February 20, 2025

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 next regular meeting of the **FINANCE COMMITTEE - COMMITTEE OF THE WHOLE** of **SALINAS VALLEY HEALTH**[1] will be held **MONDAY, FEBRUARY 24, 2025, AT 12:00 P.M., DOWNING RESOURCE CENTER, ROOMS A, B, & C, SALINAS VALLEY HEALTH MEDICAL CENTER, 450 E. ROMIE LANE, SALINAS, CALIFORNIA.**

(*For Public Access Information Visit* https://www.salinasvalleyhealth.com/aboutus/healthcare-district-information-reports/board-of-directors/board-committee-meetingsvirtual-link/.)

Allen Radner, MD
President/Chief Executive Officer

SalinasValleyHealth.com | 450 E. Romie Lane | Salinas, CA 93901 | T 831-757-4333

1Salinas Valley Memorial Healthcare System operating as Salinas Valley Health

Committee Voting Members: **Victor Rey, Jr.**, Chair, **Joel Hernandez Laguna**, Vice-Chair, **Allen Radner, MD**, President/CEO; **Augustine Lopez**, Chief Financial Officer; and **Tarun Bajaj, M.D.**, Medical Staff Member.

Advisory Non-Voting Members: Sanjeev Tandon, Community Members, Administrative Executive Team.

FINANCE COMMITTEE
COMMITTEE OF THE WHOLE SALINAS VALLEY HEALTH[1]

MONDAY, FEBRUARY 24, 2025, 12:00 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

1. Call to Order / Roll Call

2. 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.

3. Approve Minutes of the Finance Committee Meeting of January 20, 2025 (REY)
   - Motion/Second
   - Public Comment
   - Action by Committee/Roll Call Vote

4. Consider Recommendation for Board Approval of Sentrics Interactive Patient Care Solutions System as Sole Source Justification and Contract Award (HYLAND/PARKS)
   - Staff Report
   - Committee Questions to Staff
   - Public Comment
   - Committee Discussion/Deliberation
   - Motion/Second
   - Action by Committee/Roll Call Vote

5. Consider Recommendation for Board Approval of Project Budget for the MRI Equipment Installation at 444 E. Romie Outpatient Imaging Center and Award of contract to Siemens Medical Solutions for MRI Equipment and Service Agreement (MILLER)
   - Staff Report

[1] Salinas Valley Memorial Healthcare System operating as Salinas Valley Health

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

6. Consider Recommendation for Board Approval of Project Budget, associated taxes and construction for the Salinas Valley Health Clinic MRI Equipment Installation & building refresh at 626 Brunken Avenue Imaging Center (MILLER)
   - Staff Report
   - Committee Questions to Staff
   - Public Comment
   - Committee Discussion/Deliberation
   - Motion/Second
   - Action by Committee/Roll Call Vote
7. Closed Session
8. Reconvene Open Session
9. Review Key Operating Budget Assumptions Fiscal Year 2026 (LOPEZ)
10. Financial and Statistical Review (LOPEZ)
11. Review Balanced Scorecard (LOPEZ)
12. Adjournment

    The next Finance Committee Meeting is scheduled for **Monday, March 24, 2025** at 12:00 p.m.

[1]Salinas Valley Memorial Healthcare System operating as Salinas Valley Health

This Committee meeting may be attended by Board Members who do not sit on this Committee. In the event that a quorum of the entire Board is present, this Committee shall act as a Committee of the Whole. In either case, any item acted upon by the Committee or the Committee of the Whole will require consideration and action by the full Board of Directors as a prerequisite to its legal enactment.

The Committee packet is available at the Committee Meeting, at https://www.salinasvalleyhealth.com/aboutus/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, 2nd Floor, 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 831-7593050. Notification received 48 hours before the meeting will enable the District to make reasonable accommodations.

COMMITTEE OF THE WHOLE
SALINAS VALLEY HEALTH

MONDAY, FEBRUARY 24, 2025, 12:00 P.M.
DOWNING RESOURCE CENTER, ROOMS A, B & C

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

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

ADJOURN TO OPEN SESSION

CALL TO ORDER
ROLL CALL

(Chair to call the meeting to order)

PUBLIC COMMENT

COMMITTEE OF THE WHOLE
MEETING MINUTES JANUARY 20, 2025

Committee Member Attendance:

Voting Members Present: **Juan Cabrera**, Vice-Chair, **Allen Radner, M.D.**, President/CEO, and **Augustine Lopez**, CFO.

Voting Members Absent: **Joel Hernandez Laguna,** Chair, **Tarun Bajaj, M.D.**, Medical Staff Member.

Advisory Non-Voting Members Present:
Via teleconference: Michelle Childs, CHRO, and Carla Spencer, CNO;
In person: Tim Albert, 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., Catherine Carson and Victor Rey, Jr.

1. CALL TO ORDER/ROLL CALL

A quorum was present and Vice-Chair Juan Cabrera, called the meeting to order at 4:06 p.m. in the CEO Conference Room.

2. PUBLIC COMMENT:

None.

3. MINUTES OF THE FINANCE COMMITTEE DECEMBER 16, 2024

Approve the minutes of the December 16, 2024 Finance Committee meeting. The information was included in the Committee packet.

COMMITTEE MEMBER DISCUSSION: None.

PUBLIC COMMENT: None.

MOTION:

Upon motion by Committee Member Dr. Radner, and second by Committee Member Lopez, the minutes of the December 16, 2024 Finance Committee were approved as presented.

ROLL CALL VOTE:
Ayes: Vice-Chair Cabrera, Lopez, Dr. Radner;
Nays: None;
Abstentions: None;
Absent: Chair Hernandez Laguna, Dr. Bajaj.

Motion Carried

4. CONSIDER RECOMMENDATION FOR BOARD APPROVAL OF INITIAL PROJECT COST ESTIMATE AND AWARD CONTRACT TO JOHN A. MARTIN & ASSOCIATES, INC. FOR THE SEISMIC RETROFIT PROJECT

Omar Galvan of Kitchell Corporation, provided a project overview, current status, project budget/cost, and project schedule/roadmap including Senate Bill 1953 (Seismic Compliance & Safety), the goal of the bill, compliance timeframes, major work components, retrofitting infills and bracing, immediate deadlines and proposed schedule.

A full report including executive summary, background/situation/rationale, timeline/review process to date, Mission/Vision Goals, pillar/goal alignment, financial implications, and recommendation was included in the packet.

COMMITTEE MEMBER DISCUSSION: None.

PUBLIC COMMENT: None.

MOTION:

Upon motion by Committee Member Lopez, and second by Committee Member Dr. Radner, the Finance Committee recommends Board of Directors approval of (i) the total estimated project cost for the Seismic Retrofit Project in the budgeted amount $62,500,000 and (ii) the contract for $3,100,000 to John A. Martin & Associates, Inc. for structural design services for the Seismic Retrofit Project at the main hospital campus.

ROLL CALL VOTE:
Ayes: Vice-Chair Cabrera, Lopez, Dr. Radner;
Nays: None;
Abstentions: None;
Absent: Chair Hernandez Laguna, Dr. Bajaj.

Motion Carried

5. CONSIDER BOARD RATIFICATION AND APPROVAL OF COMPETITIVE SOLICITATION AND CONTRACT AWARD FOR EPIC ACUTE PROJECT TRAINING CONSULTANT ENGAGEMENT WITH EVERGREEN HEALTHCARE PARTNERS, INC.

Alysha Hyland, CAO, reported that the Salinas Valley Health Board approved the Epic Acute Project in May, 2024. Included in the approval was the Total Cost of Ownership (TCO), which covered all budgeted items associated to the implementation of Epic. The budget for Epic Project consultant fees in FY25 was set at $8,118,518. Evergreen Healthcare Partners, Inc. will provide consultant training services for the Epic Acute Project Implementation.

A full report was included in the packet.

COMMITTEE MEMBER DISCUSSION: None.

PUBLIC COMMENT: None.

MOTION:

Upon motion by Committee Member Dr. Radner, and second by Committee Member Lopez, the Finance Committee recommends Board of Directors Ratification and Approval of Competitive

Solicitation and Contract Award for Epic Acute Project Training Consultant Engagement with Evergreen Healthcare Partners, Inc., not to exceed $1,325,000.

ROLL CALL VOTE:
Ayes: Vice-Chair Cabrera, Lopez, Dr. Radner;
Nays: None;
Abstentions: None;
Absent: Chair Hernandez Laguna, Dr. Bajaj.

Motion Carried

6. CLOSED SESSION

Vice-Chair Cabrera announced that the item to be discussed in Closed Session as listed on the posted Agenda is *Report Involving Trade Secrets, strategic planning/proposed new programs and services*.

The meeting recessed into Closed Session under the Closed Session Protocol at 4:31 p.m.

7. RECONVENE OPEN SESSION/REPORT ON CLOSED SESSION

The Board reconvened Open Session at 5:06 p.m. Vice-Chair Cabrera announced that in Closed Session, the Board received *Report Involving Trade Secrets, strategic planning/proposed new programs and services*. No action was taken.

8. CONSIDER RECOMMENDATION FOR BOARD APPROVAL OF MRI EQUIPMENT FOR SVHC

Timothy Albert, MD, CCO, reported that in order to support the imaging infrastructure for Salinas Valley Health, capital updates are necessary to accommodate the growth in patient services. Salinas Valley Health Clinics operates imaging services from two locations which currently support two MRI scanners. The MRI machines are reaching end of life and the current demand for the service line is growing. The clinic equipment supports low complexity, high volume studies such as routine body, brain, musculoskeletal, and cardiovascular imaging.

After evaluating MRI vendors, it was determined that the following two vendors aligned most appropriately with our current needs. The two competitors were Siemens and Canon because of the integration with our established imaging systems. The two systems were evaluated and it was determined by the SVH team that a Canon MRI should be installed in the SVH clinic. A standard market rate service agreement will be combined with the purchase of the equipment.

A full report was included in the packet.

COMMITTEE MEMBER DISCUSSION: This request is for SVH Clinics. This recommendation is part of a larger strategy addressing MRI usage and availability for the entire system. Patient weight capacity is 400+ which is an advantage for the community.

PUBLIC COMMENT: None.

MOTION:

Upon motion by Committee Member Dr. Radner, and second by Committee Member Lopez, the Finance Committee recommends Board of Directors approve the terms presented for purchasing

MRI equipment for Salinas Valley Health Imaging from Canon in the amount of $1,385,027.00 and for a sixty-month service agreement in an amount not to exceed $598,250.

ROLL CALL VOTE:
Ayes: Vice-Chair Cabrera, Lopez, Dr. Radner;
Nays: None;
Abstentions: None;
Absent: Chair Hernandez Laguna, Dr. Bajaj.

Motion Carried

9. CAPITAL SPENDING YTD DECEMBER 2024 UPDATE

An update was received from Dave Sullivan, Bogard Construction on FY25 YTD December Capital Spending,

The report on Active Projects Approved by the Board was reviewed as follows:

- Medical Center campus painting: In progress. 2 major buildings completed.
- Surgery addition plus seismic retrofit: In progress.
- Elevator modernization: In progress. Have CDPH and HCAi approvals.
- Bulk oxygen tank replacement: Completed.
- SVH rebranding/signage: Ongoing.
- Cath Lab 3 replacement: 100% construction documents completed. Once approved will go out to bid. Trailers will be used during construction.
- Angio Suite replacement: 100% construction documents completed. Once approved will go out to bid. Trailers will be used during construction.
- 212 San Jose Street renovation Cardio/Vascular: Complete
- Epic IP Electronic Health Record (5-Yr Capital Portion): Ongoing.
- 559 Abbott Street Imaging Center X-Ray System: Completed under budget.

- Workday Financial and Supply Chain Software (Capital): Ongoing.
- X-Ray Rooms 1 & 2: 50% completed. Each room will be down separately.
- Nuclear Medicine Camera (D-Spect): Permits received and installation will start next week. 5-day project.
- 212 San Jose Street/Endoscopy: Just started.
- MRI Inpatient Building: Design in progress. 18-month project.
- Stryker Power Upgrade (OR Equipment, Capital Portion): Equipment purchased.
- Mobile unit emergency department facility: Building the interior. Need CDPH and HCAi approval prior to occupancy.
- Chiller and Lab Air Handling Unit Replacement: In design/modernizing.
- Nurse Call Phase 3: Final phase of upgrading system. Anticipate a May start.

All projects have a Board approved amount of $97,837,372. A full report was included in the packet.

COMMITTEE MEMBER DISCUSSION: The team was thanked for their comprehensive report. The MRI project will be beneficial to our patients.

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10. FINANCIAL PERFORMANCE REVIEW

An update was received from Augustine Lopez, CFO, on the Financial Performance Review for the month of December 2024. Highlights included Income from Operations $4.2M, Net Income $5.8M, and Days Cash on Hand of 371.

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

COMMITTEE MEMBER DISCUSSION: None.

11. BALANCED SCORECARD

The Balanced Scorecard Summary for FY2024/November, was included in the Committee packet for committee review. Mr. Lopez, CFO, provided a review of year-end metrics and progress, with input from Carla Spencer, CNO, Aisha Hueber, Director Perioperatives Services, Megan E. Giovanetti, Director Cardiovascular Services and Sleep, Tiffany DiTullio, Chief Administrative Officer/Community Wellness.

COMMITTEE MEMBER DISCUSSION: None.

12. ADJOURNMENT

There being no other business, the meeting was adjourned at 5:37 p.m. The next Finance Committee Meeting is scheduled for **Monday, February 24, 2025.**

_____
Juan Cabrera, Vice-Chair

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Board Paper: Finance Committee

Board Resolution 2025-02, delegation of authority up to $350,000

Request: Consider Recommendation for Board Approval of Sentrics Interactive Patient Care Solutions System as Sole Source Justification and Contract Award

Executive Sponsor: Audrey Parks, CIO

Date: February 12, 2025

Executive Summary

Salinas Valley Memorial Healthcare System (SVMHS) currently utilizes Sentrics, formerly known as Allen Technologies., Inc (ATI) as the interactive patient care systems or patient education and entertainment solution. The solution is used by patients to access patient education videos, CARE Channel (relaxation videos), Dish Network content and more. We would like to renew the support agreement for an initial 3-year term followed by 1-year annual renewals.

Features	Active at SVMHS
Hospital TV Plus Entertainment	
TV	✓
Music	✓
Internet Browsing	✓
Games	✓
Movies on Demand	✓
Patient Experience	
Message Bars and On-Screen Notifications	✓
Language Selection- Quick Links	✓
Patient Introduction & Orientation	✓
Additional Hospital Information	✓
Patient Education	
Educational Videos Available in English	Wellness Vendor
Educational Videos Available in Spanish	Wellness Vendor
Pre-assigned Educational Videos	✓
On-Screen Patient Education Checklist	✓
Bedside Education Assignment	✓
System Management & Reporting	
Monitor Critical System Components	✓
Remote Device Administration	✓

Financial/Quality/Safety/Regulatory Implications: Service and Finance

Key Contract Terms	Vendor: Sentrics
1. Proposed effective date	February 28, 2025

2. Term of agreement	February 28, 2025 – February 27, 2028 (3-year 2/2025 – 2/2028; annual renewal)
3. Renewal terms	1-year renewal
4. Termination provision(s)	May terminate within 60 days' notice of material breach

5. Payment Terms	$455,328/3-year term. $12,648 paid monthly x 36 months = $455,328; net 45
6. Annual cost(s)	$151,776
7. Cost over life of agreement	$455,328 / 3-year term
8. Budgeted (indicate y/n)	Yes, 8540.6600
9. Contract	1001.17

Recommendation

Consider recommendation for Board approval of Sentrics interactive patient care solutions system as sole source justification and contract award for $455,328 over a 3-year term.

Attachments

- Sentrics, Amendment #4 dated January 17th, 2025
- Sole Source Justification
- [#195340] PROCUREMENT: Sentrics - 3-year renewal | Salinas Valley Health

Alysha Hyland (Feb 13, 2025 08:42 PST)

Board/CEO – Packet Submission Checklist

Sentrics (Interactive Patient Care Systems) Renewal, 2025 - 2028

The original of this completed/fully signed checklist and all required supporting documents are to be handdelivered to Assistant to CFO by 4:00 p.m. on the Tuesday that falls three (3) weeks before Board week.

☒

☒ **BOARD/CEO PAPER** – required for all submissions; see attached instructions/sample **KEY**

☒ **CONTRACT TERMS** – required for all submissions – see table in Board/CEO Paper

☒ **CONTRACT** – negotiated final with vendor signature **PROCUREMENT**

☒ **PROCESS DOCUMENTATION** – required for all 1001.17 submissions requiring Board review/approval per Procurement Management Policy (see policy for details; indicate which subcategory is applicable):

☒ If for **data processing/telecommunications goods/services** of more than $25,000, check applicable option and include documentation:

RFP	☐	documentation
If sole source –	☒	provide detailed justification (see attachment)
If GPO, submit	☐	qualifying verification from Materials Management

☐ If for **professional/other services or medical/surgical equipment and supplies** more than $350,000, check applicable option and include documentation:

RFP	☐	documentation
If GPO, submit	☐	qualifying verification from Materials Management
If emergency – as	☐	designated by Board

☐ If for **non-medical materials/supplies** more than $25,000, check applicable option and include documentation:

Invitation for bids	☐	documentation
If sole source –	☐	provide detailed justification (see Attachment 3B)
If GPO, submit	☐	qualifying verification from Materials Management

Legal counsel/Contract Administrator reviewed: ☐ **No or** ☒ **Yes, By Whom:** Natalie James, Contract Administrator

SUBMITTED BY DEPARTMENT DIRECTOR OR DEPARTMENT ADMINISTRATOR:

Signature	Title/Department	Date
Andrea Parks	CIO	02/12/2025

REVIEWED BY:

CIO (if applicable): Date: 02/12/2025

Director of Audit/Compliance: Judi Melton (Feb 13, 2025 09:07 PST) Judi Melton)

Date: 02/13/2025

Justification for Sole Source Form

To: Sentrics (Allen Technologies, Inc)

From: Audrey Parks, CIO

Type of Purchase: (check one)

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

Cost Estimate ($):	$455,328
Vendor Name:	Sentrics (Allen Technologies, Inc)
Item Title:	Interactive Patient Care Solutions System

Statement of Need: My department's recommendation for sole source is based upon an objective review of the product/service required and appears to be in the best interest of the SVMHS. I know of no conflict of interest on my part or personal involvement in any way with this request. No gratuities, favors or compromising action have taken place. Neither has my personal familiarity with particular brands, types of equipment, materials or firms been a deciding influence on my request to sole source this purchase when there are other known suppliers to exist.

