF DIRECTORS
SALINAS VALLEY HEALTH¹**

**THURSDAY, DECEMBER 19, 2024, 4:00 P.M.
DOWNING RESOURCE CENTER, ROOMS A, B & C**

**Salinas Valley Health Medical Center
450 E. Romie Lane, Salinas, California**

(Visit salinasvalleyhealth.com/virtualboardmeeting for Public Access Information)

AGENDA

Presented By

- | | | |
|----|--|-------------------------------|
| 1. | CALL TO ORDER / ROLL CALL | <i>Victor Rey, Jr.</i> |
| 2. | OATH OF OFFICE
Administration of Oath of Office for Board members Elect Juan Cabrera and Victor Rey, Jr. | <i>District Legal Counsel</i> |
| 3. | CLOSED SESSION <i>(See Attached Closed Session Sheet Information)</i> | <i>Victor Rey, Jr.</i> |
| 4. | RECONVENE OPEN SESSION/REPORT ON CLOSED SESSION
<i>(Estimated time 4:30 pm)</i> | <i>Victor Rey, Jr.</i> |
| 5. | ANNUAL BOARD OF DIRECTORS REPORT
Overall Performance of Salinas Valley Memorial Healthcare System for 2024 | <i>Victor Rey, Jr.</i> |
| 6. | AWARDS & RECOGNITION | <i>Allen Radner, M.D.</i> |
| 7. | PUBLIC COMMENT
This opportunity is provided for members of the public to make a brief statement, not to exceed three (3) minutes, on issues or concerns within the jurisdiction of this District Board which are not otherwise covered under an item on this agenda. | <i>Victor Rey, Jr.</i> |
| 8. | CONSENT AGENDA - GENERAL BUSINESS
<i>(Board Member may pull an item from the Consent Agenda for discussion.)</i>
A. Minutes of the Regular Meeting of the Board of Directors November 21, 2024 <ul style="list-style-type: none">• Board President Report• Questions to Board Vice-President/Staff• Public Comment• Board Discussion/Deliberation• Motion/Second• Action by Board/Roll Call Vote | <i>Victor Rey, Jr.</i> |

9. REQUEST FOR RATIFICATION OF COLLECTIVE BARGAINING AGREEMENT BETWEEN SVMHS AND THE CALIFORNIA NURSES ASSOCIATION: SUBSTANTIVE ELEMENTS OF COLLECTIVE BARGAINING AGREEMENT

*Allen Radner,
M.D.
Michelle
Childs*

- Executive Leadership Report
- Board Questions to Executive Leadership
- Motion/Second
- Public Comment
- Board Discussion/Deliberation
- Action by Board

10. ELECTION OF BOARD PRESIDENT

*District Legal
Counsel*

Motion to Appoint a Board President for a two-year term.

- Nomination
- Public Comment
- Motion/Second
- Roll Call Vote

11. ELECTION OF OFFICERS

*Board
President*

A. Vice President

Motion to Appoint a Board Vice President for a two-year term.

- Nomination
- Public Comment
- Motion/Second
- Roll Call Vote

B. Secretary

Motion to Appoint a Board Secretary for a two-year term.

- Nomination
- Public Comment
- Motion/Second
- Roll Call Vote

C. Treasurer

Motion to Appoint a Board Treasurer for a two-year term.

- Nomination
- Public Comment
- Motion/Second
- Roll Call Vote

D. Assistant Treasurer

Motion to Appoint a Board Assistant Treasurer for a two-year term.

- Nomination
- Public Comment
- Motion/Second
- Roll Call Vote

12. BOARD MEMBER COMMENTS AND REFERRALS

Victor Rey, Jr.

13. REPORTS ON STANDING AND SPECIAL COMMITTEES

A. QUALITY AND EFFICIENT PRACTICES COMMITTEE

*Catherine
Carson*

Minutes of the December 16, 2024 Quality and Efficient Practices Committee meeting have been provided to the Board for their review. Additional Report from Committee Chair, if any.

B. PERSONNEL, PENSION AND INVESTMENT COMMITTEE

Juan Cabrera

Minutes of the December 9, 2024 Personnel, Pension and Investment Committee meeting have been provided to the Board for their review. The following recommendations have been made to the Board.

1. Consider Recommendation for Board Approval of

- (i) The Findings Supporting Recruitment of Henry Sanchez Ortigoza, MD,
 - The recruitment of a hospitalist to Salinas Valley Health Clinics is in the best interest of the public health of the communities served by the District; and
 - The recruitment benefits and incentives proposed for this recruitment are necessary in order to attract an appropriately qualified physician to practice in the communities served by the District;
- (ii) The Contract Terms of the Recruitment Agreement for Dr. Sanchez Ortigoza; and
- (iii) The Contract Terms of the Hospitalist Professional Services Agreement for Dr. Sanchez Ortigoza.

- Questions to Committee Chair/Staff
- Motion/Second
- Public Comment
- Board Discussion/Deliberation
- Action by Board/Roll Call Vote

2. Consider Recommendation for Board Approval of

- (i) The Findings Supporting Recruitment of Briana Gomez, MD:
 - That the recruitment of an obstetrics and gynecology physician to Salinas Valley Health Clinics is in the best interest of the public health of the communities served by the District; and
 - That the recruitment benefits and incentives the hospital proposes for this recruitment are necessary in order to attract and relocate an appropriately qualified physician to practice in the communities served by the District;
- (ii) The Contract Terms of the Recruitment Agreement for Dr. Gomez; and
- (iii) The Contract Terms of the Obstetrics and Gynecology Professional Services Agreement for Dr. Gomez.

- Questions to Committee Chair/Staff
- Motion/Second
- Public Comment
- Board Discussion/Deliberation
- Action by Board/Roll Call Vote

C. FINANCE COMMITTEE

*Joel
Hernandez
Laguna*

Minutes of the December 16, 2024 Finance Committee meeting have been provided to the Board for their review. The Financial Reports of the December 16, 2024 Finance Committee has been provided for review (informational) The following recommendations have been made to the Board.

1. Consider Recommendation for Board Approval of Cepheid GeneXpert Placement Agreement
 - Questions to Committee Chair/Staff
 - Motion/Second
 - Public Comment
 - Board Discussion/Deliberation
 - Action by Board/Roll Call Vote
2. Consider Recommendation for Board Approval of the Philips MATC Software Evolution Services (SES) Five (5) Year Agreement
 - Questions to Committee Chair/Staff
 - Motion/Second
 - Public Comment
 - Board Discussion/Deliberation
 - Action by Board/Roll Call Vote
3. Consider Recommendation for Board Approval of of a ‘Nurse Call – Phase 3 Upgrade’ Project, and for purchase of a medical equipment package of replacement nurse call components in support of a code compliant nurse call system in the SVH Medical Center.
 - Questions to Committee Chair/Staff
 - Motion/Second
 - Public Comment
 - Board Discussion/Deliberation
 - Action by Board/Roll Call Vote

14. REPORT ON BEHALF OF THE MEDICAL EXECUTIVE COMMITTEE (MEC) MEETING OF DECEMBER 12, 2024, AND RECOMMENDATIONS FOR THE FOLLOWING BOARD APPROVALS:

*Rakesh Singh,
M.D.*

A. Reports

1. Credentials Committee Report
 2. Interdisciplinary Practice Committee Report (Including the following)
 - Advanced Practice Provider Rules and Regulations
 - Telemedicine Psychiatric Mental Health Nurse Practitioner Privilege Form
- Questions to Chief of Staff
 - Motion/Second
 - Public Comment
 - Board Discussion/Deliberation
 - Action by Board/Roll Call Vote

15. CONSIDER BOARD RESOLUTION NO. 2024-03 AMENDING THE DISTRICT CONFLICT OF INTEREST CODE

*Matt Ottone
Gary Ray*

- Report by District Legal Counsel
- Questions to District Legal Counsel/Staff
- Public Comment
- Board Discussion/Deliberation
- Motion/Second
- Action by Board/Roll Call Vote

16. EXTENDED CLOSED SESSION *(if necessary)*

Victor Rey, Jr.

17. RECONVENE OPEN SESSION/REPORT ON CLOSED SESSION

Victor Rey, Jr.

18. ADJOURNMENT

Victor Rey, Jr.

The next Regular Meeting of the Board of Directors is scheduled for **Thursday, January 23, 2025, at 4:00 p.m.**

The Board packet is available at the Board Meeting, at <https://www.salinasvalleyhealth.com/about-us/healthcare-district-information-reports/board-of-directors/meeting-agendas-packets/2024/>, and in the Human Resources Department of the District located at 611 Abbott Street, Suite 201, Salinas, California, 93901. All items appearing on the agenda are subject to action by the Committee.

Requests for a disability related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting should be made to the Board Clerk during regular business hours at 831-759-3050. Notification received 48 hours before the meeting will enable the District to make reasonable accommodations.

SALINAS VALLEY HEALTH BOARD OF DIRECTORS
DECEMBER 19, 2024
AGENDA FOR CLOSED SESSION

Pursuant to California Government Code Section 54954.2 and 54954.5, the board agenda may describe closed session agenda items as provided below. No legislative body or elected official shall be in violation of Section 54954.2 or 54956 if the closed session items are described in substantial compliance with Section 54954.5 of the Government Code.

CLOSED SESSION AGENDA ITEMS

HEARINGS/REPORTS

(Government Code §37624.3 & Health and Safety Code §§1461, 32155)

Subject matter: (Specify whether testimony/deliberation will concern staff privileges, report of medical audit committee, or report of quality assurance committee):

1. Report of the Medical Staff Quality and Safety Committee
Chaplain Services Report
Accreditation and Regulatory Report
2. Consent Agenda:
Laboratory services
Joint Services Program Report
Environment of Care Committee Reports
Risk Management/Patient Safety Full Report
Patient Safety and Risk Management Report: Patient Safety Event Review
Pharmacy and Therapeutics Committee Report

CONFERENCE WITH LABOR NEGOTIATOR

(Government Code §54957.6)

Agency designated representative: (Specify name of designated representatives attending the closed session): Allen Radner, M.D.

Employee organization: (Specify name of organization representing employee or employees in question): California Nurses Association, or

Unrepresented employee: (Specify position title of unrepresented employee who is the subject of the negotiations): _____

REPORT INVOLVING TRADE SECRET

(Government Code §37606 & Health and Safety Code § 32106)

Discussion will concern: (Specify whether discussion will concern proposed new service, program, or facility): Trade Secret, Strategic Planning, Proposed New Programs and Services

Estimated date of public disclosure: (Specify month and year): Unknown

CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION

(Government Code §54956.9(d)(2))

Significant exposure to litigation pursuant to Section 54956.9(d)(2) or (3) (Number of potential cases): One (1)

Additional information required pursuant to Section 54956.9(e): Attorney General of California.

ADJOURN TO OPEN SESSION

CALL TO ORDER
ROLL CALL

(Chair to call the meeting to order)

OATH OF OFFICE

*Administration of Oath of Office for
Board members Elect*

Juan Cabrera

Victor Rey, Jr.

(Joel Hernandez Laguna)

CLOSED SESSION

*(Report on Items to be
Discussed in Closed Session)*

*RECONVENE OPEN SESSION/
CLOSED SESSION REPORT*

(Meeting Chair)

ANNUAL BOARD OF DIRECTORS REPORT

(Board President)

Annual Board of Directors Report

Board of Directors Meeting

December 19, 2024

2024 Performance



Allen Radner, MD
President/CEO

Executive Leadership Team



Carla Spencer, MSN, RN, NEA-BC
Chief Nursing Officer



Tim Albert, MD
Chief Clinical Officer



Alysha Hyland
Chief Administrative Officer

Executive Leadership Team



Clement Miller, MSN, RN, NEA-BC
Chief Operating Officer



Michelle Childs
Chief Human Resources Officer



Augustine Lopez
Chief Financial Officer



Gary Ray
Chief Legal Officer

Salinas Valley Medical Clinics



<div>Salinas Valley Health LAMP</div> <div>Lifestyle & Metabolic Program (LAMP)</div> <div>Robert Fernandez, MD Joanna Oppenheim, MD</div> <div>12605, Main St., Ste 101 Salinas, CA 93901</div> <div>(831) 208-6226 (31) 208-6225 (F)</div>	<div>Salinas Valley Health Cancer Care</div> <div>301 E. Romie Lane Suites A & F Salinas, CA 93901</div> <div>(831) 755-1702 (831) 755-1702 (F)</div> <div>Oncology/Hematology: Shehzad Aziz, MD Yang Liu, MD Geetha Varma, MD Hong Zhao, MD Aman Shamas, PA-C Jennifer Wharram, PA-C</div>	<div>Salinas Valley Health Cardiology</div> <div>230 San Jose St., Salinas, CA 93901 (831) 759-3200 (831) 759-3200 (F)</div> <div>5 Lower Regalade Dr., Ste 102 Monterey, CA 93940 (831) 649-3375 (831) 233-5182 (F)</div> <div>Cardiology: Richard Gerber, MD Jerry Ginsburg, MD Harlan Grogan, MD Yousef Hindi, MD Riklin Kadalia, MD Karan Mulaj, MD Thomas Mustoe, MD Christopher Oh, MD Steven Regwan, DO Yuji Saito, MD George Yee, MD Patrick Zetterlund, MD Alexandria Aliotti, PA Tyler Berenji, PA-C Jennifer Carliquot, PA-C Isabelle Magana, PA-C David Miller, PA-C</div> <div>Cardiothoracic & Vascular Surgery</div> <div>212 San Jose St., Ste 301 Salinas, CA 93901 (831) 759-3289 (831) 758-1565 (F)</div> <div>Cardiothoracic Surgery: Vincent DeFilippi, MD Andreas Sakopoulos, MD Sabina Galindo, NP</div>	<div>Salinas Valley Health Diabetes & Endocrine Center</div> <div>355 Abbott St., Ste 200 Salinas, CA 93901</div> <div>(831) 422-3434 (831) 422-1253 (F)</div> <div>Endocrinology: Nicolas Kizell, MD Aileen Wang, MD Susan Healy, NP Esther Perez, PA-C Ashley Labrier, RD Rena Ogino, PA Shannon O'Mahoney, NP Marta Pellet, RD Elizabeth Rodriguez, RD Tim Yao, PA-C</div> <div>Pediatric Endo: Gine Ojoporno, MD Ruth De Lima, LCSW Gina Ferrarri, RNP-C Celina Trujillo, NP</div>	<div>Salinas Valley Health General Surgery</div> <div>236 San Jose St. Salinas, CA 93901</div> <div>(831) 424-7389 (831) 424-3027 (F)</div> <div>General Surgery: Tarun Bajaj, MD James Dickey, MD Shin Young Park, MD Alison Tammam, MD Kevin Lo, PA Alison Poandl, PA-C</div>	<div>Salinas Valley Health Hospitalist Medicine</div> <div>405 E. Romie Lane Salinas, CA 93901</div> <div>(831) 759-3257 (831) 754-3875 (F)</div> <div>Hospitalist: Rebecca Adams, MD Jose Ajoc, MD Anind Bh at, MD Liane De Guzman, DO Jaime Gonzalez, MD Kelly Gram, MD Herjap Janda, MD Adrian Jordan, MD Bruce Kaufman, DO Navneet Kaur, MD Eshan Labroo, MD Erika Lee, DO Kristin Leonard, DO Alex Logono, MD Nancy Mutoro, MD Aryan Nezamabadi, MD Arash Ordoobadi, MD Alexandra Shawo, MD Joshua Tan, DO Nathan Uchikawa, MD Alison Wilson, DO Carolina Zanevich, MD</div>	<div>Salinas Valley Health Imaging</div> <div>359 Abbott Street Ste. B Salinas, CA 93901</div> <div>(831) 759-3200 (831) 759-3836 (F)</div> <div>626 Brunken Ave Salinas, CA 93901 (831) 755-0600 (831) 759-5130 (F)</div> <div>355 Abbott St., Ste 100 Salinas, CA 93901 (831) 751-7070</div> <div>Diagnostic Imaging: Michael Basse, MD Brendan Bottari, MD Shuaib Mohammad, MD Amy Lantis Stemman, MD</div> <div>Interventional Radiology: Michael Basse, MD Brendan Bottari, MD Bruce Lin, MD Shuaib Mohammed, MD</div> <div>Mammography V. Monique McConvey Amy Lantis Stemman, MD Kristen Wulff, MD</div>	<div>Salinas Valley Health Obstetrics & Gynecology</div> <div>350 San Jose St., Salinas, CA 93901</div> <div>(831) 759-0233 (831) 759-0747 (F)</div> <div>OB/GYN: Azra Ayubi, MD Rachel Beck, MD Erica Chan, MD Judy Henegger, DO Kenneth Jones, MD Elida Marquez, MD Nicole Meisner, MD Blair Tu, MD</div> <div>Urogynecology: Gregg Kanter, MD, MS Elizabeth Zuniga, PA-C</div> <div>Gynecology/Oncology: James Uja, MD Cid Liu, MD</div>	<div>Salinas Valley Health Orthopedics</div> <div>611 Abbott St., Ste 101 Salinas, CA 93901</div> <div>(831) 759-4612 (F)</div> <div>Orthopedic John Bonano, MD Matthew Griffin, MD Allen Hershey, MD Kelvin Lim, MD David Roy, MD Justin Swan, MD Bert Tardieu, MD Willard Wong, MD Amanda K Lay, PA-C Royce Hefington Jr PA-C Nicholas Petronijevic, PA</div> <div>Podiatry: Brian Inlow, DPM Vittorio Lagana, DPM</div> <div>Physical Therapy 611 Abbott St., Ste 100 Salinas, CA 93901 (831) 755-3378 (831) 755-3379 (F)</div>	<div>Salinas Valley Health Palliative Medicine</div> <div>301 E. Romie Ln, Ste A Salinas, CA 93901</div> <div>(831) 676-0230 (831) 771-3878 (F)</div> <div>Palliative Care: Blair Cushing, MD Nadine Semer, MD Kyle Youngflesh, DO Karen de Sola-Smith, NP Branne Walker, LPMT</div> <div>Acupuncture Melanie Santos</div>	<div>Salinas Valley Health PrimeCare</div> <div>355 Abbott St., Ste 100 Salinas, CA 93901</div> <div>(831) 751-7070 (F)</div> <div>5 Lower Regalade Dr., Ste 100 Monterey, CA 93940 (831) 649-3375 (831) 624-3612 (F)</div> <div>1325 Natividad St. Salinas, CA 93906 (831) 757-0625 (831) 757-0625 (F)</div> <div>Family Medicine: Mark Adams, MD Sa Viana-Baterlaya, DO Brittany Chambers, MD Robert Fernandez, MD Daniel Gategno, MD Netai Lopez-Silva, MD Alberto Martinez, MD Patricia Mayer, MD Warren Nishimoto, DO Joanne Oppenheim, MD Peter Oppenheim, MD Carla Rossi, MD Angela Wong, MD Jennifer Bartley, PA-C Alex Friedman, PA-C Brandon Guivarcho, PA Michele Husted, PA Mary James, PA-C Laura Jude, PA-C Tara Moore, PA Ryan M. Mah, PA-C Shenna Otanien, PA-C Jonathon Warren, PA</div> <div>Family Medicine/Obstetrics: Russell Burnett, DO Kelsey Cayman, MD John Qam, MD Anasola Kik, MD James Lew, MD Suzanne Rosen, MD Meja Swanson, MD</div> <div>Internal Medicine: Rebecca Abundis, DO Patrick Chen, MD Jaspreet Chohan, MD Philip King, DO Dawn Mudge, MD Robert Patton, MD Vivek Rudrapatna, MD Genn Yoneda, MD</div> <div>Family Medicine/ Maternity Care: Russell Burnett, DO Kelsey Cayman, MD John Qam, MD Anasola Kik, MD James Lew, MD Suzanne Rosen, MD Meja Swanson, MD</div> <div>Internal Medicine: Rebecca Abundis, DO Patrick Chen, MD Jaspreet Chohan, MD Philip King, DO Dawn Mudge, MD Robert Patton, MD Vivek Rudrapatna, MD Genn Yoneda, MD</div> <div>Internal Medicine/ Pediatrics: Stephanie Trost, MD</div> <div>Endocrinology: Robert Revers, MD</div>	<div>Salinas Valley Health Sleep Medicine</div> <div>321 E. Romie Ln. Salinas, CA 93901</div> <div>(831) 434-1400 (831) 434-1441 (F)</div> <div>Sleep Medicine: Mazhar Javid, MD Naem Rana, MD Michael Zupanick, MD Heidi Milton, PA</div> <div>Rheumatology Muneera Alkha, MD Susie Suh, MD</div>	<div>Salinas Valley Health Specialty Clinic</div> <div>10311 Los Padres Dr., Ste A Salinas, CA 93901</div> <div>(831) 757-1258 (831) 757-0333 (F)</div> <div>3 Lower Regalade Dr., Ste 102 Monterey, CA 93940 (831) 649-3375</div> <div>Dermatology: Amee Pak, MD Emily Sullivan, PA-C</div> <div>Infectious Diseases: Mahendra Poudel, MD Allen Radner, MD</div> <div>Neurology: Nima Beheshti, MD Christopher Bird, MD Rene Colorado, MD Wayne Shen, MD Michael Zupanick, MD</div> <div>Neurosurgery: Theodore Kacmar, MD Gurinder Kaur, MD</div> <div>Bulmonary/ Critical Care: Mario Cole, MD Frank Ganzhorn, MD Kelsey Gray, MD Mark Klein, MD Minh Le, MD Nupur Sinha, MD Nichole Dunivan, PA-C</div>	<div>Salinas Valley Health Urology</div> <div>359 Abbott St. Suite A Salinas, CA 93901</div> <div>(831) 424-0500 (831) 424-5199 (F)</div> <div>Urology: Ian Fauconier, MD Ryan Griggs, DO Leonard Renfer, MD</div>		
<div>Salinas Valley Health Behavioral Health</div> <div>301 E. Romie Lane Ste. A Salinas, CA 93901</div> <div>(831) 269-7796 (831) 269-7796 (F)</div> <div>Jose Rodriguez, LCSW</div>															
<div>Taylor Farms Family Health & Wellness Center</div> <div>850 S Street, Gonzales, CA 93926 (831) 675-3601</div>															

Approx. 200 Providers

Exceptional Quality



**Centers for Medicare
& Medicaid Services**



MATERNITY



Improved Infrastructure



Parking Structure



Facility Painting



ED Modular Units



Community Outreach



Healthcare Affordability



Extraordinary Team



Expressing Gratitude



Annual Board of Directors Report

Board of Directors Meeting

December 19, 2024

AWARDS AND RECOGNITION

(Verbal)

(DR. RADNER)

Awards & Recognition

Board of Directors Meeting

December 19, 2024

Salinas Valley Health Retirement – 41 Years!



Sydney Blankenship
Respiratory Care Department

DAISY Award Honoree



Maureen Felice, BSN, RN, COHN
Employee Health

Impact Recognition

Roy Gobets



Awards & Recognition

Board of Directors Meeting

December 19, 2024

PUBLIC COMMENT

DRAFT SALINAS VALLEY HEALTH¹
REGULAR MEETING OF THE BOARD OF DIRECTORS
MEETING MINUTES
NOVEMBER 21, 2024

Board Members Present: President Victor Rey, Jr., Vice-President Joel Hernandez Laguna, Juan Cabrera, Rolando Cabrera, M.D. and Catherine Carson;

Absent: None;

Also Present:

Allen Radner, MD, President/Chief Executive Officer

Rakesh Singh, MD, Chief of Staff

Matthew Ottone, Esq., District Legal Counsel, via teleconference

Kathie Haines, Executive Support.

1. CALL TO ORDER/ROLL CALL

A quorum was present and President Rey called the meeting to order at 4:05 p.m. in the Downing Resource Center, Rooms A, B, and C.

2. CLOSED SESSION

President Rey announced items to be discussed in Closed Session as listed on the posted Agenda are *(1) Hearings and Reports, (2) Conference with Labor Negotiator-California Nurses Association, (3) Reports Involving Trade Secret-Trade Secret, Strategic Planning, Proposed New Programs and Services, (4) Conference with Legal Counsel Anticipated Litigation, and (5) Threat to Public Services or Facilities*. The meeting recessed into Closed Session under the Closed Session Protocol at 4:07 p.m. The Board completed its business of the Closed Session at 4:30 p.m.

3. RECONVENE OPEN SESSION/REPORT ON CLOSED SESSION

The Board reconvened Open Session at 4:34 p.m. President Rey reported that in Closed Session, the Board discussed *(1) Hearings and Reports, and (2) Conference with Labor Negotiator-California Nurses Association*. The Board received and accepted the reports listed on the Closed Session agenda.

President Rey announced there is a need for an extended closed session. The items to be discussed in Extended Closed Session will be *(1) Reports Involving Trade Secret-Trade Secret, Strategic Planning, Proposed New Programs and Services, (2) Conference with Legal Counsel Anticipated Litigation and (3) Threat to Public Services or Facilities*.

4. AWARDS AND RECOGNITION

Dr. Radner announced it was his pleasure to open the Awards and Recognition portion of the Board of Directors. The following was presented:

¹Salinas Valley Memorial Healthcare System operating as Salinas Valley Health

- **Michael Aquino/Operating Room Neurosurgical/ENT Nurse Specialist:** Clement Miller, COO, stated Michael retired from Salinas Valley Health after 38 ½ years. Michael’s father also served SVH and between the father/son duo they gave a total of 54 years to the organization. Mike was a valued employee always available when asked. Clement wished the best of luck to Michael in the next phase of his life. Michael thanked the Board for recognizing his years. He said his “father would be proud. When he looks back at the 38 years, the changes are big but the people who make up this organization are at the heart of the organization.”
- **CMN Check Presentation to the Foundation by Union Bank:** Leonela Gonzales, Children’s Miracle Network Hospitals Program Coordinator, stated credit unions from California and Nevada come together to fundraise for Kids Health. Bay Federal Credit Union is an instrumental local partner that rallies other local credit unions and special guests to put together auction packages and spend money to support pediatric health. The money raised goes into our Healthy Kids fund to purchase state-of-the-art medical equipment for our NICU, comfort care items for our ED and Pediatric units, and to make programs possible like Asthma Day Camp, Healthy Together, and the Pediatric Medical Needs Assistance program. Carrie Birkhofer, President and CEO of Bay Federal Credit Union, and Leinette Limtiaco, VP of Branch Operations, Wescom Credit Union made a check presented for \$91,760.00.
- **Community Flu Clinics:** Lynette Fitzgerald, Director Community Benefit, summarized the success of this years’ Free Community Flu Clinics at Palma, BGCMC, Gonzales and Soledad and recognized the 11 years in which we have partnered with the County of Monterey Health Department and specifically the contributions and collaboration with Angie Gladstone RN, BSN, PHN, Immunization Coordinator/Perinatal Hep B Coordinator, Monterey County Health Department. Ms. Gladstone “has been ever present at our flu clinics for 11 years.” Ms. Gladstone was honored and presented with flowers for her commitment to Salinas Valley Health.
- **Quality Award: 11th Consecutive “A” Grade from Leapfrog:** Aniko Kukla, Director Quality and Patient Safety, reported that while an “A” grade is hard to achieve, it is harder to maintain with consistency and this is the 11th year SVH has received this award.
- **Quality Award: US News & World Report – Maternity Care as a High-Performing Hospital.** Aniko reported that only 680 hospitals in the US receive this award. Director Carson stated that patients with vaginal delivery after C-Section are at higher risk, that SVH offers this option with such good results and this contributes to receiving this award. Dr. Radner stated this is a very extraordinary award and program. SVH is a safety net for this community and have really exceptional care, and that this program takes a lot of work and is incredibly successful.
- **Junior Achievement of Northern California Monterey Bay Business Hall of Fame: Rolando Cabrera, MD:** Dr. Radner introduced Dr. Rolando Cabrera, Founder, La Gloria Medical Clinic & Salinas Valley Health Board Member, who will receive the Junior Achievement Hall of Fame recognition to be held at Spanish Bay in Pebble Beach on January 24, 2025. He is one of three leaders being recognized by the Junior Achievement of Northern California.

5. PUBLIC COMMENT:

Hector, resident of North Salinas and union organizer, spoke about representing the hospitality industry, its economic pressures and high prices of services at Salinas Valley Health.

Another member of the public stated she lives in Salinas spoke about the high risk of hospitality workers sustaining injury, the high cost of living and the cost of healthcare.

Vicky Silva grew up in this area and has a condition that requires bloodwork for life. She spoke of the cost of healthcare and how it is affecting her finances. She asked that the Board listen.

Cesar Lara, a spokesperson from the Monterey Bay Central Labor Council spoke about healthcare affordability and accessibility, fear in the community, and he looks forward to working with administration.

6. BOARD MEMBER COMMENTS AND REFERRALS

Director Juan Cabrera: The Mobile clinic and food campaign are helping keep people healthy. Congratulations to SVH for 11 years of Leapfrog Grade A award. Congratulations to Mr. Aquino. Thank you to the Bay Federal Credit Union for their donation to CMN.

Director Rolando Cabrera: None.

Director Catherine Carson: Dr. Radner spoke on a panel regarding the state of the region which was well done.

Director Joel Hernandez Laguna: Referrals: Mr. Hernandez Laguna requested SVH continue to address affordability, and to continue to have conversations with union leaders. He encouraged SVH to look for new opportunities to help inform residents about all that SVH does for the community. Comment: The Salinas Valley Leadership Group recently hosted an excellent discussion that included healthcare.

Director Victor Rey, Jr.: Habitat restoration has started at Ensen Community Park; this will be a great asset to the community.

7. CONSENT AGENDA – GENERAL BUSINESS

Recommend Board Approval of the Following:

- A. Minutes of the Regular Meeting of the Board of Directors October 24, 2024
- B. Policies Requiring Approval
 - 1. Care for the Caregiver
 - 2. Fair Market Value
 - 3. Inpatient Nutrition Assessment for Adults and Pediatric Patients
 - 4. Management of Breast Engorgement
 - 5. Nasal Pharyngeal Wash Out
 - 6. Neonatal Peripherally Inserted Central Catheters
 - 7. Nutrition Screening
 - 8. Outpatient Nutrition Screening and Assessment
 - 9. Scope of Service: Outpatient Infusion Center
 - 10. Vent Mobilization for Critically Ill Patients in the Intensive Care Unit: Multidisciplinary Mobilization Guidelines

PUBLIC COMMENT: None.

BOARD MEMBER DISCUSSION: Director Carson stated she requested verbiage be added to the Outpatient Nutrition Screening and Assessment Policy to reflect SVH Commission on Cancer designation; the policy is otherwise accepted as presented.

MOTION:

Upon motion by Director Dr. R. Cabrera, second by Director J. Cabrera, the Board of Directors approved the Consent Agenda, Items (A) and (B), as listed above with the modifications as stated for the Outpatient Nutrition Screening and Assessment Policy to include verbiage reflecting Commission on Cancer designation.

ROLL CALL VOTE:

Ayes: J. Cabrera, Dr. R. Cabrera, Carson, Hernandez Laguna, and Rey;

Noes: None;

Abstentions: None;

Absent: None.

Motion Carried

8. REPORTS ON STANDING AND SPECIAL COMMITTEES

A. QUALITY AND EFFICIENT PRACTICES COMMITTEE

A report was received from Director Catherine Carson regarding the Quality and Efficient Practices Committee. The minutes were provided for Board review. Director Carson stated the presentations on Lab Utilization, Care Continuum, and Health Equity were forward thinking and excellent.

B. FINANCE COMMITTEE

A report was received from Director Joel Hernandez Laguna regarding the Finance Committee. The minutes were provided for Board review. The Financial Reports of the November 18, 2024 meeting were included in the packet for review (informational). The following recommendations have been made to the Board of Directors.

- 1. Consider Recommendation for Board Approval of Preliminary Project Budget and Awarding Contract for Design and Engineering Services in conjunction with the Chiller and Lab Air Handling Unit Replacement Projects**

PUBLIC COMMENT: None.

BOARD MEMBER DISCUSSION: None.

MOTION:

Upon motion by Committee member Dr. Cabrera, and second by Committee member Carson, the Board of Directors approves (1) the overall project budgets for Chiller and Air Handling Unit Replacement in the amount of \$7,609,838 and (2) the award of the professional services agreement to Interface Engineering for the design and engineering of the Chiller and Air Handling Unit Replacement projects, in the amount of \$790,315, as presented.

ROLL CALL VOTE:

Ayes: J. Cabrera, Dr. R. Cabrera, Carson, Hernandez Laguna, and Rey;

Noes: None;

Abstentions: None;

Absent: None.

Motion Carried

2. Consider Board Ratification and Approval of Competitive Solicitation and Contract Award for Epic Acute Project Consultant Engagement with Huron Consulting Services, LLC

PUBLIC COMMENT: None.

BOARD MEMBER DISCUSSION: None.

MOTION:

Upon motion by Board member Dr. R. Cabrera, and second by Board member J. Cabrera, the Board of Directors ratifies and approves competitive solicitation and contract award for Epic acute project consultant engagement with Huron Consulting Services, LLC of approximately \$3,675,000.

ROLL CALL VOTE:

Ayes: J. Cabrera, Dr. R. Cabrera, Carson, Hernandez Laguna, and Rey;

Noes: None;

Abstentions: None;

Absent: None.

Motion Carried

3. Consider Recommendation for Board Approval for the Lease of an Intuitive, Da Vinci 5 Surgical Robotics System.

PUBLIC COMMENT: None.

BOARD MEMBER DISCUSSION: None.

MOTION:

Upon motion by Director Dr. R. Cabrera, and second by Director Carson, the Board of Directors approves the lease of an Intuitive, Da Vinci Xi Surgical Robotics System at the total cost of \$ 3,594,471 over a 60-month term, subject to final negotiation and legal review of contract.

ROLL CALL VOTE:

Ayes: J. Cabrera, Dr. R. Cabrera, Carson, Hernandez Laguna, and Rey;

Noes: None;

Abstentions: None;

Absent: None.

Motion Carried

C. CORPORATE COMPLIANCE AND AUDIT COMMITTEE

The minutes were provided for Board review. The following recommendations have been made to the Board of Directors.

1. Consider Approval of Draft Reports of Years Ended 2024 and 2023 Draft Audited Financial Statements for Salinas Valley Memorial Healthcare System.

PUBLIC COMMENT: None.

BOARD MEMBER DISCUSSION: None.

MOTION:

Upon motion by Director Dr. R. Cabrera, and second by Director Carson, the Board of Directors approves the draft reports of Years Ended 2024 and 2023 Draft Audited Financial Statements for Salinas Valley Memorial Healthcare System.

ROLL CALL VOTE:

Ayes: J. Cabrera, Dr. R. Cabrera, Carson, Hernandez Laguna, and Rey;

Noes: None;

Abstentions: None;

Absent: None.

Motion Carried

2. Consider Approval of Draft Reports of Years Ended 2023 and 2022 Draft Audited Financial Statements for Salinas Valley Memorial Healthcare System Employee's Pension Plan.

PUBLIC COMMENT: None.

BOARD MEMBER DISCUSSION: None.

MOTION:

Upon motion by Director Dr. Cabrera, and second by Director Carson, the Board of Directors approves the draft reports of Years Ended 2023 and 2022 Draft Audited Financial Statements for Salinas Valley Memorial Healthcare System Employee's Pension Plan.

ROLL CALL VOTE:

Ayes: J. Cabrera, Dr. R. Cabrera, Carson, Hernandez Laguna, and Rey;

Noes: None;

Abstentions: None;

Absent: None.

Motion Carried

D. COMMUNITY ADVOCACY COMMITTEE

A report was received from Director Rolando Cabrera regarding the Community Advocacy Committee. Dr. Cabrera reported there was an update on the Blue Zones Project, the Mobile Clinic and the Foundation grant process. The minutes were provided for Board review.

9. CONSIDER APPROVAL OF (i) FINDINGS SUPPORTING RECRUITMENT OF DANIEL YOUNG SHIN, M.D., (ii) CONTRACT TERMS FOR DR. SHIN'S RECRUITMENT AGREEMENT, AND (iii) CONTRACT TERMS FOR DR. SHIN'S MAMMOGRAPHY AND DIAGNOSTIC IMAGING PROFESSIONAL SERVICES AGREEMENT

PUBLIC COMMENT: None.

BOARD MEMBER DISCUSSION: None.

MOTION:

Upon motion by Director Dr. Cabrera, and second by Director J. Cabrera, the Board of Directors approves:

1. The Findings Supporting Recruitment of Danial Young Shin, M.D.:
 - That the recruitment of a radiologist specializing in mammography and diagnostic imaging to Salinas Valley Health Clinics is in the best interest of the public health of the communities served by the District; and
 - That the recruitment benefits and incentives the hospital proposes for this recruitment are necessary in order to attract and relocate an appropriately qualified physician to practice in the communities served by the District;
2. The Contract Terms of the Recruitment Agreement for Dr. Shin; and
3. The Contract Terms of the Mammography and Diagnostic Imaging Professional Services Agreement for Dr. Shin.

ROLL CALL VOTE:

Ayes: J. Cabrera, Dr. R. Cabrera, Carson, Hernandez Laguna, and Rey;

Noes: None;

Abstentions: None;

Absent: None.

Motion Carried

10. CONSIDER APPROVAL OF (i) FINDINGS SUPPORTING RECRUITMENT OF JIWAN “JIM” TOOR, D.O., (ii) CONTRACT TERMS FOR DR. TOOR’S RECRUITMENT AGREEMENT, AND (iii) CONTRACT TERMS FOR DR. TOOR’S FAMILY MEDICINE PROFESSIONAL SERVICES AGREEMENT

PUBLIC COMMENT: None.

BOARD MEMBER DISCUSSION: None.

MOTION:

Upon motion by Director Dr. Cabrera, and second by Director J. Cabrera, the Board of Directors approves:

1. The Findings Supporting Recruitment of Jiwan “Jim” Toor, D.O.:
 - That the recruitment of a family medicine physician to Salinas Valley Health Clinics is in the best interest of the public health of the communities served by the District; and
 - That the recruitment benefits and incentives the hospital proposes for this recruitment are necessary in order to attract and relocate an appropriately qualified physician to practice in the communities served by the District;
2. The Contract Terms of the Recruitment Agreement for Dr. Toor; and
3. The Contract Terms of the Family Medicine Professional Services Agreement for Dr. Toor.

ROLL CALL VOTE:

Ayes: J. Cabrera, Dr. R. Cabrera, Carson, Hernandez Laguna, and Rey;

Noes: None;

Abstentions: None;

Absent: None.

Motion Carried

11. CONSIDER APPROVAL OF (i) FINDINGS SUPPORTING RECRUITMENT OF PHYSICIANS TO SALINAS VALLEY EMERGENCY MEDICAL GROUP (SVEMG) AND APPROVAL OF RECRUITMENT INCENTIVES

PUBLIC COMMENT: None.

BOARD MEMBER DISCUSSION: Dr. Singh stated the incentives help with recruiting, the expectation is the physicians will stay for at least two years (or they pay back the incentive) and that SVEMG wants to recruit three physicians. Dr. Radner clarified the hospital contracts with SVEMG who then recruits physicians for their group. Recruitment incentives are common practice and are considered an investment in recruiting and maintaining quality physicians.

MOTION:

Upon motion by Director Hernandez Laguna, and second by Director Dr. Cabrera, the Board of Directors approves

1. The Findings Supporting Recruitment of Emergency Medicine Physicians:
 - The assistance by Salinas Valley Health (SVH) in the recruitment of emergency medicine physicians is in the best interest of the public health of the communities served by the District; and
 - That the recruitment incentives requested are necessary in order to attract and relocate appropriately qualified physicians to practice in the communities served by the District;
2. Approve the recruitment incentives for Emergency Medicine Physicians in the amount of \$25,000 for each physician up to a maximum of three recruited physicians to be set forth in Recruitment Agreements among SVH, SVEMG and each physician.

ROLL CALL VOTE:

Ayes: J. Cabrera, Dr. R. Cabrera, Carson, Hernandez Laguna, and Rey;

Noes: None;

Abstentions: None;

Absent: None.

Motion Carried

12. REPORT ON BEHALF OF THE MEDICAL EXECUTIVE COMMITTEE (MEC) MEETING ON NOVEMBER 7, 2024, AND RECOMMENDATION FOR BOARD APPROVAL OF THE FOLLOWING:

Rakesh Singh, MD, Chief of Staff, reviewed the reports of the Medical Executive Committee (MEC) meeting of November 7, 2024, and Policies/Procedures/Plans revisions. A full report was provided in the Board packet.

Recommend Board Approval of the Reports and Policies/Procedures/Plans as listed on the Agenda.

PUBLIC COMMENT: None.

BOARD DISCUSSION: The module units have been delivered and the morale is good in the ER. Director Carson stated the Infection Prevention Program Plan is one of best she's ever seen; that the risk assessment and documents that support it are outstanding.

MOTION:

Upon motion by Director Juan Cabrera, second by Director Hernandez Laguna, the Board of Directors receives and accepts the Medical Executive Committee Credentials Committee Report, and approves the Policies, Procedures, Plans, as follows:

A. Reports

1. Credentials Committee Report
2. Interdisciplinary Practice Committee Report

B. Policies/Procedures/Plans and Agreements Recommended for Approval:

1. Code Stroke
2. Event Related Sterilization Maintenance
3. Infection Prevention Program Plan
4. Laboratory Critical Call Values
5. Pain Management
6. Physician Assistant – Clinical Privileges/Practice Agreement
7. Vaginal Bleeding Nursing Standardized Procedure

ROLL CALL VOTE:

Ayes: J. Cabrera, Dr. R. Cabrera, Carson, Hernandez Laguna, and Rey;

Noes: None;

Abstentions: None;

Absent: None.

Motion Carried**13. EXTENDED CLOSED SESSION**

President Rey announced items to be discussed in Extended Closed Session are *(1) Reports Involving Trade Secret-Trade Secret, Strategic Planning, Proposed New Programs and Services, (2) Conference with Legal Counsel Anticipated Litigation, and (3) Threat to Public Services or Facilities*. The meeting recessed into Closed Session under the Closed Session Protocol at 5:45 p.m. The Board completed its business of the Closed Session at 6:28 p.m.

14. RECONVENE OPEN SESSION/REPORT ON CLOSED SESSION

The Board reconvened Open Session at 6:30 p.m. President Rey reported that in Extended Closed Session, the Board discussed *(1) Reports Involving Trade Secret-Trade Secret, Strategic Planning, Proposed New Programs and Services, (2) Conference with Legal Counsel Anticipated Litigation, and (3) Public Employee Performance Evaluation*.

15. CONSIDERATION FOR APPROVAL OR REORGANIZATIONAL PLAN FOR BLUE ZONE PROGRAMS AND SERVICES.

President/CEO, Dr. Allen Radner presented a plan for reorganization for the current Blue Zones Project programs and services. The transition plan will involve transitioning from the current model in October, 2025 to a SVH Branded Program, with the current Blue Zone Project FTE's being absorbed by SVH (those identified as superior employees), and refocusing the efforts of the Programs to the current SVH service area consistent with the Community Health Needs Assessment.

PUBLIC COMMENT: None.

BOARD DISCUSSION: None.

MOTION: Upon Motion by Director Hernandez Laguna, seconded by Director Dr. Cabrera, the Board of Directors approves the Reorganizational Plan for Blue Zone Programs and services as presented.

ROLL CALL VOTE:

Ayes: J. Cabrera, Dr. R. Cabrera, Carson, Hernandez Laguna, and Rey;

Noes: None;

Abstentions: None;

Absent: None.

Motion Carried

16. ADJOURNMENT

The next Regular Meeting of the Board of Directors is scheduled for **Thursday, December 19, 2024, at 4:00 p.m.** There being no further business, the meeting was adjourned at 6:35 p.m.

Rolando Cabrera, MD
Secretary, Board of Directors

To: Board of Directors
Salinas Valley Health

From: Robert Andersen, Human Resources Manager

CC: Allen Radner, MD, President/Chief Executive Officer
Carla Spencer, Chief Nursing Officer

Date: December 12, 2024

Re: Request for Ratification of Collective Bargaining Agreement between Salinas Valley Health Medical Center (SVHMC) and California Nurses Association (CNA)

SVHMC and CNA have tentatively agreed on the following substantive financial elements to the existing collective bargaining agreement:

Term:	March 15, 2024 – March 14, 2028
Wages:	<p>Across the Board Wage Increases:</p> <ul style="list-style-type: none"> • 6.5% increase effective full pay period following ratification • 5.25% increase effective at first anniversary • 4.5% increase effective at second anniversary • 3.75% increase effective at third anniversary <p>Additional 5% increase to the Staff Nurse I wage scale</p> <p>Equity in some RN wage scales to match Staff Nurse II</p>
Shift Differential:	Increase in Night Shift differential to \$6.00 per hour
Education:	Increase in certification bonus to \$550 for initial certification and \$450 for renewal of initial certification.
Health Plan:	<p>Medical/Rx Coverage:</p> <p>Biweekly employee Medical/Rx premium:</p> <ul style="list-style-type: none"> • Employee Only: \$15 (increase \$5 each year of contract) • Employee Plus One: \$65 (increase \$7.50 each year of contract) • Employee and Family: \$125 (increase \$10 each year of contract)

	<p>Increase in Tier 1 and Tier 2 Deductible to \$75 and \$325 respectively.</p> <p>Increase in Tier 1 and Tier 2 Individual Out of Pocket Maximum to \$850 and \$1,800 respectively.</p> <p>Increase in ED copay to \$125</p> <p>Dental Coverage:</p> <p>Biweekly employee Dental premium:</p> <ul style="list-style-type: none">• Employee Only: \$5• Employee Plus One: \$10• Employee and Family: \$15 <p>Increase in dental benefit to \$2,500 annually</p>
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ELECTION OF BOARD PRESIDENT

(District Legal Counsel)

ELECTION OF OFFICERS

- A. Vice President*
- B. Secretary*
- C. Treasurer*
- D. Assistant Treasurer*

(Board President)

BOARD MEMBER COMMENTS

AND REFERRALS

(VERBAL)

*QUALITY AND EFFICIENT
PRACTICES COMMITTEE*

*Minutes of the
Quality and Efficient Practices Committee
will be distributed at the Board Meeting*

(CATHERINE CARSON)

*PERSONNEL, PENSION & INVESTMENT
COMMITTEE*

*Minutes of the
Personnel, Pension & Investment Committee
will be distributed at the Board Meeting*

*Background information supporting the
proposed recommendations from the
Committee is included in the Board Packet*

(JUAN CABRERA)

Board Paper: Personnel, Pension and Investment Committee

Agenda Item: **Consider Recommendation for Board Approval of (i) Findings Supporting Recruitment of Henry Sanchez Ortigoza, MD, (ii) Contract Terms for Dr. Sanchez Ortigoza's Recruitment Agreement, and (iii) Contract Terms for Dr. Sanchez Ortigoza's Hospitalist Medicine Professional Services Agreement**

Executive Sponsor: Tim Albert, MD, Chief Clinical Officer
Gary Ray, Chief Legal Officer

Date: December 2, 2024

Executive Summary

In consultation with members of the medical staff, Salinas Valley Health (SVH) executive management has identified the recruitment of physicians providing **Hospitalist Medicine Services** as a recruiting priority for SVH's service area. The SVH hospitalist program operates under Salinas Valley Health Clinics (SVHC). The SVHC Hospitalist Program focuses on increasing patient and referring-provider satisfaction and improved retention of hospitalist physician staff. Due to the growth SVH has experienced in the adult daily census at the hospital, the need to recruit and retain hospitalists to the program remains a priority. Furthermore, one of the long-standing full-time hospitalists will be relocating out of the area in 2025.

The recommended physician, **Henry Sanchez Ortigoza, MD** received his Doctor of Medicine degree in 2022 from Rutgers New Jersey Medical School. Dr. Sanchez will complete his Family Medicine Residency at Natividad Medical Center in Salinas in June 2025. Dr. Sanchez Ortigoza is fluent in Spanish and is passionate about providing quality health care to underserved communities. Dr. Sanchez Ortigoza is excited to remain in Salinas after his training and plans to join the SVHC Hospitalist Medicine team in September 2025.

Terms and Conditions of Agreements

The proposed physician recruitment requires the execution of two types of agreements:

1. **Professional Services Agreement** Essential Terms and Conditions:

- **Professional Services Agreement (PSA)** Physician will be contracted under a PSA with Salinas Valley Health and a member of Salinas Valley Health Clinics – Hospitalist Medicine. Pursuant to California law, the Physician will not be an employee of SVH or SVH Clinics but rather a contracted physician.
- **Term.** PSA is for a term of two years with annual compensation reported on an IRS W-2 Form as a contracted physician.
- **Full-Time Schedule.** Physician will provide services under the PSA on a full-time basis.
 - ❖ Schedule expectation of 15 twelve-hour shifts per month and no less than 180 twelve-hour shifts per year.
- **Compensation:**
 - ❖ Physician shall earn \$175.00 per hour for services during the hours of 7am-7pm; \$185.00 per hour during the hours of 7pm-7am
 - ❖ Physicians who work in excess of 180 twelve-hour shifts per year, will be paid an additional \$70.00 per hour for each excess shift.
 - ❖ Physicians who provide emergency remote surge coverage shall earn a \$750.00 stipend per 6-hour shift for processing admits remotely during peak census times.

- Annual Incentive Plan in the amount of up to \$10,000 shall be available to physicians who meet the eligibility requirements of at least one thousand hours worked during the measurement period and a current PSA at time of payment in order to qualify.
 - Benefits. Physician will be eligible for standard SVH Clinics physician benefits:
 - ❖ Access to SVH Health Plan for physician and qualified dependents. Physician premiums are projected based on 15% of SVH cost.
 - ❖ Access to SVH 403(b) and 457 retirement plans. Five percent base contribution to 403b plan that vests after three years. This contribution is capped at the limits set by Federal law.
 - ❖ CME annual stipend in the amount of \$2,400 paid directly to you and reported as 1099 income.
 - Professional Liability Insurance. Professional liability shall be provided through BETA Healthcare Group.
2. **Recruitment Agreement** that provides a recruitment incentive of \$40,000 which is structured as forgivable loan over two years of service.

Meeting our Mission, Vision, Goals

Strategic Plan Alignment:

The recruitment of Dr. Sanchez Ortigoza is aligned with our strategic priorities for the service, quality and growth pillars. We continue to develop Salinas Valley Health Clinics infrastructure that engages our physicians in a meaningful way, promotes efficiencies in care delivery and creates opportunities for expansion of services. This investment provides a platform for growth that can be developed to better meet the needs of the residents of our District by opening up access to care regardless of insurance coverage or ability to pay for services.

Pillar/Goal Alignment:

☒ **Service** ☐ **People** ☒ **Quality** ☐ **Finance** ☒ **Growth** ☐ **Community**

Financial/Quality/Safety/Regulatory Implications

The compensation proposed in these agreements have been reviewed against published industry benchmarks to confirm that the terms contemplated are fair market value and commercially reasonable.

Recommendation

Salinas Valley Health Administration requests that the Personnel, Pension and Investment Committee recommend to the Salinas Valley Health Board of Directors approval of the following:

1. **The Findings Supporting Recruitment of Henry Sanchez Ortigoza, MD,**
 - That the recruitment of a hospitalist to Salinas Valley Health Clinics is in the best interest of the public health of the communities served by the District; and
 - That the recruitment benefits and incentives the hospital proposes for this recruitment are necessary in order to attract an appropriately qualified physician to practice in the communities served by the District;
2. **The Contract Terms of the Recruitment Agreement for Dr. Sanchez Ortigoza; and**
3. **The Contract Terms of the Hospitalist Professional Services Agreement for Dr. Sanchez Ortigoza.**

Attachments

Curriculum Vitae for Henry Sanchez Ortigoza, MD

Henry D. Sanchez Ortigoza, MD

As a Latino immigrant and Family Medicine physician, I am dedicated to serving immigrant populations through hospitalist medicine and patient advocacy. My mission is to provide compassionate care, with a particular focus on palliative care, to enhance quality of life for underserved communities.

EDUCATION

Family Medicine Residency	2022-2025
Natividad Medical Center <i>Salinas, CA</i>	
Doctor of Medicine	2018- 2022
Rutgers New Jersey Medical School <i>Newark, NJ</i>	
Cellular and Molecular Biology, BS (Summa Cum Laude)	2015-2018
University of South Florida <i>Tampa, FL</i>	

PROFESSIONAL DEVELOPMENT

TEACH: CREATE Fellowship <i>Salinas, CA</i>	07/2024
<ul style="list-style-type: none">• UCSF-sponsored reproductive health training in the third year of residency including additional procedural experience and training in reproductive justice and advocacy.	
Global Ultrasound Institution POCUS for Primary Care Course <i>Salinas, CA</i>	04/2023
<ul style="list-style-type: none">• Participated in hands-on point of care ultrasound image acquisition and interpretation sessions focused on emergency and primary care clinical scenarios.	
North East LMSA Policy Summit <i>Washington, D.C</i>	10/2019
<ul style="list-style-type: none">• Advocated against the implementation of the Public Charge policy as it deterred immigrants pending residency from applying to public welfare programs such as Medicaid.	

LEADERSHIP EXPERIENCES

SEIU Unit-R Union Representative <i>Salinas, CA.</i>	2022-2025
<ul style="list-style-type: none">• Facilitated contract negotiations for 30 resident physicians to advocate a better contract, resulting in wage increases and the introduction of a housing stipend.	
Residency Education Co-Chief <i>Salinas, CA.</i>	2024-2025
<ul style="list-style-type: none">• Conducted needs assessments for family medicine residents and restructured curriculum in coordination with specialists in cardiology, nephrology, and palliative care.	

QUALITY IMPROVEMENT

Improving Harm Reduction in the Monterey County Jail System <i>Salinas, CA</i>	08/2023
<ul style="list-style-type: none">• Developed a longitudinal community medicine initiative for Natividad Family Medicine Residents in collaboration with the Monterey County Jail to implement harm reduction efforts such as MAT and HIV/Hep C testing and treatment.	
Do They Have A POLST? <i>Salinas, CA</i>	08/2023 – 06/2024
<ul style="list-style-type: none">• Quality Improvement project aimed to increase the amount of Advanced Care Planning visits and POLST documentation at Laurel Family Practice. Presented this poster at UCSF Colloquium.	

Viva Vivitrol | *Salinas, CA*

08/2022 - 06/2024

- Quality Improvement project which accomplished implementation of long term injectable naltrexone use in Laurel Family Practice for treatment of alcohol use disorder.

HONORS & AWARDS

Gold Humanism Honor Society Award

2022

- Recognized for demonstrating exemplary humanistic qualities in patient care such as compassion, empathy, and respect for patients.

LANGUAGES

- Spanish, native speaker.
- English, fluent.

HOBBIES AND INTERESTS

- Photography: Passionate about landscape and aerial drone photography.
- Biking: Enthusiastic cyclist who enjoys long-distance rides and participates in local cycling events at Laguna Seca and Big Sur.
- Cooking: Enjoy making traditional Colombia dishes like arepas, natilla, and buñuelos.

Board Paper: Personnel, Pension and Investment Committee

Agenda Item: **Consider Recommendation for Board Approval of (i) Findings Supporting Recruitment of Briana Gomez, MD, (ii) Contract Terms for Dr. Gomez's Recruitment Agreement, and (iii) Contract Terms for Dr. Gomez's Obstetrics and Gynecology Professional Services Agreement**

Executive Sponsor: Orlando Rodriguez, MD, Chief Medical Officer
Gary Ray, Chief Legal Officer

Date: December 2, 2024

Executive Summary

In consultation with members of the medical staff, Salinas Valley Health (SVH) executive management has identified the recruitment of physicians specializing in **Obstetrics and Gynecology** as a recruiting priority for SVH's service area. Based on the Medical Staff Development Plan, completed by ECG Management Group in January 2023, the specialty of obstetrics and gynecology was recommended as a top priority for recruitment. The recent relocation of a full-time physician to her home state has emphasized the need to recruit and retain additional obstetrics and gynecology physicians.

The recommended physician, **Briana Gomez, MD**, received her Doctor of Medicine degree in 2021 the University of Kansas (KU) School of Medicine in Wichita. Dr. Gomez will also complete her Obstetrics and Gynecology residency at KU in the fall of 2025. Dr. Gomez is robotically trained and speaks Spanish. She is eager to relocate to the community and will join SVH Clinics in December 2025.

Terms and Conditions of Agreements

The proposed physician recruitment requires the execution of two types of agreements:

1. **Professional Services Agreement**. Essential Terms and Conditions:

- **Professional Services Agreement (PSA)**. Physician will be contracted under a PSA with Salinas Valley Health and a member of Salinas Valley Health Clinics. Pursuant to California law, the physician will not be an employee of SVH or SVH Clinics but rather a contracted physician.
- **Term**: PSA is for a term of two years, with annual compensation reported on an IRS W-2 Form.
- **Full-Time Schedule**. Physician will be scheduled to provide physician services to clinic patients on a full-time basis, 48 weeks per year; one week of which can be allocated to continuing medical education (CME).
- **Hospital Call**. Physician shall provide emergency department unassigned patient call coverage for the Obstetrics back-up and Gynecology back-up panels in equitable rotations with other credentialed physicians. Five days of call per month are included in productivity compensation. Call days in excess of 5 per month shall be paid at the presently established rate.
- **Base Compensation**: \$375,000 per year.
- **Productivity Compensation**: To the extent it exceeds the base salary, physician is eligible for work Relative Value Units (wRVU) productivity compensation at a \$57.00 wRVU conversion factor.
- **Professional Liability Insurance**. Professional liability is provided through BETA Healthcare Group.
- **Annual Incentive Plan** in the amount of up to \$8,000 shall be available to Physicians who meet the eligibility requirements of at least one thousand hours worked during the measurement period and a current PSA at time of payment in order to qualify.

- **Benefits.** Physician will be eligible for standard SVH Clinics physician benefits:
 - ❖ Access to SVH Health Plan for physician and qualified dependents. Premiums are projected based on 15% of SVH cost.
 - ❖ Access to SVH 403(b) and 457 retirement plans. Five percent base contribution to 403(b) plan that vests after three years. This contribution is capped at the limits set by Federal law.
 - ❖ Four weeks (20 days) of time off each calendar year.
 - ❖ Continuing Medical Education (CME) annual stipend in the amount of \$2,400 paid directly to physician and reported as 1099 income. One week (5 days) off annually for CME activities.
- 2. **Recruitment Agreement** that provides a recruitment incentive of \$50,000, which is structured as forgivable loan over two years of service.

Meeting our Mission, Vision, Goals Strategic Plan Alignment:

The recruitment of Dr. Gomez is aligned with our strategic priorities the service, quality, and growth pillars. We continue to develop Salinas Valley Health Clinics infrastructure that engages our physicians in a meaningful way, promotes efficiencies in care delivery and creates opportunities for expansion of services. This investment provides a platform for growth that can be developed to better meet the needs of the residents of our District by improving access to care regardless of insurance coverage or ability to pay for services.

Pillar/Goal Alignment:

☒ Service ☐ People ☒ Quality ☐ Finance ☒ Growth ☐ Community

Financial/Quality/Safety/Regulatory Implications

The addition of Dr. Gomez to Salinas Valley Health Clinics has been identified as a need for recruitment while also providing additional resources and coverage for SVH Obstetrics & Gynecology.

The compensation proposed in these agreements have been reviewed against published industry benchmarks to confirm that the terms contemplated are fair market value and commercially reasonable.

Recommendation

Salinas Valley Health Administration requests that the Salinas Valley Health Board of Directors approve of the following:

1. **The Findings Supporting Recruitment of Briana Gomez, MD:**
 - That the recruitment of an obstetrics and gynecology physician to Salinas Valley Health Clinics is in the best interest of the public health of the communities served by the District; and
 - That the recruitment benefits and incentives the hospital proposes for this recruitment are necessary in order to attract and relocate an appropriately qualified physician to practice in the communities served by the District;
2. **The Contract Terms of the Recruitment Agreement for Dr. Gomez; and**
3. **The Contract Terms of the Obstetrics and Gynecology Professional Services Agreement for Dr. Gomez.**

Attachments

Curriculum Vitae for Briana Gomez, MD

Briana Gomez

EDUCATION

University of Kansas School of Medicine- Wichita
Resident, Obstetrics & Gynecology

November 2025

University of Kansas School of Medicine- Wichita
Doctor of Medicine

May 2021

University of Kansas, Lawrence, KS
Bachelor of Arts, Human Biology

August 2010-July 2014

WORK EXPERIENCE

University of Kansas Medical Center
Resident Physician, Obstetrics and Gynecology

November 2021-November 2025

Ascension Via Christi Hospital- St. Joseph
Patient Care Technician

February 2016-June 2017

- Helped patients on a medical floor with ambulating, bathing, and toileting.
- Checked vital signs, blood sugars, and assisted RNs.

Diocese of Wichita
Substitute Teacher

September 2015-May 2016

- Taught and supervised grade school and middle school level classes.

Regent Park Rehabilitation and Healthcare
Certified Nursing Assistant

August 2015-February 2017

- Assisted patients with ambulating, bathing and toileting.

Andover Central Middle School
Paraeducator

November 2014- May 2015

- Worked in the special education department to help students one-on-one with classes and tests.

RESEARCH

University of Kansas School of Medicine- Wichita
Department of Obstetrics and Gynecology
PI: Kent Bradley, M.D.
Co-Investigator

May 2018-March 2020

- Behavioral study to assess and compare knowledge of finance principles among medical students, resident physicians, and practicing physicians.

LEADERSHIP

University of Kansas School of Medicine- Wichita

June 2020-April 2021

President, OBGYN Student Interest Group

- Plan events for the year to help students get to know the program in Wichita and to learn more about the OBGYN profession. These included a virtual “meet-and-greet” and application season Q and A with OBGYN residents in Wichita.

University of Kansas School of Medicine- Wichita

July 2019-May 2020

Vice President, Medical Students for Choice

- Coordinate meetings and events, including an IUD skills workshop for students.
- Network and collaborate with Trust Women, a reproductive health care clinic. This included hosting students at the film presentation of *After Tiller*.

ACADEMIC AND COMMUNITY SERVICE

Kansas Healthcare Ethics Conference

March 2020

Attendee

University of Kansas School of Medicine- Wichita

February 2020

Presenter, Tar Wars

- Spoke to elementary and middle school students about the effects of tobacco on the body and what e-cigarettes are.

University of Kansas School of Medicine

March 2019

Speaker, Annual Premedical Student Conference

- Presented advice and perspective as a panelist on the non-traditional medical student panel to premedical students about navigating the application cycle and medical school itself.

University of Kansas School of Medicine- Wichita

July 2018- June 2020

Volunteer, Women’s Night at the Guadalupe Clinic

- Treat patients at a student-led free clinic held once per month.

ACOG District VII Meeting, Kansas City, MO.

September 2018

Attendee

University of Santiago de Compostela, Galicia, Spain

June-July 2018

Medical Student, International Education Experience

- Shadowed at the hospital in Santiago with the OBGYN and Neurology departments seeing outpatient OB and neurology visits and cesarean sections.
- Learned about public health in Spain through various speakers and visits. This included visiting a brothel and a prison.
- Studied Spanish at the University.

PROFESSIONAL SOCIETY MEMBERSHIPS

American College of Obstetrics and Gynecology

2018-Present

HONORS AND AWARDS

- John T. Hocker, M.D. Medical Scholarship **2017-2021**
- Academic Commendation, Wichita State University **Fall 2013, Fall 2014, Spring 2015**
- Dean's List, Wichita State University **Spring 2014**
- Honor Roll, University of Kansas **Fall 2010**

FINANCE COMMITTEE

*Minutes of the Finance Committee
will be distributed at the Board Meeting*

*Background information supporting the
proposed recommendations from the
Committee is included in the Board Packet*

(JOEL HERNANDEZ LAGUNA)

Board Paper: Finance Committee

Agenda Item: Consider Recommendation for Board Approval of **Cepheid GeneXpert Placement Agreement**

Executive Sponsor: Clement Miller, Chief Operating Officer
Lori Orosco, Director Laboratory Services

Date: December 05, 2024

Executive Summary:

The Cepheid GeneXpert is the industry gold-standard for molecular Microbiology patient testing and is requested by our laboratory and SVH ER physicians. Internalizing with this vendor allows SVH ER to triage, treat and discharge patients expeditiously due to Cepheid's precision and rapid test to result turnaround-time. The testing platform we've chosen allows for cost savings by the consolidation of at least two-vendors currently used while expanding our in-house clinical testing menu, in-line with our rising ER patient needs.

Background & Rationale:

Salinas Valley Health Laboratory has an enduring need to maintain current with gold-standard laboratory technology to ensure rapid and accurate patient testing. Cepheid GeneXpert is a rapid PCR-based testing platform, specifically geared toward infectious disease, respiratory infection, women's health, and L&D clinical testing. In striving to meet our mission standards, our laboratory is requesting approval for a three year Placement agreement with Cepheid, at \$256,233 annual expenditure, to include the analyzer, reagents, and analyzer technical service, *(totaling \$768,701, for the 3-year spend)*. Cepheid GeneXpert testing has been requested by several SVH ER clinicians and will allow for increased efficiency in ER triage, diagnosis, and patient discharge. Procurement of Cepheid GeneXpert will also support new in-house testing, reduce cost associated from send-out tests, and allow for the elimination of two outdated labor-intensive and costly testing platforms namely, Abbott iStat and Ortho, Quidel *(with annual savings of \$261,583)*.

Timeline/Review Process to Date:

- 10/04/2024: Received proposed agreement from Cepheid and forwarded to Materials Management for Review
- 10/18/2024: Redline received and forwarded to Cepheid
- 11/12/2024: Final version received from Cepheid, reviewed and approved by MM
- 12/30/2024: Approved sign by date

Strategic Plan Alignment:

Approval of the Cepheid Agreement will significantly decrease our overall costs by: consolidating Laboratory testing platforms, reducing patient time in ER, and reducing length of patient stay.

Pillar/Goal Alignment:

☒ Service ☐ People ☒ Quality ☒ Finance ☒ Growth ☐ Community

Financial/Quality/Safety/Regulatory Implications:

Key Contract Terms	Vendor: CEPHEID
1. Proposed effective date	12/30/2024
2. Term of agreement	36 months Placement
3. Renewal terms	Requires review prior to renewal (no autorenewal)
4. Termination provision(s)	CANNOT BE TERMINATED FOR CONVENIENCE

5. Payment Terms	Net 30
6. Annual Analyzer Cost	\$0
7. Annual Technical Service	\$0
8. Annual Reagent Buy	\$256,234 (includes analyzer and service)
7. Cost over life of agreement	\$768,701
8. Budgeted (indicate y/n)	Y

Summary:

Approval of Cepheid Placement Agreement and Removal of Abbott and Quidel platforms

Abbott ID Now yearly expense (April 2023- April 2024)	\$ 414,400	(to be replaced by Cepheid)
Quidel Solana yearly expense (April 2023- April 2024)	\$ 103,417	(to be replaced by Cepheid)
Cepheid yearly estimated expense (new analyzer)	\$ (256,234)	(analyzer, reagents, and service maintenance)
Annual Savings	\$ 261,583	

Recommendation:

Consider Recommendation for Board to approve Cepheid GeneXpert Placement Agreement in the amount of \$768,700.80 (annual expenditure of \$256,234).

Attachments:

- (1) Cepheid Sales Agreement (Confidential)

Board Paper: Finance Committee

Agenda Item: Consider Recommendation for Board Approval of the Philips MATC Software Evolution Services (SES) Five (5) Year Agreement
Executive Sponsor: Carla Spencer, Chief Nursing Officer
Date: December 12, 2024

Executive Summary

This MATC (Monitoring Analysis Therapeutic Care) Software Evolution Services (SES) Agreement with Philips Healthcare will upgrade the hospital's current patient monitoring technology by the following:

- Upgrade and improve interoperability of PIC iX, Bedside Monitors and IBE
- Refresh performance via minor enhancements, access to major software releases and include clinical implementation services
- Migrate maintenance and repair from time and materials to scheduled preventative maintenance and telephone support services
- Discounted pricing greater than GPO on hardware and software products covered under the Agreement

This agreement supports and improves cost the efficiency of Philips patient monitoring products currently in use throughout the hospital but does not obligate SVMHS to purchase an expanded scope of new products.

The adoption of Philips Software Evolution Services is a strategic investment that not only optimizes operational efficiencies and reduces costs but also significantly enhances the quality of patient care and safety. Approval of this program is recommended to ensure the organization remains at the forefront of healthcare technology and service delivery.

Background/Situation

The Philips bedside and central monitoring system is a critical component of our patient care infrastructure, providing real time monitoring of patient vital signs and facilitating timely clinical interventions. The monitoring systems have been in use for nearly a decade and are located in 12 patient care areas including the critical care department, neonatal intensive care department, and emergency department. As technology and patient care standards evolve, maintaining this system operational efficiency is essential to minimize downtime and ensure continuous monitoring capabilities, directly impacting patient safety and care quality.

Timeline/Review Process to Date:

September 2024: Biomed Clinical Review of Products

September - November 2024: Terms and Conditions including pricing negotiations by Contract Administrator and Materials Management Contract Specialist

December 2024: Submit for Board approval

Strategic Plan Alignment:

The SES program designed to prepare and future proof healthcare enterprises, aligning with the organization's commitment to long term clinical excellence and operational improvement.

Pillar/Goal Alignment

X Service ☐ People X Quality X Finance X Growth ☐ Community

Financial/Quality/Safety/Regulatory Implications:

Key Contract Terms	Vendor: Philips Healthcare
1. Proposed effective date	12/23/2024
2. Term of agreement	5 Years
3. Renewal terms	Renewal Quote Required, No auto-renewal
4. Termination provision(s)	Breach Only, No termination for convenience w/o penalty Years 1-3, Breach Only Years 4 & 5, Convenience allowed, requires 25% of remaining contract (\$78.3k) Year 5, Convenience allowed, requires 20% of remaining contract (\$31.3k)
5. Payment Terms	Annually, Net 30, 1% late fees on past due balance(s)
6. Annual cost	\$156.6k
7. Cost over life of agreement	\$782,945
8. Budgeted (indicate y/n)	No

Recommendation:

Consider Recommendation for Board Approval of the Philips MATC Software Evolution Services (SES) Agreement in the amount of \$782,945.