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 why it is mandatory to use this licensed or patented product or service:**

☒ Existing SVMHS equipment, inventory, custom-built information system, custom built data inventory system, or similar products or programs. **Describe. If product is off-the-shelf, list efforts to find other vendors (i.e. web site search, contacting the manufacturer to see if other dealers are available to service this region, etc.).**
Salinas Valley Memorial Healthcare System (SVMHS) currently utilizes Sentrics, formerly known as Allen Technologies., Inc (ATI) as the interactive patient care systems or patient education and entertainment solution. The solution is used by patients to access patient education videos, CARE Channel (relaxation videos), Dish Network content and more. The current solution is satisfactory and we have an infrastructure already installed to support Sentrics' interactive patient education and entertainment solution. There is little interest in replacing this solution within the proposed 3-year renewal. We would like to renew the support agreement for an initial 3-year term followed by 1-year annual renewals.

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

☐ SVMHS has established a standard for this manufacturer, supplier or provider and there is only one vendor. **Attach documentation from manufacturer to confirm that only one dealer provides the product.**

☐ 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, **Describe:**

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

Submitter Signature: Date: 02/12/2025

FIFTH AMENDMENT TO THE AGREEMENT
BETWEEN
SALINSA VALLEY MEMORIAL HEALTHCARE
AND
ALLEN TECHNOLOGIES, INC.

This is the Fifth Amendment to the Agreement (the "Fifth Amendment") between Allen Technologies, Inc. ("Allen") and Salinas Valley Memorial Healthcare ("Client").

RECITALS

WHEREAS, Allen and Client entered into an (the "Agreement") Agreement dated June 26, 2012; and a First Amendment dated September 1, 2014, and a Second Amendment dated June 7, 2018, and a Third Amendment dated January 24, 2019, and a Fourth Amendment dated December 29, 2021; and, WHEREAS, Allen and Client desire to amend the Agreement as set forth herein.

NOW, THEREFORE, in consideration of the foregoing, the parties agree as follows:

1. **Term**. This Amendment shall be effective from the last date of signature and shall continue for three (3) years from February 8, 2025 (the "Initial Term"). After the Initial Term, the Amendment shall automatically renew for successive one (1) year period unless the Client provides written notice of non-renewal ninety (90) days prior to the end of the Initial Term or any subsequent term.

2. **Facility Location.** 450 E Romie Ln., Salinas, CA 93901

3. **Solutions and Fees.** Allen Technologies shall provide to Client the following Solutions to the facility for the respective Solutions fees in accordance with this Amendment and the overall terms of the Agreement.

SAAS SOFTWARE

4. **SAAS FEE.** Allen Technologies shall provide to Client the right to use the Allen Software for the Service for up to 249 locations for a monthly fee of ($10,906.00), billed monthly.

SWANK

5. **SWANK FEE.** Client has opted to receive Swank Motion Pictures' 40-movie subscription through the E3 Patient Engagement system with 25% of the movies updated quarterly via e-delivery for up to 249 locations for a monthly fee of ($1,742.00). Movie services are provided by Swank Motion Pictures and any fee increases passed to Allen shall be added to the monthly fees as projected below. Allen Technologies does not set SWANK movie package pricing, and the above rates are subject to change at any time by Swank Motion Pictures.

TOTAL ANNUAL RECURRING FEE: $151,776.00

The provided pricing excludes freight, duties, import fees and sales tax. Tax amount will be added based on Client provided address and current tax rates and local tax tables at the time of invoicing. If Sentrics is collecting and remitting Sales Tax, Client is responsible for actual tax amounts. If the invoice does not include tax, Client is responsible for use tax. If the project and/or billing entity is tax exempt, a tax-exempt certificate must be provided prior to invoicing. If a third party is financing this agreement, shipping fees may be included in the amount financed. Sentrics shall invoice Client for expenses for out of pocket and travel expenses related to the Schedule and Statement of Work as applicable.

If a third-party is financing the agreement, Client is subject to approval by third-party leasing company. All lease documents must be signed and returned to the third-party leasing company and Sentrics prior to shipping of equipment. If the lease is not executed simultaneously with this agreement, Client is responsible for all fees.

6. **Additional Terms**

a. Should Client desire to add solutions or facilities outside of the solutions and facilities specified in this Amendment, an additional mutually agreed upon Amendment shall be entered into by and between Client and Sentrics, each of which will be deemed to be incorporated into the Agreement.

b. In the event of any conflict or inconsistency between the terms of the Agreement and the terms of this Amendment, the terms of this Amendment shall control. Except as set forth above, the remaining provisions of the Agreement shall remain in full force and effect and are hereby ratified in their entirety.

By signatures below, the duly authorized representatives of the parties hereto have agreed to abide by the terms and conditions of this Amendment.

The terms and pricing set forth in this attached Amendment shall be null and void if not executed by Client on or before February 28, 2025.

SENTRICS, INC.	**CLIENT**
By: _____	By: _____
Name: _____	Name: _____ Audrey Parks
Title: _____	Title: _____
Date: _____	Date: _____

Board Paper: Finance Committee

Agenda Item: Consider Recommendation for Board Approval of Project Budget for the MRI Equipment Installation at 444 E. Romie Outpatient Imaging Center and Award of contract to Siemens Medical Solutions for MRI Equipment and Service Agreement

Executive Sponsor: Clement Miller – Chief Operating Officer

Date: February 13, 2025

Executive Summary

Salinas Valley Health (SVH) currently leases a portion of its free-standing outpatient imaging facility at Wilgart and E. Romie to Akumin Inc, a third-party MRI service provider. With the lease agreement set to expire, ownership of the MRI space and equipment will transfer fully to SVH. The existing MRI system, now over 22 years old, is beyond its useful life, operating on outdated software with no upgrade pathway, and OEM service support will cease by mid-2025. To ensure continuity and advancement in imaging services, SVH intends to procure, install, and operate a new MRI system, assuming full management of MRI operations and services. This project includes funding for equipment acquisition, a five-year service agreement, permitting, construction, and necessary site improvements. Renovations will be minimal, primarily focused on equipment installation and facility updates. The required permits will be secured through the City of Salinas.

Salinas Valley Health Executive Team is requesting board approval for a capital investment of **$4,357,484** to execute the project, ensuring seamless integration into Salinas Valley Health's long-term imaging strategy and enhancing patient care capabilities.

Background/Situation/Rationale

The MRI system at 444 E. Romie Lane has been in service under a lease agreement with Akumin Inc since July 2002, with a current base lease cost of $67,500 per month. Having been in operation for over 22 years, the system is technologically obsolete, lacks a viable upgrade path, and will no longer receive OEM support after mid-2025.
With the conclusion of the Akumin Inc agreement in August 2025, SVH will assume full ownership of the MRI space and equipment, presenting a strategic opportunity to replace the outdated system with a modern, high-performance MRI. This investment aligns with SVH's broader initiative to optimize outpatient imaging services by:

- Enhancing diagnostic capabilities with improved image quality, faster scan times, and increased patient throughput.
- Expanding access for bariatric patients (up to 650 lbs)
- Providing advanced imaging services to include cardiac MRI, breast MRI, and MRI-guided breast biopsy procedures.
- Improving care coordination by providing redundant on-campus MRI support, reducing the need for inpatient transfers to offsite facilities in case of system downtime.

This transition represents a pivotal shift, positioning SVH as the sole provider of MRI services within the facility, ensuring full operational control and alignment with the health system's long-term imaging strategy.

Timeline/Review Process to Date:

December 2024:	Equipment Selection
February-November 2025:	Contracting/Procurement/Permitting
January 2026:	Commence Construction

Meeting our Mission, Vision, Goals
Pillar/Goal Alignment:

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

Fiscal Year Capital Budgeting:

Key Contract Terms	**Vendor: Siemens**
1. Proposed effective date	March 1, 2025
2. Term of agreement	Capital purchase with 5 year extended warranty
3. Renewal terms	N/A
4. Termination provision(s)	N/A
5. Payment Terms	MRI including tax - $2,086,764 5yr MRI service contract - $712,185 Contractor/PM/Architect/Construction - $1,558,535
6. Annual cost	N/A
7. Cost over life of agreement	$4,357,484
8. Budgeted (indicate y/n)	Yes

Recommendation

Consider recommendation for Board of Directors to approve (i) the total estimated Project Budget for the Salinas Valley Health MRI Equipment Installation at 444 E. Romie Lane in the amount of $4,357,484.00, (ii) Award equipment contract to Siemens Medical Solutions in the amount of $2,086,764.00, and (iii) Award 5-year service contract to Siemens Medical Solutions in the amount of $712,185.00.

Attachments

1) Siemens Equipment Purchase Proposal dated 1/22/2025
2) Siemens Equipment 5-year Service Agreement
3) MRI Install & Refresh Plan 2/12/25
4) Project Cost Budget at time of equipment procurement

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355

SIEMENS REPRESENTATIVE
Joe Lozano - +1 (559) 259-1447 joe.lozano@siemens-healthineers.com

Customer Number: 0000009615

Date: 01/22/2025

SALINAS VALLEY MEMORIAL
450 E ROMIE LN
SALINAS, CA 93901

Siemens Medical Solutions USA, Inc. is pleased to submit the following quotation for the products and services described herein at the stated prices and terms, subject to your acceptance of the terms and conditions on the face and back hereof, and on any attachment hereto.

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Contract Total: $ 1,909,208
(total does not include any Optional or Alternate components which may be selected)

Proposal valid until 03/08/2025

Estimated Delivery Date: 09/30/2025

Estimated delivery date is subject to change based upon factory lead times, acceptance date of this quote, customer site readiness, and other factors. A Siemens representative will contact you regarding the final delivery date.

Notwithstanding anything else in this Agreement, or in any applicable group purchasing agreement terms, if Purchaser does not accept delivery within twenty-four (24) months of the date this quotation is executed, then Seller may, at its option, adjust the prices in the quotation by written notice. In such event, Purchaser will then have the option to cancel the order without payment of a cancellation charge provided Purchaser notifies Seller within ten (10) days of the date of Seller's notice of the price adjustment.

This offer is only valid if firm, non-contingent orders for the following quotes are simultaneously placed with Siemens:
CPQ-1303261 MAGNETOM Sola
CPQ-1303202 MAGNETOM Sola

This offer is only valid if a firm, non-contingent order is placed with Siemens and a signed POS contract must accompany the equipment order.

This quote is based upon standard delivery terms and conditions (e.g., standard work hours, first floor delivery, etc.), basic rigging, mechanical installation and calibration. Siemens Medical Solutions USA, Inc., Project Management shall perform a site-specific assessment to ascertain any variations that are out of scope and not covered by the standard terms (examples such as, but not limited to: larger crane, nonstandard work hours, removal of existing equipment, etc.). Any noted variations identified by Siemens Project Management shall remain

the responsibility of the customer and will be subject to additional fees.

Accepted and Agreed to by:

Siemens Medical Solutions USA Inc.		**SALINAS VALLEY MEMORIAL**	
By (sign):	_____	By (sign):	_____
Name:	Joe Lozano	Name:	_____
Title:	_____	Title:	_____
Date:	_____	Date:	_____

By signing below, signor certifies that no modifications or additions have been made to the Quotation. Any such modifications or additions will be void.

By (Sign): _____

Quote Nr:	**CPQ-1303261 Rev. 0**
Terms of Payment:	**00% Down, 80% Delivery, 20% Installation** **Free On Board: Destination**
Purchasing Agreement:	VIZIENT SUPPLY LLC VIZIENT SUPPLY LLC terms and conditions apply to Quote Nr CPQ-1303261 Customer certifies, and Siemens relies upon such certification, that : (a) VIZIENT MRI XR0885 is the sole GPO for the purchases described in this Quotation, and (b) the person signing this Quotation is fully authorized under the Customer's policies to choose and indicate for Customer such appropriate GPO.

MAGNETOM Sola - System

All items listed below are included for this system:

Qty	Part No.	Item Description	Extended Price
1	14460300	**MAGNETOM Sola - System** MAGNETOM Sola - the first 1.5T BioMatrix system - leverages the intelligent combination of Tim 4G and Siemens unique BioMatrix technology to embrace the unique challenges that every patient brings to the MRI exam. System Design - Short and open appearance (157 cm total system length cover-tocover and 70 cm Open Bore Design) to reduce patient anxiety and claustrophobia - Whole-body superconductive Zero Helium Boil-Off 1.5T magnet - Weight-optimized magnet technology based on high performance 3T and 7T magnet design - Actively Shielded water-cooled Siemens gradient system for maximum performance BioMatrix Technology to address intrinsic biovariability in humans. Built on three technological pillars:	$ 789,165

- BioMatrix Sensors: anticipate challenges before they happen with respiratory sensors, which measure a patient's respiratory signal as soon as the patient lies on the table. - BioMatrix Tuners: adapt and correct field inhomogeneities induced by patient anatomy with CoilShim and SliceAdjust.
- BioMatrix Interfaces: easily manage any type of patient with intelligent interfaces like Select&GO to

Qty	Part No.	Item Description	Extended Price

accelerate workflow.

Tim 4G (Total imaging matrix in the 4th generation) for excellent image quality and speed
- Siemens unique DirectRX technology enabling all digital-in/digitalout design
- Dual-Density Signal Transfer Technology

Push-button exams with GO technologies
Select&GO
DotGO
Recon&GO
MR View&GO

Tim Application Suite enabling excellent head-to-toe imaging
- Neuro Suite
- Angio Suite
- Cardiac Suite
- Body Suite
- Onco Suite
- Breast Suite
- Ortho Suite
- Pediatric Suite
- Scientific Suite

Further included:
- High performance host computer and measurement and reconstruction system
- Patient communication including headphones
- Turbo Suite Essential
- syngo MR software including:
- 1D/2D PACE
- BLADE
- Phoenix
- Inline Diffusion
- MDDW (Multiple Direction Diffusion Weighting)
- CISS
- DESS
- TGSE
- Offline Composing

1	14460161	**MR General Engine #Vi**	$ 1

Qty	Part No.	Item Description	Extended Price
		syngo.MR General Engine extends Numaris/X by adding dedicated workflows and tools for routine and advanced reading of MR examinations. A generic MR Basic workflow is provided, as well as specific MR Neurology, MR Prostate Reading, MR Breast Reading, and MR Cardio -Vascular workflows.	
1	14475308	**myExam Brain Assist** **4** myExam Brain Assist provides guided and flexible workflows. Optimized scan strategies are provided and can be selected based on the patient's condition, which allows for reproducible, high image quality and time efficient exams. The built-in flexibility allows users to change predefined strategies at any time during the brain workflow, and to personalize to the individual patient's condition and clinical need. myExam Brain Assist is customizable to the sitespecific standards of care.	$ 0
1	14475309	**myExam Spine Assist** myExam Spine Assist provides guided and flexible workflows for cervical, thoracic and lumbar spine. Optimized scan strategies are provided and can be selected based on the patient's condition, which allows for reproducible, high image quality and time efficient exams. The built-in flexibility allows users to change predefined strategies at any time during the spine workflow, and to personalize to the individual patient's condition and clinical need. myExam Spine Assist is customizable to the site -specific standards of care.	$ 0
1	14475310	**myExam Large Joint Assist** myExam Large Joint Assist provides guided and flexible workflows for knee, hip and shoulder. Optimized scan strategies are provided and can be selected based on the patient's condition, which allows for reproducible, high image quality and time efficient exams. The built-in flexibility allows users to change predefined strategies at any time during the scan workflow, and to personalize to the individual patient's condition and clinical need. myExam Large Joint Assist is customizable to the site -specific standards of care.	$ 0
1	14482834	**myExam Brain Autopilot** myExam Brain Autopilot enables less experienced staff to scan brain MRI at high quality with just a few simple clicks. By using automation and AI, it takes away burdensome routine tasks for all	$ 0

Qty	Part No.	Item Description	Extended Price
		technologists. Predefined automated protocols allow users to scan with no manual adjustments. A new and intuitive user interface simplifies scanning so that exams can be performed, or strategies can be changed easily. This new approach to operate MRI helps any user to generate consistent, comprehensive results. myExam Brain Autopilot is customizable to the site-specific standards of care.	
1	14482835	**myExam Knee Autopilot** myExam Knee Autopilot enables less experienced staff to scan knee MRI at high quality with just a few simple clicks. By using automation and AI, it takes away burdensome routine tasks for all technologists. Predefined automated protocols allow users to scan with no manual adjustments. A new and intuitive user interface simplifies scanning so that exams can be performed, or strategies can be easily changed. This new approach to operate MRI helps any user to generate consistent, comprehensive results. **5** myExam Knee Autopilot is customizable to the site-specific standards of care.	$ 0
1	14483029	**myExam Implant Suite** myExam Implant Suite supports in examinations of patients with a wide range of active or passive MR Conditional implants. Limits for B1+ rms or SAR (Head and whole body) as specified by the implant manufacturer may be set by the operator and will not be exceeded during the exam.	$ 1
1	14441748	**Quiet Suite #T+D** Quiet Suite enables complete, quiet examinations for neurology and orthopedics with at least 70% reduction in sound pressure levels.	$ 0
1	14460162	**Tim Whole Body Suite #Vi** Tim Whole Body Suite puts it all together. This suite enables table movement for imaging of up to 205 cm (6' 9") FoV without compromise. In combination with Tim's newly designed ultra-high density array higher spatial and temporal resolution can be achieved along with unmatched flexibility of any coverage up to Whole Body. For faster exams and greater diagnostic confidence.	$ 1

Qty	Part No.	Item Description	Extended Price
1	14460227	**Tim Planning Suite #Vi** With the Tim Planning Suite, multiple regions in the entire body can be examined in a minimum of time through measurement planning on a single FoV of any desired size.	$ 1
1	14456329	**syngo TimCT FastView #Vi** TimCT FastView is the “one go” localizer for the whole body or large body regions such as the whole spine or the whole abdomen. It acquires the complete extended Field of View in one volume with isotropic resolution. Transverse, coronal and sagittal reformats of the volume are calculated Inline and displayed for planning subsequent exams. - Inline reconstruction of the localizer images during the scan. - Localizing images in three planes over the maximum Field of View available for subsequent planning in all orientations. - TimCT FastView runs without laser light positioning to further streamline the workflow for several indications.	$ 1
1	14460160	**Advanced Diffusion #Vi** QuietX DWI and RESOLVE together make up the Advanced Diffusion package. QuietX DWI enables quieter diffusion-weighted imaging of the brain with up to 70% reduction in sound pressure relative to conventional diffusion-weighted imaging. RESOLVE (Readout Segmentation Of Long Variable Echo-trains) is a multi-shot, readout segmented EPI sequence for highresolution, low-distortion diffusion-weighted imaging (DWI). This	$ 1
			6
		technique is largely insensitive to susceptibility effects, providing anatomically accurate diffusion imaging for the brain, spine, breast and prostate. In combination with syngo.MR Tractography, RESOLVE enables excellent white-matter tract imaging even in regions of high susceptibility, such as the spine.	
1	14456327	**WARP & Advanced WARP #Vi** WARP and Advanced WARP (SEMAC) integrates different techniques tailored to reduce susceptibility artifacts caused by orthopedic MR -conditional metal implants.	$ 1
1	14456237	**Advanced Cardiac incl. PSIR #Vi** This package contains special sequences and protocols for advanced cardiac imaging including 3D and 4D BEAT	$ 1

Qty	Part No.	Item Description	Extended Price
		functionalities. It supports advanced techniques for ventricular function imaging, dynamic imaging, tissue characterization, coronary imaging, and m ore.	
1	14456323	**Inline Composing syngo #Se** Automatic anatomical or angiographic composing of multiple adjacent coronal or sagittal images for presentation and further evaluation. Composed images can be automatically loaded into Graphical Slice Positioning for scan planning purposes.	$ 0
1	14482913	**syngo Expert-i XA60/XA61** This software application enables remote access to the system (connected via local area network) for planning and processing.	$ 0
1	14460303	**Tim [204x48] XQ Gradient #So** Tim [204x48] XQ-gradients performance level Tim 4G's RF system and innovative coil architecture enables highresolution imaging and increased throughput. The system provides a maximum number of 204 channels (coil elements) that can be connected simultaneously. Flexible parallel imaging is achieved by the standard 48 independent RF channels that can be used simultaneously in one single scan and in one single FOV, each generating an independent partial image. This option includes also Advanced High Order Shim. XQ - gradients Max. amplitude: 78 mT/m (Actual 45 mT/m for every gradient axis) Max. slew rate: 346 T/m/s (Actual 200 T/m/s for every gradient axis) Min. rise time from 0 to 78 mT/m: 225 µs Note: max. amplitude and max. slew rate achieved through vector addition of all three gradient axes simultaneously, actual maximum amplitude of 45 mT/m and actual maximum slew rate of 200 T/m/s are achievable simultaneously along each axis. The XQ gradients are designed for high performance and linearity to support clinical whole body imaging at 1.5T. The force compensated gradient system minimizes vibration levels	$ 208,897

and acoustic noise.

High -performance measurement and reconstruction system.

Qty	Part No.	Item Description	Extended Price
1	14460306	**Standard Coil Package, 48-ch #So** This package includes (if not exchanged with different variants via respective quote items): - BioMatrix Head/Neck 20 tiltable with CoilShim - BioMatrix Spine 32 with Respiratory Sensors - Body 18 - Flex Large 4 - Flex Small 4 - Flex Coil Interface	$ 69,632
1	14456328	**BioMatrix Technology #Vi** The new and unique BioMatrix technology addresses the different aspects of patient bio-variability. It is based on three technological clusters: - BioMatrix Sensors address patient physiology, in order to anticipate challenges - BioMatrix Tuners address patient anatomy, in order to adapt to all patients, especially critical ones. - BioMatrix Interfaces address user interaction with the patient, to accelerate the workf low in the face of patient variability.	$ 1
1	14470783	**BioMatrix Respiratory Sensors#Vi,So** Highly integrated BioMatrix Respiratory sensors measure the patient's breathing cycle in head -first and feet-first orientation.	$ 0
1	14470785	**BioMatrix Beat Sensor #Vi, So** The BioMatrix Beat Sensor measures the motion of the heart and enables Cardiac triggering without the need of ECG triggering.	$ 0
1	14470792	**BioMatrix Coil Shim #Vi,So** BioMatrix CoilShim helps to reduce patient induced strongly localized B0 inhomogeneities by dedicated local shim channels.	$ 0
1	14470794	**BioMatrix SliceAdjust #BM** BioMatrix SliceAdjust helps to avoid station boundaries and apparent broken spine artifacts as well as to preserve the SNR for whole -body diffusion.	$ 0
1	14460413	**BioMatrix Dockable Table #So** The BioMatrix Dockable Table is designed for maximum patient comfort and smooth patient preparation. The BioMatrix Dockable Table can support up to 250 kg (550 lbs) without restricting the vertical or horizontal movement.	$ 39,458
1	14470795	**BioMatrix Select & GO #Vi,So**	$ 0

Qty	Part No.	Item Description	Extended Price
		The BioMatrix Select&GO interface enables fast and easy singletouch patient positioning from both sides of the patient table. The interfaces are integrated left and right into the front covers. Correct positioning saves unnecessary wasted time for repositioning and additional adjustments, therefore shortening the total room time.	
1	14460410	**Silver & White Design #So**	$ 1
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		MAGNETOM Sola is available in two different light and appealing design variants which perfectly integrate into different environments. The Silver &White Design Variant comprises a brilliant white front design ring with integrated unique Select&GO panels. The smoothly embracing deco area on the left side and the outer rings in the front and the back of the system is colored in brilliant silver. The table cover is presented also in the same color and material selection.	
1	14456270	**PC Keyboard US English #Vi** Standard PC keyboard with 105 keys.	$ 1
1	14460419	**High-End Computing [204x48] #So** Tim 4G power computing upgrade for MAGNETOM Sola/ Sola Fit Tim [204x48]. This upgrade brings a high-end image reconstruction computer to the Tim [204x48] configuration.	$ 37,137
1	14456238	**Peripheral Pulse Unit #Vi** Peripheral Pulse Unit for Pulse Triggering	$ 3,482
1	14456239	**Additional PERU Sensor Kit #Vi** Additional PERU and charging station	$ 6,035
1	14482959	**SW syngo MR XA61A** syngo MR XA61A is the new software platform, bringing the latest features and functionality for daily clinical excellence. syngo MR XA61A guides and enables the user throughout the entire workflow: from patient registration; patient set up with guided workflows on the Select&GO; protocol management and selection; image acquisition and viewing; data handling; and post processing and reporting. This software together with the hardware enables diagnostic excellence for your daily clinical needs. The syngo MR XA61A platform offers myExam Companion which introduces a new MRI operation philosophy by providing built-in expertise and automation for users and clinical questions.	$ 1

Qty	Part No.	Item Description	Extended Price
		myExam Companion provides different workflow modes for tailored assistance: myExam Autopilot, myExam Assist and myExam Cockpit. No matter the user or patient, myExam Companion helps generate consistent, comprehensive results.	
1	14475450	**myExam Assist XL Package USA** The myExam Assist XL Package includes: - myExam Angio Assist - myExam Abdomen Assist - myExam Cardiac Assist - myExam Breast Assist The myExam Assist XL package offers a comprehensive set myExam Companions for the maximum coverage of MR examination requests. Robust image quality can be achieved efficiently and consistently in the clinical areas of Neuro, MSK,	$ 62,400

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Qty	Part No.	Item Description	Extended Price
		Vascular, Cardiac and Oncology. The myExam Angio Assist provides semi-automatic detection of arterial and venous timing windows using a test bolus technique. This information is feedback for next planning steps automatically adapting scan parameters to the individual patient and patient's condition. The myExam Abdomen Assist offers intuitive guidance and a high level of automation. It allows automatic sequence scaling according to physiological characteristic. The myExam Cardiac Assist uses anatomical landmarks, standard views of the heart, such as dedicated long axis and short-axis views - easily generated and reproduced. The myExam Breast Assist provides dedicated workflows and protocols for lesion detection, implant evaluation and breast biopsy. A set of pre-defined Breast Dot Engine workflows and protocols are provided for lesion detection, implant evaluation and breast biopsy.	
1	14461619	**Turbo Suite Essential #BM** Turbo Suite Essential comprises established acceleration techniques to maximize productivity for all contrasts, orientations and all routine imaging applications from head -to-toe.	$ 0
1	14469015	**Turbo Suite Elite #BM** Turbo Suite Elite comprises cutting edge Compressed Sensing applications for advanced abdominal and cardio-vascular imaging with dynamic 2D and dynamic 3D applications to significantly reduce scan times, counter patient motion and expanding the patient pop ulation eligible for MRI.	$ 43,520
1	14469016	**Turbo Suite Elite Support #BM** Turbo Suite Elite Support provides Future Security for Turbo Suite Elite: - In consideration of Customer's purchase of the MAGNETOM MR scanner and simultaneous purchase of a 4 year point of sale Service Agreement with Evolve, and should such Evolve Upgrade installed during the term of the Service Agreement enable operation of dynamic Compressed Sensing options and/or Simultaneous Multi-Slice options, then Customer may choose to	$ 14,507

Qty	Part No.	Item Description	Extended Price
		receive one such dynamic Compressed Sensing or Simultaneous Multi -Slice application option at no additional cost.	
1	14475508	**Turbo Suite Excelerate** Turbo Suite Excelerate comprises access to cutting edge acceleration techniques such as Simultaneous Multi-Slice, Compressed Sensing and Wave-CAIPI for static 2D and static 3D imaging applications in Neuro, MSK and Body MRI.	$ 41,779
1	14482842	**Open Recon** **10** The Open Recon license will enable a new interface allowing to use and configure new 3rd party algorithms via the Open Recon sub -task card.	$ 0
1	14402527	**SWI #Tim** Susceptibility Weighted Imaging is a high-resolution 3D imaging technique for the brain with ultra-high sensitivity for microscopic magnetic field inhomogeneities caused by deoxygenated blood, products of blood decomposition and microscopic iron deposits. Among other things, the method allows for the highly sensitive proof of cerebral hemorrhages and the high-resolution display of venous cerebral blood vessels.	$ 11,605
1	14475530	**BLADE Diffusion** Diffusion-weighted imaging with the new BLADE Diffusion sequence improves imaging in challenging regions with high B0 field inhomogeneities, e.g., in the middle ear region. As a non-EPIbased acquisition technique it is well-suited for this purpose. It is possible to combine this imaging technique with GRAPPA and SMS.	$ 4,464
1	14461562	**PCASL #BM** Blood labeling technique Pseudo Continuous Arterial Spin Labeling (PCASL).	$ 1
1	14409110	**Arterial Spin Labeling 2D** ASL is a non-contrast-enhanced brain perfusion technique. EPI sequence enhanced for ASL (Arterial Spin Labeling) with preparation module (inversion pulse, saturation pulses) and selectable prospective motion correction. Perfusion-weighted color maps and relative cerebral blood flow (relCBF) color maps are calculated with Inline technology.	$ 25,532
1	14470965	**High bandwidth inversion recovery**	$ 6,963

Qty	Part No.	Item Description	Extended Price
		High bandwidth inversion recovery for reduction of susceptibilityinduced artifacts.	
1	14441747	**MyoMaps #T+D** This package contains special sequences and protocols for inline T1,T2 and T2* calculation at the heart. The generation of T1 and T2 parametric maps is enhanced by the use of motion correction. T1,T2 and T2* parametric maps could be used to support assessm ent of cardiovascular disease.	$ 18,569
1	08464740	**Flow Quantification #Tim** Special sequences for quantitative assessment of flow i	$ 9,284
1	14456247	**syngo.MR Cardiac Flow #1** syngo.MR Cardiac Flow processes velocity-encoded MR images to evaluate blood flow dynamics e.g. in the heart and the great vessels. The application generates quantitative results for physicians in the diagnostic process. The MR cardiac interactive reporting template is included.	$ 8,356
1	14469205	**Breast Biopsy #BM**	$ 13,926
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		The Breast Biopsy Software is a professional solution for a fast and accurate MR biopsy workflow.	
1	14456297	**Advanced Interactive Realtime #Vi** - Interactive realtime scanning for e.g. cardiac exams or interventions - Uses ultra-fast Gradient Echo sequences for high image contrast - Realtime interactive slice positioning and slice angulation - Realtime reconstruction of the acquired data - The user can navigate in all planes on-the-fly during data acquisition - Includes the capability for multi-slice acquisition, definition of acquisition order, pausing, mosaic display, and skipping of the physio trigger.	$ 27,853
1	14469199	**Body 18 -> BioMatrix Body 18** This option exchanges the Body 18 coil from the standard coil configuration for the improved BioMatrix Body 18. Beside the same technical key benefits from the Body 18 coil, this coil has a new highly flexible and light-weight design.	$ 13,926
		The BioMatrix Body 18 features:	

Qty	Part No.	Item Description	Extended Price
		- 18-element design with 18 integrated preamplifiers (3 clusters of 6 elements each) - Operates in an integrated fashion with the system's spine coil - Can be combined with further Body 18 or BM Body 18 coils for larger coverage - Can be positioned in different orientations (0°, 90°, 180°, 270°) for patient specific adaptations - Requires no coil tuning - iPAT compatible in all directions The highly flexible design enables a wide variety of applications including: - Thorax (incl. heart) - Abdomen - Pelvis - Hip - Vascular The BioMatrix Body 18 is typically combined with: - BM Head/Neck 20 - BM Spine coil - Additional Body 18 coil(s) or BM Body 18 coils (optional) - Peripheral Angio 36 (optional) - Flex Large 4 - Flex Small 4 - UltraFlex Large 18 (depending on availability, optional) - UltraFlex Small 18 (depending on availability, optional)	
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		- Loop coils (optional) - Endorectal coil (optional)	
1	14460423	**Tx/Rx Knee 18 #So** $ 37,137 New 18-channel transmit/receive coil optimized for knee imaging. The spacious design with a flared opening towards the thigh allows scanning even of large and swollen knees with exceptional image quality and signal to noise ratio. Main features : - 18-element design (3x6 coil elements) with 18 integrated preamplifiers - iPAT-compatible - SlideConnect Technology	
2	14416972	**Tim Coil Interface 1.5T** $ 6,963	

Qty	Part No.	Item Description	Extended Price
		Coil adapter plug for up to 8 receive and 1 transmit channels. This adapter will be required if the following Tim coils will be used on a compatible 1.5T MAGNETOM system with Tim 4G technology.	
1	14469229	**Flex -> UltraFlex Upgrade #1.5T** This option exchanges the Flex Small & Large 4 coils incl. the Flex Coil Interface from the standard coil configuration for the superior UltraFlex Small & Large 18. These are two lightweight, iPAT compatible, 18-element no-tune receive coils made of highly flexible and soft material. UltraFlex Large 18 Ideal for examinations of larger extremities (e.g. medium to large shoulder, hip, knee, ankle and hand) and for abdominal examinations. Dedicated positioning aids for larger extremities are delivered with the coil. UltraFlex Small 18 Ideal for examinations of smaller extremities (e.g. small to medium shoulder, smaller ankle, elbow and hand) and for abdominal examinations. Dedicated positioning aids for smaller extremities are delivered with the coil.	$ 30,174
1	14456282	**Positioning Aids Shoulder&Ankle #Vi** This package contains additional positioning aids that can be used for the UltraFlex Large 18 and UltraFlex Small 18.	$ 1,560
1	14416952	**Coil Storage Cart #T+D** Specially designed non-ferromagnetic cart for easy storage of the most commonly used coils and accessories.	$ 2,321
1	14456241	**Separator 60kW/75kW #Vi** The SEP (Separation cabinet) has to be used if a central hospital chilled water supply is available or if a chiller of any brand/type is already available. The SEP is the interface between the on-site water chiller (of any brand or type) or the interface to the central hospital cooling water supply.	$ 20,800
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		For the above-mentioned cases the SEP is mandatory! In these cases, the primary water specifications must fulfill the requirements:	

Qty	Part No.	Item Description	Extended Price
		XJ: 45kW; water temperature: 6 - 14°C XQ: 60kW; water temperature: 6 - 14°C XT: 75kW; water temperature: 6 - 12°C For all gradient systems: Flow: 100+-10l/min; pH value 6-8; max working pressure 6 bar. Dimensions: 1950mm x 650mm x 650mm (height x width x depth) Weight: approx. 350kg	
1	14460249	**UPS system #Vi** UPS system Liebert GXT5 3000IRT2UXLE for MAGNETOM NumX systems for safeguarding computers. Including Power Cable of 9 m for connecting the UPS. Power output: 3.0 kVA / 3 kW Bridge time: 3 min full load / 12 min half load Input voltage: 230 VAC	$ 3,120
1	14456316	**UPS Battery module (Libert GXT4 BATT)** UPS battery module Liebert GXT5 72VBATTE for MAGNETOM Aera, Skyra, Prisma, ESSENZA, Amira, Spectra, C! for safeguarding computers. Extension for: Liebert GXT5 3000IRT2UXLE (14456315) Battery type: Closed, maintenance-free Extension of the bridge time to: 21 minutes full load / 48 min half load with one module Dimensions (H x D x W): Battery module: 430 x 540 x 85 mm Weight: approx. 30 kg	$ 1,040
1	14456228	**System Start Timer #Vi** Timer clock that can be installed together with the MAGNETOM MR system to start the system automatically at user-definable times, eliminating waiting times during system boot up.	$ 1
1	14482917	**Deep Resolve Pro Package** The Deep Resolve Pro Package combines the three applications Deep Resolve Gain, Deep Resolve Sharp and Deep Resolve Boost which use intelligent reconstruction algorithms and Deep Learning networks to reconstruct accelerated images with higher signal to noise ratio and better i mage sharpness.	$ 66,954
1	14407259	**MR Workplace Table, height adjust.** The table is suitable for the syngo Acquisition Workplace and the syngo MR Workplace based on syngo hardware. This 110V version has motorized table height adjustment.	$ 1,161

Qty	Part No.	Item Description	Extended Price
1	14407261	**MR Workplace Container, 50cm** 14 50 cm wide extra case for the syngo host computer with sliding front door to allow change of storage media (CD/DVD/USB).	$ 928
1	MR_STD_RIG_INST	**MR Standard Rigging and Installation** MR Standard Rigging and Installation This quotation includes standard rigging and installation of your new MAGNETOM system Standard rigging into a room on ground floor level of the building during standard working hours (Mon. – Fri./ 8 a.m. to 5 p.m.) It remains the responsibility of the Customer to prepare the room in accordance with the SIEMENS planning documents Any rigging requiring a crane over 80 tons and/or special site requirements (e.g. removal of existing systems, etc.) is an incremental cost and the responsibility of the Customer. All other “out of scope” charges (not covered by the standard rigging and installation) will be identified during the site assessment and remain the responsibility of the Customer.	$ 0
1	MR_BTL_INSTALL	**MR Standard Rigging & Install**	$ 28,080
1	MR_PREINST_DOCK	**T+D Preinstall kit for dockable table**	$ 572
1	MR_CRYO	**Standard Cryogens**	$ 8,320
1	MR_PM	**MR Project Management** A Siemens Project Manager (PM) will be the single point of contact for the implementation of your Siemen’s equipment. The assigned PM will work with the customer’s facilities management, architect or building contractor to assist you in ensuring that your site is ready for installation. Your PM will provide initial and final drawings and will coordinate the scheduling of the equipment, installation, and rigging, as well as the initiation of on -site clinical education.	$ 0
1	HASKRISFG23041	**Haskris OPC24 Chiller- 63kW** The Haskris outdoor, air-cooled, water/glycol chiller has been specially designed for medical applications to provide stable, fully dedicated cooling to a single MR system.	$ 52,024