Attachments:

- (1) Philips Healthcare MATC Software Evolution Services Agreement Quotation (Valid thru 12/23/24)
- (2) Sole Source

MATC SES 890224

MATC Software Evolution Services Agreement Quotation

Customer: Salinas Valley Memorial Healthcare System

Address: 450 E Romie Lane
City,State/Zip: Salinas, CA 93901

Payment Terms: Net 30
Agreement Quote Date: 11/8/2024
Prior Agreement #: Billable Conversion
Agreement Start Date: 11/1/2024
Agreement End Date: 10/31/2029
Billing Schedule: Yearly
Multi-yr Discount: 17%
Additional Discount: 10%
CPA discount

Service Sales VP, or Service Zone VP Approval

Valid until 12/13/2024

Philips Representative: Aaron Stewart

Email: aaron.stewart@philips.com

Date: 11/8/2024

Quote #: 0106398-3

Model	Description	Qty	Sq Ft	Site Name	Start Date	End Date		Subtotal Net \$
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note:

Software Evolution Services, Advanced Technology Services and Clinical Implementation Services (PIC iX, IBE, and Bedsides)

Software Evolution Services provides access to software and services as defined in the exhibit 12 for PIC iX, Bedside Monitors and IBE. This package includes Advanced Technology Services and Clinical Implementation Services for software upgrade implementation as described in Exhibit 12.

890224 B01	Software Evolution Services	176		Site Name aaa	11/1/2024	10/31/2029		\$782,944.80
890224 C01	Advanced Technology Services							
890224 D01	Clinical Implementation Services							
Net Charge Year 1								\$156,588.96
Net Charge Year 2								\$156,588.96
Net Charge Year 3								\$156,588.96
Net Charge Year 4								\$156,588.96
Net Charge Year 5								\$156,588.96
Quotation Total								\$782,944.80

Prices exclude taxes. Applicable taxes will be added to the invoice. Subject to credit approval.

IMPORTANT NOTICE: A signed copy of this agreement , for the services and prices quoted herein, is Customers acceptance that the Service Agreement Terms and Conditions and applicable Exhibit are the sole terms applicable to the services quoted. The acceptance of this quotation is not binding upon Philips until further review by Philips contract administration. The information contained in this document is confidential and is provided to the entity listed as the customer solely in connection with the evaluation of the purchase and sale. This information shall not be disclosed to any other party. Health Care providers are reminded that if the transactions herein include or involve a loan or discount (including a rebate or other price reduction), they must fully and accurately report such loan or discount on cost reports or other applicable reports or claims for payment submitted health care program, including but not limited to Medicare and Medicaid, such as may be required by state or federal law, including under any federal or state but not limited to 42 CFR 1001.952(h). Philips reserves all rights with regard to this information. Reserved.

Customer Agreement as Quoted

Upon customer signing and an authorized Philips representative accepting, this quotation constitutes a contract and Customer is bound by all terms and conditions hereof.

Philips by its acceptance hereof, agrees to provide maintenance services for the equipment listed above in accordance with the following terms set forth herein.

Authorized Signature

Authorized Signature

Printed Name

Title

Title

Date

Date

Customer PO #

(Please attach copy of original PO)

Our facility does not issue formal purchase orders. We authorize payments 'In lieu of a Purchase Order' for services as described in Philips Healthcare Service Agreement authorized herein. Initialed: _____

Billing Address:
Customer Name:

Address:

City, State, Zip:

Contact:

For service entitlement, please reference the following contract number when calling into our Customer Care Service Center at the number listed above:

Philips Entitlement Contract Number:

prepared by: Constance Qualls

GENERAL CUSTOMER SERVICE TERMS AND CONDITIONS

Rev 23

****Denotes Amended Section**

1. Services.

- 1.1 The services ("Service(s)") included in the quotation and/or Attachment A, as applicable (the "Quotation") will be provided by the Philips Entity ("Philips") entering into this Customer Service Agreement with Customer as identified in the Quotation. Philips will provide the Services to Customer for the equipment and software listed in the Quotation (the "Equipment") that is at the location in the Quotation (the "Site"), and certain Service deliverables will be provided for the exclusive benefit of the Site, under the terms and conditions described herein, including the Quotation, any exhibits and attachments, each of which are hereby incorporated (collectively, the "Agreement").

2. Access to Equipment.

- 2.1 Customer shall make the Equipment available to Philips at a mutually agreed date and time. If the Equipment is not available at the agreed upon time, Philips or Customer may attempt to reschedule the Service or cancel the Service. Philips may charge Customer at the then-current demand service rates for all time spent by Philips service personnel waiting for access to the Equipment.

3. **Price.

- 3.1 In consideration for the Services to be performed by Philips, Customer shall pay the prices defined in the Quotation (the "Contract Price").
- 3.2 The Contract Price is a gross amount but exclusive of any value added tax (VAT), sales tax, GST, consumption tax or any other similar tax. If the transactions as described in the Agreement are subject to any applicable VAT, sales tax, consumption tax or any other similar tax, Philips will charge VAT, sales tax, consumption tax or any other similar tax to Customer, which will be paid by Customer in addition to the Contract Price. Customer shall provide Philips with an appropriate exemption certificate in advance of the date the Service is invoiced, or Customer shall pay all taxes per Philips' invoice.
- 3.3 ****Contract Prices** are based on the price levels at the effective date of the Agreement. Except as otherwise provided on the Quotation, Philips reserves the right to adjust customer list pricing and (or) net pricing, during the term of the Agreement set forth in the Quotation and incorporated herein ("Term"). Such adjustment in pricing requires thirty (30) day written notice, will not be retroactive, cannot start before first year of contract, and will not exceed more than two percent (2%) change annually. Price adjustments shall be in accordance with:
- 3.3.1 For customers in the United States, the Consumer Price Index published by the United States Bureau of Labor Statistics on its website at <http://www.bls.gov/cpi>.
- 3.3.2 For customers in Canada, the Consumer Price Index published by Statistics Canada on its website at https://www.statcan.gc.ca/en/subjects-start/prices_and_price_indexes/consumer_price_indexes.
- 3.4 Customer shall notify Philips and Philips shall be entitled to change the Contract Price in the event that:
- 3.4.1 the location of the Equipment changes;
- 3.4.2 any ambient conditions of operation (e.g., installation or de-installation of air-conditioning system) of the Equipment at the location change;
- 3.4.3 any additional equipment is acquired by the end-user which should be added to the inventory list of Equipment;
- 3.4.4 the Equipment is (partly) removed or taken out of service by Customer; and/or
- 3.4.5 the incoming main power supply and protective earth configuration changes, becomes unreliable, or is no longer in accordance with the Equipment specifications.
- 3.5 List Price Harmonization. In an effort to simplify and harmonize Philips services and/or products portfolio pricing structure Philips may, no more than once during the term of the Agreement, unilaterally adjust the price list and discount schedule for services and/or products under this Agreement, with no impact to the current net price. Philips will:
- 3.5.1 Provide thirty (30) days' written notice prior to fixing the net price of the service(s) and/or product(s) sold under this Agreement for twelve (12) months (the "Lock Period") at the net price (the "Lock Price") of the service(s) and/or product(s) in effect at the time of Customer's receipt of the written notice.
- 3.5.2 Provide an updated Agreement price file showing the new list price and new discount, which together will not change the Lock Price set at the beginning of the Lock Period.
- 3.5.3 Upon termination of the Lock Period, the net price of the service(s) and/or product(s) will be maintained in the manner defined in the Agreement.

4. Payment.

- 4.1** Customer shall pay the Contract Price to Philips within thirty (30) days from the date of invoice in accordance with the instructions on the invoice.
- 4.2** Customer shall make any payments under this Agreement without any set-off, withholdings, or any other deductions.
- 4.3** Payments may be made by check, ACH, or wire. Philips does not accept transaction fees for wire transfers or any other payment method; Philips imposes a surcharge on credit cards of two percent (2%), which is not greater than Philips' cost of acceptance. All check payments over \$50,000 USD or CAD must be paid via eCheck or via Philips prepaid FedEx account with tracking to secure against fraud and misappropriation.
- 4.4** Customer shall pay interest on any amount not paid when due at the annual rate of twelve percent (12%) in the case of the U.S., which may be billed on a monthly basis or at the maximum rate permitted by applicable law for Canada. If Customer fails to pay any amounts due or breaches these Conditions of Service, Philips will be entitled to suspend the performance of its obligations and deduct the unpaid amount from any amounts otherwise owed to Customer by Philips, in addition to any other rights or remedies available to Philips. Philips shall be entitled to recover all costs and expenses, including reasonable attorneys' fees related to the enforcement of its rights or remedies.
- 4.5** If the Term of the Agreement is greater than one (1) year in duration, and Customer provides Philips a purchase order (PO) for a period of time less than the Term, then Customer will promptly provide Philips updated POs to fulfill the entire Term.
- 4.6** If Customer fails to pay any amount when due, Philips may, in addition to other rights it may have under this Agreement or by law, at its option:
 - 4.6.1** withhold or suspend performance under the Agreement until all payments from Customer have been received by Philips;
 - 4.6.2** deduct the unpaid amount from any amounts otherwise owed to Customer under any agreement by Philips or any of Philips' Affiliates (meaning any entity that directly or indirectly controls, is controlled by, or is under common control with Philips ("control" means direct or indirect ownership or control of more than fifty percent (50%) of the voting interests of the subject entity));
 - 4.6.3** declare all sums outstanding to become immediately due and payable under the Agreement;
 - 4.6.4** commence collection activities for all sums due or to become due hereunder, including, but not limited to costs and expenses of collection, and reasonable attorneys' fees; and/or
 - 4.6.5** if Customer does not cure its payment failure in accordance with Section 17.5.1, terminate this Agreement with ten (10) days' notice to Customer.
- 4.7** If Customer has contracted with a third-party service management organization, asset management company, maintenance management company, technology management company, maintenance insurance organization, or the like ("Third-Party Organization") for purposes of centralized billing and management of Services provided to Customer, at Customer's written request, Philips will route invoices for payment of Services rendered by Philips to such Third-Party Organization and accept payment from them on Customer's behalf. Notwithstanding the above, the Services provided by Philips are subject solely to the terms and conditions set forth in this Agreement. Customer guarantees the payment of all monies due or that may become due under this Agreement in spite of any collateral arrangements Customer may have with such Third-Party Organization or any payments Customer has made to the Third-Party Organization. Philips has no contractual relationship for the Services rendered to Customer except as set forth herein. To the extent that the parts and Services Philips provides are not covered by Customer's arrangement with such Third-Party Organization, Customer shall promptly pay for such parts and Services on demand.

5. **Exclusions.

The Services do not include, unless specifically agreed otherwise in the Quotation:

- 5.1** servicing or replacing components of equipment other than those Equipment or components listed in the Quotation that is at the Site;
- 5.2** servicing Equipment if contaminated with blood or other potentially infectious substances, disposing hazardous, infectious, or biomedical waste or material;
- 5.3** service specifically excluded in the Quotation;
- 5.4** any service necessary due to:
 - 5.4.1** a design, specification or instruction provided by Customer or Customer representative;
 - 5.4.2** the failure of anyone to comply with Philips' written instructions or recommendations;

- 5.4.3 **any combining of the Equipment with other manufacturers' product or software which does not meet Philips' product specifications;
- 5.4.4 any alteration or improper storage, handling, use, or maintenance of the Equipment, including any components, e.g., detectors, transducer, or coils, by anyone other than Philips' subcontractor or Philips;
- 5.4.5 damage caused by an external source, regardless of nature;
- 5.4.6 any removal or relocation of the Equipment; or (vii) neglect or misuse of, or accident with, the Equipment, including any components, e.g., detectors, transducer, or coils;
- 5.5 any cost of materials, supplies, parts, or labor supplied by any party other than Philips or Philips' subcontractors, or explicitly excluded in the Quotation;
- 5.6 providing or paying the cost of any rigging, facility, structural alteration, or accessory incident;
- 5.7 the cost of consumables, accessories, and auxiliaries, including but not limited to: batteries of any type, light bulbs, power cords/AC adapters, headlight cables, EKG cables, SPO2 sensors, BP hose/cuff, temperature probes, extension/trunk/adaptor cables, foot pedals, hand pieces, probes, nerve stimulator cables, defibrillator cables/paddles/test plugs, laser tubes, patient pads, PET calibration sources, film, cassettes, filters, catheters and/or wires, etc., as well as any item that hangs off of, or plugs into, a device, unless specifically included in the Agreement;
- 5.8 cosmetic repairs;
- 5.9 the cost of factory reconditioning or rebuilds;
- 5.10 providing any updates or upgrades other than field safety corrective actions (i.e., safety related updates); and
- 5.11 maintenance or repair, including the cost thereof, of non-Philips manufactured products, unless specified otherwise in this Agreement.

6. **Customer Responsibilities.**

During the Term of this Agreement, Customer shall:

- 6.1 Comply with all applicable laws, rules, and regulations; Customer's obligations do not depend on any other obligations it may have under any other agreement or arrangement with Philips. Customer shall not exercise any offset right in the Quotation or sale in relation to any other agreement or arrangement with Philips;
- 6.2 Report immediately to Philips, and reasonably cooperate with Philips in investigating, any event of which Customer becomes aware that suggests that any Services or products provided by Philips, for any reason:
 - 6.2.1 may have caused or contributed to a death or serious injury, or
 - 6.2.2 have malfunctioned where and such malfunctions would be likely to cause or contribute to a death or serious injury if the malfunction were to occur again. Additionally, Customer will also report to Philips complaints it receives from its personnel and patients or any other person regarding the identity, quality, performance, reliability, safety, effectiveness, labels, or instructions for use of the Services or products provided by Philips. Philips shall be solely responsible for submitting any filings or reports to any governmental authorities with respect to the Services or products provided by Philips hereunder, unless otherwise required by law.
- 6.3 ensure that the Site is maintained in a clean and sanitary condition, and that the Equipment, product, and/or part is decontaminated prior to service, shipping, or trade-in as per the instructions in the user manual;
- 6.4 ensure the proper removal and disposal of any hazardous material;
- 6.5 maintain operating environment within Philips specifications for the Site (including temperature and humidity control, incoming power quality, incoming water quality, and fire protection system);
- 6.6 use the Equipment in accordance with the published manufacturer's operating instructions;
- 6.7 make normal operator adjustments to the Equipment as specified in the published manufacturer's operating instructions;
- 6.8 provide Philips with broadband internet Wi-Fi access for business purposes;
- 6.9 in order for Philips to provide remote servicing of the Equipment, provide Philips, at each Site, with a dedicated high speed broadband internet connection suitable to establish a remote connection to the Equipment and facilitate the realization of the required remote infrastructure, by:
 - 6.9.1 supporting the remote connectivity with of a router or firewall or equivalent compatible service that complies with IPSec standards (router can be Customer owned or provided by Philips) for connection to the Equipment and Customer network; if the service device is provided by Philips, it remains Philips property and is only provided during the term of this Agreement;
 - 6.9.2 maintaining a secure location for hardware to connect Equipment to the Philips Remote Service Data Center (PRSDC);

- 6.9.3 allowing Philips to connect to Customer's connected Equipment for the purpose of servicing the Equipment;
 - 6.9.4 providing and maintaining a free IP address within the Site network to be used to connect the Equipment to Customer's network;
 - 6.9.5 supporting the installation of service tools (as stipulated in Section 11) for connection to the Equipment and Customer network and by maintaining such connectivity to enable remote servicing as well as (automatic) downloads and installs of (security) updates of the service tools;
 - 6.9.6 maintaining the established connection throughout the Term (including restraining from any temporary disconnection or disabling of such connection (e.g., by switching of the host computer of the MRI Equipment)); and
 - 6.9.7 facilitating the reconnection by Philips in case of any temporary disconnection occurs;
 - 6.10 If Customer fails to provide the access described in Section 6.9 and so the Equipment and/or the service tools are not connected to the PRSDC (including any temporary disconnection) and/or (security) updates are not downloaded and installed on the service tools, Customer waives its rights to Services under this Agreement and any uptime guarantee and shall be responsible for any damage due to such failure;
 - 6.11 provide Philips and its subcontractor's service personnel with full and free access to the Equipment at the scheduled service time;
 - 6.12 if applicable, provide invitation letters and support visa application and travel requirements in case necessary; and
 - 6.13 timely return defective spare parts to Philips in accordance with the terms of this Agreement; and ensure that all staff working on the Equipment covered under this Agreement are trained and qualified in accordance with all applicable laws and good industry practice.
- 7. Warranty Disclaimer.**
- 7.1.1 Philips' sole service obligations to Customer are described in this Agreement. All labor, including technical support, shall be performed in a good and workmanlike manner, subject to applicable Terms of Service, including any exclusions. Philips provides no additional warranties under this Agreement. All Services and parts provided under this Agreement are provided "as is". PHILIPS SPECIFICALLY DISCLAIMS ALL OTHER EXPRESS OR IMPLIED WARRANTIES INCLUDING, WITHOUT LIMITATION, ALL WARRANTIES OF NON-INFRINGEMENT, MERCHANTABILITY, AND FITNESS FOR A PARTICULAR PURPOSE.
- 8. Limitations of Liability.**
- 8.1 THE TOTAL LIABILITY OF PHILIPS ARISING UNDER OR IN CONNECTION WITH THE PARTS AND SERVICES FOR ANY BREACH OF CONTRACTUAL OBLIGATIONS, WARRANTY, TORT (INCLUDING NEGLIGENCE), UNLAWFUL ACT, OR OTHERWISE IN CONNECTION WITH THE SERVICE IS LIMITED TO THE ACTUAL PURCHASE PRICE RECEIVED FOR THE SERVICE THAT GAVE RISE TO THE CLAIM.
 - 8.2 PHILIPS SHALL NOT BE LIABLE FOR ANY INDIRECT, PUNITIVE, INCIDENTAL, EXEMPLARY, SPECIAL OR CONSEQUENTIAL DAMAGES, AND/OR FOR ANY DAMAGES INCLUDING LOSS OF DATA, PROFITS, REVENUE, BUSINESS INTERRUPTION OR USE IN CONNECTION WITH OR ARISING OUT OF THESE CONDITIONS OF SERVICE, REGARDLESS OF WHETHER THEY ARE FORESEEABLE OR NOT AND WHETHER THE CLAIM IS MADE IN TORT (INCLUDING NEGLIGENCE), BREACH OF CONTRACT, INDEMNITY, AT LAW OR IN EQUITY. NEITHER PHILIPS NOR PHILIPS' SUPPLIERS SHALL BE LIABLE FOR ANY LOSS OR INABILITY TO USE MEDICAL OR OTHER DATA STORED ON OR BY THE EQUIPMENT.
 - 8.3 THE EXCLUSION OF LIABILITY IN THESE CONDITIONS OF SERVICE SHALL ONLY APPLY TO THE EXTENT ALLOWED UNDER THE APPLICABLE LAW.
 - 8.4 THE FOLLOWING ARE NOT SUBJECT TO THE LIMITATIONS OF LIABILITY UNDER SECTION 8.1:
 - 8.4.1 THIRD-PARTY CLAIMS FOR DIRECT DAMAGES FOR BODILY INJURY OR DEATH TO THE EXTENT CAUSED BY PHILIPS' NEGLIGENCE OR PROVEN PRODUCT DEFECT.
 - 8.4.2 CLAIMS OF TANGIBLE PROPERTY DAMAGE REPRESENTING THE ACTUAL COST TO REPAIR OR REPLACE PHYSICAL PROPERTY TO THE EXTENT CAUSED BY PHILIPS NEGLIGENCE OR PROVEN PRODUCT DEFECT.
 - 8.4.3 OUT-OF-POCKET COSTS INCURRED BY CUSTOMER TO PROVIDE PATIENT NOTIFICATIONS, REQUIRED BY LAW, TO THE EXTENT SUCH NOTICES ARE CAUSED BY PHILIPS UNAUTHORIZED DISCLOSURE OF PROTECTED HEALTH INFORMATION OR PERSONAL HEALTH INFORMATION.
 - 8.4.4 FINES/PENALTIES LEVIED AGAINST CUSTOMER BY GOVERNMENT AGENCIES CITING PHILIPS' UNAUTHORIZED DISCLOSURE OF PROTECTED HEALTH INFORMATION OR PERSONAL HEALTH INFORMATION AS THE BASIS OF THE FINE/PENALTY; ANY SUCH FINES OR PENALTIES SHALL CONSTITUTE DIRECT DAMAGES.
- 9. Intellectual Property Indemnification.**

- 9.1** Philips shall indemnify, defend, and hold harmless Customer against any claim that Services, including any software, part, or service materials provided under this Agreement (collectively "Service Item(s)"), infringes, misappropriates, or violates any third party intellectual property right, whether patent, copyright, trademark, or trade secret, provided that Customer: (a) provides Philips prompt written notice of the claim and (b) grants Philips full and complete information and assistance necessary for Philips to defend, settle, or avoid the claim.
- 9.2** If a Service Item is found or believed by Philips to infringe a valid patent or copyright; Customer has been enjoined from using a repaired product or Service Item pursuant to an injunction issued by a court of competent jurisdiction, Philips may, at its option:
- 9.2.1** procure the right for Customer to use the Service Item(s);
 - 9.2.2** replace or modify the Service Item(s) to avoid infringement; or
 - 9.2.3** refund to Customer a portion of the service fees upon the return of the Service Item(s) that are subject of such claims of infringement. Philips shall have no obligation for any claim of infringement arising from: Philips' compliance with Customer's designs, specifications, or instructions; Philips' use of technical information or technology supplied by Customer; modifications to the Service Item(s), which are not permissible hereunder; use of the covered Philips product (based on Service Item(s) delivered under this Agreement) other than in accordance with the product specifications or applicable written instructions; use of the covered Philips product, including with Service Item(s), with any other product not sold by Philips to Customer and the Philips product (including Service Items) in and of itself is not infringing; if claims of infringement would have been avoided by the use of a current unaltered release of covered Philips products, provided that, Philips makes such unaltered release available to Customer at no additional charge for use of the Philips Product (including with Service Items) after Philips has advised Customer, in writing, to stop use of the Philips Product in view of the claimed infringement (provided that this shall not be a replacement for the remedies set forth in 9.2 (1)-(3) above). The terms in this section 9.2 state Philips' entire obligation and liability for claims of infringement and Customer's sole remedy in the event of a claim of infringement.

10. End of Life.

- 10.1** AFTER THE END OF LIFE DATE, PHILIPS WILL CONTINUE TO USE COMMERCIALY REASONABLE EFFORTS TO REPAIR EQUIPMENT, BASED ON PARTS AND TRAINED ENGINEER AVAILABILITY, BUT WITH NO UPTIME GUARANTEE. AFTER THE END OF LIFE DATE, PHILIPS WILL NOT CREATE OR TEST BUG FIXES, PATCHES, OR ENHANCEMENTS TO THE EQUIPMENT HARDWARE OR SOFTWARE.
- 10.2** If Philips determines that its ability to provide the Services is hindered due to the unavailability of parts or trained personnel, or that the Equipment can no longer be maintained in a safe or effective manner, as determined by Philips, then Philips may terminate this Agreement with respect to such Equipment upon notice to Customer and provide Customer with a refund of any Customer pre-payments for periods of Service coverage not already completed.

11. Proprietary Service Materials.

- 11.1** In connection with the Services, Philips may deliver or transmit to the Site certain proprietary service materials (including software, tools, and written documentation) that have not been purchased by or licensed to Customer. The presence of this property within the Site will not give Customer any right or title to this property or any license or other right to access, use, or decompile this property. Customer hereby consents to this delivery, storage, attachment, installation, and use of such proprietary service materials, and Customer consents to the presence of a Philips' locked cabinet or box at the Site for storage of this property and to Philips' removal of all or any part of this property at any time, all without charge to Philips. Customer agrees to return any service tools that are no longer required on-site to Philips and to take responsibility for exportation, duties, fees, and transport cost, all in accordance with Philips' instructions; failure to do so entitles Philips to invoice Customer for the value of the respective tool. Customer will protect this property against damage or loss and to prevent any access to or use of this property by any unauthorized party and Customer will be liable for any violation thereof. Customer shall immediately report to Philips any violation of this provision.

12. Confidentiality.

- 12.1** Each party will maintain as confidential any information furnished or disclosed to one party by the other party, whether disclosed in writing, visually, or orally, relating to the business of the disclosing party, its customers, or its patients, and this Agreement and its terms, including its pricing terms. Each party will use the same degree of care to protect the confidentiality of the disclosed information as that party uses to protect the confidentiality of its own information, but not less than reasonable care. Each party will disclose such information only to its employees, and in the case of Philips, its Affiliates and subcontractors

having a need to know such information to perform the transactions contemplated by this Agreement. The obligation to maintain the confidentiality of such information will not extend to

12.1.1 information in the public domain at the time of disclosure,

12.1.2 information that is lawfully obtained by the receiving party from a third party without any breach of confidentiality or violation of law, or

12.1.3 information that is required to be disclosed by law or by court order. The confidentiality obligations herein will expire five (5) years after the Agreement terminates or expires. The disclosing party maintains exclusive ownership of the confidential information that it discloses to the receiving party, and the receiving party shall be responsible for the breach of these confidentiality terms by any of its representatives or other person to whom it may disclose the confidential information. Notwithstanding the foregoing, in the event a party is required by law or court order to disclose the other party's confidential information to a court, government department/agency, or regulatory body, to the extent permitted by applicable law, it shall first inform the other party of the request or requirement for disclosure to allow an opportunity for the other party to apply for an order to prohibit or restrict such disclosure. Moreover, nothing set forth herein shall prohibit Customer from disclosing confidential information required by state or federal open records laws, to the extent disclosed in compliance with the rules and procedures applicable thereto, including notifying Philips and providing Philips an opportunity to argue certain information may be exempt as a trade secret, if applicable thereunder. The party receiving the other party's confidential information agrees and acknowledges that any breach or threatened breach of these obligations of confidentiality may result in irreparable harm to the disclosing party for which there may be no adequate remedy at law. In addition to any other remedies, in such event the disclosing party may be entitled to seek an injunction, without the necessity of posting a bond, to prevent any further breach of this Agreement by the receiving party.

13. Compliance with Laws & Privacy.

13.1 If any provision of these Conditions of Service is found to be unlawful, unenforceable, or invalid, in whole or in part, the validity and enforceability of the remaining provisions shall remain in full force and effect. In lieu of any provision deemed to be unlawful, unenforceable, or invalid, in whole or in part, a provision reflecting the original intent of these Conditions of Service, to the extent permitted by the applicable law, shall be deemed to be a substitute for that provision. The failure by Customer or Philips at any time to require compliance with any obligation shall not affect the right to require its enforcement at any time thereafter.

13.2 For customers in the United States, each party shall comply with all laws, rules, and regulations applicable to the party in connection with the performance of its obligations in connection with the transactions contemplated by the Quotation, including, but not limited to, those relating to employment practices, federal and state anti-discrimination laws (including Title VII of the Civil Rights Act of 1964 as amended, the Rehabilitation Act of 1973 as amended and the Veterans Readjustment ACT of 1972 as amended), E-Verify, FDA, Medicare fraud and abuse, and the Health Insurance Portability and Accountability Act of 1996 (HIPAA). Health care providers are reminded that if the purchase includes a discount or loan, they must fully and accurately report such discount or loan on cost reports or other applicable claims for payment submitted under any federal or state health care program, including but not limited to Medicare and Medicaid, as required by federal law (see 42 CFR 1001.952[h]).

13.3 To the extent applicable, Customer acknowledges it shall comply with all Medicare, Medicaid, or state cost reporting requirements, including discounts afforded to Customer under this Agreement, for any and Services or parts purchased hereunder. Omnibus Reconciliation Act (OMNI) Social Security (PL96-499, Public Law).

13.4 To the extent applicable to your country or state, Philips and Customer shall comply with the Omnibus Reconciliation Act of 1980 (P.L. 96-499) and its implementing regulations (42 CFR, Part 420). Philips agrees that until the expiration of four (4) years after furnishing Services or parts pursuant to these Terms and Conditions, Philips shall make available, upon written request of the Secretary of the Department of Health and Human Services, or upon request of the Comptroller General, or any of their duly authorized representatives, these Terms and Conditions of Service and the books, documents, and records of Philips that are necessary to verify the nature and extent of the costs charged to Customer hereunder. Philips further agrees that if Philips carries out any of the duties of these Terms and Conditions through a subcontract with a value or cost of ten-thousand U.S. dollars (\$10,000.00) or more over a twelve (12) month period, with a related organization, such subcontract shall contain a clause to the effect that until the expiration of four (4) years after the furnishing of such Services pursuant to such subcontract, the related organization shall make available, upon written request of the Secretary, or upon request of the

Comptroller General, or any of their duly authorized representatives the subcontract, and books, documents, and records of such organization that are necessary to verify the nature and extent of such costs. This paragraph relating to the retention and production of documents is included because of possible application of Section 1861(v) (1) (1) of the Social Security Act (42 U.S.C. 1395x (v) (1) (I) (1989)), as amended from time to time, to these Terms and Conditions. If Section 1861(v) (1) (1) should be found to be inapplicable, then this paragraph shall be deemed inoperative and without force and effect.

- 13.5** Excluded Provider. As of the date of the sale of the Services, Philips represents and warrants that Philips, and its employees and subcontractors, are not debarred, excluded, suspended, or otherwise ineligible to participate in a federal or state health care program, nor have they been convicted of any health care related crime for the Services and parts provided under these Terms and Conditions of Service (an "Excluded Provider"). Philips shall promptly notify Customer if it becomes aware that Philips or any of its employees or subcontractors providing Services hereunder have become an Excluded Provider under a federal or state healthcare program, whereupon Customer shall provide Philips with a reasonable opportunity to discuss and attempt to resolve in good faith with Customer any Customer-related concerns in relation thereto, and/or will give Philips a reasonable opportunity to dispute its, or its employee's or subcontractor's, designation as an Excluded Provider. In the event that the Parties are unable to resolve any such Customer concerns of the applicable party's designation as an Excluded Provider, then Customer may terminate this order by express written notice for Services not yet rendered and parts not yet shipped prior to a date of exclusion.
- 13.6** To the extent applicable to your state, it is Customer's responsibility to notify Philips if any portion of the Quotation is funded under the American Reinvestment and Recovery Act (ARRA). To ensure compliance with the ARRA regulation, Customer shall include a clause stating that the Quotation is funded under ARRA on its purchase order or other document issued by Customer.
- 13.7** For those customers where Canadian Federal and/or Provincial privacy laws ("Canadian Privacy Laws") apply, Philips and Customer will comply with Canadian Privacy Laws in fulfilling their respective obligations hereunder. Customer acknowledges that Philips may be required, in limited circumstances, to store or grant access to Personal Data to the original equipment manufacturer (OEM) or its Affiliates located outside of Canada. Unless otherwise permitted by law, such disclosure will be limited to exceptional circumstances where it is necessary for the purposes of installing, implementing, maintaining, repairing, trouble shooting, or upgrading the Equipment, or where data recovery assistance from the OEM is necessary. Where required by law, any such disclosure will be limited to temporary access and storage for the minimum time necessary for the purpose and only as required in order to meet the requirements of this Agreement. Customer acknowledges and agrees that Customer is responsible for obtaining all required consents and providing all required notices to individuals to allow Philips and its subcontractors to process Personal Data for the purposes set out herein.

14. Processing of Personal Data.

- 14.1** During provision of the Services, Philips and/or its Affiliates may process information, in any form, that may qualify as personal data, which is information relating to an individual from which that individual can be directly or indirectly identified. Philips and/or its Affiliates will:
- 14.1.1** process any protected health information (PHI) as defined by the Health Insurance Portability and Accountability Act of 1996 (HIPAA) on behalf and by instruction of Customer (the terms and conditions governing Philips' handling, processing, storage, or use of PHI are set forth in the Business Associate Agreement or Addendum between the parties) and
- 14.1.2** process information such as log files or device parameters (which may contain personal data) to provide the Services and to enable its compliance with and performance of its task as manufacturer of medical devices under the applicable regulations and standards, including but not limited to the performance of vigilance, post-market surveillance and clinical evaluation related activities.

15. Use of Non-Personal Data.

- 15.1** Customer agrees that Philips and/or its Affiliates may use any data other than personal data generated by the Equipment and/or otherwise provided by Customer to Philips for Philips' own legitimate business purposes including, but not limited to, for data analytics activities to determine trends of usage and advise on the use of Philips products and Services, for research, product and service development and improvement (including the development of new offerings), substantiation of marketing claims, and for benchmarking purposes.

16. Export Control.

16.1 The provision of Service may be subject to the granting of governmental export licenses. In the event that such licenses or an end-user statement are required, Philips will contact Customer immediately and Customer shall provide Philips with such documents on first request. In case the provision of the Services becomes restricted or forbidden due to changed export control laws, Philips may suspend or terminate, at its option, the execution of its obligations under this Agreement without incurring any liability toward Customer other than reimbursing any amounts received for Services not yet rendered.

17. Subcontracts and Assignments.

17.1 Philips may subcontract to service contractors of Philips' choice any of Philips' service obligations to Customer or other activities performed by Philips under this Agreement. No such subcontract will release Philips from those obligations to Customer. Philips may, without prior notice or consent, assign this Agreement to its parent corporation, any of its Affiliates, or to a successor entity in the event of a merger, consolidation, transfer, sale, stock purchase or public offering, as long as the party who receives the assignment assumes all of Philips' obligations hereunder. Customer may not assign this Agreement or the responsibility for payments due under it without Philips' prior express written consent, which will not be unreasonably withheld.

18. **Term and Termination.

18.1 **This Agreement is non-cancelable by Customer unless as expressly set forth in this Agreement and will remain in effect for the Term. Customer may terminate this Agreement after year three (3) of the Agreement without stating a cause or reason with twenty-five percent (25%) of the remaining payments due and after year 4 twenty percent (20%) of the remaining payments due upon one hundred and twenty (120) days' prior written notice to the other party.

18.2 Either party may terminate this Agreement upon written notice in the event that the other party becomes or is deemed to be insolvent, discontinues business, is unable to pay its debts, is the subject of bankruptcy proceedings, enters into liquidation whether compulsory or voluntarily or has a receiver or administrator appointed over all or any part of its assets, enters into any arrangement or agreement, or assignment with, or for the benefit of its creditors or any of them, or if the other party takes or suffers any similar action in consequence of debt or insolvency in any jurisdiction. If Customer becomes insolvent, unable to pay its debts as they fall due, files for bankruptcy or is subject to it, has appointed a recipient, is subject to a late fee on payments (temporary or permanent), or has its assets assigned or frozen, Philips may cancel any unfulfilled obligations or suspend its performance; provided that, however, Customer's financial obligations to Philips shall remain in full force and effect.