Qty	Part No.	Item Description	Extended Price
		The Haskris chiller must be used in combination with a Siemens SEP cabinet. The Haskris chiller is suitable for use in all siting conditions: normal, coastal, low-ambient, and/or OSHPD-compliant locations. Specifications Cooling Capacity: 63kW Fluid Supply Temp: 43°F (6°C) to 59°F (15°C) Pump Capacity: 32 GPM (120 LPM) Condenser: Air-cooled (heat dissipated into ambient air)	
			15
		Outdoor ambient air temperature: -40°F (-40°C) to 122°F (50°C) Electrical: 460V-3Ø-60Hz Dimensions: 77”W x 40”D x 74”H (196cm x 102cm x 188cm) Siemens’ Pricing Also Includes: Delivery Chiller Start-Up (Post Installation) 1x Preventative Maintenance Service Visit Remote Monitoring Panel with 1-Year Cellular Connectivity and Cloud Service Installation: Customer is responsible for the rigging and installation of the chiller. Customer is responsible for providing a 35% solution of propylene glycol with water; 25 gal (95 L) for the chiller plus 1 gal (3.8 L) per 10 ft (3m) external pipe run assuming 1 ½” pipe diameter. Warranty: 12 months from date of Start-Up	
1	HASKRIS_STARTUP	**Haskris Chiller Start-Up** Chiller start-up by Haskris vendor after installation of chiller and completion of paperwork.	$ 0
1	HASKRIS_CABL	**Haskris Remote Panel Cable Extension**	$ 648

Qty	Part No.	Item Description	Extended Price
	EEXT	Alternate cable length for remote control panel; either 250 ft (76m) or 500 ft (152m) Installation: Customer is responsible for the installation of the remote panel cable extension.	
1	BMRXP200	**BAYER MEDRAD MRXperion** The MRXperion injector has the following features: Streamlined Injection Workflow Enhanced Point of Care - On-board eGFR and Weight Based Dosing Calculators, an Injection Pressure Graph, and independent Test Inject and KVO functions. Informatics-ready - Connect with the Radimetrics Enterprise Platform for automated documentation, advanced analytics and viewable patient histories to facilitate standardized injection protocols and enhanced operational consistency. Maximized Uptime Support - Connect to VirtualCare Remote Support for advanced injector system diagnostics, seamless software updates, and fast repairs. Price includes installation, training and one year warranty through Bayer Healthcar e.	$ 45,336
1	MR_GOKNEE3D	**GOKnee3D** **16** GOKnee3D is a 10-minute, push-button examination for diagnostic imaging of the knee developed and clinically validated by the US board certified MSK radiologists at John Hopkins University Hospital. GOKnee3D exam consists of AutoAlign localizer in the knee, PD weighted contrast and T2 weighted contrast with fat suppression. The AutoAlign technology provides a push-button functionality and ensures consistency in imaging. The 3D protocols are high resolution and isotropic, enabled by SPACE sequence with CAIPIRINHA techniqueExamination time for 3T system is 10 minutes, for a 1.5T system is up to 11 minutes. All given examination times are examination only, adjustments have been excluded. When using GOKnee3D one of two software and coil combinations is required. Measurements made with GOKnee3D using the 15 channel knee coil require software version syngo MR E11C AP04 or higher. Measurements made with GOKnee3D using	$ 0

Qty	Part No.	Item Description	Extended Price
		the 18 channel knee coil require software version syngo MR Numaris VA11A or higher.	
1	MR_GOBRAIN	**GOBrain** GOBrain delivers reliable quality at exceptional speed. It enables clinically validated, push-button brain exams, with multiple orientations and all relevant contrasts. This fast exam is more tolerable for patients, and helps reduce motion-related artifacts and the need for rescans and sedation. As a result, GOBrain potentially doubles throughput and reduces costs per scan. Supported by our Tim 4G technology and DotGO, it delivers consistently high quality and maximizes the productivity of your MRI scanner - while improving patient care.	$ 0
1	ML12583	**Deluxe Foam Positioning Kit** General Position Kit which includes: (2) wedges 3H x 3W x 7.25L -SCW, -SCB (1) wedge 6.75H x 6.75W x 7.25L (1) circular disc 1.5H x 7D (2) wedges 2.25H x 9.5W x 7.25L (1) rectangle 2H x 7.5W x 9.5L (1) decubitus block 4H x 18W x 24L (1) cylinder 12H x 4.25D (2) thin mattresses .25H x 18W x 24L (1) table pad 1H x 24W x 72L	$ 416
1	MRIMAB_100	**MRI Armboard w/ Pad**	$ 405
1	ML11685	**MR Wall sign -English** Highly durable 1mm PVC wall signs with high-tack, double-back tape. Sticks to most any surface. English. 12" x 18".	$ 61
1	ML11701	**MR Wall sign - Spanish** Highly durable 1mm PVC wall signs with high-tack, double-back tape. Sticks to most any surface. Spanish. 12" x 18".	$ 58
1	MR14460428	**ACR Phantom Holder (USA)**	$ 104

		An MR compatible cradle device used to consistently and precisely position the American College of Radiology (ACR) MRI Accreditation phantom, for use with Siemens MAGNETOM standard Head Coil during test measurements for ACR system accreditation or QA testing	
1	NC149030	**NeoCoil Breast Coil, 1.5T**	$ 70,850

Qty	Part No.	Item Description	Extended Price
		The NeoCoil 16ch Breast Coil is a phased array coil for imaging structures of the breast, axilla and chest wall. The 16ch Breast Coil includes a coil support structure, patient support structure, biopsy components and comfort pads. The 16ch Breast Coil supports both diagnostic and biopsy imaging modalities while accommodating various anatomic shapes and sizes. Coil Coverage: 36cm R/L, 20cm A/P, 24cm S/I Kit Includes: Medial Array, Lateral Array Left, Lateral Array Right, Baseplate Assy including system cable, Pad Kit, Accessories Kit Installation: Installation quoted separately Warranty: 1 -year warranty through NeoCoil	
1	NC_INSTALL_APPS	**NeoCoil Breast Coil Install, Basic Apps** On-site installation and basic Applications training for the 16Channel NeoCoil Breast Coil including: installation of the coil file on the scanner, a quality check of the coil, and demonstration on coil setup and patient positioning. Includes all travel expenses. Continental US only.	$ 4,250
1	ML11084	**MRI 18in wheelchair w/fixed footrests** Specifically designed for use in and around the MRI suite. Storage pocket on rear of chair has "MR" prominently displayed. Weight capacity of 250 lbs. Removable arm rests. Fixed footrests. IV pole also available, sold separately.	$ 2,208
1	MR_ADDL_RIGGING	**Additional Rigging MR New Install $25,000**	$ 25,000
1	MR_BNDL_BASIC	**MR EDU Basic Bundle** The Basic Essential Education Bundle is designed to welcome & support you following your new Siemens MAGNETOM system purchase. This basic level bundle is designed to meet the training needs of existing Siemens MAGNETOM users familiar with this system platform. Elements in this bundle are designed to be flexible & provide the right balance/blend of delivery methods to meet the training needs/goals set during the initial consultation. Bundled items include: • Customized Education Planning • 12-Month e-learning Subscription: Access for 10 professionals to PEPconnect (includes 50 CEUs).	$ 41,564

Qty	Part No.	Item Description	Extended Price
		• Dedicated Protocol Optimization: Up to 16-hours of protocol building by an education specialist to prepare your core	
			18
		protocols prior to training. • FlexEd: Choose one option per FlexEd: (1) Innovations Ticket w/airfare & lodging (single track only – Manager/Professionals/MRSO), (1) Virtual/Cary Classroom course for one attendee – Travel & Lodging Not Included, (1) 4 hr. Customized Workshop, or (1) remote training session (up to 12 hrs) • Onsite Initial Training: Up to 24 hours. • Onsite Follow-up Training: Up to 24 hours. • Advanced Education Support Premium (AES+): Ongoing educational support from an Advanced Clinical Education Specialist for one year, offering remote support within 24-48 hours of request during standard business hours (M-F, 8a-5p). If the required educational support cannot be provided remotely, onsite support may be offered (limited to a max of (8) hours per instance & subject to resource availability). Requires SRA setup. AES is exclusive to the system's functional location number; additional system support requires separate purchase. Exclusions apply. This educational offering must be completed (12) months from install end date. If training is not completed within the applicable time period, Siemens' obligation to provide the training will expire without refund.	
1	MR_GREEN_PKG	**MR Green Package** MRI Green Package Enhances environmental sustainability of equipment by reducing emissions. Eco Power Mode reduces power consumption by up to 12% with Eco Power Mode alone. Eco Gradient Mode reduces scope 2 emissions by up to 7%. System Start-Up Timer reduces scope 2 emissions in nonproductive times. Zero Helium Boil-Off technology - No helium refill for a lifetime and up to 37 % reduction in helium inventory compared to the previous scanner generation.	$ 0

Qty	Part No.	Item Description	Extended Price
		Environmental Product Declaration provides environmental relevant information of product and packaging material, operating, cleaning and disposal data as well as life cycle impact information. Results were achieved by Siemens Healthineers using both standard and optional features. There can be no 'typical' hospital setting (case mix, system type, etc.) and so results by users may vary with no guarantee that the same results can be achieved.	
1	HASKRIS_CABLEEXT	**Haskris Remote Panel Cable Extension** Alternate cable length for remote control panel; either 250 ft (76m) or 500 ft (152m)	$ 648
			19
		Installation: Customer is responsible for the installation of the remote panel cable extension.	
		System Total	**$ 1,909,208**

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355

SIEMENS REPRESENTATIVE
Joe Lozano - +1 (559) 259-1447
joe.lozano@siemens-healthineers.com

Qty	Part No.	Item Description	Extended Price
			20

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OPTIONS on Quote Nr : CPQ-1303261 Rev. 0

OPTIONS for MAGNETOM Sola - System

All items listed below are OPTIONS and will be included on this system ONLY if initialed: *(See Detailed Technical Specifications at end of Proposal.)*

Qty	Part No.	Item Description
1	14470781	**BioMatrix Body 18 long #1.5T** The BioMatrix Body 18 long combines Tim 4G coil technology with a new highly flexible and lightweight design to ensure excellent image quality, high patient comfort, and unmatched flexibility. Key features are: - 18 channels - Dual Density Signal Transfer - SlideConnect Technology - Highly flexible and light-weight design - Exchangeable cable design The 18-channel design with its 18 integrated preamplifiers ensures excellent signal-to-noise ratio while provide extensive coverage in all directions. The single SlideConnect plug allows for fast and easy patient preparation. The new highly flexible and light-weight design provides highest patient comfort. Through the exchangeable cable design, a single coil can be used with either a standard-sized cable (95 cm length) or a longer version (165 cm length). The BM Body 18 long is shipped with a long cable. The BioMatrix Body 18 long features: - 18-element design with 18 integrated preamplifiers (3 clusters of 6 elements each) - Operates in an integrated fashion with the system's spine coil - Can be combined with further Body 18 or BM Bo

dy
18 coils for larger coverage
- Can be positioned in different orientations (0°, 90°, 180°, 270°) for patient specific adaptations
- Requires no coil tuning
- iPAT compatible in all directions

The highly flexible design enables a wide variety of applications including: - Thorax (incl. heart)

Extended Price	Initial to Accept
+ $ 53,389	_____ **21**

Qty	Part No.	Item Description	Extended Price	Initial to Accept
		- Abdomen - Pelvis - Hip - Vascular The BioMatrix Body 18 long is typically combined with: - BM Head/Neck 20 - BM Spine coil - Additional Body 18 coil(s) or BM Body 18 coils (optional) - Peripheral Angio 16 and 36 (optional) - Flex Large 4 - Flex Small 4 - UltraFlex Large 18 (depending on availability, optional) - UltraFlex Small 18 (depending on availability, optional) - Loop coils (optional) - Endorectal coil (optional)		

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FINANCING: The equipment listed above may be financed through Siemens Financial Services, Inc. Ask us about our full range of financial products that can be tailored to meet your business and cash flow requirements. For further information, please contact your local Sales Representative.

PAYMENT OPTIONS: In order to lower the costs of financial processing for all parties, Siemens encourages the use of electronic funds transfer via the Automated Clearing House (ACH) system. Siemens also accepts certain other forms of payment, but credit card or other surcharge or processing fees may apply. For further information, please contact your local Sales Representative.

ACCESSORIES: Don't forget to ask us about our line of OEM imaging accessories to complete your purchase. All accessories can be purchased or financed as part of this order. To purchase accessories directly or to receive our accessories catalog, please call us directly at 1-888-222-9944 or contact your local Sales Representative.

COMPLIANCE: Compliance with legal and internal regulations is an integral part of all business processes at Siemens. Possible infringements can be reported to our communication channel “Let Us Know”.

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Siemens Medical Solutions USA, Inc. General Terms and Conditions

1. GENERAL

1.1 **Contract Terms and Acceptance.** These terms and conditions ("Agreement") constitute an integral part of any contract between Seller and Purchaser identified on the first page hereof and shall govern the sale of the products identified in such quotation ("Products"). Purchaser acknowledges that this is a commercial and not a consumer transaction. Purchaser shall be deemed to have assented to, and to have waived any objection to, this Agreement upon the earliest to occur of any of the following: Purchaser's completion or execution of this Agreement; Purchaser's acceptance of all or any part of the Products; Purchaser's issuance of a purchase order for any Products identified on Seller's quotation or proposal; or delivery of the Products to the common carrier for shipment pursuant hereto.

1.2 **Refurbished/Used Products**. For Products identified on this Agreement as used or refurbished Products, these Products have been previously owned and used. When delivered to Purchaser, such Products will perform in accordance with the manufacturer's specifications. Since pre-owned Products may be offered simultaneously to several customers, the availability of such Products to Purchaser cannot be guaranteed. If the Products are no longer available, Seller will use its best efforts to identify other suitable products in its inventory. If substitute products are not acceptable to Purchaser, then Seller will cancel the order and refund to Purchaser any deposits previously paid. The warranty period for any used or refurbished Products will be separately stated on the quotation.

1.3 **Third Party Products.** If this Agreement includes the sale of third party products not manufactured by Seller, then Purchaser agrees and acknowledges that (a) Purchaser has made the selection of these products on its own, (b) the products are being acquired by Seller solely at the request of and for the benefit and convenience of Purchaser, (c) no representation, warranty or guarantee has been made by Seller with respect to the products, (d) the obligation of Purchaser to pay Seller for the products is absolute and unconditional, (e) use of the products may be subject to Purchaser's agreement to comply with any software licensing terms imposed by the manufacturer; and (f) unless otherwise indicated by Seller in writing, Seller is not responsible for any required installation, validation, product recall, warranty service, maintenance, complaint handling, or any other applicable FDA regulatory requirements, and the Purchaser will look solely to the manufacturer regarding these services and will assert no claim against Seller with respect to these products.

2. PRICES

2.1 **Quotations**. Unless otherwise agreed to in writing or set forth in the quotation, all prices quoted by Seller and amounts payable by Purchaser are in U.S. dollars, and include Seller's standard packaging. The prices quoted to Seller assume that the Seller is located in, and will use the Products in, the U.S. If not, such quotation will be void. Unless otherwise stated, the quotation shall only be valid for forty-five (45) days from the date of the quotation. Payment shall be made via check or ACH/Wire; any use of alternative payment method must be approved in advance by Seller and may include any applicable services charges. **2.2 Delay in Acceptance of Delivery.** Should the agreed delivery date be postponed by Purchaser, Seller shall have the right to deliver the Products to storage at Purchaser's risk and expense, and payments due upon delivery shall become due upon such delivery to storage.

3. TAXES

3.1 Any sales, use or manufacturer's tax which may be imposed upon the sale or use of Products, or any property tax levied after readiness to ship, or any excise tax, license or similar fee (excluding the Medical Device Excise Tax as set forth in Section 4191 of the Internal Revenue Code of 1986, as amended) required under this transaction, shall be in addition to the quoted prices and shall be paid by Purchaser.

Notwithstanding the foregoing, Seller agrees to honor any valid tax exemption certificate provided by Purchaser.

4. TERMS OF PAYMENT; DEFAULT

4.1 **Payments; Due Date.** Payment shall be made in accordance with the 'Terms of Payment' reflected in the quotation detailed above based upon Purchaser's group purchasing organization ("GPO") affiliation as of the date of the quotation. In the event no terms of payment are detailed in the quotation above, then Purchaser shall pay Seller as follows: an initial deposit of 10% of the purchase price for each Product is due upon submission of the purchase order, an additional 80% of the purchase price is due upon delivery of each Product, and the final 10% of the purchase price is due upon completion of installation or when the Products are available for first patient use, whichever occurs first. Unless otherwise agreed, all payments other

than the initial deposit are due net thirty (30) days from the

date of invoice. Seller shall have no obligation to complete installation until the payment due upon delivery is received. Partial shipments shall be billed as made, and payments for such shipments will be made in accordance with the foregoing payment terms.

4.2 **Late Payment.** A service charge of 1½% per month, not to exceed the maximum rate allowed by law, shall be made on any portion of Purchaser's outstanding balance which is not paid when due. Payment of such service charge shall not excuse or cure Purchaser's breach or default for late payment.

4.3 **Payment of Lesser Amount.** If Purchaser pays, or Seller otherwise receives, a lesser amount than the full amount provided for under this Agreement, such payment shall not constitute or be construed other than as on account of the earliest amount due Seller. No endorsement or statement on any check or payment or elsewhere shall constitute or be construed as an accord or satisfaction. **4.4 Where Payment Due Upon Installation or Completion.** Should any terms of payment provide for either full or partial payment upon completion of installation or thereafter, and completion of installation is delayed for any reason for which Seller is not responsible beyond the installation date set forth in the Notice to Manufacture Letter issued by Seller (or as otherwise agreed by both parties in writing), as applicable, then the balance of payments shall be due on the day following such scheduled installation date.

4.5 **Default; Termination**. Each of the following shall constitute an event of default under this Agreement: (i) a failure by Purchaser to make any payment when due; (ii) a failure by Purchaser to perform any other obligation under this Agreement within thirty (30) days of receipt of written notice from Seller; or (iii) the commencement of any insolvency, bankruptcy or similar proceedings by or against Purchaser.

Upon the occurrence of any event of default, at Seller's election: (a) the entire amount of any indebtedness and obligation due Seller under this Agreement and interest thereon shall become immediately due and payable; (b) Seller may suspend the performance of any of Seller's obligations hereunder, including, but not limited to, obligations relating to delivery, installation and warranty services; (c) Purchaser shall put Seller in possession of the Products upon demand; (d) Seller may sell or otherwise dispose of all or any part of the Products and apply the proceeds thereof against any indebtedness or obligation of Purchaser under this Agreement; and/or (e) if this Agreement or any indebtedness or obligation of Purchaser under this Agreement is referred to an attorney for collection or realization, Purchaser shall pay to Seller all costs of collection and realization (including, without limitation, a reasonable sum for attorneys' fees); and Purchaser shall pay any deficiency remaining after collection of or realization by Seller on the Products. In addition, Seller may terminate this Agreement upon written notice to Purchaser in the event that Purchaser is not approved for credit or upon the occurrence of any material adverse change in the financial condition or business operations of Purchaser.

4.6 **Financing**. Notwithstanding any arrangement that Purchaser may make for the financing of the purchase price of the Products, the parties agree that any such financing arrangement shall have no effect on the Purchaser's payment obligations under this Agreement, including but not limited to Sections 4.1 and 4.2 above.

5. EXPORT TERMS

5.1 Purchaser shall comply with all applicable sanctions, embargoes, and (re-)export control laws and regulations and, in any event with those of the United States of America and any locally applicable jurisdiction (collectively "Export Regulations").

5.2 Upon request by Seller, Purchaser shall promptly provide Seller with all information pertaining to the particular end customer, the particular destination and the particular intended use of the Products and Services provided herein. Purchaser will notify Seller prior to Purchaser disclosing any information to Seller that is defense related or requires controlled or special data handling pursuant to applicable government

regulations and will use the disclosure tools and methods specified by Seller.

5.3 Purchaser will indemnify and hold harmless Seller, its affiliates, subcontractors, and their representatives against any claims, damages, fines and costs (including attorney's fees and expenses) relating in any way to Purchaser's noncompliance with this Section 5, including

Purchaser's and its third party business partners' violation or alleged violation of any Export Regulations, and Purchaser will compensate Seller for all losses and expenses resulting thereof.

6. DELIVERY, RISK OF LOSS

6.1 **Delivery Date.** Delivery and installation dates will be established by mutual agreement of the parties as set forth in the Notice to Manufacture Letter issued by the Seller, as applicable or as otherwise agreed by the parties in writing. Seller shall make reasonable efforts to meet such delivery date(s).

6.2 **Risk of Loss; Title Transfer.** Unless

otherwise agreed to in writing, the following shall apply: (a) For Products that do not require installation by Seller, and for options and add-on products purchased subsequent to delivery and installation of Products purchased under this Agreement, delivery shall be complete upon transfer of possession to common carrier, F.O.B. Shipping Point, whereupon title to and all risk of loss, damage to or destruction of the Products shall pass to Purchaser.

(b) For Products that require installation by Seller, delivery shall be complete upon delivery of the Products to Purchaser's designated site, F.O.B. Destination; whereupon title to and all risk of loss, damage to or destruction of such Products shall pass to Purchaser upon completion of delivery.

(c) All freight charges and other transportation, packing and insurance costs, license fees, custom duties and other similar charges shall be the sole responsibility of Purchaser unless included in the purchase price of the Products or shown as included in the quotation or otherwise agreed to in writing by Seller. In the event of any loss or damage to any of the Products during shipment, Seller and Purchaser shall cooperate in making any insurance claim.

7. SECURITY INTEREST/FILING

7.1 Purchaser grants to Seller a security interest in the Products until payment in full by Purchaser. Purchaser shall sign any financing statements or other documents necessary to perfect Seller's security interests in the Products. Purchaser further represents and covenants that (a) it will keep the Products in good order and repair until the purchase price has been paid in full, (b) it will promptly pay all taxes and assessments upon the Products or the use thereof, (c) it will not attempt to transfer any interest in the Products until the purchase price has been paid in full, and (d) it is solvent and financially capable of paying the full purchase price for the Products.

8. CHANGES, CANCELLATION, AND RETURN

8.1 Orders accepted by Seller are not subject to change except upon Seller's written agreement.

8.2 Orders accepted by Seller are non-cancellable by Purchaser except upon Seller's written consent and payment by Purchaser of a cancellation charge equal to 10% of the price of the affected Products, plus any shipping, insurance, inspection and refurbishment charges; the cost of providing any training, education, site evaluation or other services completed by Seller; and any return, cancellation or restocking fees with respect to any Third Party Products ordered by Seller on behalf of Purchaser. Seller may retain any payments received from Purchaser up to the amount of the cancellation charge. In no event can an order be cancelled by Purchaser or Products be returned to Seller after shipment.

8.3 Seller reserves the right to change the manufacture and/or design of its Products if, in the judgment of Seller, such change does not alter the general function of the Products.

9. FORCE MAJEURE

9.1 Seller shall not be liable for any loss or damage for delay in delivery, inability to install or any other failure to perform due to causes beyond its reasonable control including, but not limited to, acts of God or the public, war, civil commotion, blockades, embargoes, calamities, floods, fires, earthquakes, explosions, storms, epidemics, pandemics, strikes, lockouts, labor disputes, or unavailability of labor, raw materials, power or supplies. Should such a delay occur, Seller may reasonably extend delivery or production schedules or, at its option, cancel the order in whole or part without liability other than to return any unearned deposit or prepayment.

10. WARRANTY

10.1 Seller warrants that the Products manufactured by Seller and sold hereunder shall be free from defects in material or workmanship under normal use and service for the warranty period. The final assembled Products shall be new although they may include certain used, reworked or refurbished parts and components (e.g., circuit boards) that comply with performance and

reliability specifications and controls. Seller's obligation under this warranty is limited, at Seller's option, to the repair or replacement of the Product or any part thereof. Unless otherwise set forth in the Product Warranty attached hereto and incorporated herein by reference ("Product Warranty"), the warranty period shall commence upon the earlier of the date that the Products have been deemed installed in accordance with Section 12 hereof (which date shall be confirmed in writing by Seller) or first patient use, and shall continue for twelve (12) consecutive months. Seller makes no warranty for any Products made by persons other than Seller or its affiliates, and Purchaser's sole warranty therefor, if any, is the original manufacturer's warranty, which Seller agrees to pass on to Purchaser, as applicable. The warranty provided by Seller under this Section 10 extends only to the original Purchaser, unless the Purchaser obtains the Seller's prior written consent with respect to any sale or other transfer of the Products during the term of the warranty. **10.2** No warranty extended by Seller shall apply to any Products which have been damaged by fire, accident, misuse, abuse, negligence, improper application or alteration or by a force majeure occurrence as described in Section 9 hereof or by the Purchaser's failure to operate the Products in accordance with the manufacturer's

instructions or to maintain the recommended operating

environment and line conditions; which are defective due to unauthorized attempts to repair, relocate, maintain, service, add to or modify the Products by the Purchaser or any third party or due to the attachment and/or use of non-Seller supplied parts, equipment or software without Seller's prior written approval; which failed due to causes from within non-Seller supplied equipment, parts or software including, but not limited to, problems with the Purchaser's network; or which have been damaged from the use of operating supplies or consumable parts not approved by Seller. In addition, there is no warranty coverage for any transducer or probe failure due to events such as cracking from high impact drops, cable rupture from rolling equipment over the cable, delamination from cleaning with inappropriate solutions, or TEE bite marks. Seller may effectuate any repairs at Purchaser's facility, and Purchaser shall furnish Seller safe and sufficient access for such repair. Repair or replacement may be with parts or products that are new, used or refurbished. Repairs or replacements shall not interrupt, extend or prolong the term of the warranty. Purchaser shall, upon Seller's request, return the noncomplying Product or part to Seller with all transportation charges prepaid, but shall not return any Product or part to Seller without Seller's prior written authorization. Purchaser shall pay Seller its normal charges for service and parts for any inspection, repair or replacement that falls outside of Seller's warranty. Seller's warranty does not apply to consumable materials, disposables, supplies, accessories and collateral equipment, except as specifically stated in writing or as otherwise set forth in the Product Warranty.

10.3 This warranty is made on condition that immediate written notice of any noncompliance be given to Seller and Seller's inspection reveals that Purchaser's claim is covered under the terms of the warranty (i.e., that the noncompliance is due to traceable defects in original materials and/or workmanship).

10.4 Purchaser shall provide Seller with both on-site and remote access to the Products. The remote access shall be provided through the Seller's Smart Remote Services software in accordance with the Smart Remote Services Schedule attached hereto and incorporated herein.

10.5 Warranty service will be provided without charge during Seller's regular working hours (8:30-5:00), Monday through Friday, except Seller's recognized holidays, unless otherwise agreed to in writing by both parties. If Purchaser requires that service be performed outside these hours, such service can be made available at an additional charge, at Seller's then current rates. The obligations of Seller described in this Section are Seller's only obligations and Purchaser's sole and exclusive remedy for a breach of product warranty.

10.6 SELLER MAKES NO WARRANTY OTHER THAN THE ONE SET FORTH HEREIN AND IN THE PRODUCT WARRANTY. SUCH WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY EXPRESS OR IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSES, AND SUCH CONSTITUTES THE SOLE AND EXCLUSIVE WARRANTY MADE WITH RESPECT TO THE PRODUCTS, SERVICE OR OTHER ITEM FURNISHED UNDER THIS AGREEMENT.

10.7 In the event of any inconsistencies between the terms of this Section 10 and the terms of the Product Warranty, the terms of the Product Warranty shall prevail.

11. LIMITATION OF LIABILITY

11.1 In no event shall Seller's liability hereunder exceed the actual loss or damage sustained by Purchaser, up to the purchase price of the Products. The foregoing limitation of liability shall not apply to claims for bodily injury or damages to real property or tangible personal property to the extent arising from Seller's negligence or a product defect.

11.2 **SELLER SHALL NOT BE LIABLE FOR ANY LOSS OF USE, REVENUE OR ANTICIPATED PROFITS; COST OF SUBSTITUTE PRODUCTS OR SERVICES; LOSS OF STORED, TRANSMITTED OR RECORDED DATA; OR FOR ANY INDIRECT, INCIDENTAL, UNFORESEEN, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES WHETHER BASED ON CONTRACT, TORT, STRICT LIABILITY OR ANY OTHER THEORY OR FORM OF ACTION, EVEN IF SELLER HAS BEEN ADVISED OF THE POSSIBILITY THEREOF, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE SALE OR USE OF THE PRODUCTS. THE FOREGOING IS A SEPARATE, ESSENTIAL TERM OF THIS AGREEMENT AND SHALL BE**

EFFECTIVE UPON THE FAILURE OF ANY REMEDY, EXCLUSIVE OR NOT.

12. INSTALLATION - ADDITIONAL CHARGES

12.1 **General**. Unless otherwise expressly stipulated in writing, the Products shall be installed by and at the expense of Seller except that Seller shall not provide rigging or site preparation services unless otherwise agreed to in writing by Seller for an additional charge. Seller will not install accessory items such as cabinets, illuminators, darkroom equipment or processors for X-Ray and CT equipment, unless otherwise agreed to in writing by Seller.

12.2 **Installation by Seller.** If Seller specifies

it will install the Products, the following applies: subject to fulfillment of the obligations set forth in Section 12.3 below, Seller shall install the Products and connect them to the requisite safety switches and power lines to be installed by Purchaser. Except as otherwise specified below, if such installation and connection are performed by Seller‘s technical personnel, prices shown include the cost thereof, provided that the installation and connection can be performed within the Continental United States or Puerto Rico and during normal business hours. Any overtime charges or other special expenses required to install the Products shall be additional charges to the prices shown.

12.3 **Purchaser's Obligations.** Purchaser shall, at its expense, provide all proper and necessary labor and materials for plumbing service, carpentry work, conduit wiring, and other preparations required for such installation and connection. All such labor and materials shall be completed and available at the time of delivery of the Products so that Seller may commence with installation and final calibration without delay. Additionally, Purchaser shall provide free access to the installation site and, if necessary, safe and secure space for storage of Products and equipment prior to installation by Seller. Purchaser shall be responsible, at its sole cost and expense, for obtaining all permits, licenses and approvals required by any federal, state or local authorities in connection with the installation and operation of the Products, including but not limited to any certificate of need and zoning variances. Purchaser shall provide a suitable environment for the Products and shall ensure that its premises are free of hazardous conditions and any concealed or dangerous conditions and that all site requirements are met at time of delivery. Seller shall delay installation of the Products until Purchaser has completed the removal of any hazardous materials and has taken any other precautions and completed any other preinstallation work required by applicable regulations and/or Seller specifications; and Purchaser shall reimburse Seller for any increased costs and expenses incurred by Seller that are the result of or are caused by such delay. In the event that Purchaser requests delivery prior to the completion of its site readiness obligations, Purchaser assumes all risk of damage or loss to the Products associated with such early delivery and shall reimburse Seller for any increased costs and expenses incurred by Seller that are the result of or are caused by any such early delivery. In the event the delivery of the Products is delayed without prior written approval by Seller by more than fortyfive (45) calendar days from the scheduled delivery date in accordance with Section 6.1 herein due to Purchaser’s failure to complete all requisite pre-installation work or Purchaser’s refusal to accept delivery, then the Products shall be deemed installed on the scheduled delivery date for the purposes of Section 10.1 herein.

In the event that Seller is requested to supervise the installation of the Products, it remains the Purchaser's responsibility to comply with local regulations. Seller is not an architect and all drawings furnished by Seller are not construction drawings. If local labor conditions, including a requirement to use union labor, require the use of nonSeller employees to participate in the installation of the Product or otherwise causes delays or any additional expenses, then any such additional costs shall be at Purchaser’s expense.

12.4 **Regulatory Reporting.** In the event that any regulatory activity is performed by anyone other than Seller’s authorized personnel, then Purchaser shall be responsible for fulfilling any and all reporting requirements. **12.5 Completion of Installation.** Installation shall be complete upon the conclusion of final calibration and checkout under Seller’s standard procedures to verify that the Products meet applicable written performance specifications. Notwithstanding the foregoing, first use of the Products by Purchaser, its agents or employees for any purpose after delivery shall constitute completion of installation.

13. PATENT, COPYRIGHT AND OTHER INFRINGEMENT CLAIMS

13.1 **Infringement by Seller.** Seller warrants that the Products manufactured by Seller and sold hereunder do not infringe any U.S. patent or copyright. If Purchaser receives a claim that any

such Products, or parts thereof, infringe upon the rights of others under any U.S. patent or copyright, Purchaser shall notify Seller immediately in writing. Provided that Purchaser gives Seller information, assistance and exclusive authority to evaluate, defend and settle such claims, Seller shall at its own expense and option: indemnify and defend Purchaser against such claims; settle such claims; procure for Purchaser the right to use the Products; or remove or modify them to avoid infringement. If none of these alternatives is available on terms reasonable to Seller, then Purchaser shall return the Products to Seller and Seller shall refund to Purchaser the purchase price paid by Purchaser less reasonable depreciation for Purchaser's use of the Products. The foregoing states Seller's entire obligation and liability, and Purchaser's sole remedy, for claims of infringement.

13.2 **Infringement by Purchaser**. If some or all of the Products sold hereunder are made by Seller pursuant to drawings or specifications furnished by Purchaser, or if Purchaser modifies or combines, operates or uses the Products other than as specified by Seller or with any product, data, software, apparatus or program not provided

or approved by Seller, then the indemnity obligation of

Seller under Section 13.1 shall be null and void.

14. DESIGNS AND TRADE SECRETS; LICENSE; CONFIDENTIALITY

14.1 Any drawings, data, designs, software programs or other technical information supplied by Seller to Purchaser in connection with the sale of the Products shall remain Seller's property and shall at all times be held in confidence by Purchaser.

14.2 For all Products which utilize software for their operation, such "Applications Software" shall be licensed to Purchaser under the terms of Seller's Software License Schedule attached hereto (if applicable).

14.3 Seller and Purchaser shall maintain the confidentiality of any information provided or disclosed to the other party relating to the business, customers and/or patients of the disclosing party, as well as this Agreement and its terms (including the pricing and other financial terms under which the Purchaser will be purchasing the Products). Each party shall use reasonable care to protect the confidentiality of the information disclosed, but no less than the degree of care it would use to protect its own confidential information, and shall only disclose the other party's confidential information to its employees and agents having a need to know this information. The obligations of confidentiality set forth herein shall not apply to any information in the public domain at the time of disclosure or that is required to be disclosed by court order or by law.

15. ASSIGNMENT

15.1 Neither party may assign any rights or obligations under this Agreement without the prior written consent of the other, which shall not be unreasonably withheld. Any attempt to do so shall be void, except that Seller may assign this Agreement without consent to any subsidiary or affiliated company, and may delegate to authorized subcontractors or service suppliers any work to be performed under this Agreement so long as Seller remains liable for the performance of its obligations under this Agreement. This Agreement shall inure to and be binding upon the parties and their respective successors, permitted assigns and legal representatives.

16. COSTS AND FEES

16.1 In the event that any dispute or difference is brought arising from or relating to this Agreement or the breach, termination or validity thereof, the prevailing party shall be entitled to recover from the other party all reasonable attorneys' fees incurred, together with such other expenses, costs and disbursements as may be allowed by law.

17. MODIFICATION

17.1 This Agreement may not be changed, modified or amended except in writing signed by duly authorized representatives of the parties.

18. GOVERNING LAW; WAIVER OF JURY TRIAL

18.1 This Agreement shall be governed by the laws of the state where the Product(s) will be installed, without regard to that state's choice of law principles.

18.2 **EACH OF THE PARTIES EXPRESSLY WAIVES ALL RIGHTS TO A JURY TRIAL IN CONNECTION WITH ANY DISPUTE UNDER THIS AGREEMENT.**

19. COST REPORTING

19.1 Purchaser agrees that it must fully and accurately report prices paid under this Agreement, net of all discounts, as required by applicable law and contract, including without limitation 42 CFR §1001.952(h), in all applicable Medicare, Medicaid and state agency cost reports. Purchaser shall retain a copy of this Agreement and all other communications regarding this Agreement, together with the invoices for purchase and permit agents of the U.S. Department of Health and Human Services or any state agency access to such records upon request.