18.3 If Customer sells or otherwise transfers any of the Equipment to a third party and the Equipment remains installed and in use at the same location, and such third party assumes the obligations of Customer under this Agreement or enters into a new service agreement with Philips, the price will be equal to the price in this Agreement and a term at least equal to the unexpired/unused term of this Agreement. If such third party does not assume the obligations of Customer under this Agreement, then Customer may terminate this Agreement with respect to such Equipment upon no less than thirty (30) days' prior written notice to Philips, in which case Customer shall pay to Philips (i) all amounts due under this Agreement through the effective date of termination (based on the notice requirement) and (ii) as liquidated damages, and not as a penalty, an amount equal to thirty percent (30%) of the remaining payments due under this Agreement for such Equipment from the date of termination through the scheduled expiration of the term of this Agreement.

18.4 Customer may terminate, upon sixty (60) days' written notice to Philips:

18.4.1 the Service coverage for an individual piece of Equipment under this Agreement, representing that such Equipment is being permanently removed from the Site and is not being used in any other Site, or

18.4.2 the Agreement, specifically describing a material breach or default of this Agreement by Philips; provided, however, that Philips may avoid such termination by curing the condition of breach or default within such sixty (60)-day notice period.

18.5 Philips may terminate this Agreement, wholly or partially:

18.5.1 if Customer defaults in the performance of any of its obligations under this Agreement, and fails to remedy the same within sixty (60) days of a written notice, or

18.5.2 as described in Section 4 (Payment) and Section 10 (End of Life).

19. Independent Contractor.

19.1 Philips is Customer's independent contractor. Nothing in this Agreement shall be construed to designate Philips or Philips' employees or Philips' subcontractor or any of its employees as Customer employees, agents, or partners. Philips' employees and Philips subcontractors are under Philips' exclusive direction and control. Philips has no liability or responsibility for and does not warrant Customer's or Customer's

employees' or other representatives' acts or omissions related to any services that are performed by Customer's employees or representatives under this Agreement.

20. Force Majeure.

20.1 Each party shall not be liable in respect of the non-performance of any of its obligations (except for payment obligations for Services rendered) to the extent such performance is prevented by any circumstances beyond its reasonable control, including, but not limited to, acts of God, war, civil war, insurrection, fire, flood, labor disputes, epidemics, pandemic, cyber-attack, act of terrorism, governmental regulations and/or similar acts, embargoes, export control sanctions or restrictions, Philips' unavailability regarding any required permits, licenses and/or authorizations, default or force majeure of suppliers or subcontractors. If force majeure prevents Philips from performing any obligation arising out of the sale, Philips shall not be liable to Customer for any compensation, reimbursement, or damages.

21. Third-Party Products Provided by Philips.

21.1 To the extent a third-party products service plan is explicitly identified in the Quotation, Philips shall be responsible for servicing third-party products provided by Philips. Otherwise, Philips is not responsible for servicing any third-party products provided by Philips to Customer.

22. Adulterated Systems.

22.1 If Philips determines that the Equipment has been modified or adulterated in a manner not explicitly specified in the documentation accompanying the Equipment, including without limitation by including a part, component, or device not specified as compatible (an "Adulterated System"), and such modification or adulteration hinders Philips' ability to provide the Service or maintain the Equipment in a safe or effective manner, then Philips will promptly notify Customer of such Adulterated System. Following receipt of such notice, if Customer does not permit Philips (at Customer's cost) to remediate the Adulterated System, then Philips may remove the Adulterated System from the Site list, adjust the Services under this Agreement, and provide Customer with a refund of any Customer pre-payments for periods of Service not yet rendered or parts not yet provided.

23. Insurance.

23.1 Upon Customer request, Philips will provide a Certificate of Philips insurance coverage.

24. Rules and Regulations.

24.1 To the extent made known in writing to Philips, Philips and its subcontractors will comply with Customer's rules and regulations provided such rules and regulations do not conflict with established Philips policies.

25. Miscellaneous.

25.1 Survival. Customer's obligation to pay any money due to Philips hereunder survives expiration or termination of this Agreement. All of Philips' rights, privileges, and remedies with respect to this Agreement will continue in full force and effect after the end of this Agreement.

25.2 Performance. The failure of Customer or of Philips at any time to require the performance of any obligation will not affect the right to require such performance at any time thereafter. Course of dealing, course of performance, course of conduct, prior dealings, usage of trade, community standards, industry standards, and customary standards and customary practice or interpretation in matters involving the Service and delivery of similar or dissimilar services shall not serve as references in interpreting the terms and conditions of this Agreement.

25.3 Severability. If any provision of the Agreement is deemed to be illegal, unenforceable, or invalid, in whole or in part, the validity and enforceability of the remaining provisions shall not be affected or impaired and shall continue in full force and effect.

25.4 Counterparts. This Agreement may be executed in one or more counterpart copies, each of equal validity, that together constitute one and the same instrument. Any photocopy or facsimile of this Agreement or any such counterpart is deemed the equivalent of an original and any such facsimiles constitute evidence of the existence of this Agreement.

25.5 Governing Law. All transactions contemplated under this Agreement shall be governed by the laws of the state in which the Equipment is located, without regard to that state's choice of law principles, and expressly excluding application of the Uniform Computer Information Transactions Act ("UCITA"), in any form. EACH PARTY, KNOWINGLY AND AFTER CONSULTATION WITH COUNSEL, FOR ITSELF, IT'S SUCCESSORS' AND ASSIGNS, WAIVES ALL RIGHT TO TRIAL BY JURY OF ANY CLAIM ARISING WITH RESPECT TO THIS AGREEMENT OR ANY MATTER RELATED IN ANY WAY THERETO.

25.6 Amendment. Save and except for items where Philips has retained the right to unilaterally amend the terms of this Agreement, this Agreement may not be amended except by written instrument signed by both parties.

- 25.7** Communication. Notices or other communications shall be given in writing and shall be deemed effective if they are delivered in person or if they are sent by courier or mail to the relevant party.
- 25.8** Choice of Language. This Agreement is drawn up in English pursuant to the formal request of parties. Cette entente a été rédigée en anglais à la demande expresse des deux parties.
- 25.9** Entire Agreement. This Agreement, including all applicable Exhibits as attached hereto, constitutes the entire understanding of the parties and supersedes all other agreements, written or oral, regarding its subject matter. No additional terms, conditions, consent, waiver, alteration, or modification will be binding unless in writing and signed by Philips' authorized representative and Customer. Additional or different terms and conditions, whether stated in a purchase order or other document issued by Customer, are expressly rejected and will not apply to the transactions contemplated by this Agreement. No prior proposals, statements, course of dealing, course of performance, usage of trade or industry standard will be part of this Agreement. The Quotation and the service-specific Exhibits listed on the face of this Agreement, and any associated attachments, are incorporated herein as they apply to the Services listed on the Quotation and their additional terms shall apply solely to Customer's purchase of the Services specified therein. If any terms set forth in an Exhibit conflict with terms set forth in these "General Customer Service Terms and Conditions," the terms set forth in the other Exhibits shall govern with the exception of Section 8 hereof. If any terms set forth in this General Customer Service Terms and Conditions or an Exhibit conflict with terms set forth in the Quotation, the terms set forth in the Quotation shall govern. For avoidance of doubt, a reference to "Imaging" or "Imaging Services" equals a reference to Services to Philips' MRI, CT, AMI, DXR, Ultrasound, or IGT-Systems devices.
- 25.10** Additional Terms. Service-specific exhibits and any associated attachments are incorporated herein as they apply to the Services listed on the Quotation and their additional terms shall apply solely to Customer's purchase of the Services specified therein. If any terms set forth in an exhibit conflict with terms set forth in these Terms and Conditions of Service, the terms set forth in the exhibit shall govern.
- 26. Authority to Execute.**
- 26.1** The parties acknowledge that they have read the terms and conditions of this Agreement, that they know and understand the same, and that they have the express authority to execute this Agreement. This Agreement may be executed in one or more counterpart copies, each of equal validity, that together constitute one and the same instrument. Any photocopy of this Agreement or any such counterpart is deemed the equivalent of an original and any such copy constitute evidence of the existence of this Agreement.

Exhibit 12
Additional Terms and Conditions for Hospital Patient Monitoring Software Evolution Services

1. Services Provided.

1.1 Commencing on the Effective Date of the Agreement and subject to the limitations below, Philips will provide Software Evolution Services (SES) described herein or as otherwise specified on the Quotation(s) for the Sectors, as defined below and identified on the Quotation.

2. Definitions.

2.1 Software Version. Introduces major release of the software available to Customer under this Exhibit.

2.2 Software Update. Provides minor enhancements or improvements to performance, maintainability, and serviceability of the software available to Customer under this Exhibit.

2.3 Software Fix. Corrects an error or bug of the software available to Customer under this Exhibit.

2.4 Sector. A location on a central station where a patient and the related patient equipment is assigned. Often used interchangeably with beds or patients. A Sector is Equipment under this Agreement.

2.5 Node. A device or node refers to an IP addressable network node, which is a configured component of a Philips Patient Monitoring System/Solution.

2.6 Agreement/SES Agreement. All references to "Agreement" or "SES Agreement" refer collectively to the following (and in the event of any conflict between the terms therein, the priority for control, from first to last priority, shall be): the Quotation, this Exhibit, and the Philips Healthcare Service Terms and Conditions.

3. Term.

3.1 For new Monitoring Analytics and Therapeutic Care products installed by Philips, the Agreement term will commence immediately following installation and availability for first patient use. The term of the Agreement is defined in the Quotation and the end date for all sectors will be co-terminus. For existing systems or renewals of existing service contracts, the start and end date of the Agreement shall be defined in the Quotation.

4. Telephone and Remote Support.

4.1 Telephone Support. Telephone and Remote Support coverage is included with all SES Agreements. Technical and Clinical Telephone and Remote Support coverage services are available twenty-four (24) hours per day, seven (7) days per week, including Philips-recognized holidays. Philips Customer Care Support Line Call + 1 800-722-9377.

4.2 Remote Access and Diagnostics. Philips may remotely access any Customer system tied to the Equipment required to perform Services. Customer shall provide Philips remote access to the Equipment.

4.3 On-Site Software Resolution Response. Philips primary method for software services is telephone and Philips Remote Services ("PRS"). Philips, at its sole discretion, may provide on-site software support services to resolve software issues that cannot be resolved through Philips' primary resolution method. On-site service is next business day, Monday through Friday 8:00 AM to 5:00 PM local time, excluding Philips-recognized holidays, and includes labor and travel necessary for the delivery of corrective services. On-site Software Resolution is not an installation service for new products.

4.4 InCenter Access. Philips will provide Customer access to Philips' web-based support tool for the Equipment under this Agreement.

4.5 Online Education. Customer shall be entitled to access those online courses covering core concepts of purchased Philips product/system through the Philips Learning Center. Core concept courses provide orientation to basic system functionality. Access will be terminated at the end of the term of this Agreement.

4.6 Online Portal. The Philips Customer Services Portal is an online portal for customers to self-manage their system requirements and request either service or support.
<https://www.usa.philips.com/healthcare/services/maintenance-services/customer-service-portal>

5. Interface Support.

5.1 Philips supports the DICOM and HL7 communication to and from the Equipment as they exist at the Equipment at the time of installation. In the case of new software versions, Philips shall provide the following:

- 5.1.1** If the Equipment, interoperability mapping engine, or Biomedical device is upgraded to the latest version, Philips will restore inbound and/or outbound communication to the pre-upgrade condition.
- 5.1.2** Philips' interface support does not include the modification of any interface due to interface changes in third-party hardware or software or replacement of Philips interoperability mapping engine product with a different interoperability engine product. In the case of a planned upgrade of the Equipment that involves modifications to the interface specifications, Philips requires that detailed technical information on such modifications be made available to Philips at least ninety (90) days in advance of the planned upgrade. In such a case, Philips shall work with the third party to understand changes in interface specifications and format and may modify and upgrade the Equipment to support such new interface specifications at a schedule and additional cost to be approved by Philips and Customer.

6. Software Versions and Updates.

- 6.1** If a new software version or update is available for the previously purchased software (on a like for like basis as set forth in 6.2 below) which is covered by this Agreement, and the requirements of the Agreement are satisfied, then Philips will install the available software for the Equipment application software during the term of the Agreement as follows: Philips will provide new software versions, updates, and fixes for existing Patient Information Center iX (PIC iX), IntelliBridge Enterprise Interoperability solution (IBE), and bedside monitor applications. When required for the new software version, Philips will provide operating system licenses and database software licenses (SQL) for PIC iX system. OS/SQL is Customer's responsibility unless physical hardware is supplied by Philips for the IBE solution. Unless specified, any other third-party software including, but not limited to, operating system licenses, database software licenses, client access licenses, and anti-virus software is not included. Customer has no right to software that has reached the published end of sale date.
 - 6.1.1** Functionality. Customer is entitled to functionality previously purchased or bundled with the software if available in the version or update released on or after the start date of the Agreement. Customer acknowledges that certain functionality in current and previous software versions may not be available in future new software versions. Customer is not entitled to any package, functionality, or configuration of the software that was available but not previously purchased on a capital basis. This exclusion does not prevent Customer from receiving anything that was moved to the general release available to all customers, or the specific bundle previously purchased by Customer.
 - 6.1.2** Hardware updates and replacement. Software versions, updates, and fixes may require hardware updates or replacement. Customer is responsible for any such hardware updates or replacements unless SES Plus and SES Pro are included in the Quotation. Upgrade installation and clinical support of the installation are not included in the base SES offering and will only be provided if such services are included on the Quotation as set forth below.
- 6.2** To receive new software under this Agreement:
 - 6.2.1** Customer must be in compliance with all terms and conditions of this Exhibit and the Agreement, including the availability of PRS capability and access to the Equipment by Philips personnel;
 - 6.2.2** Customer must identify one (1) Customer representative, in writing to Philips, which will manage and be responsible for Customer's selection and scheduling of new software version installations under this Exhibit; and
 - 6.2.3** The Equipment that will receive the version or update must meet the specifications of the new software version. Customer shall provide the Equipment hardware or software necessary to meet such specifications.
- 6.3** Unless specifically included elsewhere in this Agreement, software versions and updates do not include implementation services, applications that were not purchased with the Equipment, including virus protection software, security patches, custom interface software, operating system software, or software updates of third-party software (e.g., Citrix).
- 6.4** Philips shall have no responsibility to provide software versions or updates for minor software defects that do not impact the intended use of the software or impact patient care.
- 6.5** Customer may not resell, transfer, or assign the right to such versions, updates, or fixes to any third party. All versions and updates provided to the Equipment under this Exhibit are subject to the terms and conditions of this Exhibit, the Agreement, and any license terms and conditions included in the purchase of the product from Philips or later provided to Customer by Philips.

- 6.6 Philips will notify Customer if a new version update or upgrade is available. Customer must accept any updates or upgrades within the term of the Agreement. If the Agreement expires after Customer has accepted the available software covered by this Agreement, then Customer is entitled to receive the offered new software version for up to three (3) months following such expiration. If Customer does not accept the version within term of the Agreement, then Philips is under no obligation to provide such new software.

7. Solutions Review.

- 7.1 During the term of the Agreement, Philips will provide Customer an annual customized review session to provide a deeper understanding, isolate and troubleshoot issues with Customer-configured PIC iX and IBE solution. Review sessions will be scheduled upon Customer request, at a mutually agreeable date and time Monday – Friday, 8:00 AM – 5:00 PM PIC iX System Review sessions will be provided at an off-site location within a reasonable distance of Customer and will include a meal per day per participant. Review Sessions may also be scheduled remotely upon the discretion of either Philips or Customer. Each session will be limited to ten (10) Customer participants and cannot be rescheduled. IBE System Review sessions will be provided to a maximum of eight (8) participants.
- 7.2 The scope, duration, and delivery methodology of the PIC iX System solutions review sessions will vary and will be defined by Philips with input from Customer but will remain in Philips' sole discretion and will not exceed twenty-eight (28) hours in aggregate.

8. PerformanceBridge Focal Point.

- 8.1 During the term of this Agreement, Philips will provide Customer access to the PerformanceBridge Focal Point Licensed Software ("Focal Point"). Access to Focal Point is available to Customer and Philips support personnel working on-site and remotely. Philips will install Focal Point on virtual or physical hardware, pursuant to the system installation and reference guide. Customer will be entitled to all new software versions, updates, telephone (at the number stated in Section 4.1 of this exhibit) and remote support during the term of the Agreement.
- 8.2 License Grant. Subject to any usage limitations for the Focal Point Licensed Software (referred to in this Section 8 as "Licensed Software") set forth on the product description found on the Quotation and license restrictions set forth in this Section 8, Philips grants to Customer a non-exclusive and non-transferable right and license to use the Licensed Software in accordance with the Agreement and this Exhibit (the "License"). The License shall continue for the term of the SES Quotation, except that Philips may terminate the License if Customer is in material breach of this Agreement. In such instance of License termination, Customer shall return the Licensed Software and any authorized copies thereof to Philips immediately upon expiration or termination of this License.
- 8.2.1 The License does not include any right to use the Licensed Software for purposes other than the operation of Philips monitoring products. Customer may not copy, reproduce, sell, assign, transfer, or sublicense the Licensed Software for any purpose without the prior written consent of Philips. Customer shall reproduce Philips' copyright notice or other identifying legends on such copies or reproductions. Customer will not (and will not allow any third party to) decompile, disassemble, or otherwise reverse engineer or attempt to reconstruct or discover the product or Licensed Software by any means whatsoever.
- 8.2.2 The License shall not affect the exclusive ownership by Philips of the Licensed Software or of any trademarks, copyrights, patents, trade secrets, or other intellectual property rights of Philips (or any of Philips' suppliers) relating to the Licensed Software.
- 8.2.3 Customer agrees that only authorized officers, employees, and agents of Customer will use the Licensed Software or have access to the Licensed Software (or to any part thereof), and that none of Customer's officers, employees, or agents will disclose the Licensed Software, or any portion thereof, or permit the Licensed Software, or any portion thereof, to be used by any person or entity other than those entities identified in the Agreement. Customer acknowledges that certain of Philips' rights may be derived from license agreements with third parties, and Customer agrees to preserve the confidentiality of information provided by Philips under such third-party license agreements.
- 8.2.4 The Licensed Software shall be used only on the product(s) covered under this Agreement.
- 8.2.5 Each license hereunder is limited to one instance of Focal Point per Customer site/location included in the Quotation, and each Focal Point instance is limited to 4,000 device/node connections. A device or node refers to an IP addressable network node, which is a configured component of a Philips Patient Monitoring System/Solution. If additional Focal Point instances

are required, determined solely by Philips, they will be provided upon mutual agreement of both parties. If there is more than one (1) site or location, Customer must purchase the appropriate software maintenance coverage for each additional site or location to receive access to the Focal Point license.

- 8.2.6** Customer acknowledges that the Philips Administrator Account of the Licensed Software, and any related login credentials that Philips provides to Customer, shall not be used, and Customer agrees not to so use, for any reason. Instead, the Licensed Software's Philips Administrator Account functionality is for use only by Philips and its authorized service representatives.
- 8.2.7** The Licensed Software shall be used only on the product(s) referenced in the Quotation ("Products"). Customer may transfer the Licensed Software in connection with sale of the Product to a healthcare provider who accepts all of the terms and conditions of this License and Agreement, provided that Customer is not in breach or default of this License, this Agreement, or any payment obligation to Philips.
- 8.2.8** Customer shall return the Licensed Software and any authorized copies thereof to Philips immediately upon expiration or termination of this SES Agreement
- 8.2.9** It is imperative that Customer install and activate Focal Point and connect to Philips Remote Service ("PRS") within ninety (90) days of the date of Agreement execution to ensure OS Patching services. If Customer declines/delays Focal Point installation or defers any OS Patching cycle(s), Philips requests a Customer signature on the associated approved Philips document to confirm their awareness and acceptance of a cybersecurity event risk. Customer will be charged time and material for any onsite OS patching services provided by Philips during this period of declined/delayed Focal Point installation.
- 8.3** Modifications. If Customer modifies the Licensed Software in any manner, all warranties associated with the Licensed Software shall become null and void. This does not apply to patches or software updates provided by Philips to Customer. If Customer or any of its officers, employees, or agents should devise any revisions, enhancements, additions, modifications, or improvements in the Licensed Software, Customer shall disclose them to Philips, and Philips shall have a non-exclusive royalty-free license to use and to sub-license them.
 - 8.3.1** The Licensed Software is licensed to Customer on the basis that (a) Customer shall maintain the configuration of the products as they were originally designed and manufactured and (b) the product includes only those subsystems and components certified by Philips. The Licensed Software may not perform as intended on systems modified by anyone other than Philips or its authorized agents, or on systems which include subsystems or components not certified by Philips. Philips does not assume any responsibility or liability with respect to unauthorized modification or substitution of subsystems or components.
 - 8.3.2** Application Patches. From time-to-time, the Licensed Software may require the remote installation of certain application updates, upgrades, or enhancements to properly maintain the application in accordance with Philips' specifications ("Application Patches"). Working with Customer, Philips reserves the right to manage all Application Patches. These Application Patches will be sent remotely and securely to Customer's premise by means of Philips' Remote Services Gateway. If not deployed, Philips will be prevented from remotely installing such Application Patches to properly maintain the application in accordance with Philips' specifications.
 - 8.3.3** OS Patches. Focal Point will periodically synchronize with a remote HSDP-based master Window Server Update Services (WSUS) server as defined within the Microsoft WSUS documentation. This synchronization is required for the Focal Point OS Patching feature to maintain an updated list of which Microsoft OS patches have been qualified by Philips and is required for the Focal Point OS Patching feature to function. Philips will provide validated Microsoft operating system patches available for the Philips PIC iX system(s) and IBE. Customers can choose the frequency and the timing to apply the validated patches based upon their risk profile.
- 8.4** Processing of Personal Data. Other than as set out in Section 8.3 herein, in the event that Customer requests Philips to do so, Philips will process Personal Data only on instruction of Customer as set out in the Agreement and/or other communications made by Customer to Philips (where such instructions are consistent with the terms of the Agreement), unless otherwise required by applicable law ("Instruction(s)"). Customer warrants (a) that its Instructions will comply with applicable law including in relation to the protection of Personal Data and (b) that its Instructions will not cause Philips to

violate applicable law. "Personal Data" means the information relating to an identified (or identifiable) individual, and collected, received, generated or otherwise obtained or processed by Philips in relation to or in the context of the Agreement or the relationship with Customer.

8.4.1 Instructions to Philips. The Licensed Software will collect and aggregate machine-to-machine data which may include certain Personal Data (e.g., IP addresses) ("Machine Data"). Customer hereby instructs Philips to process Personal Data (to the extent Personal Data is included in the Machine Data) for or in relation to performing the Services to Customer and other obligations under this Agreement, and as necessary to comply with other reasonable instructions provided by Customer where such Instructions are consistent with the terms of this Agreement. Customer represents and warrants to Philips that, prior to activation of the Philips' remote access to Customer's IT network: (1) Customer has the right and the authority to provide the Personal Data to Philips for Philips' use of such data pursuant to this Agreement, including cross-border transfers; (2) Customer has provided any required notices and obtained any required consents from individuals as required by applicable law to collect and process their Personal Data (which may include medical and health data); (3) Customer is fully and solely responsible for the accuracy, legality and consistency of the Personal Data it provides to Philips, and (4) Customer's provision to Philips of the Customer Data and Philips' use of Personal Data pursuant to this Agreement will not violate any applicable law, or privacy policy.

8.4.2 Inability to Provide Data. Customer will notify Philips without undue delay if Customer becomes aware that Customer is unable to meet its obligations under this Section 8. In such cases, Philips will work with Customer in good faith to determine whether and how to deliver the Services.

8.4.3 Protection of Data. Philips will take appropriate commercially reasonable technical and organizational measures to protect the Personal Data, at a level appropriate to the risk, of accidental or unlawful destruction, loss, alteration, unauthorized disclosure or access during the processing.

8.5 Use of Machine Data. Philips acknowledges and agrees that Customer owns all Machine Data. Customer hereby licenses the Machine Data to Philips for use, processing, and aggregation consistent with this Agreement. Philips' usage will be solely in a primary usage manner to deliver functionality and services to Customer, which includes but is not limited to the aggregation and processing of Machine Data to enable users of the License Software (including Philips) to see statistical and reporting information and to troubleshoot problems that may arise. Customer acknowledges that it can access and copy Machine Data at any time through the Licensed Software application, and that Customer may request in writing that Philips delete the Machine Data.

9. Additional Terms for Technology Refresh Entitlements.

The following are additional cost options, paid services at time of quotation.

9.1 SES Plus.

9.1.1 If included in the Quotation and subject to 9.1.2, and if required for a Philips Patient Information Center iX (PIC iX) software release that is available to Customer through the SES Agreement, Philips will provide Customer with new personal computers (PCs) which run the PIC iX application. For the purpose of this provision, "if required" means PCs do not meet the minimum requirements of a release as specified in the Philips Technical Data Sheet accompanying the software release.

9.1.2 This SES Plus hardware entitlement is a stand ready obligation for releases subsequent to the first major release or version provided to Customer under the SES Agreement. As such, Customer PCs must meet the requirements of the first major release or version, or Customer must upgrade its PCs to meet such requirements via separate capital purchase. Under no circumstances may Customer receive PCs under this entitlement in the first twelve (12) months following the effective date of the Agreement.

9.1.3 If Customer selects SES Plus entitlement, all Sectors under this Agreement shall be charged for this entitlement.

9.2 SES Pro.

9.2.1 If included in the Quotation and subject to 9.2.2, and if required for a Philips Patient Information Center iX (PIC iX) software release that is available to Customer through the SES Agreement, Philips will provide Customer with new PCs and Physical Servers for PIC iX application. For the purpose of this provision, "if required" means PCs and Physical Servers do not meet the minimum requirements of a release as specified in the Philips Technical Data Sheet accompanying the software release.

- 9.2.2** This SES Plus hardware entitlement is a stand ready obligation for releases subsequent to the first major release or version provided to Customer under the SES Agreement. As such, Customer PCs and Physical Servers must meet the requirements of the first major release or version, or Customer must upgrade its PCs or Physical Servers to meet such requirements via separate capital purchase. Under no circumstances may Customer receive PCs or Physical Servers under this entitlement in the first twelve (12) months following the effective date of the Agreement.
- 9.2.3** If Customer selects the SES Pro entitlement, all Sectors under this Agreement shall be charged for this entitlement.

10. Customer Success Management Services.

- 10.1** During the term of the Agreement Philips will assign a Customer Delivery Manager familiar with Customer account, key stakeholders, and contract coverage to provide the following:
- 10.1.1** Philips will schedule and deliver a remote coverage and status review meeting annually, at a mutually agreeable date and time. The status meeting will focus on available entitlements and planning. The status review may outline all Equipment service issues resolved during the previous period and review any open or unresolved issues.
- 10.1.2** Prior to delivering any new software version, Philips will coordinate with Customer assigned resource to identify and mitigate dependencies relative to the software upgrade and other service agreement entitlements.
- 10.1.3** The parties will develop a dependency mitigation plan to address resource needs, hardware needs, operating system requirements, interoperability, and other dependencies for the deployment of new software upgrade.

11. True-Up For Sectors Added After initial Quotation.

- 11.1** Customers without SES Plus or SES Pro. Philips and Customer will review annually the Sectors covered by the Agreement to match the number of Sectors actually installed at Customer's Site(s). Philips will automatically update Customer invoice to match the current Sectors installed on the True Up date on a go forward basis. To effectuate this update, Philips shall issue a new Quotation and Customer shall issue an updated PO covering any additional Sectors. Philips has no responsibility to Service systems not listed on the then-current Quotation.
- 11.2** Customers with SES Plus or SES Pro. Philips and Customer will review the Sectors covered by the Agreement each time Customer adds a new Sector to the Agreement. Philips will automatically update Customer invoice to match the current Sectors installed. To effectuate this update, Philips shall issue a new Quotation and Customer shall issue an updated PO covering any additional Sectors. Philips has no responsibility to Service systems not listed on the then current Quotation.

12. Test System.

- 12.1** Philips will provide software versions for an off-line test system ("Test System"). The Test System is not to be used in a production environment or to provide patient care. No additional services will be provided hereunder for the Test System. Initial capital purchase of Test System licenses and hardware is Customer's responsibility.
- 12.2** Customer shall be entitled to one (1) virtual off-line test system ("Virtual Test System"). The Virtual Test System is not to be used in a production environment or to provide patient care. Software and all future versions will only be installed by Philips during an ongoing upgrade project for PIC iX. Requests by Customer outside an ongoing upgrade project for PIC iX shall be at an additional cost, subject to resource availability.

13. Fetal Monitors.

- 13.1** New software versions for Fetal Monitors will be installed by Philips during an ongoing upgrade project for PICs or MP/MX bedsides, when a new version is made commercially available. Education and Support for Fetal Monitoring is not included, and if required, Customer must purchase Clinical Services.

14. Vital Signs.

- 14.1** Philips will only provide new software for the Vital Signs and VM monitors specified below on a like for like basis with Customer's existing configuration and features. Philips will not provide any installation labor or Clinical Services to upgrade Vital Signs monitors. Installation of all Vital Signs monitor software will be Customer's responsibility. Vitals Signs software provided under this Agreement is limited to VS30 via Incenter, VS3/VS4, VM, VSI and VS2+ monitors only. Any new

configuration and features must be purchased on a capital basis and will then be updated under this Agreement.

- 14.2** The upgrade part numbers available under this Agreement are listed below. For any Vital Signs models not listed below, Customer must download the software from Philips Incenter. 863089 – SureSigns VM Software Upgrade Kit
863090 – SureSigns VS3 Software Upgrade Kit
863295 – SureSigns VSI, VS2+ Software Upgrade Kit

15. PIC iX Data Warehouse Connect (DWC).

- 15.1** New software versions for DWC will only be installed and are included by Philips during an ongoing upgrade project for PIC iX. Customers who wish to install a new version of DWC outside the PIC iX implementation cycle will need to pay an additional implementation fee. Customer must purchase the original DWC license to be covered by this Agreement.

16. (Event Notification) Event Management System for Enterprise Mobility Solutions.

The following are additional cost options, paid services at time of quotation.

- 16.1** If included in the Quotation, new software versions for CareEvent (Event Notification) will only be installed by Philips during an ongoing upgrade project for PICs iX. Customer must meet minimum requirements for PIC iX Revision 4.x or higher. Requests by Customer outside an ongoing upgrade project for PIC iX shall be at an additional cost, subject to resource availability.

17. Antivirus Management Services.

The following are additional cost options, paid services at time of quotation.

- 17.1** Antivirus Essential. If included in the Quotation and subject to Exhibit 26 - Additional Terms and Conditions for Patient Monitoring Antivirus Management Services With Software Evolution Services, Philips Antivirus Management services protects selected Philips medical products with a Philips validated antivirus solution to detect and respond to the occurrence of a cybersecurity event. Customers' IT Security Operations Center will be immediately informed by email when a virus has been detected and can access a state-of-the-art management console to monitor all endpoint security alerts in an easy and unified way.
- 17.2** Antivirus Plus. If included in the Quotation and subject to Exhibit 26 Additional Terms and Conditions for Patient Monitoring Antivirus Management With Services With Software Evolution Services, Philips Antivirus Management services protects selected Philips medical products with a Philips validated antivirus solution to detect and respond to the occurrence of a cybersecurity event. The Philips Security Operation Center will monitor all Customer endpoints protected with this service. In case of virus detection, Philips will provide incident response and remediation actions in order to expedite the restoration of any capabilities or services that were impaired due to the cybersecurity incident.

18. Biomedical Technical Education and Training for Hospital Patient Monitoring.

The following are additional cost options, paid services at time of quotation.

- 18.1** If included in the quotation, Philips will provide technical training for customer's in-house, biomedical engineering teams. Customer is entitled to the number of courses purchased. Course vouchers expire 3 years from date of issue or by end of contract term, whichever occurs first. Current course schedules and descriptions can be found on the Philips Learning Center website: <https://www.learningconnection.philips.com/en/catalog/profession/biomedical-engineers/monitoring>

19. System Healthcheck.

- 19.1** During the term of the Agreement Philips will provide one (1) on-site visit per contract year, scheduled Monday through Friday between 8:00 AM – 5:00 PM, to evaluate Equipment and network health and compatibility. The entitlement under this section is specifically designed to work in conjunction with each year's SES Services and cannot be carried over to future contract years. Following each annual visit, Philips will provide Customer a report with recommendations relative to the Equipment.

20. Clinical Implementation Services.

The following are additional cost options, paid services at time of quotation.

- 20.1** If included in the Quotation, Philips will provide implementation (virtually or on-site as necessary) services for new versions or updates that Customer is entitled to receive under this Agreement, at a time mutually agreed to by Philips and Customer. Scope, duration, and delivery methodology of the clinical support of installation and clinical education will vary by new version, update, or fix and will

be defined by Philips at Philips' sole discretion. Customer will provide a project lead to ensure Customer responsibilities for the Clinical Implementation Services projects are completed.

- 20.2** After Hours Support. If included in the quote, Clinical Implementation after hour support will be provided between the hours of 7 PM – 7 AM, including weekends and holidays if needed.
- 20.3** Go-Live Support. Philips will provide clinical go-live support (onsite, remote or a combination thereof) during the implementation for new version upgrades and updates. Go-live support will be scheduled between 7:00 AM – 7:00 PM Monday through Friday, relative to the new software version. Customer may request additional go-live support, or go-live support outside of standard hours, at an additional cost.
- 20.4** Clinical Education. Clinical services will be scheduled (onsite, remote or a combination thereof) between 7:00 AM – 7:00 PM Monday through Friday, relative to the new software version. Customer may request additional clinical education or clinical education outside of standard hours from the assigned Philips clinical consultant, at an additional cost.
- 20.4.1** Clinical Education class size is limited to ten (10) participants;
- 20.4.2** Customer will provide a suitable location for on-site classroom education; and
- 20.4.3** Customer will provide full and free access and use of the Equipment for education.
- 20.5** Equipment Configuration. Configuration services will be scheduled (onsite, remote or a combination thereof) between 7:00 AM – 7:00 PM Monday through Friday, as coordinated with the assigned Philips clinical consultant, and are limited to the new software version implementation. Customer will provide access and use of their equipment. Configurations are based on current monitoring solution. If expert screen services are required, as determined solely by Philips, they are available at an additional cost.
- 20.6** User Acceptance Testing. Following implementation of a new software version or Equipment Configuration services. Philips and Customer will perform user acceptance testing. Philips will provide Customer with an electronic copy of the resultant configuration files and reports.
- 20.7** Scheduling. Customer must schedule all Clinical Implementation Services, except Online Education, at least ten (10) weeks prior to the desired date for Philips to deliver the applicable service. If Customer representative does not schedule the Clinical Implementations Services with Philips in accordance with this Exhibit, then Philips shall not be obligated to perform such Clinical Services.
- 20.8** Travel Expenses. Unless otherwise stated in the Quotation, Philips' travel expenses for all Clinical Implementation Services delivered at Customer site are included in the price described in the Agreement.

21. Clinical Advanced Services.

The following are additional cost options, paid services at time of quotation.

- 21.1** If included in the quotation, Philips will provide a set number of Clinical Advanced Services projects, based on the contract term as outlined in the table below. These projects will be coordinated by Philips Clinical Professional Services (CPS) team with input from the Philips Clinical Lead.

SES Contract Term in Years	Maximum number of Projects
4	2
5	3
6-7	4
8-9	5
10	6

- 21.2** The CPS team will initiate the Clinical Advanced Services projects with Customer to define the journey map and outline/agree upon the project goals.
- 21.3** Customer will provide a project lead to ensure Customer responsibilities for the Clinical Advanced Services projects are completed. Customer responsibilities include but are not limited to 1) scheduling observations, meetings, and events; 2) scheduling staff interviews; 3) assisting with data gathering; and 4) scheduling report-out meetings.
- 21.4** Clinical Advanced Services projects will be mutually determined by Customer's designated lead and the Philips CPS Clinical Lead. A project is scoped by practice area and includes a maximum of two (2) planned goals. Specific details regarding the types of such projects are available to customers from their Philips clinical consultant.

22. Advanced Technology Service.

The following are additional cost options, paid services at time of quotation.

- 22.1** If included in the Quotation, Philips will provide on-site installation services for new versions that Customer is entitled to receive under this Agreement, at a time mutually agreed to by Philips and Customer, Monday through Friday between 8 AM and 5 PM, excluding Philips holidays.
- 22.2** For full version upgrade and update projects, Philips Project Manager, Field Service Engineer FSE, Network Engineer, and Integration Engineer will provide remote or on-site consultative advisory services as needed.
- 22.3** Philips technical resource will provide consultative advisory services may be provided up to two (2) times per contract year either on-site or remote, as determined by Philips, based upon Customer need.
- 22.4** If purchased with this Agreement, Philips will provide on-site installation of validated Microsoft operating system patches available for the Philips PIC iX system(s) and IBE up to four (4) times per contract year. Additionally, Philips will also provide up to two (2) on-site visits per contract year for emergency patch support, as determined by Philips. PIC iX system(s) and IBE are the only elements for this entitlement other elements (e.g., Cisco switches) are NOT included in the patching provisions of the SES, and if Customer wants Philips to patch the switches, it will be done via time and material quote. OnSite MS OS Patching Services available Monday through Friday 8:00 AM to 5:00 PM local time, excluding Philips-recognized holidays, and includes labor and travel necessary for the delivery of services. Requests for afterhours onsite support will be charged for labor and material. Customer assumes all potential risks if they delay or decline one of their on-site installation of patches.
- 22.5** Philips will support Customer physical server to virtual server upgrade process at the same time as any PIC iX upgrade. Requests outside of this cadence will be billed on a time and material basis.

23. Customer Responsibilities.

- 23.1** System Administrator. Customer shall designate an individual(s) to serve as Customer system administrator ("System Administrator") and an alternate, who will serve as Philips' primary support contacts. These individuals should be familiar with all aspects of training provided by Philips, including end-user and system administrator training. In addition, the System Administrator shall maintain the integrity of the Equipment operation and ensuring that proper backup procedures are in place as outlined in the System Installation and Reference Guides.
- 23.2** Remote Access. Customer must provide necessary uninterrupted remote access, required information, and support for the Equipment to connect to Philips Remote Service ("PRS"). PRS is the basis for Services delivered under this Exhibit. Customer waives all rights to services and service deliverables under this agreement unless PRS connectivity is enabled and maintained.
- 23.3** Security. Customer is solely responsible for providing adequate security to prevent unauthorized Equipment access to Philips (or its third-party vendors) proprietary and confidential information.
- 23.4** Software Version Levels. Customer must maintain the Equipment at a currently supported version to receive support under this Exhibit.
- 23.5** Hardware Revision Levels. Customer must maintain all associated Equipment hardware, firmware, and middleware at the required revision levels for the software version. To receive software versions and updates, Customer must maintain all associated hardware to the then-current specification for the software versions and updates.
- 23.6** Data Reconstruction. Customer shall follow the recommended back-up processes as outlined in the Equipment Installation or Reference Guide. Customer is responsible for the reconstruction, restoration, retrieval, or recovery of any lost or altered patient records, files, programs, or data. Philips is not responsible for the reconstruction, restoration, retrieval, or recovery of any lost or altered files, data, or programs.
- 23.7** Intermediate Resolutions. Customer shall implement any intermediate resolutions or workarounds as requested by Philips while Philips seeks a long-term resolution.

24. Service Limitations.

- 24.1** Software Restoration. If the software fails and the supported application software requires restoration, then Philips will reinstall the application software, database software, and operating system to the revision level that existed prior to the malfunction or failure and Philips will attempt to reinstall Customer-created data backup. If Customer-created data backup cannot be used to re-install any data to the Equipment, Customer will hold sole responsibility for the loss of data. Custom or third-party software, custom database configurations or reports, and Customer-written product interfaces are not included. If an Equipment failure is attributed to hardware not supported under the

Agreement, Customer shall restore the software, operating system, and database software before Philips begins any software restoration efforts.

24.2 Anti-Virus Statement. Philips software is a computer-based medical product and, therefore, may be subject to attack by outside computer viruses. The software required to prevent attack by a computer virus must be constantly monitored and updated. Customer shall install and maintain its own anti-virus software in accordance with the Equipment Installation or Reference Guide. Philips shall use reasonable efforts to notify Customer if Philips becomes aware of any virus in the software licensed to Customer under this Agreement.

24.3 Non-Philips Software Assistance. Requests for assistance with hardware, operating systems, communications network, third-party software, printer configuration, etc., are outside the scope of this Agreement.

25. **Exclusions.

In addition to the Service Exclusions set forth in the Agreement, the following Service Exclusions apply to the applicable Monitoring Analytics and Therapeutic Care Services.

25.1 Any combining of the Equipment with a non-qualified device. A non-qualified device is:

25.1.1 **any product (hardware, firmware, software, or cabling), whether used internal or external to Equipment which does not meet Philips' product specifications. Examples include, software patches, security fixes, and service packs from the operating system, web browser, or database software manufacturer(s);

25.1.2 any product supplied by Philips that has been modified by Customer or any third party;

25.1.3 any product maintained under this Agreement in which Customer does not allow Philips to incorporate engineering improvements; and

25.1.4 any product that has reached its End of Life.

25.2 Operating system software issues that manifest themselves in non-performance of another installed application and affect use or performance of the Equipment.

25.3 If the Equipment covered by this Exhibit is software only, then notwithstanding anything to the contrary in the Agreement or this Exhibit, network, hardware and parts are not included in the Services.

25.4 Any network related problems.

25.5 The cost of Consumables, software media, and cassettes.

26. Joint Marketing Plan.

26.1 Philips agrees to provide reasonable assistance to Customer in marketing the benefits of the Services in accordance with a joint marketing plan to be mutually developed within eighteen (18) months of the Effective Date. Philips and Customer agree that each respective marketing team will work collaboratively and gain joint approval prior to marketing the partnership.

26.2 Customer agrees that Philips may reference Customer as a Philips customer, subject to Customer's trademark and logo usage guidelines provided by Customer.

26.3 Customer agrees that occasionally, after Customer review, Philips may issue a customer quote, case study and/or joint press release.

26.4 Customer agrees that Philips may request Customer to participate in Key Opinion Leader (KOL) activities subject to Customer's availability, Customer's internal policies, and Philips policies and procedures. KOL activities may include jointly delivering papers, training of Philips sales team, industry education, presenting in webinars and/or participating in panel discussions for tradeshow events.

27. Customer Contact.

27.1 Customer will designate an individual, as may be updated from time-to-time, who will act on its behalf to work with Philips and coordinate Customer's SES entitlements during the Agreement. Customer will provide Philips such delegate's name, title, phone number, and e-mail address.

28. License and Warranty for Software Licensed as Part of this Agreement.

Excluding Focal Point, all software provided to Customer under this Agreement (specifically excluding all software which Customer has access to without this Agreement which remains subject to its original terms of purchase) is subject to the following license terms.

28.1 License Grant.

28.1.1 Subject to any usage limitations for the Licensed Software set forth on the product description of the Quotation, Philips grants to Customer a nonexclusive and non-transferable right and license to use the computer software package ("Licensed Software") in accordance with the terms of the Quotation and these Terms and Conditions. The License shall continue for as long

as Customer continues to own the product, except that Philips may terminate the License if Customer is in breach or default of these Terms and Conditions and/or the Quotation. Customer shall return the Licensed Software and any authorized copies thereof to Philips immediately upon expiration or termination of this License.

28.1.2 The License does not include any right to use the Licensed Software for purposes other than the operation of the product. Customer may make one copy of the Licensed Software in machine-readable form solely for backup purposes. Philips reserves the right to charge for backup copies created by Philips. Except as otherwise provided under Section 28.1.6, Customer may not copy, reproduce, sell, assign, transfer, or sublicense the Licensed Software for any purpose without the prior written consent of Philips. Customer shall reproduce Philips' copyright notice or other identifying legends on such copies or reproductions. Customer will not (and will not allow any third party to) decompile, disassemble, or otherwise reverse engineer or attempt to reconstruct or discover the product or Licensed Software by any means whatsoever.

28.1.3 The License shall not affect the exclusive ownership by Philips of the Licensed Software or of any trademarks, copyrights, patents, trade secrets, or other intellectual property rights of Philips (or any of Philips' suppliers) relating to the Licensed Software.

28.1.4 Customer agrees that only authorized officers, employees, and agents of Customer will use the Licensed Software or have access to the Licensed Software (or to any part thereof), and that none of Customer's officers, employees, or agents will disclose the Licensed Software, or any portion thereof, or permit the Licensed Software, or any portion thereof, to be used by any person or entity other than those entities identified on the Quotation. Customer acknowledges that certain of Philips' rights may be derived from license agreements with third parties, and Customer agrees to preserve the confidentiality of information provided by Philips under such third-party license agreements.

28.1.5 The Licensed Software shall be used only on the product(s) referenced in the Quotation.

28.1.6 Customer may transfer the Licensed Software in connection with sale of the product to a healthcare provider who accepts all of the terms and conditions of this License; provided that Customer is not in breach or default of this License, the Terms and Conditions of Sale, or any payment obligation to Philips.

28.2 Modifications.

28.2.1 If Customer modifies the Licensed Software in any manner, all warranties associated with the Licensed Software and the products shall become null and void. Customer installation of Philips issued patches or updates shall not be deemed to be modification. If Customer or any of its officers, employees, or agents should devise any revisions, enhancements, additions, modifications, or improvements in the Licensed Software, Customer shall disclose them to Philips, and Philips shall have a non-exclusive royalty-free license to use and to sub-license them.

28.2.2 The Licensed Software is licensed to Customer on the basis that (a) Customer shall maintain the configuration of the products as they were originally designed and manufactured and (b) the product includes only those subsystems and components certified by Philips. The Licensed Software may not perform as intended on systems modified by other than Philips or its authorized agents, or on systems which include subsystems or components not certified by Philips. Philips does not assume any responsibility or liability with respect to unauthorized modification or substitution of subsystems or components.

28.3 Stand-alone Licensed Software. For a period of ninety (90) days from the date Philips makes Stand-alone Licensed Software available for first patient use, such Stand-alone Licensed Software shall substantially conform to the technical user manual that ships with the Stand-alone Licensed Software. "Stand-alone Licensed Software" means sales of Licensed Software without a contemporaneous purchase of a server for the Licensed Software. If Philips is not the installer of the Stand-alone Licensed Software, the foregoing warranty period shall commence upon shipment.

28.4 Philips' sole obligations and Customer's exclusive remedy under any product warranty are limited, at Philips' option, to the repair or the replacement of the product or a portion thereof within thirty (30) days after receipt of written notice of such material breach from Customer ("Product Warranty Cure Period") or, upon expiration of the Product Warranty Cure Period, to a refund of a portion of the purchase price paid by Customer, upon Customer's request. Any refund will be paid to Customer when the product is returned to Philips. Warranty service outside of normal working hours (i.e., 8:00 AM –

5:00 PM, Monday through Friday, excluding Philips' observed holidays), will be subject to payment by Customer at Philips' standard service rates.

28.5 This warranty is subject to the following conditions: the product: (a) is to be installed by authorized Philips representatives (or is to be installed in accordance with all Philips installation instructions by personnel trained by Philips); (b) is to be operated exclusively by duly qualified personnel in a safe and reasonable manner in accordance with Philips' written instructions and for the purpose for which the products were intended; and, (c) is to be maintained and in strict compliance with all recommended and scheduled maintenance instructions provided with the product and Customer is to notify Philips immediately if the product at any time fails to meet its printed performance specifications. Philips' obligations under any product warranty do not apply to any product defects resulting from improper or inadequate maintenance or calibration by Customer or its agents; Customer or third party supplied interfaces, supplies, or software including without limitation loading of operating system patches to the Licensed Software and/or upgrades to anti-virus software running in connection with the Licensed Software without prior approval by Philips; use or operation of the product other than in accordance with Philips' applicable product specifications and written instructions; abuse, negligence, accident, loss, or damage in transit; improper site preparation; unauthorized maintenance or modifications to the product; or viruses or similar software interference resulting from connection of the product to a network. Philips does not provide a warranty for any third-party products furnished to Customer by Philips under the Quotation; however, Philips shall use reasonable efforts to extend to Customer the third-party warranty for the product. The obligations of Philips described herein and in the applicable product-specific warranty document are Philips' only obligations and Customer's sole and exclusive remedy for a breach of a product warranty.

28.6 THE WARRANTIES SET FORTH HEREIN AND IN PHILIPS' WARRANTY DOCUMENT WITH RESPECT TO A PRODUCT (INCLUDING THE SOFTWARE PROVIDED WITH THE PRODUCT) ARE THE ONLY WARRANTIES MADE BY PHILIPS IN CONNECTION WITH THE PRODUCT, THE SOFTWARE, AND THE TRANSACTIONS CONTEMPLATED BY THE QUOTATION, AND ARE EXPRESSLY IN LIEU OF ANY OTHER WARRANTIES, WHETHER WRITTEN, ORAL, STATUTORY, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF NON-INFRINGEMENT, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. Philips may use refurbished parts in the manufacture of the products, which are subject to the same quality control procedures and warranties as for new products.

29. Philips IntelliVue Products.

29.1 The following applies in the event Customer elects to use the Philips IntelliVue Information Center on its general network versus dedicating a separate IntelliVue Clinical Network to support the communication between the Philips IntelliVue Information Center and the Philips IntelliVue bedside Vital Signs Patient Care Monitors:

29.1.1 The Philips IntelliVue Information Center is a secondary vital signs monitoring tool that is used by Customers to monitor the activity arising from alarms that sound from a Vital Signs Patient Care Monitor at the patient bedside. Philips advises that the likelihood of network or bandwidth outages is generally greater when using a medical device on a general network vs. a network dedicated solely to its use. In the event of a network or bandwidth outage were to directly affect the Philips IntelliVue Information Center's ability to communicate with a bedside Monitor, the Philips IntelliVue Information Center would not be available to get real time alarm information from a bedside Monitor. Accordingly, Customer is reminded that its nursing protocols at the patient room floor must be based on using the Philips bedside Monitor, at all times, as the primary medical device to use and respond to, for monitoring patient's vital signs at the patient bedside.

29.1.2 Philips does not sell anti-virus software with these products. Customer bears the sole responsibility to purchase and manage all virus issues in connection with the products. Use of anti-virus in a manner not recommended in the user manual or without patch validation with Philips is Customer's sole responsibility or risk.

29.1.3 Philips IntelliVue Information Center. PIIC iX supports multiple antivirus solutions. See the document PIIC iX and PIIC Antivirus Software Use and Configuration Guide for details.

Justification for Sole Source Form

To: Contract Review Committee

From: Carla Spencer, Administration

Type of Purchase: (Check One)

- ☐ Non-Medical, Non-Surgical Equipment/Supplies >= \$25,000
☐ Data Processing/Telecommunication Goods >= \$25,000
☐ Medical/Surgical – Supplies/Equipment >= \$25,000
☒ Purchased Services >= \$350,000

Total Cost \$:	\$782,944.80
Vendor Name:	Philips Healthcare
Agenda Item:	

Statement of Need:

Describe how this selection results in the best value to SVMHS. See typical examples below.

☐ Licensed or patented product or service. No other vendor provides this. Warranty or defect correction service obligations of the consultant. **Describe.**

☒ Existing SVMHS equipment, inventory, custom-built information system, custom built data inventory system, or similar products or programs. **Describe.** The Philips SES is a proprietary service to the current Philips monitoring system we are currently using.

☐ Uniqueness of the service. **Describe.**

☐ SVMHS has established a standard for this manufacturer, supplier or provider and there is only one vendor. **Describe.**

☐ Factory-authorized warranty service available from only this single dealer. Sole availability at the location required. **Describe.**

☐ Used item with bargain price (describe what a new item would cost). **Describe.**

☐ Other -The above reasons are the most common and established causes for an eligible sole source. If you have a different reason, please **describe:**

By signing below, I am attesting to the accuracy and completeness of this form.

Submitter Signature _____ Date: _____

Board Paper: Finance Committee

Agenda Item: Consider Recommendation for Board of Directors Approval of a ‘Nurse Call – Phase 3 Upgrade’ Project, and for purchase of a medical equipment package of replacement nurse call components in support of a code compliant nurse call system in the SVH Medical Center.

Executive Sponsor: Clement Miller, Chief Operating Officer

Date: December 13, 2024

Executive Summary

The Nurse Call system is required by California Building Code and provides a critical communication service for patient care, and it allows the care team to activate the Code Blue response team with the push of a button. Without a fully functioning Nurse Call system, patients may not occupy an inpatient room. The Nurse Call system slated for upgrade is no longer supported by Baxter/Hillrom. There are two ICU rooms for which the Nurse Call system has failed, Engineering has patched-in two temporary wireless nurse call units from a different manufacturer so that patients may occupy the rooms where the Hillrom system has failed.

To date SVH has completed two of three planned phases to upgrade the Nurse Call system throughout the medical center building. The approved FY 2025 budget includes \$2,772,043 for this project, to be disbursed over 3 years. Phase 3 areas to upgrade include Labor & Delivery, Obstetrical ED, Mother/Baby, 2nd Floor ORs, Surgery, Intensive Care, Endoscopy, Cath Lab, Cardiology, and Diagnostic Imaging. Design work for ‘Phase 3’ activity is underway with the authority of a CEO ‘project starter’ authorization.

Facilities/Engineering is requesting purchase of the 3rd phase equipment package in calendar year 2024 to secure a package price reduction that will no longer be available if the package was purchased after January 1, 2025. Note: As indicated below, PO issuance in December 2024 captures beneficial pricing, actual disbursement of funds for the purchase is anticipated in FY2026.

Pillar/Goal Alignment

✓ Service ✓ People ✓ Quality Finance Growth Community

Financial Implications

Key Contract Terms	Hillrom
1. Proposed effective date	Procurement anticipated by December 27, 2024
2. Term of agreement	As negotiated by Materials Management
3. Renewal terms	N/A – lump sum equipment package
4. Equipment Package Cost	\$1,580,832.91 Includes taxes, installation, software license & software support maintenance
5. Budgeted	Yes, FY25 Approved Budget includes \$2,772,043 allocation for Project
6. Spend Projection	FY 2025: \$350,000. FY 2026: \$2,000,000. FY 2027: \$422,043.

Schedule: Winter 2024 – Procurement of equipment and development of HCAI permitting documents.
 Spring 2025 – HCAI permit issuance & contractor bidding
 Summer 2025 – Commence phased construction activities, work to continue through FY26.

Recommendation

Consider recommendation for Board of Directors to approve a ‘Nurse Call Phase 3’ Project in the amount of \$2,772,043, and the purchase of a component package per Hillrom proposal dated 12/13/2024 in the amount of \$1,580,832.91

Attachments

Attachment 1: HillRom Proposal QWAQ5715-07, dated 12/13/2024
Attachment 2: Project Budget – At Pre-Design/Equipment Purchase 12/13/24
Attachment 3: Sole Source Justification



Project Name:
Voalte Nurse Call for units as indicated

Salinas Valley Memorial Healthcare System
450 E ROMIE LN

SALINAS, CA 93901

Hillrom provides safe effective products and services of the highest possible quality on a timely basis that meet or exceed the requirements and expectations of its customers and patients, and that are in compliance with applicable international, federal, state, and local regulations. Our unique market position allows for integration of our products, providing enhanced customer value. Since the inception of Hillrom, our sole focus has been on the healthcare industry. All of our 6,700+ nationwide Hillrom associates make vital contributions to patients and caregivers worldwide by developing and delivering innovative solutions that improve the quality and dignity of patient care through a customized combination of people, products, and services.

Our portfolio includes:

- Care Communications (nurse call, device connectivity)
- Patient Support Systems (frames, surfaces, stretchers)
- Architectural Products (surgical columns, lighting)
- Healthcare Furniture (recliners, sleepers, seating, cabinets and overbed tables)
- Patient Handling Solutions (lifts, accessories)
- Medical Equipment Rentals
- Clinical Programs and Services

To explore our complete portfolio, please visit our website: www.hillrom.com

FINANCING OPTIONS NOW AVAILABLE, please contact your Hillrom sales representative for more information.

Travis McIntosh, PMP
Care Communications Executive
Mobile 805.428.4640
travis_mcintosh@baxter.com

Account Number	607949
Proposal Number	QWAQ5715-07
Proposal Date	12/13/2024
Expiration Date	12/20/2024
Prepared By	Michael Hill

Voalte Nurse Call - add to existing enterprise

Proposal does not include devices required as a result of HCAI/OSHPD Field Staff comments. Hardware, Software, Services and Installation cost subject to change based upon approved HCAI/OSHPD Requirements and Drawings.

If GRS7 Rev C (P2594VNC7C00/P2594VNC7C11) and/or RCB3s included in this proposal - existing NNC system will require software upgrade to current NNC Enterprise version 3.9.x or higher. Version 3.9x includes requirement for nurse call servers to be on hospital domain. Voalte Nurse Call Hardware requires version 4.0.x or above. Proposal does not include Physical Servers, Windows Operating System or SQL Server software. An active SMA is required for NNC software upgrades. The devices in this proposal must connect to hospital provided VLAN for proper functionality.

Areas of work include previously deployed Centrak hardware by Tagnos. Hospital required to allow Baxter Impementation team administrative access to Centrak server for configuration and device certification.

Installation Scope Notes and Assumptions:

- Shower & Toilet Switch replacement: Pricing is based on replacing Toilet Switches in existing patient rooms. Replace existing cabling as needed and re-crimp and certify all existing cables. All existing cables are previously support and will not require new Stiffy rod supports.
- Centrak Demo & revision scope:
 - o Basement Demo/remove (6) monitor
 - o 1st Floor Demo/remove (24) monitors
 - o 2nd Floor Demo/remove (53) monitors
 - o 5th Floor remove and reinstall (2) stars
- Centrak Installation is per Baxter BOM and Centrak Drawings
- Includes Supply of Panduit Gen Speed Cabling and Patch Panels for Home Runs per customer request
- Includes subcontract for Panduit Certified Installer and all cable crimping and Certification
- Includes remounting RCB's as needed- Includes Prevailing wage costs for 2024 & 2025 Monterey County
- Rough-in for Ceiling Domes
- Re-terminate all in-room cabling to 568B and Certify with cable test results
- Includes degree of difficulty due to hard lid ceilings, existing RCB's requiring relocation & device relocation.
- Includes supply and installation of stiffy rods, stiffy rod supports.
- Includes supply and installation of (4) Seismic 4-post network racks, (10) 48 port patch panels & (136) patch cables.
- Includes infection control requirements (LVL2-3) w/containment for infrastructure installation to PoE location.
- Includes demolition of existing system devices and associated cabling where asbestos not existing.
- Includes demolition of existing of (151) existing legacy RLR's, associated cabling to include supply & install of 2g blanks.
- Assumes TV-Lighting interface existing. Tie into existing (54) ASBC locations.
- Assumes 1st Floor Surgery has no existing nurse call.
- Assumes all WALL rough-in by (Bogart Construction) (including wall mounted dome lights)

General Assumptions:

1. All projects require 10-week lead times from time of PO acceptance to start of project.
2. ICS to provide certified payroll upon request.
3. Pricing is based upon (7) phased mobilizations.
4. Project schedule is determined by Bogard Construction.
5. Project to be complete by (9-1-2025). If project installation not complete by 9-1-2025 additional prevailing wage and General conditional may apply.
6. Requires clean work area to be made available to meet project timeline for completion per above assumption.
7. Requires all work to be performed during normal work hours 7am to 3:30pm M-F.
8. Includes supply of Project Management, Non-Union Labor, Supervision, Tools, and consumables required to install VNC System.
9. Includes installation of Baxter supplied adapter plates.
10. Includes inventory of VNC equipment.
11. Includes pre-stage of VNC equipment.
12. Includes programming assistance as required.
13. ICS will abandon all existing cable & label as old Nurse Call due to any existing Asbestos.



- **Permits, Licenses, Taxes and Other Fees**

Hillrom excludes any and all permits, licenses, taxes, or fees required by the city and/or state where the physical implementation of this proposal occurs.

- **Project Invoicing**

- Hillrom Clinical Communications Solutions involving hardware and software components, the hardware and software will be invoiced upon shipment.

- Hillrom Clinical Communications Solutions involving software only, software will be invoiced upon software installation.

- Services are invoiced upon unit certification of the system.

- Software Maintenance is invoiced upon shipment for hardware and software or after software installation for software only.

- Warranty Coverage is invoiced 30 days after shipment for hardware products only.

- **Returns and Refunds**

Parts removed from their original packaging or packaging with markings cannot be returned for credit.

No returns or refunds for third party software including, but not limited to, 3CX and Microsoft licenses, nor custom-made items.

- **This project will not commence until Hillrom is in receipt of Customer's Purchase Order.**

- **Standard Terms and Conditions**

This SOW describes the Hillrom Care Communications Solutions ("Hillrom Solutions"), which Customer is acquiring. Except and solely for any separate Master Agreement or group purchasing agreement executed by the parties for the purchase and license of the Hillrom Products purchased hereunder, the Terms and Conditions (available for download) supersede any inconsistent provisions and understandings, oral or written, between the parties, including any terms and conditions in any purchase order or other documentation submitted by Customer to Hillrom, unless explicitly agreed to in writing by an authorized representative of Hillrom holding the title of Vice President or General Manager.

- Voalte Nurse Call:

<https://www.hillrom.com/content/dam/hillrom-aem/us/en/marketing/products/nurse-call/documents/Voalte-Nurse-Call-Standalone-Terms-and-Conditions.docx>

- Voalte Nurse Call with CenTrak:

<https://www.hillrom.com/content/dam/hillrom-aem/us/en/marketing/products/nurse-call/documents/0824Voalte-Nurse-Call-Standalone-Terms-and-Conditions-with-OneView-and-CenTrak.docx>



This Statement of Work ("SOW") is entered into and effective as of the last date of signature appearing in the signature block below (the "SOW Effective Date") by and between Hillrom Company, Inc., an Indiana Corporation, with offices at 1225 Crescent Green, Suite 300, Cary, North Carolina 27518 ("Hillrom") and the Party identified on this page as Hillrom's customer ("Customer").

Hillrom Company, Inc.
Authorized Signature:

A handwritten signature in dark ink, appearing to read 'Tiffany Chambers', is written over a light gray rectangular background.

Printed Name:
Tiffany Chambers

Title:
Vice President, Care Communications

Date:
12/13/2024

Salinas Valley Memorial Healthcare System
Authorized Signature:

Printed Name:

Title:

Date:

Scope Summary – Technical Implementation & Configuration Services

Hillrom Services Description - Technical Implementation & Configuration Services	
Installation Services - Equipment Inventory	Hillrom
Installation Services - Staging Services	Hillrom
Installation Services - Cable Installation Services (Home Run)	Hillrom
Installation Services - Cable Installation Services (In Room)	Hillrom
Installation Services - Termination, Testing & Labeling of Cable (Home Run)	Hillrom
Installation Services - Termination, Testing & Labeling of Cable (In Room)	Hillrom
Installation Services - Device Installation	Hillrom

Pillow Speakers

If purchasing pillow speakers directly from Hillrom, Customer has the option of choosing one of the two options noted below with regards to functionality. If Customer desires functionality different from what is noted here, Customer must purchase pillow speakers from the desired pillow speaker manufacturer.

- Pillow Speaker Option 1-Nurse Call button, digital TV channel and volume controls, pain request button, bath request button, control of two lights, and a microphone, or;
- Pillow Speaker Option 2-Nurse Call button, digital TV channel and volume controls, control of two lights and a microphone.
- Functionality - Any functionality desired by Customer is dependent on the manufacturer and style purchased. Not all functionality available by all pillow speakers is compatible with Hillrom Nurse Call nor will Hillrom accept any responsibility for installation, wiring, or troubleshooting.

Smoke Alarm Interface Testing

When a Smoke Alarm Interface ("SAI") is implemented with Hillrom Nurse Call, testing specific to this interface is required by regulation in order for Hillrom to fully certify the Nurse Call system.

- Hillrom completes testing during the course of any Nurse Call deployment, testing and certification project where an SAI is implemented.
- Hillrom will work with Customer to schedule any SAI testing.

Site Work Credentialing

- Customer will provide all site work credentialing requirements to Hillrom no less than four (4) weeks prior to project kickoff.
- Customer will be responsible for any costs associated with Customer's credentialing requirements that are beyond standard credentialing requirements

Project Contingency

This proposal may include a project contingency to cover errors, omissions, delays in construction as applicable, and any unforeseen events. The project contingency will not be billed unless required to cover any of the above events and will be managed via change order.

Clinical Consulting / Education Services

- Any additional Education/Training needs requested by Customer after delivery of the Education/Training needs included in this Statement of Work which requires more than two (2) hours of labor or exceeds two (2) configuration changes per care unit shall be subject to additional fees and documented in a Change Order.
- Hillrom does not allow recording of Clinical Solutions activities. This includes, but is not limited to Clinical Assessments, Clinical Workshops, Educational sessions (whether delivered onsite or remotely), Reporting education or follow-up evaluations.
- Customer is responsible for entering all staff information, including assignments and locator badge IDs, into Smart Client.

Hillrom proposal includes the following:

- Installation of devices into existing locations of previous nurse call equipment locations.
No relocation of devices will be included unless provided for in additional documentation and priced specifically in this proposal.

- Configuration changes including rerouting rooms to other nurse stations (e.g., swinging rooms).
Hillrom will cover up to two (2) configuration changes or up to two (2) hours of configuration changes per project phase. Any additional configuration changes and/or additional time required to complete changes will require an additional fee.

- Mobilizations as indicated page 2

If additional mobilizations are required as a result of Customer delays, an additional fee of \$1,500.00 for each additional mobilization will be assessed.

Hillrom proposal excludes the following:

1. Excludes Union Labor.
 2. Excludes asbestos abatement.
 3. Excludes SAI to nurse call interface. (Dedicated smoke)
 4. Excludes project work (cable demo) with existing asbestos present.
 5. Excludes all rough-in requirements except ceiling zone lights.
 6. Excludes supply of all blanks, adapters, or custom plates except where noted on drawings or within this proposal.
 7. Excludes any 120 VAC power or conduit/conduit stub ups for project installation.
 8. Excludes supply and/or installation of Low Voltage Lighting Controllers, cabling, or connectivity.
 9. Excludes supply and/or installation of TV plates, cabling or connectivity unless specified within this proposal.
 10. Excludes all fiber, fiber pull, fiber equipment or fiber connectivity.
 11. Excludes any EZ path, penetration sleeves or cable trays/pathways unless noted within this proposal.
 12. Excludes managing existing nurse call system during project installation.
 13. Excludes responsibility for damage ceiling tiles or structure during installation.
 14. Excludes supply of any pillow speaker.
 15. Excludes all HCAI submittals or drawings.
 16. Excludes any and all permits, submittals, licenses, taxes, or fees associated with HCAI, the state of (California) or the city of (Salinas) requires.
- Installation of Customer-provided equipment
- Customer is responsible for proactively providing any Customer-provided equipment in a timely manner to support the installation timelines.
 - Additionally, Hillrom will not replace defective equipment that is being re-used from other areas of the Customer site without an additional fee.
- Maintenance and patching of Customer's Nurse Call server(s)

- Hillrom Services

Any service noted as "By Others" or "By Customer"

Providing a full-time on-site Clinical Consultant unless otherwise defined in this Statement of Work

Providing an on-site Clinical Consultant on a Monday or a Friday for a single day engagement



Hillrom installation services include installation of an average of four (4) rooms per day during weekdays and normal business hours, as outlined in the following table, with the exception of Procedure Rooms, Emergency Rooms and ORs which may be installed on weekdays after normal business hours for no additional fee.

- Customer-required expedited installation services requiring the installation of more than four (4) rooms per day may result in additional installation services fees.
- Installation for any rooms other than Procedure Rooms, Emergency Rooms and ORs after normal business hours or on weekends will require an additional fee.
- Clinical Consulting Education & Go-Live Support Services after normal business hours or on weekends will require an additional fee.

Customer engagement is critical to ensure a productive project engagement and successful adoption of the Hillrom Solutions. To this end, Customer is strongly encouraged to develop and implement a Steering Committee.

Hillrom services performed on-site are provided within the following normal business hours, delivered in a single nine (9) hour shift, and includes a one (1) hour lunch break:

Day of the Week	Installation Services	Clinical Consulting, Education & Go-Live Support Services
Monday	1300 – 1730 local time	1300 – 1730 local time
Tuesday	0830 – 1730 local time	0830 – 1930 local time
Wednesday	0830 – 1730 local time	0830 – 1930 local time
Thursday	0830 – 1730 local time	0830 – 1930 local time
Friday	0800 – 1200 local time	0830 – 1200 local time
Saturday & Sunday	n/a	n/a
Hillrom on-site Services are delivered in a single (9) hour shift and includes a (1) hour lunch break.		

Room Turnover Schedule – Room-by-Room Project

Customer will provide Hillrom / Hillrom's Installer access to four (4) unoccupied rooms, in no more than two (2) designated care units, per day of work schedule as measured on a weekly-average basis for each facility ("Average Access"). In the event Customer fails to provide Average Access, then Hillrom shall have the right to assess a commercially reasonable charge to offset additional costs incurred by Hillrom; provided, however, the Hillrom Project Manager provides periodic updates regarding such access to allow Customer to address the access challenge before any such charges are assessed.

Hillrom or Hillrom Installers are not responsible for moving patients or equipment from rooms to be unoccupied.

Room Turnover Schedule – New Construction Project

Customer will provide Hillrom / Hillrom's Installer access to units / rooms in new construction projects to complete installation services. If Hillrom / Hillrom's Installer resources are unable to complete scheduled activities due to lack of site readiness, Hillrom shall have the right to assess a commercially reasonable charge to offset additional costs incurred by Hillrom.

Hillrom Customized Services

No customized services in scope for this SOW.