20. INTEGRATION

20.1 These terms and conditions, including any attachments or other documents incorporated

by reference herein, constitute the entire, complete and exclusive statement of agreement with respect to the subject matter hereof, and supersede any and all prior agreements, understandings and communications between the parties with respect to the Products. Purchaser's additional or different terms and conditions stated in a purchase order, bid documents or any other document issued by Purchaser are specifically rejected and shall not apply to the transactions contemplated under this Agreement. In the event Purchaser's GPO affiliation is identified in the 'Purchasing Agreement' section of the quotation, then the terms of such GPO agreement to which Purchaser is a participating member shall apply as identified, provided that in the event of a conflict between the terms and conditions of this Agreement and the terms and conditions of any applicable GPO agreement to which Purchaser is a participating member, the terms and conditions of this Agreement shall control.

21. SEVERABILITY; HEADINGS

21.1 No provision of this Agreement which may be deemed unenforceable will in any way invalidate any other

portion or provision of this Agreement. Section headings

are for convenience only and have no substantive effect.

22. WAIVER

22.1 No failure and no delay in exercising, on the part of any party, any right under this Agreement will operate as a waiver thereof, nor will any single or partial exercise of any right preclude the further exercise of any other right.

23. NOTICES

23.1 Any notice or other communication under this Agreement shall be deemed properly given if in writing and delivered in person or mailed, properly addressed and stamped with the required postage, to the intended recipient at its address specified on the face hereof.

24. RIGHTS CUMULATIVE

24.1 The rights and remedies afforded to Seller under this Agreement are in addition to, and do not in any way limit, any other rights or remedies afforded to Seller by any other agreement, by law or otherwise.

25. END USER CERTIFICATION

25.1 Purchaser represents, warrants and covenants that it is acquiring the Products for its own end use and not for reselling, leasing or transferring to a third party (except for lease-back financing arrangements that have been approved by Seller).

26. ACCESS TO BOOKS AND RECORDS

26.1 To the extent required by Section 1861(v)(1)(I) of the Social Security Act and the regulations promulgated thereunder, until the expiration of four (4) years after the furnishing of any Product or service pursuant to this Agreement, Seller shall make available, upon written request by the Secretary of Health and Human Services (the “Secretary”), or upon request by the Comptroller General (the “Comptroller”), or any of their duly authorized representatives, copies of this Agreement and any books, documents, records or other data of Seller that are necessary to certify the nature and extent of any costs incurred by Purchaser for such Products and services. If Seller carries out any of its duties under this Agreement through a subcontract with a related organization involving a value or cost of ten thousand dollars ($10,000) or more over a twelve (12) month period, Seller will cause such subcontract to contain a clause to the effect that, until the expiration of four (4) years after the furnishing of any Product or service pursuant to said contract, the related organization will make available upon the written request of the Secretary or the Comptroller, or any of their duly authorized representatives, copies of records of said related organization that are necessary to certify the nature and extent of cost incurred by Purchaser for such Product or service. L026-7 Revised May 2024

Smart Remote Services Schedule
To the Terms and Conditions of Sale

Seller and Purchaser agree that the provision of service and support for the Products shall be provided in accordance with this Smart Remote Services (“SRS”) Schedule. All capitalized terms not defined herein shall have the meanings given to them in the Agreement detailed above.

a. System Monitoring. Seller provides services for remote monitoring of certain Products used by Purchaser (hereafter, "Applicable Equipment"). In connection with such services, Seller uses SRS, a persistent online connection between Seller or its affiliates and the Applicable Equipment to monitor the performance of Applicable Equipment and deliver updates and patches to permit Seller monitoring of the performance of the Applicable Equipment anonymously (“SRS Connection”). SRS is installed on the analyzer computer or server, and works within a domain environment, workgroup, or on a standalone system. In the event that Purchaser fails to provide or maintain the SRS Connection for the Applicable Equipment, then Seller shall have the option to terminate the provision of warranty service and support under the Agreement and any applicable Supplements or Schedules thereto. In addition, any Uptime Performance Guarantee or Availability Commitment of the Applicable Equipment (if applicable) shall be void if the SRS Connection is not provided and available 24 hours per day, 7 days a week. For the purposes of this Schedule, 'Security Concept‘ means Seller IT security concept, which can be found under

the following link or which Seller will send to Purchaser upon request:

https://marketing.webassets.siemenshealthineers.com/4275155d5aa2ce02/a0226f9a8dd8/Smart-Remote-Services-Security-Concept-V10.pdf

'Technical Data' means information available through the SRS Connection and may include: (i) application logfiles, errors occurred, device properties, quality control (technical status information); (ii) configuration, software versions, patches, licenses, network settings, device service history (asset and configuration data); (iii) sequences of performance of various tasks, used applications/licenses and interactions with the application (utilization data); (iv)

any reagents and consumables loaded onto the Applicable

Equipment; (v) any other data explicitly agreed; and in each case not related to an identified or identifiable natural person. 'Smart Technical Data' means correlated Technical Data derived from the Applicable Equipment to support prediction of the Applicable Equipment service requirements. Cyberthreat" means any circumstance or event with the potential to adversely impact the Products via unauthorized or unlawful access, damage and/or destruction, disclosure of information, modification, corruption or alteration of information, and/or denial of service rendering the Products unavailable or inoperable. "EoS" means End of Support, the date Seller notifies Purchaser that the service parts and any other services for the Products will no longer be available. "Insignificant" means a categorization of a Vulnerability the exploitation of which, taking into account the individual Products attributes and/or the respective operating environment, is not reasonably expected and/or would not result in a foreseeable impairment of the Products' secure operation or provide access to personal information. "IT Security" means safeguarding the uninterrupted operation of the Products against interference caused by exploited Vulnerabilities, as well as the availability, confidentiality and integrity of data and information created, stored, and/or transmitted by the Products. "Patch(es)" means a Products and/or operating system (OS) update that addresses security vulnerabilities within the Products. "Vulnerability" means a weakness in the Products that could be exploited by a Cyberthreat and are assigned a significance level in accordance with FDA Post-Market Guidance for Cybersecurity of Medical Devices.

Seller and its affiliates are authorized to access, maintain, repair, calibrate, update or patch the Applicable Equipment that is the object of the SRS Connection or provide remote training in every case through the SRS Connection and use any Technical Data collected via the SRS Connection for the aforementioned purposes. If the Applicable Equipment hereunder is covered by a warranty period or extended service plan, then Seller, its affiliates and other companies engaged by Seller are also authorized to carry out through the SRS Connection additional system monitoring services supported by the covered Applicable Equipment.

b. Access to Data and Use of Data. Purchaser hereby irrevocably permits Seller and its affiliates to use for their own business, product surveillance, research or development purposes (e.g. determine trends of usage products and services, improvement of products, services and software), for facilitating and advising on continued and sustained use of products and services, substantiation of aggregated product and services marketing claims and for benchmarking purposes, without restrictions in terms of time, transferability, replication, location or content: (i) Technical Data that is collected via the SRS Connection; and (ii) Smart Technical Data that is collected via the SRS Connection from the Applicable Equipment.

c. Purchaser Obligations for SRS Connection. (i) Purchaser shall permit the SRS Connection to be established by connecting the Applicable Equipment either directly or through a gateway or networked computer at Purchaser's own expense to a secured telecommunications link via a broadband connection and Purchaser shall bear the cost of any technical requirements for any such connection that is not a part of the Applicable Equipment (e.g. establishing a broadband connection); (ii) Purchaser shall support Seller in protecting against Cyberthreats by implementing and continuously maintaining a holistic, stateof-the-art security concept protecting Purchaser's IT infrastructure; (iii) Purchaser shall not connect any Applicable Equipment to the SRS Connection that does not comply with state-of-the-art security policies or is otherwise approved by Seller; (iv) Purchaser shall not use the SRS Connection in a way that impairs or disrupts the integrity of the SRS Connection or Seller's IT infrastructure; and (v) Purchaser shall not transmit any data containing viruses, Trojan horses or other programs that may damage or impair the SRS Connection or Seller's IT infrastructure.

d. Purchaser's Cybersecurity Obligations. In order to protect the Products against Cyberthreats, Purchaser shall implement and continuously maintain a holistic, state-ofthe-art security program for its IT infrastructure, including regular network scanning, provided however, that:

(i) network scanning or penetration testing shall not be performed during clinical use of the Products and should optionally be scheduled, with Seller assistance, during downtime;
(ii) the system configuration and/or IT Security controls of the Products as stated in the MDS2 and/or Security Whitepaper provided or made

available by Seller at, or prior to, the time of purchase must not be modified;

(iii) if during the deployment of the Products, Vulnerabilities are identified by Purchaser, Purchaser shall align with Seller regarding the severity of the Vulnerabilities taking into account the individual Products attributes and intended operating environment and shall not refuse acceptance of the Products, if the Vulnerability is classified as 'low' by Seller using the Common Vulnerability Scoring System ("CVSS"); and

(iv) Seller's initial response to Purchaser's inquiry on a Vulnerability will be within fifteen (15) days. Seller will

evaluate all Vulnerabilities using CVSS and FDA's

definition of "controlled" and "uncontrolled" Vulnerabilities and will make such evaluations available to Purchaser. Seller will periodically release Patches depending on the age of the device and the Products version. If Seller determines the Vulnerability to be critical and uncontrolled, Seller will communicate this determination to Purchaser within thirty (30) days and utilize commercially reasonable efforts to have a mitigation (workaround, patch, etc.) available within sixty (60) days of Seller's determination of an uncontrolled Vulnerability. Unless otherwise specified, no patches may be loaded by Purchaser onto the Products. In the event of a Vulnerability that is reasonably determined by Purchaser to constitute an emergency (meaning that the Products must be taken out of clinical use until the Vulnerability is remedied) needing an expedited response, Seller will collaborate with Purchaser to jointly determine the most prudent action necessary in light of the circumstances.

(v) Purchaser is responsible for preventing unauthorized access to the Products licensed to Purchaser, including but not limited to changing passwords and other protective settings from their default values to individual ones. The Products shall only be connected to an enterprise network or the internet if and to the extent such a connection is authorized by Seller in the instructions for use and only when appropriate security measures (e.g., firewalls, network Purchaser authentication and/or network segmentation) are in place.

(vi) USB-storage media and other removable storage devices shall only be connected to the Products if and to the extent such connection is authorized by Seller in the instructions for use and only when the risk of a malware infection of the Products is minimized through malware scanners or other appropriate means. (vii) The Product(s) undergoes regular development to further improve its IT Security. Seller strongly recommends that Products updates be applied as soon as they are available and that the latest Products versions are used by Purchaser. The latter might include the purchase of upgrades of hardware and additional Products by Purchaser; provided however, updates to remedy uncontrolled Vulnerabilities and/or clinical performance based on the Products Specification will be provided without additional charge. Use of Products versions that are no longer supported, and failure to apply the latest updates/upgrades may increase Purchaser's exposure to Cyberthreats. (viii) Purchaser shall notify Seller without delay in case of suspected or actual Cyberthreats or Vulnerabilities of the Products. Disclosure by Purchaser of such information to third parties during the immediately following sixty (60) day period requires prior written consent by Seller.

(ix) In the event that Purchaser resells an item of Applicable Equipment, it shall inform Seller in writing of the name and address of the new owner and shall impose upon that new owner a corresponding obligation in case of further resale. Purchaser is not granted any right to sell or assign its right to use the Applicable Equipment without first obtaining Seller's express written consent.

(x) If Seller provides a Patch via SRS or for download, Purchaser shall promptly install the Patch in accordance with the respective installation instructions given by Seller.

e. Seller Cybersecurity Obligations. In order to protect the Products against Cyberthreats, Seller shall implement and continuously maintain a holistic, state-of-the-art security program for its IT infrastructure, including regular network scanning. In the event that Seller becomes aware of a Vulnerability that Seller does not classify as Insignificant, it shall make available Patches until EoS, until the termination of this Agreement, or up to ten (10) years following the Products delivery, whichever occurs first, provided that Purchaser's Products version is the most recent or at least the penultimate version at the given time, except in the case of third-party Products where the respective Products provider does not have a Patch available, Seller will use commercially reasonable efforts to make a mitigation available for the Vulnerability within 120 days following Seller becoming aware of such Vulnerability. In the case of third-party Products, Seller will make the Patch available to Purchaser without undue delay after such Patches are made available by Seller's licensors and Seller performs the required testing and validating on the Products. Depending on the severity of the Vulnerability as determined by Seller (after consultation with Purchaser), Seller may elect to provide the Patch at the time and as part of upcoming routine updates. If the Applicable Equipment is connected to SRS and Purchaser enables remote

distribution of the Patch via SRS, or if Patches are made available for download, the Patches shall be free of charge. However, if the Patch needs to be installed on site by Seller, Seller may charge Purchaser for the expenses (time and material) resulting from the installation. For the sake of clarity; (i) safety, uncontrolled Vulnerability and clinical performance Updates are mandatory and will be provided without additional charge to Purchaser regardless of contract status, and will be implemented by Seller regardless of who may otherwise be servicing the Products; and (ii) all other Updates are non-mandatory ("Refinement Updates") and are not performed unless requested by Purchaser and may

be chargeable (e.g., travel, labor, and sometimes charges

for parts) depending on Update.
NOTWITHSTANDING THE FOREGOING, SELLER ASSUMES NO LIABILITY WHATSOEVER FOR DAMAGE TO THE EXTENT SUCH DAMAGE IS CAUSED BY THE FOLLOWING:

(i) Purchaser's intrusive IT Security testing;
(ii) unauthorized modification of the system configuration or IT Security controls of the Products; (iii) the installation of Patches which are not authorized by Seller;
(iv) Purchaser delaying the self-installation of Patches made available by Seller via SRS or for download; (v) Hacker attacks, cyberthreats or related preventative measures; or
(vi) Failure to perform and maintain adequate backups of Purchaser's data.

f. SRS Limited Warranty. Unless explicitly otherwise regulated the SRS Connection is provided "as is" and Seller does not provide Purchaser with any warranty or guarantee regarding the availability, performance, or quality of the SRS Connection. Seller will not provide an SRS Connection if: (i) the provision is prevented by any impediments arising out of national or international foreign trade or custom requirements or any embargoes or other sanctions; or (ii) there is a defect, malfunction, or other problem with the telecommunications network; or (iii) there is a defect, malfunction, insufficient configuration, or other problem with Purchaser`s infrastructure.

g. Update of Terms and Security Concept. Seller shall set up the technical and organizational process for the SRS Connection and IT infrastructure used by Seller for the establishment of the SRS Connection according to the Security Concept. Seller shall be entitled to modify and/or update the terms of this Schedule for the SRS Connection and/or the Security Concept to reflect technical progress, changes in law and the further development of its offerings. Such modifications and/or updates shall not jeopardize the quality and execution of the SRS Connection. Seller shall inform Purchaser of changes by giving Purchaser at least thirty (30) days prior written notice. Seller will provide Purchaser with access to the updated terms and conditions.

h. Certification of SRS. Seller's service organization shall maintain a certified information security management system for the purposes of the SRS Connection. In this regard, Seller shall be subject to regular external audits by independent third parties. The scope and details of the certification are determined in the current Security Concept.

i. SRS Connection Termination. Seller shall be entitled to suspend the SRS Connection with immediate effect if Purchaser is in breach of the terms contained herein or if Seller, acting reasonably, is of the opinion that the SRS Connection to one or more of Purchaser's Applicable Equipment contains a risk for the security and performance of the IT infrastructure used by Seller.

j. SRS Intellectual Property. Seller (and its licensors, where applicable) will retain all intellectual property rights relating to the Products, including improvements thereto, including any improvements derived from Technical Data or Smart Technical Data, as well as any suggestions, ideas, enhancement requests, feedback, recommendations or other information provided by Purchaser which are hereby assigned to Seller.

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Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355

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Software License Schedule to the Siemens Medical Solutions USA, Inc General Terms and Conditions

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1. DEFINITIONS: The following definitions apply to this Schedule:

"**Agreement**" shall mean the attached (i) Quotation for Products and/or Services including the Terms and Conditions of Sale and applicable schedules; and/or (ii) Software License Agreement describing the software licensed herein and the specific system for which the license is issued.
"**Licensor**" shall mean Siemens Medical Solutions USA, Inc. "**Licensee**" shall mean the end-user to whom Licensor provides Software or Documentation for its internal use under the Agreement.
"**Software**" shall mean the software described in the attached Agreement, including the following as contained therein: (i) software programs consisting of a series of statements or instructions to be used directly or indirectly in a programmable controller or computer to bring about a certain result and (ii) databases consisting of systemized collections of data to be used or referenced directly or indirectly by a programmed controller or computer. Notwithstanding the foregoing, "Software" does not include "firmware" as such term is conventionally understood. Diagnostic/Maintenance Software also is not included within the scope of the Software licensed under this Schedule, and is available only as a special option under a separate Diagnostic Materials License Agreement and may be subject to a separate licensing fee.
"**Documentation**" shall mean the documents and other supporting materials which are intended to support the use of an associated product, including (but not limited to) instructions, descriptions, flow charts, logic diagrams and listings of the Software, in text or graphic form, on machine readable or printed media.
"**Designated Unit**" shall mean a single control unit or computer identified on the first page of the Agreement, on which Software licensed hereunder may be used by Licensee.

2. SCOPE: The following terms and conditions shall apply to all Software and Documentation provided by Licensor to Licensee under the Agreement (whether included with other products listed in the Agreement or listed separately in the Agreement), together with any updates or revisions thereto which Licensor may provide to Licensee, and all copies thereof, except any Software and/or Documentation licensed directly by Licensor's supplier under a separate enduser license agreement accompanying the Software or the Documentation, in which case Licensee agrees to be bound by that license agreement as a condition to using the Software and/or Documentation. Except as expressly provided herein, and provided that in no event shall the warranties or other obligations of Licensor with respect to such Software or Documentation exceed those set forth in this Schedule, this Schedule shall be subject to the liability limitations and exclusions and other terms and conditions set forth in the Agreement. **ANY USE OF THE SOFTWARE, INCLUDING BUT NOT LIMITED TO USE ON THE DESIGNATED UNIT, WILL CONSTITUTE LICENSEE'S AGREEMENT TO THIS SOFTWARE LICENSE SCHEDULE (OR**

RATIFICATION OF ANY PREVIOUS CONSENT).

3. SOFTWARE AND DOCUMENTATION LICENSE: Subject to the payment of any applicable annual license fee(s), whether stated separately or included in the purchase price of another product, and to Licensee's acceptance of all of the obligations set forth herein and to the fulfillment of those obligations, Licensor or, if applicable, its licensor or supplier, hereby grants to Licensee a paid-up, nonexclusive and nontransferable (except as expressly provided in this Schedule) limited license to use the Software provided by Licensor under the Agreement solely for Licensee's own use on the Designated Unit and to use the Documentation in support of Licensee's authorized use of the Software, for the purpose of operating the Designated Unit in accordance with the instructions set forth in the user's manual supplied with the Designated Unit and for no other purpose whatsoever. A separate license is required for each Designated Unit on which the Software is to be used. Licensee may obtain from Licensor one copy of the Software licensed hereunder for backup and archival purposes only as is necessary to support Licensee's own authorized use of the Software, provided that Licensee includes on or in all copies (in any form) all copyright, trade secret or other proprietary notices contained on or in the Software as provided by Licensor. Additional copies of the Documentation may be licensed from Licensor at its then applicable charges. Licensee may make the Software and Documentation (including any copies) available only to its employees and other persons on Licensee's premises to whom such disclosure is necessary to enable Licensee to use the Software or Documentation within the scope of the license provided in this Schedule. If the Software is supplied to any unit or agency of the United States Government other than the Department of Defense, the Software and Documentation are classified as "restricted computer software" and the Government's rights in the Software and Documentation shall be as provided in paragraph (c) (2) of the Commercial Computer Software-Restricted Rights clause in FAR 52.227-19 and any successor laws, rules or regulations thereto. If the Software is supplied to the United States Department of Defense, the
Software is classified as "commercial computer software" and the Government is furnished the Software and Documentation with "restricted rights" as defined in paragraph (c) (1) of the Rights in Technical Data and Computer Software clause in DFARS 252.227-7013 and any successor laws, rules or regulations thereto.

4. PROPRIETARY PROTECTION AND CONFIDENTIALITY: Ownership of and title to the Software and Documentation and all copies, in any form, licensed under this Schedule are and will remain in Licensor or its suppliers at all times. Licensee shall not (i) remove any copyright, trade secret or other proprietary right notices contained on or in the Software or Documentation as provided by Licensor, (ii) reproduce or modify any Software or Documentation or copy thereof, (iii) reverse assemble, reverse engineer or decompile any Software, or copy thereof, in whole or in part (except and only to the extent that such activity is expressly permitted by applicable law notwithstanding this limitation), (iv) sell, transfer or otherwise make available to others the Software or Documentation, or any copy thereof, except as expressly permitted by this Schedule, or (v) apply any techniques to derive any trade secrets embodied in the Software or Documentation. Licensee shall take all appropriate actions to ensure that: (i) the Software does not leave the Designated Unit's equipment location as set forth above, (ii) the Software is not copied by Licensee or any third parties, and (iii) the Software is not used in any equipment other than the Designated Unit. Licensee shall secure and protect the Software and Documentation and copies thereof from disclosure and shall take such actions with its employees and other persons who are permitted access to the Software or Documentation or copies as may be necessary to satisfy Licensee's obligations hereunder. Prior to disposing of any computer medium, computer memory or data storage apparatus, Licensee shall ensure that all copies of Software and Documentation have been erased therefrom or otherwise destroyed. In the event that Licensee becomes aware that any Software or Documentation or copies are being used in a manner not permitted by the license, Licensee shall immediately notify Licensor in writing of such fact and if the person or persons so using the Software or Documentation are employed or otherwise subject to Licensee's direction and control, Licensee shall use reasonable efforts to terminate such impermissible use. Licensee will fully cooperate with Licensor so as to enable Licensor to enforce its proprietary and property rights in the Software. Licensee agrees that, subject to Licensee's reasonable security procedures, Licensor shall have immediate access to the Software at all times and that Licensor may take immediate possession thereof upon termination or expiration of the associated license or this Schedule. Licensee's obligations under this paragraph shall survive any termination of a license, the Schedule or the Agreement.

5. UPDATES AND REVISIONS: During the warranty period or under a separate service contract or software update subscription, revised or updated versions of the Software licensed under this Schedule may be made available, at Licensor's option, to Licensee to use or to test while Licensee continues use of a previous version. Licensee has the right to decide whether to install any such revised or updated versions or to continue use of the previous version after giving due regard to the United States Food and Drug Administration rules and regulations. However, Licensee shall pay Licensor for any services necessitated by any modifications of the Software by Licensee or by Licensee's failure to utilize the current non-investigational version of the Software provided by Licensor. Software updates that provide new features or capabilities or that require hardware changes will be offered to Licensee at purchase prices established by Licensor. Licensor retains the sole right to determine whether an update represents an enhancement of a previously purchased capability or a new

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capability for which the Licensee will be charged. In addition, some updates may

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Revised 03/15/05

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TRADE-IN EQUIPMENT REQUIREMENTS

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TRADE-IN EQUIPMENT REQUIREMENTS

THE FOLLOWING APPLIES ONLY TO THE EXTENT THAT THE QUOTATION INCLUDES AN EQUIPMENT TRADE IN OR IF A TRADE-IN IS LATER ADDED TO THS QUOTATION VIA A CHANGE ORDER. THESE REQUIREMENTS ARE IN ADDITION TO ANY OTHER REFERENCED TERMS AND CONDITIONS OF THE QUOTATION AND SHALL REMAIN IN EFFECT REGARDLESS OF ANY CONTRARY LANGUAGE IN THE QUOTATION.

This Quotation includes the trade-in equipment described herein and referenced by either the Project Number identified in the Quotation hereof (non-Ultrasound) or the Trade In Part Number (Ultrasound) as further described in the associated Trade Sheet which is incorporated herein by reference. Purchaser certifies that the description of the trade-in equipment as set forth on the Trade Sheet is a true and accurate representation of the equipment, and that the equipment is in good working condition unless otherwise noted on the Trade Sheet.

The trade-in equipment must be made available for removal no later than turnover of the new equipment. Purchaser must vacate the room of all items not listed on the Trade Sheet, or otherwise clearly identify all items listed on the Trade Sheet, prior to the start of the deinstallation. If this is not done, Seller will have no liability for items which are subsequently removed or scrapped. If the de-installation or return of the trade-in equipment is delayed by Purchaser for reasons other than a force majeure event, or if upon inspection by Seller it is determined that the equipment does not meet the manufacturer's operating specifications, or if any items listed as included on the Trade Sheet are not made available at the time of de-installation, then trade-in value will be re-evaluated and any loss in value or additional costs incurred by Seller shall be deducted from the established trade-in value and the pricing set forth on this Quotation will be adjusted by change order. In the event that access to the nonultrasound trade-in equipment is denied past 14 days from turnover, or access to ultrasound trade-in equipment is denied past 30 days from turnover, then Purchaser shall pay to Seller a rental fee in the amount 3.5% of the total trade-in value plus any additional value provided by an Elevate/Promotional program included in this quotation (no less than $1000) for each month, or part thereof, that access is denied. In addition, if the purchase and installation of the new equipment covered by this Quotation is not completed, then Seller shall invoice Purchaser for all costs and expenses incurred by Seller in connection with the de-installation and removal of the tradein equipment, including but not limited to labor, materials, rigging out, and transportation, which costs shall be paid by Purchaser within thirty (30) days of the invoice date.
Purchaser further acknowledges and agrees that (i) the trade-in equipment will be free and clear of all liens and encumbrances including, but not limited to, unpaid leases and loans, and that upon request, it will execute a bill of sale or other documents reasonably satisfactory to Siemens to transfer title and ownership of the equipment to Seller, (ii) it is Purchaser's sole responsibility to delete all protected health information and any other confidential information from the equipment prior to de-installation, without damaging or cannibalizing the equipment or otherwise affecting the operation of the equipment in accordance with its specifications, (iii) any radioactive sources and other hazardous materials are removed from the equipment (iv) equipment has been wiped down and decontaminated of any blood or other potentially infectious materials (v) the equipment, including all updates, upgrades, modifications, enhancements, revisions, software, S/W disks and manuals, shall be returned to Siemens in good operating condition, reasonable wear and tear excepted, and (vi) to the extent not prohibited by applicable law, Purchaser shall indemnify and hold Seller harmless from and against any and all claims, demands, causes of action, damages, liability, costs and expenses (including reasonable attorney's fees) resulting or arising from Purchaser's failure to comply with item (i) above.
FOR MR SYSTEMS: cryogen levels must be least 65% upon time of de-installation. FOR MOBILE SYSTEMS: system must be road worthy and a state issued title transferring ownership to Seller (or Designee) must be received prior to the removal of the mobile system. FOR MODALITY TRADE SYSTEMS (non-ultrasound): The trade-in equipment must be available for inspection within two weeks of the scheduled de-installation date. In addition, Purchaser must provide a clear path for the removal of the trade-in equipment and on the date of de-installation after final inspection and test by the Seller (or Designee) has occurred, the Purchaser must supply licensed tradespeople to disconnect the power and plumbing (including draining and removing and disposing of any hazardous materials including, but not limited to glycol from the chiller and oil from the transformer and radioactive sources, as examples.) Any additional costs due to the need to use a larger rig (other than a standard 80 ton rig), as well as any construction activities, street closings, permits, etc., required to de-install/remove the equipment are out-of-scope costs and will be the responsibility of Purchaser. FOR MI SYSTEMS: it is the Seller's sole responsibility to (i) ensure that all radioactive sources and identifying labels are removed from the trade in equipment prior to de-installation; and (ii) for arranging and covering any associated costs and scheduling of service companies required to complete such work. FOR ULTRASOUND SYSTEMS – Purchaser may provide transducers with the ultrasound unit being traded in, but will not receive additional credit for such transducers.

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MR Warranty Information

Product (New Systems and "ECO" Refurbished Systems Only)	**Period of Warranty**[1]	**Coverage**[2, 5]	**Special Conditions**
MR Systems	12 months	Full Warranty (wear/failure) parts and labor, including key components (not including consumables) PCP: 8:30 am to 5:00 pm. Typical response time: next day	MAGNETOM Sempra, Free.MAX, and Free.STAR require Smart Remote Services (SRS) Connection prior to system installation.
FIT Upgrades: MAGNETOM Avanto/Skyra Fit, BioMatrix, MAGNETOM_Sola/Vida_Fit	12 months	Full Warranty (wear/failure) parts and labor, including key components (not including consumables) PCP: 8:30 am to 5:00 pm. Typical response time: next day	Fit Upgrade warranty excludes Magnet, Magnet Refrigeration System (CryoCare), Liquid Helium Refills and Gradient Coil (if the Gradient Coil is not replaced with the Fit upgrade).

Post System Warranty for T&M Spare Parts[3]			
Spare Parts (excluding key components)	**Period of Warranty**	**Coverage**[5]	**Special Conditions**
Consumables	Not covered		
Spare parts	6 months	Full credit (100%) wear/failure parts only.	
Key Components	**Period of Warranty**	**Coverage**[5]	**Special Conditions**
Magnet	12 months	Parts only	

1. Period of Warranty commences from the date of first use or completion of installation, whichever occurs first. In the event the completion of installation is delayed for reasons beyond Siemens' control, the stated warranty period shall commence 60 days after delivery of equipment.
2. If a part is replaced during the 12-month system warranty, that part will be covered. However, the replaced part will not carry a separate warranty.
3. Replacement spare parts warranty commences from the date of Siemens' invoice.
4. If the cause of failure on a returned part is determined to be from damage or negligence, the warranty is voided.

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Note for Federal Government Customers Only: No warranty extended by Contractor shall apply to any products which have been damaged by fire, accident, misuse, abuse, negligence, improper application or alteration or by a force majeure occurrence or by the Customer's failure to operate the products in accordance with the manufacturer's instructions or to maintain the recommended operating environment and line conditions; which are defective due to unauthorized attempts to repair, relocate, maintain, service, add to or modify the products by the Customer or any third party or due to the attachment and/or use of nonContractor supplied parts, equipment or software without Contractor's prior written approval; which failed due to causes from within non-Contractor supplied equipment, parts or software including, but not limited to, problems with the Customer's network; or which have been damaged from the use of operating supplies or consumable parts not approved by Contractor. In addition, there is no warranty coverage for any transducer or probe failure due to events such as cracking from high impact drops, cable rupture from rolling equipment over the cable, delamination from cleaning with inappropriate solutions, or TEE bite marks.

DISTRICT / SALES OFFICE

SIEMENS MEDICAL SOLUTIONS USA, INC.

Attn: TJ Barrett Phone:
Email: terry.barrett@siemens-healthineers.com

SOLD TO	BILL TO	PAYER
SALINAS VALLEY MEMORIAL 450 E ROMIE LN, 3827, SALINAS, CA, 93901	**SALINAS VALLEY MEMORIAL** 450 E ROMIE LN, 3827, SALINAS, CA, 93901	**SALINAS VALLEY MEMORIAL** 450 E ROMIE LN, 3827, SALINAS, CA, 93901

Siemens Medical Solutions USA, Inc. is pleased to submit the following proposal for the service described herein at the stated prices and terms. Subject to your acceptance of the terms and conditions on the face and general terms and conditions Document hereof.

Item #	System Name	Functional Location	Service Agreement	Contract Duration	Warranty Period Price	Partial Year Price	Annual Price
1	MAGNETOM SOLA	N/A	Advance Plan Plus	Warranty +5 Years	$ 0	$ 0	$ 127,157
2	Haskris Chiller	N/A	Chillers Full Service	Warranty +5 Years	$ 0	$ 0	$ 8,840
3	MRXperion	N/A	Bayer Full Service	Warranty +5 Years	$ 0	$ 0	$ 6,440

Terms of payment:

Net 30 days from invoice date. Past due payment is subject to 1.5% interest charge per month.

Note, in order to lower the costs of financial processing for all parties, Siemens encourages the use of electronic funds transfer via the Automated Clearing House (ACH) system.
Siemens also accepts certain other forms of payment, but processing fees may apply.

INCLUDES: Parts and/or Labor to the extent shown in Exhibit A. System Updates. Access to Siemens Customer Care Center for technical telephone support (remote diagnostics, if available to the site and the equipment).

EXCLUDES: Parts defective due to "acts of God", abuse, misuse, neglect, thermal and shock. Specialty components, including, but not limited to: Glassware, Flat Detectors, Consumables, Transducers, MRI coils, SPECT and PET sources (unless purchased as an option). Non-Siemens components and accessories (such as VCR, injector, laser printer, MR surface coils, tables/table tops, chiller, UPS, etc.) unless specifically identified in Exhibit A.

NOTES:

The filtered and chilled water supply listed in the specifications is an integral part of the MR Equipment covered by this Agreement and is critical for the proper operation of the Equipment and for minimizing the loss of cryogens and preventing damage to the MR and its components. Servicing of the chiller, that among other things regulates the quality and temperature of the water supply to the MR, by vendors contracted and certified by Siemens is the recommended path for reducing downtime, potential cryogen losses and damage to the MR and its components. In the event that Customer fails to maintain water quality and cooling parameters as per Equipment specifications, Siemens Healthineers reserves the right on written notice to Customer to: (i) remove helium, CryoCare, and Magnet coverage from the service Agreement or relevant service schedule (with a corresponding reduction in price for the remaining coverage term); or (ii) terminate the Service Agreement and/or relevant service schedule.

Cryogens lost on the associated MR Equipment and any other damages caused to the MR and any of its components due to issues with chillers not serviced in accordance with Siemens Healthineers specifications or due to other excluded causes (e.g., interruption of power, force majeure occurrences, Customer misuse or negligence, etc.) are not covered under this Agreement and will be replaced and/or repaired at the Customer's sole cost and expense at the current negotiated rate for Siemens Service By Request (Time and Materials) customers.

Customer's Acceptance		Siemens Medical Solutions USA, Inc.	
By (sign):		By (sign):	
Name:		Name:	TJ Barrett
Title:		Title:	
Date:		Date:	
Customer P.O. #		Enter P.O. # for contract billing; if not provided, Siemens will invoice without P.O.	
Initialed		Initial if P.O. is required but will be issued prior to warranty expiration	
Standing P.O. #		Used for T&M charges outside of the contract	

This service agreement proposal is valid for 30 days. Agreement becomes effective upon customer signature and Siemens acceptance. Customer's acceptance acknowledges receipt and agreement to Terms and Conditions set forth on all pages of this proposal.

Exhibit A - Item #1: MAGNETOM SOLA

EQUIPMENT LOCATION	EQUIPMENT QUOTE#	SERVICE QUOTE #
SALINAS VALLEY MEMORIAL 450 E ROMIE LN, 3827, SALINAS, CA, 93901	CPQ-1303202	CPQ-1306736 Rev 0

SERVICE AGREEMENT	PAYMENT FREQUENCY	STANDARD WARRANTY
Advance Plan Plus	Monthly	Warranty

WARRANTY START	WARRANTY END	WARRANTY PRICE
Upon Warranty Commencement	1 year Duration	$ 0

CONTRACT START	CONTRACT END	ANNUAL PRICE
Upon Warranty Expiration	5 years Duration	$ 127,157

See Glossary pages for detailed descriptions of items listed below:

Coverage applies during the Contract Period as indicated:	**Warranty Period**	**Contract Period**
Standard PCP Weekdays	08:00-17:00	08:00-17:00
Uptime Guarantee	97%	95%
On-Site Response Time	Within 4 Hours	Within 8 hours
Parts Order Requirement	Noon	6 PM
Delivery Time	Next Business Day	Next Business Day
Planned Maintenance	Per factory schedule	Per factory schedule
Safety Checks	✓	✓
Quality Assurance	✓	✓
Updates	✓	✓
Technical Phone Support	✓	✓

Coverage applies during the Contract Period as indicated:	Warranty Period	Contract Period
Corrective Maintenance Labor	✓	✓
Remote response Time	N/A	Within 1 Hour
Service Parts Coverage	✓	✓
Consumable Coverage	Not included	Not included
AdvanceNow	✓	✓
Travel	Included during covered hours	Included during covered hours
Coil Coverage	Wear/Failure	Wear/Failure
Helium Refill Coverage	✓	✓
MMA	✓	✓
Cryocare Coverage	✓	✓
Annual Exam Allowance	Unlimited	Unlimited
External Chiller	Not included	Not included
Phone Application Support	✓	✓
Remote Assist - Application Support	✓	✓
Enhanced Virtual Learning Subscription	N/A	Qty 1
Accredited Self Studies (MR)	N/A	Qty 1
ACR Support Package (MR)	Not included	Not included
Smart Remote Services	✓	✓
PEPconnect	✓	✓

The Options or Alternatives listed below will be included in the warranty or contract as indicated, only if initialed:

Relevant	Consumable Coverage	Add to Warranty Contract Annual Price	Add to Alt/Opt Initial	Description	Price
Alt	Consumable Coverage	$ 0	$ 2,599		

Due to the worldwide volatility of liquid Helium prices and supply constraints, Siemens Healthineers reserves the right to adjust the price of the liquid Helium Coverage on an annual basis and increase the Annual Agreement Price, on written notice to Customer, by an amount not to exceed $5,400 or Magnetom Trio, Magnetom Symphony Syngo/ATS, or Magnetom Prisma Fit systems and $1,800 for all other Magnet systems.