Exhibit X - HCAi (OSHPD) Project Inclusions and Exclusions**General**








1. Hillrom will only manage the scope being directly performed by Hillrom.
 - a. Other scope / trades will be managed by the Customer / others including coordination, planning, scheduling, cost and change management.







Hillrom Includes

1. Hillrom INCLUDES initial nurse call shop drawings and installation cutsheets.
 - a. All additional HCAi/OSHPD required documentation (additional back checks, ACDs, AMCs, RFIs) will be completed by others.
 - b. Hillrom has the right to charge Customer for additional costs due to OSHPD plan review scope changes, inspector requests, ACDs, RFIs, and AMCs.
 - c. Hillrom has the right to charge Customer for additional costs due to OSHPD inspector / inspection requirements or IOR inspector / inspection requirements, including but not limited to inspector schedule cadence, inspection / installation delays due to in-person inspection requirement for room re-occupancy.

Hillrom Excludes

1. Hillrom EXCLUDES providing OSHPD submittals for any systems other than those directly provided by Hillrom. (all fees and services by others)
2. Hillrom EXCLUDES architectural, structural, electrical engineering services.
3. Hillrom EXCLUDES architectural, structural, electrical design and drawing fees.
4. Hillrom EXCLUDES OSHPD fees, including but not limited to plan review fees, plan check fees and inspection fees, and facility improvement / compliance fees.
5. Hillrom EXCLUDES providing and installing critical branch electrical power scope.
6. Hillrom EXCLUDES electrical panel circuit number investigation and/or electrical load panel studies.
7. Hillrom EXCLUDES asbestos surveys and asbestos abatement.
8. Hillrom EXCLUDES cost related to work in areas where asbestos is present / materials are being abated.
 - a. Hillrom has the right to charge the Customer for additional costs incurred due to work in conjunction with areas being abated, including but not limited to reduced productivity, additional coordination and planning activities.
9. Hillrom EXCLUDES seismic testing of any existing or new system.
 - a. Existing or new systems examples are network racks, ceiling anchors and any other equipment or material seismic testing.

Staff Console	Intuitive, easy-to-use centralized call station with touch screen, typically used by unit clerks to answer and respond to patient and staff calls.	
Standard Patient/Staff Station	Traditional patient nurse call station with audio and three call types – emergency, staff assist, and code. Code function is optional on staff station.	
Smart Graphical Patient/Staff Station	Next-generation nurse call station that allows for bi-directional exchange of information between Voalte Nurse Call applications and 3rd party applications. Code function is optional on staff station.	
Icon-Based Dome/Zone Lights	LED-based visual call indicators with 7-color selection across 8 lenses and includes optional and customizable icons. Can be configured to illuminate based upon staff member role. (Requires Enhanced Staff Locating and Smart Client)	
Smart Bed Connectors	Allows for the extraction of bed data and calls from the pillow speaker and/or equipment jack.	
Emergency Switches	Standard emergency call switches.	
Patient Pillow Speaker	* Optional Microphone, Light and TV Controls for Pillow Speaker.	

Patient Call Cord	Basic patient call device used where TV and Light controls are not required.	
Centralized Call Display (CCD)	Allows a nursing unit to maintain primary annunciation for its calls and monitors a subset of calls from another nursing unit. Sample uses include centralized operator call models or centralized code monitoring.	
Basic Medical Device Alarms Integrations	Quarter inch jack for routing of medical alarms through the nurse call system. Device is available in 1 and 2 port design.	
Room Disable - Enable Switch	Device used in certain areas of a facility where there is a need to disable calls, such as a psychiatric ward.	
Bathroom Audio	Remote audio device that can be placed in a bathroom for audio communication between patient and caregiver.	
Smart Client	Web-based application that allows both patient and staff information to be updated in the Voalte Nurse Call application and that enables assignments of caregivers to patients from within the Voalte Nurse Call application.	Software
Bed Status Board	Bed information can be displayed in a central location to show patient risk assessment, head of bed angle and patient weight. *Requires Hillrom Smart Bed and Smart Client application. Computer and display provided by others.	

Salinas Valley Memorial Healthcare System (10348)

Project Cost Summary: Nurse Call Replacement Phase 3

Architect/Engineering: Cedarblade Engineering et.al.

Budget Generated at Equipment Purchase

Budget Date: 12/13/2024

Print Date: 12/13/2024

**BUDGET SUMMARY***

			A	
Line Item		Description	Original Budget	Notes
	1	Construction		
0100		Construction Contract	\$335,500	
0102		Owner Construction Contingency	\$33,550	Owner Held Contingency
	2	Design		
0201		Professional Fees - T&M	\$220,000	Architectural & Consulting Engineers
0202		Reimbursables	\$5,500	
	3	Inspections and Consultation		
0300		Inspector of Record	\$50,400	Agency Required Inspection
0301		Special Inspections	\$10,000	
	4	AHJ Fees		
0400		HCAI	\$12,000	Agency Fees
	5	Soft Costs		
0500		Department Relocation	\$10,000	
0502		Construction Management - PM/CM	\$275,000	Program Management
0503		Abatement (Includes Survey)	\$10,000	
	7	FF&E		
0701		Other Medical Equipment - Hill-Rom/CenTrak	\$1,607,071	2nd Floor (NICU, Main, Tower), 1st Floor (ICU CCU, Cath Lab Holding, Surgery), Basement (Gamma, Endo)
	99	Contingency		
9900		Contingency	\$203,022	
Totals			\$2,772,043	

SALINAS VALLEY HEALTH MEDICAL CENTER
SUMMARY INCOME STATEMENT
November 30, 2024

	<u>Month of November,</u>		<u>Five months ended November 30,</u>	
	<u>current year</u>	<u>prior year</u>	<u>current year</u>	<u>prior year</u>
Operating revenue:				
Net patient revenue	\$ 52,818,119	\$ 49,585,165	\$ 277,030,232	\$ 236,883,945
Other operating revenue	<u>1,678,059</u>	<u>1,149,044</u>	<u>7,513,426</u>	<u>5,634,400</u>
Total operating revenue	<u>54,496,178</u>	<u>50,734,209</u>	<u>284,543,658</u>	<u>242,518,345</u>
Total operating expenses	47,542,197	48,088,527	248,522,304	235,992,490
Total non-operating income	<u>(2,518,900)</u>	<u>627,615</u>	<u>(7,734,077)</u>	<u>(6,291,872)</u>
Operating and non-operating income	<u>\$ 4,435,081</u>	<u>\$ 3,273,297</u>	<u>\$ 28,287,277</u>	<u>\$ 233,982</u>

SALINAS VALLEY HEALTH MEDICAL CENTER
BALANCE SHEETS
November 30, 2024

	<u>Current year</u>	<u>Prior year</u>
ASSETS:		
Current assets	\$ 415,359,455	\$ 346,274,962
Assets whose use is limited or restricted by board	170,341,239	161,965,370
Capital assets	252,876,191	248,190,717
Other assets	303,686,204	280,630,319
Deferred pension outflows	<u>85,734,219</u>	<u>116,911,125</u>
	<u>\$ 1,227,997,308</u>	<u>\$ 1,153,972,493</u>
LIABILITIES AND EQUITY:		
Current liabilities	94,816,644	91,389,738
Long term liabilities	18,927,152	22,149,754
Lease deferred inflows	1,454,210	2,081,365
Pension liability	90,863,576	118,792,064
Net assets	<u>1,021,935,726</u>	<u>919,559,571</u>
	<u>\$ 1,227,997,308</u>	<u>\$ 1,153,972,493</u>

SALINAS VALLEY HEALTH MEDICAL CENTER
SCHEDULES OF NET PATIENT REVENUE
November 30, 2024

	<u>Month of November,</u>		<u>Five months ended November 30,</u>	
	<u>current year</u>	<u>prior year</u>	<u>current year</u>	<u>prior year</u>
Patient days:				
By payer:				
Medicare	1,795	1,725	8,416	8,706
Medi-Cal	1,027	1,203	5,167	5,146
Commercial insurance	502	552	2,674	3,169
Other patient	110	69	563	485
Total patient days	<u>3,434</u>	<u>3,549</u>	<u>16,820</u>	<u>17,506</u>
Gross revenue:				
Medicare	\$ 121,440,105	\$ 110,155,535	\$ 617,869,361	\$ 545,172,032
Medi-Cal	76,286,581	70,955,608	397,588,298	336,478,145
Commercial insurance	52,562,987	49,272,318	285,429,666	257,018,342
Other patient	<u>8,967,174</u>	<u>8,261,786</u>	<u>52,149,999</u>	<u>43,247,054</u>
Gross revenue	<u>259,256,847</u>	<u>238,645,247</u>	<u>1,353,037,324</u>	<u>1,181,915,573</u>
Deductions from revenue:				
Administrative adjustment	200,880	311,440	1,614,880	1,306,512
Charity care	386,218	873,259	2,085,481	4,212,752
Contractual adjustments:				
Medicare outpatient	39,600,390	33,439,918	208,471,146	168,445,376
Medicare inpatient	48,090,211	43,845,699	231,146,852	224,560,391
Medi-Cal traditional outpatient	1,373,363	2,793,674	7,469,593	13,789,444
Medi-Cal traditional inpatient	4,744,010	5,152,729	29,999,245	23,377,239
Medi-Cal managed care outpatient	35,228,638	28,538,615	192,388,544	146,113,252
Medi-Cal managed care inpatient	26,355,030	27,984,579	127,177,174	117,893,595
Commercial insurance outpatient	26,066,185	23,272,284	132,880,643	117,080,123
Commercial insurance inpatient	18,553,851	18,071,382	107,999,926	102,745,887
Uncollectible accounts expense	5,066,198	4,129,670	26,843,040	21,107,153
Other payors	<u>773,754</u>	<u>646,833</u>	<u>7,930,568</u>	<u>4,399,905</u>
Deductions from revenue	<u>206,438,728</u>	<u>189,060,082</u>	<u>1,076,007,092</u>	<u>945,031,628</u>
Net patient revenue	<u>\$ 52,818,119</u>	<u>\$ 49,585,165</u>	<u>\$ 277,030,232</u>	<u>\$ 236,883,945</u>
Gross billed charges by patient type:				
Inpatient	\$ 122,512,954	\$ 120,766,440	\$ 629,697,477	\$ 594,898,797
Outpatient	108,100,039	90,546,786	565,291,994	440,367,412
Emergency room	<u>28,643,854</u>	<u>27,332,021</u>	<u>158,047,853</u>	<u>146,649,364</u>
Total	<u>\$ 259,256,847</u>	<u>\$ 238,645,247</u>	<u>\$ 1,353,037,324</u>	<u>\$ 1,181,915,573</u>

SALINAS VALLEY HEALTH MEDICAL CENTER
STATEMENTS OF REVENUE AND EXPENSES
November 30, 2024

	<u>Month of November,</u>		<u>Five months ended November 30,</u>	
	<u>current year</u>	<u>prior year</u>	<u>current year</u>	<u>prior year</u>
Operating revenue:				
Net patient revenue	\$ 52,818,119	\$ 49,585,165	\$ 277,030,232	\$ 236,883,945
Other operating revenue	<u>1,678,059</u>	<u>1,149,044</u>	<u>7,513,426</u>	<u>5,634,400</u>
Total operating revenue	<u>54,496,178</u>	<u>50,734,209</u>	<u>284,543,658</u>	<u>242,518,345</u>
Operating expenses:				
Salaries and wages	17,569,045	16,576,708	87,479,234	82,285,948
Compensated absences	2,600,947	3,296,786	15,493,740	15,737,003
Employee benefits	5,582,454	7,383,163	40,617,424	40,727,482
Supplies, food, and linen	8,698,971	7,250,308	42,555,550	35,237,574
Purchased department functions	4,311,582	3,740,831	19,784,857	18,240,846
Medical fees	2,657,108	3,245,376	12,335,891	12,940,854
Other fees	1,858,438	2,289,582	8,932,491	10,701,816
Depreciation	2,514,330	2,585,045	12,482,877	11,994,054
All other expense	<u>1,749,322</u>	<u>1,720,728</u>	<u>8,840,240</u>	<u>8,126,913</u>
Total operating expenses	<u>47,542,197</u>	<u>48,088,527</u>	<u>248,522,304</u>	<u>235,992,490</u>
Income from operations	<u>6,953,981</u>	<u>2,645,682</u>	<u>36,021,354</u>	<u>6,525,855</u>
Non-operating income:				
Donations	1,440,260	146,621	3,777,031	1,333,552
Property taxes	476,714	333,333	2,383,572	1,666,667
Investment income	710,444	5,565,006	9,883,387	12,580,815
Taxes and licenses	0	0	0	0
Income from subsidiaries	<u>(5,146,318)</u>	<u>(5,417,345)</u>	<u>(23,778,067)</u>	<u>(21,872,906)</u>
Total non-operating income	<u>(2,518,900)</u>	<u>627,615</u>	<u>(7,734,077)</u>	<u>(6,291,872)</u>
Operating and non-operating income	<u>4,435,081</u>	<u>3,273,297</u>	<u>28,287,277</u>	<u>233,982</u>
Net assets to begin	<u>1,017,500,644</u>	<u>916,286,274</u>	<u>993,648,448</u>	<u>919,325,589</u>
Net assets to end	<u>\$ 1,021,935,726</u>	<u>\$ 919,559,571</u>	<u>\$ 1,021,935,726</u>	<u>\$ 919,559,571</u>
Net income excluding non-recurring items	\$ 4,435,081	\$ 3,273,297	\$ 28,287,277	\$ 233,982
Non-recurring income (expense) from cost report settlements and re-openings and other non-recurring items	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Operating and non-operating income	<u>\$ 4,435,081</u>	<u>\$ 3,273,297</u>	<u>\$ 28,287,277</u>	<u>\$ 233,982</u>

SALINAS VALLEY HEALTH MEDICAL CENTER
SCHEDULES OF INVESTMENT INCOME
November 30, 2024

	<u>Month of November,</u>		<u>Five months ended November 30,</u>	
	<u>current year</u>	<u>prior year</u>	<u>current year</u>	<u>prior year</u>
Detail of income from subsidiaries:				
Salinas Valley Health Clinics				
Pulmonary Medicine Center	\$ (262,272)	\$ (222,902)	\$ (994,331)	\$ (979,190)
Neurological Clinic	(63,308)	(89,187)	(324,569)	(360,595)
Palliative Care Clinic	(105,348)	(106,470)	(557,222)	(430,805)
Surgery Clinic	(226,510)	(187,752)	(968,471)	(914,980)
Infectious Disease Clinic	(55,615)	(46,535)	(215,062)	(171,209)
Endocrinology Clinic	(264,315)	(306,258)	(1,159,883)	(1,123,131)
Early Discharge Clinic	0	0	0	0
Cardiology Clinic	(649,431)	(647,334)	(2,856,393)	(2,746,754)
OB/GYN Clinic	(497,270)	(516,410)	(2,106,489)	(1,960,535)
PrimeCare Medical Group	(844,122)	(1,033,538)	(4,381,259)	(4,323,445)
Oncology Clinic	(419,251)	(345,487)	(1,941,600)	(1,562,636)
Cardiac Surgery	(330,829)	(337,757)	(1,715,768)	(1,604,763)
Sleep Center	(99,251)	(73,557)	(442,551)	(235,667)
Rheumatology	(85,880)	(79,272)	(386,545)	(334,674)
Precision Ortho MDs	(461,089)	(600,976)	(2,215,113)	(2,327,379)
Precision Ortho-MRI	0	0	0	0
Precision Ortho-PT	(70,177)	(47,878)	(374,899)	(214,405)
Vaccine Clinic	0	16	0	16
Dermatology	(37,507)	(43,062)	(213,473)	(202,822)
Hospitalists	0	0	0	0
Behavioral Health	(51,307)	(41,595)	(211,716)	(206,982)
Pediatric Diabetes	(35,419)	(49,805)	(217,872)	(242,687)
Neurosurgery	(85,834)	(42,327)	(564,262)	(155,140)
Multi-Specialty-RR	8,653	2,558	55,625	23,392
Radiology	(334,069)	(569,824)	(1,672,051)	(1,447,615)
Salinas Family Practice	(110,376)	(160,753)	(554,024)	(696,528)
Urology	(159,437)	(164,278)	(968,216)	(835,999)
Total SVHC	(5,239,964)	(5,710,383)	(24,986,144)	(23,054,533)
Doctors on Duty	(266,391)	55,470	52,785	242,499
LPCH NICU JV	0	0	0	0
Central Coast Health Connect	0	0	0	0
Monterey Peninsula Surgery Center	191,945	162,327	814,662	591,705
Coastal	33,585	34,801	(38,814)	182,389
Apex	0	0	0	0
21st Century Oncology	84,189	(14,474)	84,189	(29,183)
Monterey Bay Endoscopy Center	50,319	54,914	295,254	194,216
Total	<u>\$ (5,146,318)</u>	<u>\$ (5,417,345)</u>	<u>\$ (23,778,067)</u>	<u>\$ (21,872,906)</u>

SALINAS VALLEY HEALTH MEDICAL CENTER
BALANCE SHEETS
November 30, 2024

	<u>Current year</u>	<u>Prior year</u>
A S S E T S		
Current assets:		
Cash and cash equivalents	\$ 272,442,319	\$ 228,564,413
Patient accounts receivable, net of estimated uncollectibles of \$53,846,184	115,458,745	93,284,701
Supplies inventory at cost	9,632,064	8,083,218
Current portion of lease receivable	1,178,296	1,442,959
Other current assets	<u>16,648,031</u>	<u>14,899,672</u>
Total current assets	<u>415,359,455</u>	<u>346,274,962</u>
Assets whose use is limited or restricted by board	<u>170,341,239</u>	<u>161,965,370</u>
Capital assets:		
Land and construction in process	51,097,320	69,244,463
Other capital assets, net of depreciation	<u>201,778,871</u>	<u>178,946,255</u>
Total capital assets	<u>252,876,191</u>	<u>248,190,717</u>
Other assets:		
Right of use assets, net of amortization	6,567,880	7,349,769
Long term lease receivable	309,119	788,673
Subscription assets, net of amortization	8,062,855	8,781,398
Investment in Securities	263,849,216	242,630,408
Investment in SVMC	2,195,685	10,743,747
Investment in Coastal	1,838,557	1,864,030
Investment in other affiliates	21,636,059	14,542,370
Net pension asset	<u>(773,167)</u>	<u>(6,070,076)</u>
Total other assets	<u>303,686,204</u>	<u>280,630,319</u>
Deferred pension outflows	<u>85,734,219</u>	<u>116,911,125</u>
	<u>\$ 1,227,997,308</u>	<u>\$ 1,153,972,493</u>
L I A B I L I T I E S A N D N E T A S S E T S		
Current liabilities:		
Accounts payable and accrued expenses	\$ 62,908,510	\$ 61,222,399
Due to third party payers	3,689,368	5,293,261
Current portion of self-insurance liability	22,556,402	17,963,703
Current subscription liability	3,152,672	4,371,672
Current portion of lease liability	<u>2,509,692</u>	<u>2,538,703</u>
Total current liabilities	94,816,644	91,389,738
Long term portion of workers comp liability	12,078,720	13,027,333
Long term portion of lease liability	4,119,234	5,028,217
Long term subscription liability	<u>2,729,198</u>	<u>4,094,204</u>
Total liabilities	<u>113,743,796</u>	<u>113,539,493</u>
Lease deferred inflows	1,454,210	2,081,365
Pension liability	<u>90,863,576</u>	<u>118,792,064</u>
Net assets:		
Invested in capital assets, net of related debt	252,876,191	248,190,717
Unrestricted	<u>769,059,535</u>	<u>671,368,854</u>
Total net assets	<u>1,021,935,726</u>	<u>919,559,571</u>
	<u>\$ 1,227,997,308</u>	<u>\$ 1,153,972,493</u>

SALINAS VALLEY HEALTH MEDICAL CENTER
STATEMENTS OF REVENUE AND EXPENSES - BUDGET VS. ACTUAL
November 30, 2024

	Month of November,			Five months ended November 30,			
	Actual	Variance	% Var	Actual	Budget	Variance	% Var
Operating revenue:							
Gross billed charges	\$ 259,256,847	\$ 9,640,458	3.86%	\$ 1,353,037,324	\$ 1,272,970,540	80,066,784	6.29%
Deductions from revenue	206,438,728	6,468,442	3.23%	1,076,007,092	1,018,741,902	57,265,190	5.62%
Net patient revenue	52,818,119	3,172,016	6.39%	277,030,232	254,228,638	22,801,594	8.97%
Other operating revenue	1,678,059	225,390	15.52%	7,513,426	7,263,345	250,081	3.44%
Total operating revenue	54,496,178	3,397,406	6.65%	284,543,658	261,491,983	23,051,675	8.82%
Operating expenses:							
Salaries and wages	17,569,045	1,124,513	6.84%	87,479,234	85,560,060	1,919,174	2.24%
Compensated absences	2,600,947	(1,039,571)	-28.56%	15,493,740	16,862,505	(1,368,765)	-8.12%
Employee benefits	5,582,454	(1,851,483)	-24.91%	40,617,424	39,793,407	824,017	2.07%
Supplies, food, and linen	8,698,971	1,632,787	23.11%	42,555,550	36,039,196	6,516,354	18.08%
Purchased department functions	4,311,582	486,300	12.71%	19,784,857	19,126,415	658,442	3.44%
Medical fees	2,657,108	171,471	6.90%	12,335,891	12,428,186	(92,295)	-0.74%
Other fees	1,858,438	136,071	7.90%	8,932,491	8,714,019	218,472	2.51%
Depreciation	2,514,330	164,493	7.00%	12,482,877	11,752,978	729,899	6.21%
All other expense	1,749,322	(205,538)	-10.51%	8,840,240	9,919,572	(1,079,332)	-10.88%
Total operating expenses	47,542,197	619,042	1.32%	248,522,304	240,196,338	8,325,966	3.47%
Income from operations	6,953,981	2,778,364	66.54%	36,021,354	21,295,644	14,725,710	69.15%
Non-operating income:							
Donations	1,440,260	1,231,927	591.32%	3,777,031	1,041,667	2,735,364	262.59%
Property taxes	476,714	(0)	0.00%	2,383,572	2,383,572	0	0.00%
Investment income	710,444	(1,180,729)	-62.43%	9,883,387	9,455,866	427,521	4.52%
Income from subsidiaries	(5,146,318)	(23,096)	0.45%	(23,778,067)	(25,616,111)	1,838,044	-7.18%
Total non-operating income	(2,518,900)	28,102	-1.10%	(7,734,077)	(12,735,006)	5,000,930	-39.27%
Operating and non-operating income \$	4,435,081	\$ 2,806,466	172.32%	\$ 28,287,277	\$ 8,560,638	19,726,639	230.43%

SALINAS VALLEY HEALTH MEDICAL CENTER

PATIENT STATISTICAL REPORT

For the month of November and five months to date

	Month of November		Five months to date		
	2023	2024	2023-24	2024-25	Variance
<u>NEWBORN STATISTICS</u>					
Medi-Cal Admissions	47	31	183	180	(3)
Other Admissions	83	76	412	404	(8)
Total Admissions	130	107	595	584	(11)
Medi-Cal Patient Days	74	120	295	365	70
Other Patient Days	147	54	703	578	(125)
Total Patient Days of Care	221	174	998	943	(55)
Average Daily Census	7.4	5.8	6.5	6.2	(0.4)
Medi-Cal Average Days	1.8	3.9	1.7	2.2	0.5
Other Average Days	1.2	0.7	1.7	1.4	(0.3)
Total Average Days Stay	1.8	1.6	1.7	1.7	(0.1)
<u>ADULTS & PEDIATRICS</u>					
Medicare Admissions	361	391	1,820	1,843	23
Medi-Cal Admissions	367	280	1,297	1,435	138
Other Admissions	372	303	1,442	1,587	145
Total Admissions	1,100	974	4,559	4,865	306
Medicare Patient Days	1,459	1,496	7,401	7,011	(390)
Medi-Cal Patient Days	1,211	981	5,264	5,494	230
Other Patient Days	813	714	4,471	3,680	(791)
Total Patient Days of Care	3,483	3,191	17,136	16,185	(951)
Average Daily Census	116.1	106.4	112.0	105.8	(6.2)
Medicare Average Length of Stay	3.8	3.8	4.1	3.8	(0.3)
Medi-Cal Average Length of Stay	3.4	3.2	3.5	3.3	(0.2)
Other Average Length of Stay	2.2	1.9	2.4	1.9	(0.6)
Total Average Length of Stay	3.1	2.9	3.3	3.0	(0.4)
Deaths	26	37	126	135	9
Total Patient Days	3,704	3,365	18,134	17,128	(1,006)
Medi-Cal Administrative Days	0	0	5	0	(5)
Medicare SNF Days	0	0	0	0	0
Over-Utilization Days	0	0	0	0	0
Total Non-Acute Days	0	0	5	0	(5)
Percent Non-Acute	0.00%	0.00%	0.03%	0.00%	-0.03%

SALINAS VALLEY HEALTH MEDICAL CENTER

PATIENT STATISTICAL REPORT

For the month of November and five months to date

	Month of November		Five months to date		Variance
	2023	2024	2023-24	2024-25	
<u>PATIENT DAYS BY LOCATION</u>					
Level I	231	271	1,172	1,163	(9)
Heart Center	306	313	1,614	1,603	(11)
Monitored Beds	597	570	3,019	2,784	(235)
Single Room Maternity/Obstetrics	373	303	1,630	1,703	73
Med/Surg - Cardiovascular	836	820	4,053	4,250	197
Med/Surg - Oncology	274	271	1,356	1,297	(59)
Med/Surg - Rehab	442	469	2,174	2,297	123
Pediatrics	151	98	649	569	(80)
Nursery	221	174	998	943	(55)
Neonatal Intensive Care	119	76	653	519	(134)
<u>PERCENTAGE OF OCCUPANCY</u>					
Level I	59.23%	69.49%	58.92%	58.47%	
Heart Center	68.00%	69.56%	70.33%	69.85%	
Monitored Beds	73.70%	70.37%	73.08%	67.39%	
Single Room Maternity/Obstetrics	33.60%	27.30%	28.79%	30.08%	
Med/Surg - Cardiovascular	61.93%	60.74%	58.87%	61.73%	
Med/Surg - Oncology	70.26%	69.49%	68.17%	65.21%	
Med/Surg - Rehab	56.67%	60.13%	54.65%	57.74%	
Med/Surg - Observation Care Unit	0.00%	0.00%	0.00%	0.00%	
Pediatrics	27.96%	18.15%	23.57%	20.66%	
Nursery	44.65%	35.15%	19.77%	18.68%	
Neonatal Intensive Care	36.06%	23.03%	38.80%	30.84%	

SALINAS VALLEY HEALTH MEDICAL CENTER

PATIENT STATISTICAL REPORT

For the month of November and five months to date

	Month of November		Five months to date		
	2023	2024	2023-24	2024-25	Variance
<u>DELIVERY ROOM</u>					
Total deliveries	83	123	535	578	43
C-Section deliveries	44	31	191	176	(15)
Percent of C-section deliveries	53.01%	25.20%	35.70%	30.45%	-5.25%
<u>OPERATING ROOM</u>					
In-Patient Operating Minutes	14,628	20,885	79,005	92,367	13,362
Out-Patient Operating Minutes	30,161	29,584	150,951	172,056	21,105
Total	44,789	50,469	229,956	264,423	34,467
Open Heart Surgeries	11	12	50	58	8
In-Patient Cases	105	134	583	608	25
Out-Patient Cases	300	301	1,484	1,628	144
<u>EMERGENCY ROOM</u>					
Immediate Life Saving	40	31	187	153	(34)
High Risk	691	838	3,465	4,333	868
More Than One Resource	2,843	2,736	14,227	13,884	(343)
One Resource	2,203	1,672	9,845	8,719	(1,126)
No Resources	78	62	530	367	(163)
Total	5,855	5,339	28,254	27,456	(798)

SALINAS VALLEY HEALTH MEDICAL CENTER

PATIENT STATISTICAL REPORT

For the month of November and five months to date

	Month of November		Five months to date		
	2023	2024	2023-24	2024-25	Variance
CENTRAL SUPPLY					
In-patient requisitions	12,198	11,784	64,539	62,683	-1,856
Out-patient requisitions	10,247	10,337	52,103	55,437	3,334
Emergency room requisitions	634	366	3,907	3,363	-544
Interdepartmental requisitions	6,830	6,980	32,325	33,049	724
Total requisitions	29,909	29,467	152,874	154,532	1,658
LABORATORY					
In-patient procedures	36,882	34,680	176,973	173,279	-3,694
Out-patient procedures	37,539	39,460	92,710	218,826	126,116
Emergency room procedures	12,702	11,920	64,771	61,869	-2,902
Total patient procedures	87,123	86,060	334,454	453,974	119,520
BLOOD BANK					
Units processed	301	279	1,537	1,483	-54
ELECTROCARDIOLOGY					
In-patient procedures	1,087	1,085	5,217	5,451	234
Out-patient procedures	421	401	1,985	2,006	21
Emergency room procedures	1,140	1,150	5,948	6,214	266
Total procedures	2,648	2,636	13,150	13,671	521
CATH LAB					
In-patient procedures	131	126	610	644	34
Out-patient procedures	129	127	542	648	106
Emergency room procedures	0	0	0	1	1
Total procedures	260	253	1,152	1,293	141
ECHO-CARDIOLOGY					
In-patient studies	390	382	1,791	1,981	190
Out-patient studies	301	299	1,323	1,632	309
Emergency room studies	1	1	7	7	0
Total studies	692	682	3,121	3,620	499
NEURODIAGNOSTIC					
In-patient procedures	139	141	650	678	28
Out-patient procedures	23	16	101	111	10
Emergency room procedures	0	1	0	1	1
Total procedures	162	158	751	790	39

SALINAS VALLEY HEALTH MEDICAL CENTER

PATIENT STATISTICAL REPORT

For the month of November and five months to date

	Month of November		Five months to date		
	2023	2024	2023-24	2024-25	Variance
SLEEP CENTER					
In-patient procedures	0	0	0	0	0
Out-patient procedures	230	247	1,139	1,383	244
Emergency room procedures	0	0	0	0	0
Total procedures	230	247	1,139	1,383	244
RADIOLOGY					
In-patient procedures	1,311	1,257	6,290	6,264	-26
Out-patient procedures	385	395	2,007	2,081	74
Emergency room procedures	1,504	1,504	7,474	7,759	285
Total patient procedures	3,200	3,156	15,771	16,104	333
MAGNETIC RESONANCE IMAGING					
In-patient procedures	137	218	708	943	235
Out-patient procedures	102	94	601	548	-53
Emergency room procedures	7	9	37	35	-2
Total procedures	246	321	1,346	1,526	180
MAMMOGRAPHY CENTER					
In-patient procedures	4,214	3,406	20,918	17,312	-3,606
Out-patient procedures	4,151	3,392	20,668	17,259	-3,409
Emergency room procedures	3	3	9	6	-3
Total procedures	8,368	6,801	41,595	34,577	-7,018
NUCLEAR MEDICINE					
In-patient procedures	23	14	96	84	-12
Out-patient procedures	94	109	513	649	136
Emergency room procedures	1	0	1	2	1
Total procedures	118	123	610	735	125
PHARMACY					
In-patient prescriptions	80,960	76,290	403,779	390,551	-13,228
Out-patient prescriptions	15,539	15,257	79,342	83,044	3,702
Emergency room prescriptions	9,593	9,387	46,345	49,008	2,663
Total prescriptions	106,092	100,934	529,466	522,603	-6,863
RESPIRATORY THERAPY					
In-patient treatments	18,583	14,621	77,938	70,550	-7,388
Out-patient treatments	831	822	5,216	4,393	-823
Emergency room treatments	551	629	2,618	2,376	-242
Total patient treatments	19,965	16,072	85,772	77,319	-8,453
PHYSICAL THERAPY					
In-patient treatments	2,774	2,280	12,725	11,604	-1,121
Out-patient treatments	297	229	1,312	1,220	-92
Emergency room treatments	0	0	0	0	0
Total treatments	3,071	2,509	14,037	12,824	-1,213

SALINAS VALLEY HEALTH MEDICAL CENTER

PATIENT STATISTICAL REPORT

For the month of November and five months to date

	Month of November		Five months to date		
	2023	2024	2023-24	2024-25	Variance
OCCUPATIONAL THERAPY					
In-patient procedures	1,222	1,411	7,253	7,071	-182
Out-patient procedures	273	171	1,199	979	-220
Emergency room procedures	0	0	0	0	0
Total procedures	1,495	1,582	8,452	8,050	-402
SPEECH THERAPY					
In-patient treatments	519	637	2,445	2,548	103
Out-patient treatments	31	35	174	165	-9
Emergency room treatments	0	0	0	0	0
Total treatments	550	672	2,619	2,713	94
CARDIAC REHABILITATION					
In-patient treatments	6	1	9	4	-5
Out-patient treatments	476	592	2,483	3,210	727
Emergency room treatments	0	0	0	1	1
Total treatments	482	593	2,492	3,215	723
CRITICAL DECISION UNIT					
Observation hours	262	215	1,413	1,206	-207
ENDOSCOPY					
In-patient procedures	84	84	358	430	72
Out-patient procedures	67	66	291	284	-7
Emergency room procedures	0	0	0	0	0
Total procedures	151	150	649	714	65
C.T. SCAN					
In-patient procedures	694	788	3,436	3,755	319
Out-patient procedures	270	483	1,828	2,487	659
Emergency room procedures	674	679	3,706	3,825	119
Total procedures	1,638	1,950	8,970	10,067	1,097
DIETARY					
Routine patient diets	13,125	15,596	90,282	77,386	-12,896
Meals to personnel	27,438	39,617	139,964	173,212	33,248
Total diets and meals	40,563	55,213	230,246	250,598	20,352
LAUNDRY AND LINEN					
Total pounds laundered	97,293	100,958	482,757	483,329	572

Medical Executive Committee Summary – December 12, 2024

Items for Board Approval

Credentials Committee

Initial Appointments:

APPLICANT	SPECIALTY	DEPT	PRIVILEGES
Albert, Timothy, MD	Cardiology	Medicine	Cardiology Salinas Valley Health Advanced Imaging – Cardiac Imaging Salinas Valley Health Cardiovascular Diagnostic Outpatient Center Taylor Farms Family Health & Wellness Center
Berthet, Benjamin, DO	Internal Medicine/ Pediatrics	Pediatrics	Pediatrics General Internal Medicine
Blanchard, Johnny, MD	Internal Medicine	Medicine	General Internal Medicine
Matthews, Jamil, MD	Vascular Surgery	Surgery	Vascular Surgery
Shin, Daniel, MD	Radiology	Surgery	Salinas Valley Health Imaging: Diagnostic Radiology Salinas Valley Health Nancy Ausonio Breast Health Center Salinas Valley Health Advanced Imaging Non-Cardiac Diagnostic Radiology
Williams, Jeri, MD	Neurology	Medicine	Tele-Neurology
Wolford, Dax, MD	Psychiatry	Medicine	Tele-Psychiatry

Reappointments:

APPLICANT	SPECIALTY	DEPT	PRIVILEGES
Bajaj, Tarun, MD	General Surgery	Surgery	General Surgery Robotic Surgery
Chamsuddin, Abbas, MD	Radiology	Surgery	Remote Radiology Salinas Valley Health Advanced Imaging – Non-Cardiac Diagnostic Radiology
Cole, Mario, MD	Critical Care/ Pulmonology	Medicine	Critical Care/Pulmonary Medicine General Internal Medicine
Collin, Carlos, MD	Psychiatry	Medicine	Tele-Psychiatry
Garcia-Rivera, Ricardo, MD	Neurology	Medicine	Tele-Neurology
Hulkower, Jonathan, MD	Psychiatry	Medicine	Tele-Psychiatry
Kadakia, Rikin, MD	Interventional Cardiology	Medicine	Cardiology Interventional Cardiology Peripheral Endovascular Salinas Valley Health Advanced Imaging – Cardiac Imaging Salinas Valley Health Cardiovascular Diagnostic Center
Kashif, Farheen, MD	Hospitalist/Internal Medicine	Medicine	Adult Hospitalist
Le, Catherine, MD	Neurology	Medicine	Tele-Neurology
Lim, Jerrie, MD	Pediatrics	Pediatrics	Pediatric.
Nezamabadi, Aryan, MD	Hospitalist/Internal Medicine	Medicine	Adult Hospitalist

Nishimoto, Warren, MD	Family Medicine	Family Medicine	Family Medicine Active Community
Oppenheim, Peter, MD	Family Medicine	Family Medicine	Family Medicine Active Community:
Radner, Allen, MD	Infectious Disease	Medicine	Infectious Disease General Internal Medicine Salinas Valley Health Wound Healing Center
Rapoport, Yul, DO	Neurology	Medicine	Tele-Neurology
Romans, Matthew, MD	Plastic Surgery	Surgery	Plastic & Reconstructive Surgery Salinas Valley Health Wound Healing Clinic
Samuels, Todd, MD	Neurology	Medicine	Tele-Neurology
Shaker, Vikram, MD	Radiology	Surgery	Remote Radiology Salinas Valley Health Advanced Imaging – Non-Cardiac Diagnostic Radiology
Slack, Robert, MD	Critical Care/ Pulmonology	Medicine	Critical Care/Pulmonary Medicine General Internal Medicine
Thompson, Maxwell, MD	Anesthesiology	Anesthesiology	Anesthesiology

Staff Status Modifications:

NAME	SPECIALTY	STATUS
Kaur, Gurvinder, MD	Neurosurgery	Recommend advancement to Active Staff
Hessler, Christine, MD	TeleNeurology	Resignation effective 11/09/24
Mann, Jaspreet, DO	TeleNeurology	Resignation effective 11/28/24
Scott, Mary, DO	Family Medicine	Resignation effective 12/31/2024

Privilege Modifications:

NAME	PRIVILEGE(S)	RECOMMENDATION
Regwan, Steven, DO	Cardiology	Add Implantation of Cardiac Defibrillator De Novo for Non-Cardiac Electrophysiologists
Taich, Lior, MD	Urology	Additional Urology core privileges

Other Items: (Attached)

ITEM	RECOMMENDATION
Neurology – Clinical Privileges Delineation	Recommended revision to the clinical privilege delineation for Neurology to include site specific privileges at the Outpatient Infusion Center.

Interdisciplinary Practice Committee

Initial Appointments:

APPLICANT	PRIVILEGES	DEPT	COLLABORATING/SUPERVISING PHYSICIAN(S)
Lay, Ashley, NP	Nurse Practitioner – Cancer Care	Medicine	Shehzad Aziz, MD Geetha Varma, MD Hong Zhao, MD

Reappointments:

APPLICANT	PRIVILEGES	DEPT	COLLABORATING/SUPERVISING PHYSICIAN(S)
Aliotti, Alexandria, PA-C	Taylor Farms Family Health & Wellness Ctr	Medicine	Steven Regwan, DO
Morong, Shane, PA-C	Cardiothoracic & Vascular Surgery	Surgery	Vincent DeFilippi, MD Andreas Sakopoulos, MD
Shearing, Tiffany, PA-C	Cardiothoracic & Vascular Surgery	Surgery	Vincent DeFilippi, MD Andreas Sakopoulos, MD

Other Items: *(Attached)*

Advanced Practice Provider Rules and Regulations	New provider category: Psychiatric Mental Health Nurse Practitioner.
Telemedicine Psychiatric Mental Health Nurse Practitioner-Privilege Form	New privilege form.

Informational Items:

I. Committee Reports:

- a. Credentials Committee
- b. Interdisciplinary Practice Committee
- c. Quality and Safety Committee
- d. Medical Staff Excellence Committee

II. Other Reports:

- a. Summary of Executive Operations Committee Meetings
- b. Summary of Medical Staff Department/Committee Meetings November 2024
- c. Medical Staff Treasury Report December 6, 2024
- d. Medical Staff Statistics Year to Date
- e. Health Information Management Update
- f. Financial Update October 2024
- g. HCAHPS Update December 1, 2024

III. Order Sets:

Acute Coronary Syndrome-AMI/SAV
ADM Labor/Induction/Augment
ADM General Medical
ADM Short Set
ADM COVID Hospitalist
Anticoag Riveroxaban (Xarelato)
Anticoag Enoxaparin (Lovenox)/SAV
Cardiac Cath/Angio Post-Inp
Cesarean Delivery Post Op
Cesarean Delivery Pre Op
CHF Congestive Heart Failure
Comfort Care Infusions (EOL)
Confort Care Orders
Endo ERCP OutPt Subset
Endo Outpt Orders Master
ENT Head & Neck Post Op
ENT Infection
Epidural Intrathecal Labor
Eptifibatide (Integrilin)
Factor VIII: Hemophilia A
Factor VIII: von Willebrand Dx
Factors to Reverse PO Anticoag
General Abd-Vascular Post Op
Group B Strep Prophylaxis
GYN Post Op
Hospitalist ProgGenCare Adm
Neural Blockade
NICU Critical Care Medication
NICU RetCam Exam TODAY/SAV
Pharmacological Stress Echo
Thrombolysis Post EKOS
Trial of Labor After Cesarean
Urology Post Op

Salinas Valley Health Medical Center

Clinical Privileges Delineation Neurology

Applicant Name: _____

Qualifications

To be eligible for core privileges in neurology, the applicant must meet the following qualifications:

- Current certification or active participation in the examination process leading to certification in neurology by the American Board of Psychiatry and Neurology or the American Osteopathic Board of Neurology and Psychiatry.

OR

- Successful completion of an ACGME- or AOA-accredited post-graduate training program in neurology.

AND

- Documentation of the provision of inpatient or outpatient neurological services to at least 24 patients during the past 12 months or demonstrate successful participation in a hospital-affiliated formalized residency or special clinical fellowship.

New applicants will be required to provide documentation of the number and types of hospital cases during the past 24 months. Applicants have the burden of producing information deemed adequate by the hospital for a proper evaluation of current competence, and other qualifications and for resolving any doubts.

To be eligible to apply for core privileges in child neurology, the applicant must meet the following qualifications:

- Current certification in neurology and successful completion of a postgraduate program which included training in child/adolescent neurology; or active participation in the examination process leading to added/special qualifications or subspecialty certification in child/adolescent neurology by the American Board of Psychiatry and Neurology or the American Osteopathic Board of Neurology and Psychiatry.

Or

- Successful completion of an ACGME- or AOA-accredited post-graduate training program in neurology followed by a fellowship in child/adolescent neurology.

And

- Documentation of the provision of inpatient neurological services to at least 24 child or adolescent patients during the past 24 months.

New applicants will be required to provide documentation of the number and types of hospital cases during the past 24 months. Applicants have the burden of producing information deemed adequate by the hospital for a proper evaluation of current competence, and other qualifications and for resolving any doubts.

General Privilege Statement

Clinically privileged individuals who have been determined to meet criteria within their practice specialty are permitted to admit, evaluate, diagnose, treat and provide consultation independent of patient age, and where applicable, provide surgical and therapeutic treatment within the scope of those clinical privileges and to perform other procedures that are extensions of those same techniques and skills. In the event of an emergency, any credentialed individual is permitted to do everything reasonably possible regardless of department, staff status or clinical privileges, to save the life of a patient or to save a patient from serious harm as is outlined in the Medical Staff Bylaws.

Neurology core privileges:

Admit, evaluate, diagnose, treat, and provide consultation to patients, with diseases, disorders or impaired function of the brain, spinal cord, peripheral nerves, muscles, and autonomic nervous system, including their coverings, blood vessels, and other effector tissue, such as muscle. The core privileges in this specialty include procedures that are extensions of the same techniques and skills; autonomic testing, EEG interpretation, somatosensory evoked responses, auditory evoked responses, visual evoked responses, thrombolytic therapy for stroke and lumbar puncture.

Pediatric neurology core privileges:

☐ **Requested**

Admit, evaluate, diagnose, treat and provide consultation to infants and children except as specifically excluded from practice, with all types of disease or disorders or impaired function, both acquired and congenital, of the brain, spinal cord, peripheral nerves, muscles, and autonomic nervous system, including their coverings, blood vessels, and other effector tissue, such as muscle. The core privileges in this specialty include the procedures on the attached list and such other procedures that are extensions of the same techniques and skills; autonomic testing, EEG interpretation, somatosensory evoked responses, auditory evoked responses, visual evoked responses, and lumbar puncture.

Tele-Neurology Core privileges

☐ **Requested**

The use of two-way, real time, interactive audio and video to provide and support neurology care when distance separates providers and patients. Privileges include the use of electronic communication or other communication technologies to provide or support clinical care at a distance. Evaluate patients, presenting with neurological symptoms or findings consistent with acute strokes. Telemedicine privileges shall include consulting with local medical staff, rendering a diagnosis, or otherwise providing neurological interpretation to a referring physician. Privileges include the ordering of diagnostic and laboratory tests as well as the prescribing of medications.

Core Proctoring Requirements:

Core proctoring requirements include concurrent and/or retrospective review as per proctoring policy contained in the Medical Staff General Rules and Regulations.

Reappointment Criteria for Core Privileges:

Applicant must provide reasonable evidence of current ability to perform requested privileges; those physicians who have fewer than 5 patient contacts per year in the hospital, and cannot provide documentation of current competence from another facility, will not qualify for reappointment.

Special Procedures/Privileges

Qualifications: To be eligible to apply for a special procedure privilege listed below, the applicant must demonstrate successful completion of an approved and recognized course or acceptable supervised training in residency, fellowship, or other acceptable experience; and provide documentation of competence in performing that procedure consistent with the criteria set forth below.

Proctoring of Special Procedure Privileges: These special procedure-proctoring requirements must be met in addition to the core proctoring requirements described on page one of this privilege form.

Applicant: Place a check mark in the (R) column for each privilege requested. New applicants must provide documentation of the number and types of hospital cases during the past 24 months.

(R)=Requested (A)=Recommended as Requested (C)=Recommended w/Conditions (N)=Not Recommended

Note: If recommendations for clinical privileges include a condition, modification or are not recommended, the specific condition and reason for same must be stated on the last page of this form.

Applicant: Check box marked "R" to request privileges

R	A	C	N	Procedure	Initial Appointment	Proctoring	Reappointment
				Moderate Sedation	Current ACLS Certification AND Signed attestation of reading SVMH Sedation Protocol and learning module, AND Completion of written moderate sedation exam with minimum of 75% correct.	1	Current ACLS Certification AND Completion of written moderate sedation exam with minimum 75% correct AND Performance of at least two (2) Cases within the past 24 months
				Polysomnography (sleep disorders)	<i>Requires: Successful completion of a one year training program in sleep medicine, under the supervision of a diplomat of the American Board of Sleep Medicine or successful completion of a fellowship by the American Sleep Disorders Association; and demonstrated competence in all aspects of polysomnographics, including administering, scoring, and interpreting polysomnograms</i>	1	5
				<u>In the SVMHS Sleep Center only.</u> SVHMC Outpatient Infusion Center	Unrestricted Core Neurology Privileges at SVMHC	N/A	Maintenance of unrestricted Core Neurology Privileges at SVMC

Applicant:

Please indicate any privilege on this list you would like to ***delete or change*** by writing them in the space provided below. Requests for deletions or changes will be reviewed and considered by the Department Chair, Credentials Committee and Medical Executive Committee. Deletion of any specific core procedure does not preclude mandatory requirement for Emergency Room call.

_____	_____
_____	_____
_____	_____
Applicant Signature:	Date:

Acknowledgment of practitioner

I have requested only those privileges for which by education, training, current experience, and demonstrated performance I am qualified to perform, and that I wish to exercise at Salinas Valley Health Medical Center. I further submit that I have no health problems that could affect my ability to perform the privileges I am request. I also understand that:

- (a) In exercising any clinical privileges granted, I am constrained by hospital and medical staff Bylaws, Rules and Regulations, and policies applicable generally and any applicable to the particular situation,
- (b) Any restriction on the clinical privileges granted to me is waived in an emergency situation and in such a situation my actions are governed by the applicable section of the medical staff bylaws or related documents.

Applicant Signature

Date

*****Department Chair’s Recommendation*****

I have reviewed the requested clinical privileges and supporting documentation for the above-named applicant and make the following recommendation(s):

☐ Recommend all requested privileges

☐ Recommend all requested privileges with the following conditions/modifications:

☐ Do not recommend the following requested privileges:

Privilege	Condition/Modification/Explanation
1.	
2.	
3.	
4.	
Notes:	

Department Chair Signature

Date



Advanced Practice Provider Rules and Regulations

~~July 25, 2024~~ 12/04/24
DRAFT

ARTICLE I PREAMBLE

The Medical Staff of Salinas Valley Health has adopted these Advanced Practice Provider (APP) Rules and Regulations for the governance of the APP Staff that provide services at Salinas Valley Health. Adherence to these rules and regulations is required by all members of the APP Staff holding privileges or working under clinical privileges.

ARTICLE II GENERAL ORGANIZATION

The APP Staff shall include those practitioners who are not members of the Medical Staff but provide clinical services to hospital patients as described in this document. The APP Staff shall be composed of Dependent Practitioners.

ARTICLE III NATURE OF MEMBERSHIP

No APP shall provide patient care services unless they have been granted clinical privileges. Appointment to the APP Staff shall permit the exercise of only those privileges that are granted in accordance with the Salinas Valley Health Medical Staff Bylaws and these Rules and Regulations. The criteria for APP clinical privileges shall be developed in consultation with and subject to oversight of the Medical Staff Department in which said privileges will be exercised.

ARTICLE IV APPOINTMENT AND REAPPOINTMENT

4.1 DURATION OF ALLIED PRACTITIONER STAFF APPOINTMENT

All appointments and reappointments to the APP Staff will be for a period of no more than two (2) years.

4.2 MECHANISM FOR APPOINTMENT OR REAPPOINTMENT

4.2-1 APPLICATION

Every applicant for appointment or reappointment to the APP Staff at Salinas Valley Health will make application on the approved APP application form.

4.2-2 GENERAL PROVISIONS

The process for granting APP Staff appointment or reappointment and clinical privileges shall be the same as the process described in Article IV of the Salinas Valley Health Medical Staff Bylaws with the exception that the Interdisciplinary Practice Committee (IDPC) of the Medical Staff shall carry out the credentialing processes as described in Section 4.6.

4.2-3 CREDENTIALS FILE

The credentials file will contain credentialing information and clinical privileges for APP Staff. The credential file shall be maintained by Medical Staff Services.

4.2-4 CLINICAL PRIVILEGES

- a. The activities that the APP Staff will perform are defined as “clinical privileges”.
- b. All APP Staff clinical privilege forms shall be reviewed by the IDPC.
- c. The privileges which may be granted to specific APP Staff members shall be defined in these Rules and Regulations. Clinical privilege forms shall be reviewed at minimum every two years. Privileges may include:
 - i. The provision of specific patient care services under the supervision or direction of a physician member of the Medical Staff consistent with the APP Staff member's licensure or certification;
 - ii. Participation, by request, on Medical Staff and/or administrative committees or teams;
 - iii. Attendance by request at Medical Staff and/or administrative meetings.
- d. Dependent Practitioners may only provide clinical services to a patient under the supervision of a Medical Staff member holding appropriate clinical privileges relevant to the service to be provided.

ARTICLE V HEARING AND APPEAL RIGHTS

Nothing in the Medical Staff Bylaws or these Rules and Regulations shall be interpreted to entitle APP Staff members to the fair hearing rights as described in Articles VI and VII of the Medical Staff Bylaws. An APP Staff member shall, however, have the right to challenge any action that would, a) constitute grounds for a hearing under Section 7.2 of the Medical Staff Bylaws, or b) may otherwise adversely affect the APP's ability to provide patient care services. Under such circumstances, the affected APP may file a written grievance with the Medical Executive Committee. The Medical Executive Committee shall, through a mechanism determined by the Medical Executive Committee, conduct a review of the issues and afford the APP Staff member an opportunity for an interview concerning the grievance. The interview shall not be considered a hearing as established in Article VII of the Medical Staff Bylaws and need not be conducted according to the procedural rules applicable to hearings.

Before the interview, the APP shall be informed of the general nature of the circumstances giving rise to the action and the APP Staff member may present relevant information at the interview. A record of the interview shall be made and the Medical Executive Committee shall determine a decision on the action. This decision shall be forwarded to the Board of Directors. If, following review of the grievance, the Medical

Executive Committee recommends withdrawing action against the APP, then the Board of Directors shall affirm the decision if it is supported by substantive evidence. If the Medical Executive Committee recommends upholding the action against the APP, then the APP shall be so notified and may appeal the decision to the Board of Directors prior to the Board of Directors rendering a final decision. This appeal process shall follow a format as may be developed by the Board of Directors.

ARTICLE VI

AUTOMATIC SUSPENSION OF PRACTICE RIGHTS

6.1 SUPERVISING/COLLABORATING PHYSICIAN

6.1.1 If the supervising/collaborating physician's membership or privileges are terminated, whether voluntarily or involuntarily, then the APP's ability to perform clinical services shall also terminate. In addition, the APP cannot be supervised by physicians whose privileges have been restricted through Medical Staff action based on quality of care issues.

6.1.2 APP Staff who do not have a supervising/collaborating physician on the Medical Staff at SVH shall have their privileges automatically suspended. This shall not be deemed an adverse action and shall not entitle the APP to hearing and appeal rights as outlined in Article V of these Rules & Regulations.

6.2 LOSS OF LICENSURE OR CERTIFICATION

The APP's ability to provide clinical services shall terminate if the APP Staff member's licensure or certification is suspended, expired or revoked.

6.3 FAILURE TO BE ADEQUATELY INSURED

If at any time an APP's professional liability insurance coverage lapses, falls below the required minimum, is terminated or otherwise ceases to be in effect (in whole or in part), the APP's clinical privileges shall be suspended automatically as of that date until the Medical Staff determines that it has received acceptable documentation of adequate professional liability insurance coverage. If acceptable proof of such coverage is not provided to the Medical Staff within ninety (90) days of such lapse, then the practitioner's clinical privileges and allied health staff membership shall automatically terminate.

6.4 ACTION BY GOVERNMENT FUNDED HEALTH PROGRAM

Whenever an APP is excluded from any federally funded health care program, the APP's clinical privileges shall be automatically suspended as of the effective date of such exclusion.

6.5 FAILURE TO RESPOND OR APPEAR

APP Staff are expected to cooperate with Medical Staff committees and representatives in the discharge of their official functions. This includes responding promptly and appropriately to correspondence, providing requested information, and appearing at appropriately announced meetings regarding quality of care issues, utilization management issues, Medical Staff administrative issues, and other issues that may arise in the conduct of Medical Staff affairs. It also includes submitting to mental or physical examinations, as requested by the Chief of Staff or the Medical Executive Committee, for the purpose of resolving issues of fitness to perform mental or physical functions associated with the practitioner's privileges / prerogatives or any related issues of reasonable accommodation. Failure to comply shall constitute grounds for the Chief of Staff or a Department Chair to suspend the Member's privileges / prerogatives or take other appropriate action until a response is provided which is satisfactory to the requesting party. Any such suspension or action shall remain in effect until the APP is expressly notified that it is rescinded.

6.6 CRIMINAL ACTIVITY

Conviction of any felony or of any misdemeanor involving violations of law pertaining to controlled substances, illegal drugs, Medicare, Medicaid, or insurance fraud or abuse, or a plea of guilty or nolo contendere to charges pertaining to the same shall result in automatic relinquishment of APP membership and privileges / prerogatives.

6.7 MEDICAL EXECUTIVE COMMITTEE DELIBERATIONS AND ACTION

As soon as practicable after action is taken or warranted as described elsewhere in this Article, with the exception of routine suspensions for failure to complete medical records, the Medical Executive Committee shall review and consider the facts, and may take or recommend such additional action as it deems appropriate.

6.8 MEMBER OBLIGATIONS

An APP Staff member shall immediately provide written notice to the Medical Staff Services Department of any of the above described actions or events. The member shall also promptly provide the Medical Staff Services Department with a written explanation of the basis for such actions, including copies of relevant documents. The limitations described above shall take effect automatically as of the date of the underlying action or event, regardless of whether the member provides notice thereof to the Medical Staff Services Department. The Medical Executive Committee may request the member to provide additional information concerning the above described actions or events, and a failure of the member to provide such information may extend the special actions listed above, even though the underlying limitation may have been removed.

ARTICLE VII RESPONSIBILITIES

APP Staff members' responsibilities shall include:

- a. Maintain all applicable licensure or certification requirements;
- b. Comply with any applicable requirements of the Medical Staff Bylaws, Rules and Regulations, and Medical Staff and hospital administrative policies;

- c. Retain appropriate responsibility within their area of professional competence for the care of each patient in the hospital for whom they are providing services;
- d. Participate in quality assessment and performance improvement activities as requested by the Interdisciplinary Practice Committee, a Medical Staff Department, or any committee of the Medical Staff or the Board of Directors. Failure of an APP Staff member to participate in quality assessment or performance improvement activities when requested by the Medical Executive Committee shall result in responsive action including the possible revocation or suspension of all privileges.
- e. Provide only those services, which are contained and approved in the practitioner's clinical privileges.
- f. Not admit patients or assume primary patient care responsibilities unless otherwise specified in their clinical privileges.
- g. Only provide clinical services to a patient pursuant to the order of a Medical Staff member unless otherwise specified in their clinical privileges.
- h. Complete all proctoring requirements as may be established by the Interdisciplinary Practice Committee or the Medical Executive Committee.
- i. Maintain certification (BLS, ACLS, NRP, etc.) as required by these APP Rules and Regulations or other organizational/Medical Staff policies and procedures.
- j. Maintain continuing education as required by licensure and/or certification and Salinas Valley Health Medical Staff policies.
- k. Complete all medical records in accordance with requirements established by the Medical Staff Bylaws and organizational policies.
- l. Participate as appropriate in performance improvement and peer review activities as requested by the applicable Quality and Safety Committee, Medical Staff Excellence Committee or other Medical Staff or administrative committees.
- m. Meet any additional requirements as may be described in these APP Rules and Regulations or as described in their respective approved /clinical privileges.
- n. Abide by the Medical Staff Code of Conduct as outlined in the General Medical Staff Rules and Regulations
- o. Demonstrate a willingness and capability, based on current behavior and evidence of performance, to work with and relate to other staff members, members of other health disciplines, administration and employees, visitors and the community in general in a cooperative, professional, non-disruptive manner that is essential for maintaining a health care environment appropriate to quality and efficient patient care.

ARTICLE VIII DEPENDENT PRACTITIONERS

8.1 DEFINITION

Dependent Practitioners are licensed or certified in the State of California and are not authorized the independent exercise of clinical privileges at Salinas Valley Health. Dependent Practitioners may only provide patient care services as defined in the APP specific clinical privileges.

8.2 CATEGORIES

The following categories of Dependent Practitioners authorized to provide patient care at Salinas Valley Health are:

- a. Nurse Practitioner (NP)
- b. Physician Assistant (PA)
- b.c. Psychiatric Mental Health Nurse Practitioner (PMHNP)

8.3 RESPONSIBILITIES/ PREROGATIVES

The Dependent Practitioner:

- a. Must meet and abide by all requirements of these APP Rules and Regulations, Medical Staff Bylaws, Medical Staff Rules and Regulations, and Hospital policies.
- b. Must provide a written supervising physician agreement that is signed and dated by both the APP and the supervising physician.

8.4 SUPERVISION

- a. No physician shall supervise more than four (4) APP's.
- b. The APP must function in a reasonable proximity to the supervising physician and the supervising physician or designee must be available either in person or by electronic communication. A supervising physician shall delegate to an APP only those tasks and procedures consistent with the supervising physician's specialty or usual and customary practice.
- c. The physician must physically see each admitted patient prior to admission and prior to discharge. Thereafter, the supervising physician shall examine the patient the same day (or within 24 hours) as care is given by the APP to an in-patient.
- d. In the case of a patient proceeding to the Operating Room, physician review and countersignature of an H&P completed by an APP must be completed prior to surgery. A note must be made by the supervising physician and must include a summary of the pertinent details of the history, important physical findings, the planned surgery, the rationale for the surgery, and documentation that the procedure has been explained to the patient by the supervising physician. The duty to obtain informed consent cannot be delegated to an APP.

e. Dictation: The APP may dictate the H&P or discharge summary only if they have participated in the patient's care.

8.5 MECHANISM OF SUPERVISION

8.5.1 **Physician Assistants:** Defined in the Practice Agreement/Clinical Privileges

8.5.2 **Nurse Practitioners:** Defined in the Clinical Privileges

The Nursing Practice Act (NPA) does not require physician countersignature of Nurse practitioner charts.

8.7 PATIENT CARE CLINICAL SERVICES

Locations of Services:

- a. Salinas Valley Health Medical Center
- b. Ambulatory Care/Taylor Farms Family Health & Wellness Center
- c. Cardiovascular Outpatient Diagnostic Center (CDOC)
- d. Center for Advanced Cardiac Imaging (CADI)
- e. Regional Wound Care Center
- f. Outpatient Infusion Center

The APP Staff member may provide patient care clinical services through an approved practice agreement/clinical privileges

ARTICLE IX APP INDEPENDENT PRACTITIONERS

8.6 DEFINITION

APP Independent Practitioners are licensed or certified in the State of California and are authorized the independent exercise of clinical privileges at Salinas Valley Health. APP Independent Practitioners may only provide patient care services as defined in the APP specific clinical privileges.

8.7 CATEGORIES

The following category of APP Independent Practitioner is authorized to provide patient care at Salinas Valley Health:

Certified Registered Nurse Anesthetist (CRNA)

8.8 RESPONSIBILITIES/ PREROGATIVES

Must meet and abide by all requirements of these APP Rules and Regulations, Medical Staff Bylaws, Medical Staff Rules and Regulations, and Hospital policies.

8.8 PATIENT CARE CLINICAL SERVICES

Locations of Services:

Salinas Valley Memorial Hospital

The APP Staff member provides patient care clinical services through an approved practice agreement/clinical privileges

ARTICLE X

AMENDMENTS TO THE APP RULES AND REGULATIONS

Suggested amendments to the APP Rules and Regulations shall be submitted to the Interdisciplinary Practice Committee and Medical Executive Committee for review and recommendation prior to approval by the Board of Directors. Amendments shall become effective when approved by the Board of Directors.

Clinical Privilege Delineation Form
Telemedicine
Psychiatric Mental Health Nurse Practitioner (PMHNP)

Applicant Name: _____

To be eligible to apply for core privileges as a PMHNP, the applicant must meet the following qualifications:

New applicants will be required to provide documentation of the number and types of cases they were involved with during the past 24 months. Applicants have the burden of producing information deemed adequate by the medical staff and hospital for a proper evaluation of current competence, and other qualifications and for resolving any doubts.

Education and minimum formal training:

- Master of Science in Nursing (MSN) from an accredited institution.
- Successful completion of a Psychiatric-Mental Health Nurse Practitioner program accredited by the Commission on Collegiate Nursing Education (CCNE) or the Accreditation Commission for Education in Nursing (ACEN).
- Board Certification by American Nurses Credentialing Center (ANCC) as a Psychiatric-Mental Health Nurse Practitioner (Across the Lifespan)

Additional Requirements:

In addition, an NP must have the following:

1. Current California Registered Nurse license required
2. Current Advanced Practice Registered Nurse (APRN) license required.
3. Current Drug Enforcement Administration Certificate

Required previous experience: Documentation of 200 patient care activities within the past 24 months

Core Privileges

- Evaluate patients via telemedicine technology including detailed history taken from staff, patient and significant others, as well as mental status examinations.
- Diagnose using DSM5 criteria and ICD 10 codes.
- Review results of laboratory studies and correlate with clinical history
- Consultation with physicians in other fields
- Treatment of mental, behavioral or emotional disorders
- Psychopharmacology
- Behavioral Modification
- Emergency Psychiatry
- Chemical Dependency
- Ongoing outpatient clinic care
- Child and Adolescent care

Core Proctoring Requirements:

Core proctoring requirements include direct observation or concurrent review as per proctoring policy contained in the Medical Staff General Rules and Regulations.

Reappointment Criteria for Core Privileges:

Applicants must be able to document current California Registered Nurse licensure, Advanced Practice Registered Nurse (APRN) licensure, continued Board Certification as a PMEHNP, as well as documentation of the provision of services for at least 50 patients within the past 24 months.

MEDICAL STAFF AFFILIATION/INVOLVEMENT:

The collaborating/supervising physician must:

1. Participate as requested in the evaluation of competency (i.e., at the time of reappointment and, as applicable, at intervals between reappointment, as necessary)
2. Be readily available by electronic communication or provide an alternate to provide consultation when requested and to intervene when necessary
3. Assume total responsibility for the care of any patient when requested or required by the policies referenced above or in the interest of patient care
4. Sign the privilege request of the practitioner they supervise, accepting responsibility for appropriate supervision of the services provided under their supervision and agree that the supervised practitioner will not exceed the scope of practice defined by law and the written agreement

Special Procedures/Privileges

Applicant: Place a check mark in the (R) column for each privilege requested. New applicants must provide documentation of the number and types of hospital cases during the past 24 months.

(R)=Requested **(A)**=Recommended as Requested **(C)**=Recommended w/Conditions **(N)**=Not Recommended

Note: If recommendations for clinical privileges include a condition, modification or are not recommended, the specific condition and reason for same must be stated on the last page of this form.

Applicant: Check box marked “R” to request privileges

R	A	C	N	Procedure	Initial Appointment	Proctoring	Reappointment
				Furnishing or ordering of drugs within a collaborative practice agreement	Documentation of a current furnishing number under BPC Code Section 2836.1	N/A	Continued maintenance of a current furnishing number
				Furnishing or ordering of Schedule II-V drugs with a collaborative practice agreement	Documentation of registration with the U.S. Drug Enforcement Administration	N/A	Continued maintenance DEA registration

Acknowledgment of Practitioner:

I have requested only those privileges for which by education, training, current experience, and demonstrated performance I am qualified to perform, and that I wish to exercise at Salinas Valley Health Medical Center, and I understand that:

1. In exercising any clinical privileges granted, I am constrained by hospital and medical staff Bylaws, Rules and Regulations, and policies applicable generally and any applicable to the particular situation,
2. Any restriction on the clinical privileges granted to me is waived in an emergency situation and in such a situation my actions are governed by the applicable section of the medical staff bylaws or related documents.

Nurse Practitioner's Signature

Date



**Psychiatric Mental Health Nurse Practitioner– Core Services Telehealth
Delegated Services Agreement**

I have requested only those functions for which, by education, training, current experience, and demonstrated performance, I am qualified to perform and which I wish to exercise at Salinas Valley Health Medical Center.

I understand that, in exercising any specific functions granted and in carrying out the responsibilities assigned to me, I am constrained by any hospital and medical staff policies and rules applicable generally and any applicable to the particular situation. I agree to abide by the protocols, as written.

I understand and agree that I will be supervised in accordance with the written supervisor guidelines incorporated in the SVHMC Telehealth Psychiatric Mental Health Nurse Practitioner Clinical Privilege Delineation.

_____ Nurse Practitioner Name	_____ Signature	_____ Date
----------------------------------	--------------------	---------------

_____ Collaborating Physician Name	_____ Endorsement/Signature	_____ Date
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Plan for Alternate Coverage:

The following plan will be implemented in the unlikely event a patient's need exceeds the nurse practitioner's scope, and the supervising physician is not on the premises. The following physician(s) has (have) agreed to be a consultant(s) and/or receive referrals:

_____ Back-up Physician Name	_____ Endorsement/Signature	_____ Date
---------------------------------	--------------------------------	---------------

*****Department Chair's Recommendation*****

I have reviewed the requested clinical privileges and supporting documentation for the above-named applicant and make the following recommendation(s):

<input type="checkbox"/> Recommend all requested privileges
<input type="checkbox"/> Recommend all requested privileges with the following conditions/modifications:
<input type="checkbox"/> Do not recommend the following requested privileges:

Privilege	Condition/Modification/Explanation
1.	
2.	
3.	
4.	
Notes:	

Department Chair Signature

Date

RESOLUTION NO. 2024-3
OF THE BOARD OF DIRECTORS OF
SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM
AMENDING DISTRICT CONFLICT OF INTEREST CODE

WHEREAS, Salinas Valley Memorial Healthcare System (“SVMHS” or “District”), operating as Salinas Valley Health, is a public entity and local health care district organized and operated pursuant to Division 23 of the California Health and Safety Code, and as such is political subdivision of the State of California operating as a Special District under California law;

WHEREAS, the SVMHS Board of Directors has adopted a Conflict of Interest Code setting forth guidelines, rules, and regulations regarding the annual disclosure of assets, business positions and occupations, and income of designated officers and employees of the District;

WHEREAS, California Government Code Section 87306.5 requires each local agency in California to review its Conflict of Interest Code in each even numbered year to determine if its Conflict of Interest Code accurately designates all position which make or participate in the making of governmental decisions; and

WHEREAS, the SVMHS Conflict of Interest Code has been reviewed and recommendations have been made to revise the Conflict of Interest Code to update the Code document and list of officers and designated employees who must annually disclose their economic interests.

NOW THEREFORE IT IS HEREBY ORDERED AND DIRECTED THAT:

1. The Board of Directors of Salinas Valley Memorial Healthcare System hereby approves and adopts the amended and restated Conflict of Interest Code for the District in the form attached to this Resolution.
2. A copy of this Resolution and the attached District Conflict of Interest Code shall be forwarded by the District to the Monterey County Board of Supervisors in its capacity as the reviewing agency for the District’s Conflict of Interest Code.
3. The Secretary and President of the Board are hereby authorized to execute any documents and take any other actions necessary to give effect to this Resolution.

This Resolution was adopted at a duly noticed Regular Meeting of the Board of Directors of the District on December 19, 2024, by the following vote:

AYES:

NOES: None

ABSTENTIONS: None

ABSENT: None

SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM

By: _____
Victor Rey, Jr., Board President

**CONFLICT OF INTEREST CODE
OF THE
SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM**

The Political Reform Act of 1974 (Government Code section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation, section 18730 of Title 2 of the California Code of Regulations, which contains the terms of a standard conflict of interest code that can be incorporated by reference in an agency's code. After public notice and hearing, the Fair Political Practices Commission may amend the standard code to conform to amendments of the Political Reform Act. Therefore, the terms of section 18730 of title 2 of the California Code of Regulations and any amendments to it duly adopted by the Fair Political Practices Commission together with the attached Appendices designating positions and establishing disclosure categories are hereby incorporated by reference and together constitute the Conflict of Interest Code of the Salinas Valley Memorial Healthcare System (hereafter, "Agency").

Individuals holding designated positions shall file their statement of economic interests with the Agency, which will make the statements available for public inspection and reproduction pursuant to Government Code section 81008. Upon receipt of the statements for Members of the Board of Directors, President / Chief Executive Officer, and Chief Financial Officer, the Agency shall make and retain copies and forward the original of the statements to the code reviewing body. Statements for all other designated positions shall be retained by the Agency.

Attachments: Appendix A: Designated Positions
Appendix B: Disclosure Categories
Appendix C: Health and Safety Code Sections 32110 & 32111

Adopted: [DATE]
Amended: [DATE]

APPENDIX A: DESIGNATED POSITIONS

[ATTACHED]

Designated Positions¹	Assigned Disclosure Category
Assistant Controller	5
Assistant Director, PFS/Registration	2
Associate Chief of Staff	1
Board Member	1
Chief Administrative Officer	1
Chief Administrative Officer Officer of Community Wellness	1
Chief Clinical Officer	2
Chief Financial Officer	1
Chief Human Resources Officer	2
Chief Information Officer	2
Chief Legal Officer	1
Chief Medical Information Officer	2
Chief Medical Officer	2
Chief Nursing Officer	2
Chief of Staff	2
Chief Operating Officer	2
Chief Philanthropy Officer	6
Community Advisor	1
Consultant/New Position ²	1
Controller	5
Director	1
Director Case Management	2
Director of Accreditation and Regulatory Compliance	2
Director of Cardiovascular Services and Sleep Medicine	2
Director of Clinic Services	2
Director of Clinical Development	2
Director of Clinical Operations	2
Director of Community Benefit	2

¹ Public officials who manage public investments are not covered by the Conflict of Interest Code because they must file a statement of economic interests pursuant to Government Code section 87200. Therefore, those positions are listed below for information purposes only:

Members of the Board of Directors
President / Chief Executive Officer
Chief Financial Officer

² Consultants are included in the list of designated positions. For purposes of this Code, "consultant" has the same meaning as set forth in 2 Cal. Code Regs., tit. 2, section 18700.3(a), as follows:

"Consultant" "means an individual who, pursuant to a contract with a state or local government agency:

- (1) Makes a governmental decision whether to:
 - (A) Approve a rate, rule, or regulation;
 - (B) Adopt or enforce a law;
 - (C) Issue, deny, suspend, or revoke any permit, license, application, certificate, approval, order, or similar authorization or entitlement;
 - (D) Authorize the agency to enter into, modify, or renew a contract provided it is the type of contract that requires agency approval;
 - (E) Grant agency approval to a contract that requires agency approval and to which the agency is a party, or to the specifications for such a contract;
 - (F) Grant agency approval to a plan, design, report, study, or similar item;
 - (G) Adopt, or grant agency approval of, policies, standards, or guidelines for the agency, or for any subdivision thereof; or
- (2) Serves in a staff capacity with the agency and in that capacity participates in making a governmental decision as defined in Regulation 18704(a) and (b) or performs the same or substantially all the same duties for the agency that would otherwise be performed by an individual holding a position specified in the agency's Conflict of Interest Code under Section 87302."

Consultants to the Salinas Valley Memorial Healthcare System shall be subject to disclosure under Category 1, subject to the following limitation: The President / Chief Executive Officer may determine in writing that a particular consultant, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to comply with the disclosure requirements of Category 1. In such cases, the President / Chief Executive Officer may designate a different disclosure requirement. Such determination must be made in writing and shall include a description of the consultant's duties and, based upon that description, a statement of the extent of the consultant's disclosure requirements. Such determination by the President / Chief Executive Officer is a public record and shall be retained for public inspection in the same manner and location as the Agency's Conflict of Interest Code.

Director of Continuum of Care	2
Director of Contracting & Compliance	5
Director of Critical Care Services	2
Director of Education	2
Director of Employee Health	2
Director of Enterprise Informatics	2
Director of Enterprise Population and Health Management	2
Director of Environmental Services	2
Director of Facilities Management and Construction	5
Director of Financial Planning and Decision Support	2
Director of Government Affairs	2
Director of HIM/Privacy Officer	2
Director of Imaging Services	2
Director of Information Technology	2
Director of Laboratory Services	2
Director of Magnet Program	2
Director of Managed Care Contracting	2
Director of Marketing & Communications	6
Director of Materials Management	5
Director of Medical Staff Services	2
Director of Medical/Surgical Services	2
Director of Nutrition Services	2
Director of Outpatient Oncology & Wound Services	3
Director of Patient Financial Services and Patient Registration	2
Director of Perioperative Services	2
Director of Pharmacy	2
Director of Public Relations	6
Director of Quality & Patient Safety	3
Director of Strategic Development	2

Director of Volunteer and Health Career Services	2
Director of Women's and Children's Services	2
Manager of Patient Registration	2
Payroll Administrator	2
President / CEO	1

APPENDIX B: DISCLOSURE CATEGORIES

General Provisions Applicable to All Categories

When an individual who holds a designated position is required to disclose investments and sources of income, he or she shall disclose investments in business entities and sources of income which do business in the jurisdiction, plan to do business in the jurisdiction, or have done business in the jurisdiction within the past two years. In addition to other activities, a business entity is doing business within the jurisdiction if it owns real property within the jurisdiction.

When an individual who holds a designated position is required to disclose sources of income, he or she shall include gifts received from donors located inside as well as outside the jurisdiction.

When an individual who holds a designated position is required to disclose interests in real property, he or she shall disclose the type of real property described below if it is located within the jurisdiction, or not more than two miles outside the boundaries of the jurisdiction, or within two miles of any land owned or used by Agency.

When an individual who holds a designated position is required to disclose business position, he or she shall disclose positions in business entities that do business in the jurisdiction, plan to do business in the jurisdiction, or have done business in the jurisdiction within the past two years.

For purposes of this Conflict of Interest Code, the jurisdiction of the **Salinas Valley Memorial Healthcare System** is **Monterey County**. **Salinas Valley Memorial Healthcare System** operates entirely within the geographical boundaries of Monterey County.

Category 1

A designated position in this category must report all investments, business positions, interests in real property, and sources of income, including gifts, loans, and travel payments.

Category 2

A designated position in this category must report all investments, business positions, and sources of income, including gifts, loans, and travel payments.

Category 3

A designated position in this category must report all interests in real property as defined by the instructions to the Statement of Economic Interest form.

Category 4

A designated position in this category must report all investments, business positions and income, including gifts, loans, and travel payments, from sources that are subject to the regulatory, permit or licensing authority of, or have an application for a license or permit pending before, the Agency.

Category 5

A designated position in this category must report all investments, business positions and income, including gifts, loans, and travel payments, from sources which are of the type to supply materials, products, supplies, commodities, services, machinery, vehicles, or equipment utilized by the Agency.

Category 6

A designated position in this category must report all investments, business positions and income, including gifts, loans, and travel payments, from sources which are of the type to receive grants or other monies from or through the Agency.

APPENDIX C: HEALTH AND SAFETY CODE SECTIONS 32110 & 32111

32110.

(a) Except as provided in subdivision (d), no person who is a director, policymaking management employee, or medical staff officer of a hospital owned or operated by a district shall do either of the following:

(1) Possess any ownership interest in any other hospital serving the same area as that served by the district hospital of which the person is a director, policymaking management employee, or medical staff officer.

(2) Be a director, policymaking management employee, or medical staff officer of any hospital serving the same area as the area served by the district hospital.

(b) For purposes of this section, a hospital shall be considered to serve the same area as a district hospital when more than 5 percent of the hospital's patient admissions are residents of the district.

(c) For purposes of this section, the possession of an ownership interest, including stocks, bonds, or other securities by the spouse or minor children or any person shall be deemed to be the possession or interest of the person.

(d) No person shall serve concurrently as a director or policymaking management employee of a district and as a director or policymaking management employee of any other hospital serving the same area as the district, unless the boards of directors of the district and the hospital have determined that the situation will further joint planning, efficient delivery of health care services, and the best interest of the areas served by their respective hospitals, or unless the district and the hospital are affiliated under common ownership, lease, or any combination thereof.

(e) Any candidate who elects to run for the office of member of the board of directors of a district, and who owns stock in, or who works for any health care facility that does not serve the same area served by the district in which the office is sought, shall disclose on the ballot his or her occupation and place of employment.

32111.

(a) A member of a health care district's medical or allied health professional staff who is an officer of the district shall not be deemed to be "financially interested," for purposes of Section 1090 of the Government Code, in any of the contracts set forth in subdivision (b) made by any district body or board of which the officer is a member if all of the following conditions are satisfied:

(1) The officer abstains from any participation in the making of the contract.

(2) The officer's relationship to the contract is disclosed to the body or board

and noted in its official records.

(3) If the requirements of paragraphs (1) and (2) are satisfied, the body or board does both of the following, without any participation by the officer:

(A) Finds that the contract is fair to the district and in its best interest.

(B) Authorizes the contract in good faith.

(b) Subdivision (a) shall apply to the following contracts:

(1) A contract between the district and the officer for the officer to provide professional services to the district's patients, employees, or medical staff members and their respective dependents, provided that similar contracts exist with other staff members and the amounts payable under the contract are no greater than the amounts payable under similar contracts covering the same or similar services.

(2) A contract to provide services to covered persons between the district and any insurance company, health care service plan, employer, or other entity that provides health care coverage, and that also has a contract with the officer to provide professional services to its covered persons.

(3) A contract in which the district and the officer are both parties if other members of the district's medical or allied health professional staff are also parties, directly or through their professional corporations or other practice entities, provided the officer is offered terms no more favorable than those offered any other party who is a member of the district's medical or allied health professional staff.

(c) This section does not permit an otherwise prohibited individual to be a member of the board of directors of a district, including, but not limited to, individuals described in Section 32110 of this code or in Section 53227 of the Government Code. Nothing in this section shall authorize a contract that would otherwise be prohibited by Section 2400 of the Business and Professions Code.

(d) For purposes of this section, a contract entered into by a professional corporation or other practice entity in which the officer has an interest shall be deemed the same as a contract entered into by the officer directly.

EXTENDED CLOSED SESSION
(if necessary)

*(Report on Items to be
Discussed in Closed Session)*

(Meeting Chair)

*RECONVENE OPEN SESSION/
CLOSED SESSION REPORT*

(Meeting Chair)

ADJOURNMENT

DRAFT SALINAS VALLEY HEALTH¹
QUALITY AND EFFICIENT PRACTICES COMMITTEE MEETING
COMMITTEE OF THE WHOLE
MEETING MINUTES DECEMBER 16, 2024

Committee Member Attendance:

Voting Members Present: **Catherine Carson**, Chair, appearing via teleconference pursuant to Government Code Section 54953(f)(2)(A)(i), **Clement Miller**, COO, and **Alison Wilson, D.O.**;

Voting Members Absent: **Carla Spencer**, Chief Nursing Officer, **Rolando Cabrera, M.D.**, Vice-Chair;

Advisory Non-Voting Members Present:

In Person: Allen Radner, M.D., President/CEO, Timothy Albert, M.D., CCO, and Cheryl Pirozzoli, Family/Patient Advisor. Via WebEx: Gary Ray, Michelle Childs

Other Board Members Present, Constituting Committee of the Whole:

Via teleconference: Juan Cabrera, Joel Hernandez Laguna, Victor Rey.

Juan Cabrera arrived at 8:45 a.m.

Victor Rey arrived at 9:07 a.m.

1. CALL TO ORDER/ROLL CALL

A quorum was present and Committee Member Miller called the meeting to order at 8:30 a.m. in the Downing Resource Center CEO Conference Room 117.

2. PUBLIC COMMENT

None.

3. APPROVAL OF MINUTES FROM THE QUALITY AND EFFICIENT PRACTICES COMMITTEE MEETING OF NOVEMBER 11, 2024.

Approve the minutes of the November 11, 2024 Quality and Efficient Practices Committee meeting. The information was included in the Committee packet.

PUBLIC COMMENT:

None

MOTION:

Upon motion by Dr. Wilson, second by Committee member Miller, the minutes of the November 11, 2024 Quality and Efficient Practices Committee Meeting were approved as presented.

ROLL CALL VOTE:

Ayes: Chair Carson, Miller, Dr. Wilson;

Noes: None;

Abstentions: None;

Absent: Vice-Chair Cabrera, Spencer.

Motion Carried

¹Salinas Valley Memorial Healthcare System operating as Salinas Valley Health

4. PATIENT CARE SERVICES UPDATE: NIGHT SHIFT PRACTICE COUNCIL (NSPC)

Carla Spencer, CNO, introduced Michael Brown, MS, BSN, RN, PCCN (Chair), who reported the following:

- Council Purpose and Council Members
- Completed initiatives
 - Quiet Menu and Quiet Kit including background, intervention: creation of a handout/flyer, assembling the kits funded by the Foundation, promotion of the use of the Quiet Menus, and development of a poster abstract to be presented to the Salinas Valley Health Poster Expo 2025. HCAHPS Quietness of Hospital Environment Top Box Scores June 2023 – January 2024 were reviewed. The Quiet Menu was distributed.
 - Quiet at Night “Recommitment” including goal, background, intervention: commitment-statement posters created, signed by staff and posted in units, sound decibel meters used to provide real-time feedback of noise levels, targets displayed next to decibel meters, NSPC members rounded to “recommit” staff. HCAHPS Quietness of Hospital Environment top-box scores compared to initiatives launches.
- Current Initiatives
 - Structural Noise Issues including background, progress and what’s ahead, e.g., tube system, closing doors, et al.
 - Trial a “Quiet at Night” Announcement including background and outcomes/measures the NSPC plans to track.
- What’s Ahead: NSPC is seeking ancillary employee members, collaboration with intra-professional staff and expand the use of lavender calming agent for patients experiencing anxiety and insomnia.

A full report was provided in the packet.

Committee Discussion: Chair Carson reported HCAHPS are changing for Quiet a Night in 2025. Mr. Brown stated the committee is anticipating changes and the new catch word is “restfulness.” HCAHPS scores are hospital-wide and can be broken down by unit. The Council is working with Hospitalist Dr. Kaufman. Dr. Wilson asked if the announcement could be soft, music or a hushing sound. Ann Bucu, NSPC Advisor, stated there were voice auditions for the recorded message and the voice is calming. Once the announcement launches, reevaluation will be part of the process. Chaplain Reyes suggested using a mass TigerText; the committee will evaluate all suggestions.

5. CLOSED SESSION

Committee Member Miller announced that the items to be discussed in Closed Session are *Hearings/Reports* as listed on the closed session agenda. The meeting recessed into Closed Session under the Closed Session protocol at 8:50 a.m.

6. RECONVENE OPEN SESSION/REPORT ON CLOSED SESSION

The Committee reconvened for Open Session at 9:17 a.m. Committee Member Miller reported that in Closed Session, the *Hearings/Reports* were accepted the as presented, as follows:

Hearings and Reports

1. Report of the Medical Staff Quality and Safety Committee
 - Chaplain Services Report
 - Accreditation and Regulatory Report
2. Quality and Safety Board Dashboard
3. Consent Agenda:
 - Environment of Care Committee Reports
 - Risk Management/Patient Safety Full Report
 - Joint Services Program Report
 - Pharmacy and Therapeutics Committee Report
 - Patient Safety and Risk Management Report: Patient Safety Event Review - A. Kukla

7. ADJOURNMENT

There being no other business, the meeting adjourned at 9:17 a.m. The next Quality and Efficient Practices Committee Meeting is scheduled for **Monday, January 13, 2025** at 8:30 a.m.

Catherine Carson, Chair
Quality and Efficient Practices Committee

DRAFT SALINAS VALLEY HEALTH¹
PERSONNEL, PENSION AND INVESTMENT COMMITTEE
COMMITTEE OF THE WHOLE
MEETING MINUTES DECEMBER 9, 2024

Committee Member Attendance:

Voting Members Present: **Juan Cabrera**, Chair; **Augustine Lopez**, CFO and **Glenn Berry, M.D.**, Medical Staff Member;

Voting Members Absent: Catherine Carson, Vice-Chair and Michelle Childs, CHRO;

Advisory Non-Voting Members Present: Tony Redmond, Subject Matter Expert, Allen Radner, M.D., President/CEO Tim Albert, M.D., CCO, Alysha Hyland, CAO, Clement Miller, COO, and Gary Ray, CLO;

Other Board Members Present, Constituting Committee of the Whole: Via Teleconference: Rolando Cabrera, M.D. and Victor Rey.

1. CALL TO ORDER/ROLL CALL

A quorum was present and Chair Juan Cabrera called the meeting to order at 4:35 p.m. in the Heart Center Conference Room.

2. PUBLIC COMMENT: None

3. APPROVAL OF MINUTES FROM THE PERSONNEL, PENSION AND INVESTMENT COMMITTEE MEETING OF SEPTEMBER 16, 2024

Approve the minutes of the September 16, 2024 Personnel, Pension, and Investment Committee meeting. The information was included in the Committee packet.

PUBLIC COMMENT: None

MOTION:

Upon motion by Committee Member Dr. Berry, and second by Committee Member Lopez, the minutes of the September 16, 2024 Personnel, Pension and Investment Committee were approved as presented.

Ayes: Chair Cabrera; Dr. Berry, and Lopez;

Noes: None;

Abstentions: None;

Absent: Carson and Childs.

Motion Carried

4. CONSIDER RECOMMENDATION FOR BOARD APPROVAL OF (i) FINDINGS SUPPORTING RECRUITMENT OF HENRY SANCHEZ ORTIGOZA, MD, (ii) CONTRACT TERMS FOR DR. SANCHEZ ORTIGOZA'S RECRUITMENT AGREEMENT, AND (iii) CONTRACT TERMS FOR DR. SANCHEZ ORTIGOZA'S HOSPITALIST MEDICINE PROFESSIONAL SERVICES AGREEMENT

¹Salinas Valley Memorial Healthcare System operating as Salinas Valley Health

In consultation with members of the medical staff, Salinas Valley Health (SVH) executive management has identified the recruitment of physicians providing Hospitalist Medicine Services as a recruiting priority for SVH's service area. The SVH hospitalist program operates under Salinas Valley Health Clinics (SVHC). The SVHC Hospitalist Program focuses on increasing patient and referring-provider satisfaction and improved retention of hospitalist physician staff. Due to the growth SVH has experienced in the adult daily census at the hospital, the need to recruit and retain hospitalists to the program remains a priority. Furthermore, one of the long-standing full-time hospitalists will be relocating out of the area in 2025. The recommended physician, Henry Sanchez Ortigoza, MD received his Doctor of Medicine degree in 2022 from Rutgers New Jersey Medical School. Dr. Sanchez will complete his Family Medicine Residency at Natividad Medical Center in Salinas in June 2025. Dr. Sanchez Ortigoza is fluent in Spanish and is passionate about providing quality health care to underserved communities. Dr. Sanchez Ortigoza is excited to remain in Salinas after his training and plans to join the SVHC Hospitalist Medicine team in September 2025.

PUBLIC COMMENT: None

COMMITTEE COMMENTS: This candidate is a Natividad resident known by Dr Radner. Stacey Callahan and Melissa Morales were thanked for their recruitment efforts.

MOTION:

Upon motion by Committee Member Dr. Berry, and second by Committee Member Lopez, the Personnel, Pension, and Investment Committee recommends Board of Directors approval of:

1. The Findings Supporting Recruitment of Henry Sanchez Ortigoza, MD,
 - That the recruitment of a hospitalist to Salinas Valley Health Clinics is in the best interest of the public health of the communities served by the District; and
 - That the recruitment benefits and incentives the hospital proposes for this recruitment are necessary in order to attract an appropriately qualified physician to practice in the communities served by the District;
2. The Contract Terms of the Recruitment Agreement for Dr. Sanchez Ortigoza; and
3. The Contract Terms of the Hospitalist Professional Services Agreement for Dr. Sanchez Ortigoza.

Ayes: Chair Cabrera; Dr. Berry, and Lopez;

Noes: None;

Abstentions: None;

Absent: Carson and Childs.

Motion Carried

5. CONSIDER RECOMMENDATION FOR BOARD APPROVAL OF (i) FINDINGS SUPPORTING RECRUITMENT OF BRIANA GOMEZ, MD, (ii) CONTRACT TERMS FOR DR. GOMEZ'S RECRUITMENT AGREEMENT, AND (iii) CONTRACT TERMS FOR DR. GOMEZ'S OBSTETRICS AND GYNECOLOGY PROFESSIONAL SERVICES AGREEMENT

In consultation with members of the medical staff, Salinas Valley Health (SVH) executive management has identified the recruitment of physicians specializing in Obstetrics and Gynecology as a recruiting priority for SVH's service area. Based on the Medical Staff Development Plan, completed by ECG

Management Group in January 2023, the specialty of obstetrics and gynecology was recommended as a top priority for recruitment. The recent relocation of a full-time physician to her home state has emphasized the need to recruit and retain additional obstetrics and gynecology physicians. The recommended physician, Briana Gomez, MD, received her Doctor of Medicine degree in 2021 the University of Kansas (KU) School of Medicine in Wichita. Dr. Gomez will also complete her Obstetrics and Gynecology residency at KU in the fall of 2025. Dr. Gomez is robotically trained and speaks Spanish. She is eager to relocate to the community and will join SVH Clinics in December 2025.

PUBLIC COMMENT: None

COMMITTEE COMMENTS: Dr. Albert stated it is an important recruitment as there is a big need in the community. Efforts continue to recruit physicians in this specialty.

MOTION:

Upon motion by Committee Member Dr. Berry, and second by Committee Member Lopez,, the Personnel, Pension, and Investment Committee recommends Board of Directors approval of:

1. The Findings Supporting Recruitment of Briana Gomez, MD:
 - That the recruitment of an obstetrics and gynecology physician to Salinas Valley Health Clinics is in the best interest of the public health of the communities served by the District; and
 - That the recruitment benefits and incentives the hospital proposes for this recruitment are necessary in order to attract and relocate an appropriately qualified physician to practice in the communities served by the District;
2. The Contract Terms of the Recruitment Agreement for Dr. Gomez; and
3. The Contract Terms of the Obstetrics and Gynecology Professional Services Agreement for Dr. Gomez.

Ayes: Chair Cabrera; Dr. Berry, and Lopez;

Noes: None;

Abstentions: None;

Absent: Carson and Childs.

Motion Carried

6. REVIEW INVESTMENT PERFORMANCE OF SALINAS VALLEY HEALTH MEDICAL CENTER GENERAL & BOARD DESIGNATED FUNDS

Augustine Lopez, CFO, introduced Drew Zager/Managing Director Private Wealth Advisor, Gregg Manjerovic/Senior Vice President Director of Business Strategy, Tim Skelly, Executive Director Institutional Consulting Director and Nick Bzovi/Institutional Consulting Relationship Manager, Jesus Rivera/Private Wealth Management Analyst, of Morgan Stanley who provided a portfolio performance review, a fixed income market review and a custodian & reporting update as follows:

- Market overview for 2024 including Federal Reserve rates, inflation, oil prices, tariffs, et al.
- Consolidated Board Designated, General, and Cash Reserve, January 1 – November 18, 2024: including performance, portfolio summary, asset allocation, and strong credit quality of portfolio.
- Consolidated Board Designated, General, and Cash Reserve, January 1 – December 31, 2023.

- Consolidated Board Designated, General, January 1 – November 18, 2024: including performance, portfolio summary, duration, asset allocation, and credit quality of portfolio.
- Cash Reserve, January 1 – November 18, 2024: including performance, portfolio summary, duration, asset allocation, and credit quality of portfolio.
- Fixed Income Market Review including consumer price index components/historical, GCP growth-quarterly, Fed funds futures, Treasury real yield (past 4 years and past 60 years), Foreign-held demand for US Treasury Securities declines, taxable muni spreads, corporate defaults (monthly), US investment grade option adjusted spreads, money market funds-total financial assets, short tips and January & October 2025 maturities.

Discussion: There was discussion of annualized projections, Short TIPS performance, consumer price index (CPI) components including medical care services, services (labor and non-labor), Federal Funds Futures, composition of the 5-year index, restructuring of the portfolio to adjust to trends, strategic rebalancing and strategies during higher volatility

A full report was included in the packet.

7. ADJOURNMENT

There being no other business, the meeting was adjourned at 5:12 p.m. The next Personnel, Pension, and Investment Committee Meeting is scheduled for **Monday, January 13, 2025**, time to be determined.

Juan Cabrera, Chair
Personnel Pension and Investment Committee

DRAFT SALINAS VALLEY HEALTH¹
FINANCE COMMITTEE
COMMITTEE OF THE WHOLE
MEETING MINUTES DECEMBER 16, 2024

Committee Member Attendance:

Voting Members Present: **Joel Hernandez Laguna**, Chair, **Juan Cabrera**, Vice-Chair, **Allen Radner, M.D.**, President/CEO, **Augustine Lopez**, CFO, and **Tarun Bajaj, M.D.**, Medical Staff Member.

Voting Members Absent: None.

Advisory Non-Voting Members Present:

Via teleconference: Michelle Childs, CHRO

In person: Tim Albert, CCO, Alysha Hyland, CAO, and Clement Miller, COO.

Other Board Members Present, Constituting Committee of the Whole:

Via teleconference: Catherine Carson and Victor Rey, Jr.

Vice-Chair Cabrera arrived at 4:09 p.m.

Dr. Bajaj arrived at 4:10 p.m.

1. CALL TO ORDER/ROLL CALL

A quorum was present and Chair Joel Hernandez Laguna, called the meeting to order at 4:01 p.m. in the CEO Conference Room.

2. PUBLIC COMMENT:

None.

3. MINUTES OF THE FINANCE COMMITTEE NOVEMBER 18, 2024

Approve the minutes of the November 18, 2024 Finance Committee meeting. The information was included in the Committee packet.

COMMITTEE MEMBER DISCUSSION: None.

PUBLIC COMMENT: None.

MOTION:

Upon motion by Dr. Radner, and second by Committee Member Lopez, the minutes of the November 18, 2024 Finance Committee were approved as presented.

ROLL CALL VOTE:

Ayes: Chair Hernandez Laguna, Lopez, Dr. Radner;

Nays: None;

Abstentions: None;

Absent: Vice-Chair Cabrera, Dr. Bajaj.

Motion Carried

**4. CONSIDER RECOMMENDATION FOR BOARD APPROVAL OF CEPHEID GENEXPERT
PLACEMENT AGREEMENT**

¹Salinas Valley Memorial Healthcare System operating as Salinas Valley Health

Clement Miller, COO, reported that the Cepheid GeneXpert is the industry gold-standard for molecular Microbiology patient testing and is requested by our laboratory and SVH ER physicians. Internalizing with this vendor allows SVH ER to triage, treat and discharge patients expeditiously due to Cepheid's precision and rapid test to result turnaround-time. The testing platform we've chosen allows for cost savings by the consolidation of at least two-vendors currently used while expanding our in-house clinical testing menu, in-line with our rising ER patient needs.

Salinas Valley Health Laboratory has an enduring need to maintain current with gold-standard laboratory technology to ensure rapid and accurate patient testing. Cepheid GeneXpert is a rapid PCR-based testing platform, specifically geared toward infectious disease, respiratory infection, women's health, and L&D clinical testing. In striving to meet our mission standards, our laboratory is requesting approval for a three-year Placement agreement with Cepheid to include the analyzer, reagents, and analyzer technical service. Cepheid GeneXpert testing has been requested by several SVH ER clinicians and will allow for increased efficiency in ER triage, diagnosis, and patient discharge. Procurement of Cepheid GeneXpert will also support new in-house testing, reduce cost associated from send-out tests, and allow for the elimination of two outdated labor-intensive and costly testing platforms with annual savings.

A full report was included in the packet.

COMMITTEE MEMBER DISCUSSION: Projected savings are \$261,583. The equipment will be used across the organization but all ER requests are stat. There is a Lab Utilization Committee that focuses on cost effectiveness which is part of bigger initiative.

PUBLIC COMMENT: None.

MOTION:

Upon motion by Committee member Dr. Radner, and second by Committee member Lopez, the Finance Committee recommends the Board of Directors approves the Cepheid GeneXpert Placement Agreement in the amount of \$768,700.80 (annual expenditure of \$256,234).

ROLL CALL VOTE:

Ayes: Chair Hernandez Laguna, Lopez, and Dr. Radner;

Nays: None;

Abstentions: None;

Absent: Vice-Chair Cabrera, Dr. Bajaj.

Motion Carried

5. CONSIDER RECOMMENDATION FOR BOARD APPROVAL OF THE PHILIPS MATC SOFTWARE EVOLUTION SERVICES (SES) FIVE (5) YEAR AGREEMENT

Clement Miller, COO, reported that this MATC (Monitoring Analysis Therapeutic Care) Software Evolution Services (SES) Agreement with Philips Healthcare will upgrade the hospital's current patient monitoring technology by the following:

- Upgrade and improve interoperability of PIC iX, Bedside Monitors and IBE
- Refresh performance via minor enhancements, access to major software releases and include clinical implementation services
- Migrate maintenance and repair from time and materials to scheduled preventative maintenance and telephone support services
- Discounted pricing greater than GPO on hardware and software products covered under the Agreement

This agreement supports and improves cost the efficiency of Philips patient monitoring products currently in use throughout the hospital but does not obligate SVMHS to purchase an expanded scope of new products. The adoption of Philips Software Evolution Services is a strategic investment that not only optimizes operational efficiencies and reduces costs but also significantly enhances the quality of patient care and safety. Approval of this program is recommended to ensure the organization remains at the forefront of healthcare technology and service delivery.

A full report was included in the packet.

COMMITTEE MEMBER DISCUSSION: None.

PUBLIC COMMENT: None.

MOTION:

Upon motion by Committee member Lopez, and second by Committee member Vice-Chair Cabrera, the Finance Committee recommends the Board of Directors approves of the Philips MATC Software Evolution Services (SES) Agreement in the amount of \$782,945.

ROLL CALL VOTE:

Ayes: Chair Hernandez Laguna, Vice-Chair Cabrera, Dr. Bajaj, Lopez, and Dr. Radner;

Nays: None;

Abstentions: None;

Absent: None.

Motion Carried

6. CONSIDER RECOMMENDATION FOR BOARD OF DIRECTORS APPROVAL OF A 'NURSE CALL – PHASE 3 UPGRADE' PROJECT, AND FOR PURCHASE OF A MEDICAL EQUIPMENT PACKAGE OF REPLACEMENT NURSE CALL COMPONENTS IN SUPPORT OF A CODE COMPLIANT NURSE CALL SYSTEM IN THE SVH MEDICAL CENTER.

Clement Miller, COO, reported the Nurse Call system is required by California Building Code and provides a critical communication service for patient care, and it allows the care team to activate the Code Blue response team with the push of a button. Without a fully functioning Nurse Call system, patients may not occupy an inpatient room. The Nurse Call system slated for upgrade is no longer supported by Baxter/Hillrom. There are two ICU rooms for which the Nurse Call system has failed, Engineering has patched-in two temporary wireless nurse call units from a different manufacturer so that patients may occupy the rooms where the Hillrom system has failed.

To date SVH has completed two of three planned phases to upgrade the Nurse Call system throughout the medical center building. The approved FY 2025 budget includes \$2,772,043 for this project, to be disbursed over 3 years. Phase 3 areas to upgrade include Labor & Delivery, Obstetrical ED, Mother/Baby, 2nd Floor ORs, Surgery, Intensive Care, Endoscopy, Cath Lab, Cardiology, and Diagnostic Imaging. Design work for 'Phase 3' activity is underway with the authority of a CEO 'project starter' authorization.

Facilities/Engineering is requesting purchase of the 3rd phase equipment package in calendar year 2024 to secure a package price reduction that will no longer be available if the package was purchased after January 1, 2025. Note: As indicated below, PO issuance in December 2024 captures beneficial pricing, actual disbursement of funds for the purchase is anticipated in FY2026.

A full report was included in the packet.

COMMITTEE MEMBER DISCUSSION: This recommendation will include ICU and Labor/Delivery which are in urgent need for upgrading. Nurse call systems are in use at all times and continuously monitored. Newer systems are supported by IT, as this system will be. Replacement will be from summer 2025 through 2026, pieced to keep beds available.

PUBLIC COMMENT: None.

MOTION:

Upon motion by Vice-Chair Cabrera and second by Committee member Lopez, the Finance Committee recommends the Board of Directors approve a 'Nurse Call Phase 3' Project in the amount of \$2,772,043, and the purchase of a component package per Hillrom proposal dated 12/13/2024 in the amount of \$1,580,832.91.

ROLL CALL VOTE:

Ayes: Chair Hernandez Laguna, Vice-Chair Cabrera, Dr. Bajaj, Lopez, and Dr. Radner;

Nays: None;

Abstentions: None;

Absent: None.

Motion Carried

7. JOINT VENTURES REPORT

Augustine Lopez, CFO, reported on the SVH joint ventures. The report included for each joint venture the partner legal structures for each joint venture, performance, effects of payor mix and strategies for the following: Monterey Peninsula Surgery Center, Monterey Bay Endoscopy Center, Central Coast MSO, Doctors on Duty, Lucille Packard Children's Hospital NICU, and SVH-MRKS Radiation Oncology Center.

A full report was included in the packet.

COMMITTEE MEMBER DISCUSSION: Dr. Radner reported SVH is invested in outpatient partners to benefit the community by reducing costs of services for patients; this proactively drives down cost for the community.

8. FINANCIAL PERFORMANCE REVIEW

An update was received from Augustine Lopez, CFO, on the Financial Performance Review for the month of November 2024. Highlights included Income from Operations \$1.4M, Net Income \$4.4M, and Days Cash on Hand of 366.

A full report including the November Summary Financials, Financial Statements, Budget Comparison, and Statistics was included in the packet for review.

COMMITTEE MEMBER DISCUSSION: None.

9. CLOSED SESSION

Chair Hernandez Laguna announced that items to be discussed in Closed Session as listed on the posted Agenda are *Hearings/Reports: Report of FEMA Project* and a *Report Involving Trade Secrets, strategic planning/proposed new programs and services*.

The meeting recessed into Closed Session under the Closed Session Protocol at 4:49 p.m.

10. RECONVENE OPEN SESSION/REPORT ON CLOSED SESSION

The Board reconvened Open Session at 4:49 p.m. Chair Hernandez Laguna announced that in Closed Session, the Board received *Hearings/Reports: Report of FEMA Project* and a *Report Involving Trade Secrets, strategic planning/proposed new programs and services*. No action was taken.

11. ADJOURNMENT

There being no other business, the meeting was adjourned at 5:00 p.m. The next Finance Committee Meeting is scheduled for **Monday, January 20, 2025**.

Joel Hernandez Laguna, Chair