Notwithstanding the foregoing, if the price of liquid Helium from Siemens Healthineers' supplier increases by more than 15% percent over the prevailing price at any point during the term of the Agreement between Customer and Siemens Healthineers, then Siemens Healthineers shall have the right to provide written notice of an "Extraordinary Increase" and to increase the price of the liquid Helium coverage accordingly, and such costs shall be payable in addition to the existing Annual Agreement Price. In the event Customer does not accept the Extraordinary Increase, Customer shall have the right upon written notice to Siemens Healthineers, to request that Siemens Healthineers delete the liquid Helium supply SMN from Customer's agreement with a corresponding reduction to the Annual Agreement Price, while the rest of the Agreement shall remain in full force and effect. In such event, Customer shall be responsible for obtaining all Helium needs from whatever source it elects and Siemens Healthineers shall be relieved from supplying any liquid Helium to Customer.

This pricing is only valid for new service contracts that are signed with the equipment purchase or prior to warranty commencement.

Note: The proposal for this system has been developed based on the VIZIENT SUPPLY LLC national agreement.

No further Options or Alternatives are included in the above listed equipment.

Exhibit A - Item #2: Haskris Chiller

EQUIPMENT LOCATION	EQUIPMENT QUOTE#	SERVICE QUOTE #
SALINAS VALLEY MEMORIAL 450 E ROMIE LN, 3827, SALINAS, CA, 93901	CPQ-1303202	CPQ-1306736 Rev 0

SERVICE AGREEMENT	PAYMENT FREQUENCY	STANDARD WARRANTY
Chillers Full Service	Monthly	Chillers - Warranty

WARRANTY START	WARRANTY END	WARRANTY PRICE
Upon Warranty Commencement	1 year Duration	$ 0

CONTRACT START	CONTRACT END	ANNUAL PRICE
Upon Warranty Expiration	5 years Duration	$ 8,840

See Glossary pages for detailed descriptions of items listed below:

Coverage applies during the Contract Period as indicated:	**Warranty Period**	**Contract Period**
Standard PCP Weekdays	08:00-17:00	08:00-22:00
On-Site Response Time	Within 4 Hours	Within 4 Hours
Planned Maintenance	1 x per year	1 x per year
PMs Performed 8am to 5pm - OEM	9 Hours	9 Hours
Technical Phone Support(During PCP) - OEM	✓	✓
Labor & Travel - OEM	✓	✓
Site visits (during PCP) Unlimited	✓	✓
Ordering Requirement 3pm ET - OEM	✓	✓
Parts delivery Next Business Day - OEM	✓	✓
Chiller Coverage Exclusions	✓	✓

Coverage applies during the Contract Period as indicated:	Warranty Period	Contract Period
General Spare Parts Coverage - OEM	✓	✓

This pricing is only valid for new service contracts that are signed with the equipment purchase or prior to warranty commencement.

Note: The proposal for this system has been developed based on the VIZIENT SUPPLY LLC national agreement.

Exhibit A - Item #3: MRXperion

EQUIPMENT LOCATION	EQUIPMENT QUOTE#	SERVICE QUOTE #
SALINAS VALLEY MEMORIAL 450 E ROMIE LN, 3827, SALINAS, CA, 93901	CPQ-1303202	CPQ-1306736 Rev 0

SERVICE AGREEMENT	PAYMENT FREQUENCY	STANDARD WARRANTY
Bayer Full Service	Monthly	Bayer Warranty

WARRANTY START	WARRANTY END	WARRANTY PRICE
Upon Warranty Commencement	1 year Duration	$ 0

CONTRACT START	CONTRACT END	ANNUAL PRICE
Upon Warranty Expiration	5 years Duration	$ 6,440

See Glossary pages for detailed descriptions of items listed below:

Coverage applies during the Contract Period as indicated:	Warranty Period	Contract Period
Standard PCP Weekdays	08:00-17:00	08:00-17:00
Planned Maintenance	N/A	1 x per year
Technical Phone Support (7x24) - OEM	✓	✓
Labor & Travel - OEM	✓	✓
Site visits (during PCP) Unlimited	✓	✓
General Spare Parts Coverage - OEM	✓	✓
PMs performed during PCP - OEM	N/A	✓
CM Onsite Resp. Time 24 Hrs - OEM	Within 24 Hours	Within 24 Hours
Remote Support Service During PCP	✓	✓
Emergency Service 8am - 5pm M-F - OEM	Weekdays 8am-5pm	Weekdays 8am-5pm

Coverage applies during the Contract Period as indicated:	Warranty Period	Contract Period
Software Updates - OEM	✓	✓

This pricing is only valid for new service contracts that are signed with the equipment purchase or prior to warranty commencement.

Note: The proposal for this system has been developed based on the VIZIENT SUPPLY LLC national agreement.

Deliverables	Description

Glossary

Deliverables	Description
Accredited Self Studies (MR)	This accredited self-study program provides the latest trends in imaging. These hot topic review articles will be mailed directly to your institution and will provide up to 24 Category A Continuing Education Credits fully recognized by ARRT and NMTCB. A comprehensive study guide accompanies each article to help ensure focus on technologist-relevant information.
ACR Support Package (MR)	Excludes the ACR support package
AdvanceNow	Customer receives all software upgrades to the main system as they become available, as well as any replacement computing hardware required to assure software performance and compatibility. Updates and upgrades are provided via remote connection if possible. Includes any required applications training for the associated update or upgrade. Exclusions: a) Syngo MultiModality Workplace. b) Scheduled software/hardware upgrades that were already due prior to the purchase of AdvanceNow. All pending hardware upgrades will need to be purchased separately c) Any software upgrade unable to be installed due to pending hardware upgrade under exclusion b) To purchase AdvanceNow Coverage, the Service Agreement must include Update Coverage as a prerequisite. In the event of repurchasing AdvanceNow after a lapse in coverage, a one-time fee (determined by the coverage gap) and a minimum contract duration may be applicable.
Annual Exam Allowance Unlimited	Coverage includes an unlimited number of Patient Exams per year.
Chiller Coverage Exclusions	1. Glycol is a consumable and the customer's responsibility to maintain glycol onsiteafter installation. If the service vendor is not able to identify the specific supplier of glycol in the system, it may become necessary to flush and refill the system to specifications. Flush and refills under these circumstances are not covered in the standard service agreement. 2. Rental of cranes 3. Scaffolding, along with other trades influencing the proper operation of the chiller.4. Labor and Parts required due to "acts of God", abuse, misuse, neglect, thermal and shock 5. The Piping between IFP/SEP cabinet and the Chiller cabinet including theconnections at both ends. Any Labor and Parts associated with fluid leaks from this section of piping. 6. Labor for return visit to perform or complete service if the technician, on ascheduled visit, is turned away by customer. 7. Labor and Parts required due to damage caused by Site Power Supply.
	For non-Siemens OEM systems: Typical on-site CSE arrival within a specific time period

CM Onsite Resp. Time 24 Hrs - OEM	(see Exhibit A) after a call for service has been placed with the Siemens Customer Care Center. This on-site response applies in system/room down situations only.

Coil Coverage	Covers the factory repair and replacement of Local Surface coils, having Siemens part number and serial number, from normal wear and tear. Sentinelle Breast coils, if part of the Siemens factory configuration, requires supplement coverage. Additional onsite labor to be added for coil status verification if system has limited or no labor coverage. Exclusions: Built-in Gradient Coil and Body Coil; Third Party coils, which are not supplied by Siemens factory i.e. Invivo 4 Channel wrist array, lower extremity, knee array, 7-channel Breast, 4 ch. Small Extremity coil, 8-channel Shoulder, NeoCoil etc..; Coils damaged due to "acts of God", abuse, misuse, neglect, or thermal shock. If a coil needs to be repaired or replaced and is excluded under the Coil Coverage, or if Coil Coverage is not purchased (as designated in Exhibit A) under the Agreement, the cost to repair or replace the coil will be deducted from the parts allowance (if applicable) or billable.
Consumable Coverage	Upon selection to not have consumable coverage, customer agrees to supply at his/her own expense consumables, such as but not limited to, batteries, leads, padding, storage media, cassettes, etc. Full list of consumables covered can be found on teamplay Fleet customer portal: fleet.siemens-healthineers.com.
Corrective Maintenance Labor	Unlimited coverage of onsite labor during the Principal Coverage Period indicated.
Cryocare Coverage	Cover parts required for maintenance of the refrigeration system. Includes Helium Compressor, high pressure gas lines and Cold head. Additional Labor block required for service plan with limited or no system labor coverage. Excluded: Labor; Helium, chilled water circuit, Magnet replacement.
Delivery Time Next Business Day	Spare parts arrival for on-site repair is typically the Next Day following the time the parts order is submitted. Only applies to a down room/system or a partially down system, (urgent situations only, defined as those deemed by the customer, and agreed to by Siemens, as causing an interruption to critical patient care).
Emergency Service 8am - 5pm M-F - OEM Weekdays 8am- 5pm	For Bayer injector systems: Guaranteed remote response time for room-down/system-down situation Monday – Friday from 8am – 5pm. **5pm**

Deliverables	Description

Deliverables	Description
Enhanced Virtual Learning Subscription	This 12 month multi-modality subscription provides access for imaging professionals to receive additional educational content. This high-value content includes step-by-step performance-enhancing videos, a minimum of 6 one-hour on-demand webinars covering current clinical and industry topics, and access for up to 24 CEUs via your PEPconnect Virtual Wallet. The on-demand webinars are recorded and posted on a regular basis over the term of the subscription and are available for unlimited viewing once posted. Imaging professionals must be logged into PEPconnect (Siemens' online learning platform) to be eligible to receive the CEUs. PEPconnect provides access to all online and virtual training with a wide variety of product-specific, clinical and jobrelevant courses. This educational offering must be completed 12 months from purchase date. If training is not completed within the applicable time period, Siemens obligation to provide the training will expire without refund.
External Chiller	A separate service agreement is required for external chiller purchased through Siemens Healthineers. Without a separate agreement for chiller coverage for the associated MR equipment covered by this Agreement, all repair costs for service and maintenance of the chiller will be the Customer's responsibility, as well as any additional service, maintenance, or cost of cryogen caused by chiller performance issues.
General Spare Parts Coverage - OEM	Covers replacement of standard parts only (see General Spare Parts Coverage). Excludes certain wear parts: external batteries and full capacitor replacement, consumables.
Helium Refill Coverage	Covers supply of cryogens (liquid helium) to maintain magnet levels according to OEM guidelines. If the magnet refrigeration system shuts down due to issues with power quality, chilled water, or other external factors, then cryogen usage will increase and additional charges may apply for cryogen refills and any resulting damages caused to system components. Cryogen fills to recover from a customer caused quench will be chargeable. Customer initiated helium fills that exceed factory recommended target levels for operation are also excluded, as are any expedited fees for short notice fills if required by the customer. Requires 24x7 SRS connectivity for remote monitoring of magnet cooling performance and any helium loss due to lack of connectivity will be chargeable. Additional Labor block required for service plan with no system labor coverage Excluded: Labor; Any hardware components, Magnet replacement.
Labor & Travel - OEM	Labor and Travel is covered if service is performed during specified Principal Coverage Period (PCP)
MMA	Includes magnet ancillary components. Covers burst disc, vent kit, valves, MSUP, ERDU. labor for Performance of the Emergency Run Down Unit (ERDU) test in accordance with OEM specifications. Excluded: Labor, Refrigeration System, the supply of cryogens (liquid helium) and Magnet replacement.

Deliverables	Description
	Page13
On-Site Response Time Within 4 Hours	If Siemens provides remote diagnostic support that either provides immediate resolution of the service event or renders it unnecessary to send a service engineer onsite, then communication of these steps within the 4 hours guarantee will be sufficient. If Customer refuses remote support or SRS connection is unavailable, the response time guarantee is voided. Siemens guarantees on-site service engineer arrival within 4 hours after an initial remote diagnostic evaluation, for a service event that requires onsite support to complete the evaluation. If remote support identifies required spare parts as a portion of the maintenance and repair, on-site response will be coordinated with the arrival of the required spare parts. On-site response applies in system/room down situations only, as defined in the General Terms and Conditions under Response Time Guarantee.
On-Site Response Time Within 8 hours	If Siemens provides remote diagnostic support that either provides immediate resolution of the service event or renders it unnecessary to send a service engineer onsite, then communication of these steps within the 8 hours guarantee will be sufficient. If Customer refuses remote support or SRS connection is unavailable, the response time guarantee is voided. Siemens guarantees on-site service engineer arrival within 8 hours after an initial remote diagnostic evaluation, for a service event that requires on-site support to complete the evaluation. If remote support identifies required spare parts as a portion of the maintenance and repair, on-site response will be coordinated with the arrival of the required spare parts. On-site response applies in system/room down situations only, as defined in the General Terms and Conditions under Response Time Guarantee.
Ordering Requirement 3pm ET - OEM	For non-Siemens OEM systems: Parts order must be placed by 3pm EST in order to receive Parts Delivery commitment as specified.
Parts delivery Next Business Day - OEM	Spare parts arrival for on-site repair of room-down/system-down is typically the next business day of the time the parts order is submitted.
Parts Order Requirement 6 PM	Parts order must be placed with Siemens by 6pm (Customer's local time) in order to receive Parts Delivery commitment as specified.
Parts Order Requirement Noon	Parts order must be placed with Siemens by noon (Customer's local time) in order to receive Parts Delivery commitment as specified.
PEPconnect	Access to PEPconnect, a personalized online education experience designed for healthcare professionals that’s customized to their role and learning behavior – designed to increase their competency, efficiency, and productivity.
Phone Application Support	Siemens Customer Care Center Clinical Applications Phone Support is provided with this contract during modality specified hours, call 1-800-888-7436 with your questions and to receive direct access to a Clinical Education Specialist.

Deliverables	Description
Planned Maintenance	Regular scheduled maintenance to optimize system reliability through standardized measures and procedures, in accordance with the manufacturer's recommendations during the PCP, or as specified on Exhibit A.
PMs Performed 8am to 5pm OEM	For non-Siemens Chiller systems: PMs performed between 8am to 5pm M-F unless noted otherwise.
PMs performed during PCP - OEM	Planned Maintenance is delivered during PCP hours (usually 8 am-5 PM)

Quality Assurance	Regular quality assurance tasks and image quality inspections to achieve consistent, high-quality images, are performed to keep the system within the quality specifications as issued by the factory.
Remote Assist - Application Support	Allows Siemens to connect to your Siemens Imaging Console and provides you with direct real time support.
Remote response Time	60-minute maximum phone response time by Siemens Customer Care Center personnel or service engineer to provide status of a service call.
Remote Support Service During PCP	For non-Siemens OEM systems: Remote analysis and diagnosis for the system's digital components. Customer must provide and accept requests for remote access.
Safety Checks	Safety Checks are performed to ensure compliance with all local and federal safety guidelines and regulations.
Service Parts Coverage	Includes replacement of standard spare parts. Excludes consumables (batteries, leads, padding, storage media, cassettes, radioactive sources, etc.), large screen displays (larger than 32 inches in size), glassware, MR Surface and specialty coils, MR Elastography hardware; MR MMA, CryoCare and liquid helium; shock wave components, transducers, TEE's and specialty probes, flat panel detectors, image intensifiers, grids, additional hardware required for installation in a mobile environment, CS related systems, complete CT Gantry, and non-Siemens parts or accessories (without Siemens part number) such as VCR, UPS, injector, laser printer, tables/table tops, slicker covers, chiller etc., unless specifically identified in Exhibit A. Excludes parts defective due to "acts of God", abuse, misuse, neglect, thermal and shock.
Site visits (during PCP) Unlimited	Site visits during the Principal Coverage Period indicated.
Smart Remote Services	Smart Remote Services – the efficient and comprehensive infrastructure for medical equipment-related remote services – combines high-tech medical engineering with state-of-the-art information technology. Services, which formerly required on-site visits, are now available via data transfer. SRS enables both Core Services (which are included as part of our standard service agreements), as well as optional services (called Enhanced Productivity Services - EPS). A VPN connection is required.
	For non-Siemens OEM systems: Includes software security updates and performance

Deliverables	Description
Software Updates - OEM	upgrades as they become available. Such updates will be installed at the time of repair or during preventative maintenance occurring during the purchased plan.
Standard PCP Weekdays 08:0017:00	Specific 9-hour period during which agreed-upon services are provided, as noted above.
Standard PCP Weekdays 08:00-22:00	Specific 14-hour period during which agreed-upon services are provided, as noted above.

Technical Phone Support

Access to specialists at the Siemens Customer Care Center for fast diagnosis and technical support is available during Modality Staffed hours (MSH). Technical support resources will be available outside of Staffed Hours on an oncall basis during the On-Call Hours specified by modality for emergency calls only. Telephone response times for technical support cannot be guaranteed outside of Staffed Hours. All modality Staffed Hours are listed below (and can also be found on teamplay Fleet: fleet.siemens-healthineers.com) and are subject to change.

Modality	Staffed Hours (MSH)	On-Call Hours (EST)
AT AX	7:00a - 7:00p M-F	24x7 outside MSH
AT SU	8:00a - 6:00p M-F	NA
AT ECS	8:00a - 6:00p M-F	6:00p - 12:00a M-F
CT	7:00a - 12:00a M-F	24x7 outside MSH
	7:00a – 5:00p Sat-Sun	
MI PET	7:00a – 10:00p M-F	7:00a – 3:00p Sat-Sun
		6:30a – 10:00p Holidays
MI SPECT	7:00a - 10:00p M-F	8:00p - 12:00a M-F
		7:00a – 5:00p Sat-Sun
MI PCL	8:00a - 6:00p M-F	NA

Deliverables	Description		
	MR	6:30a - 10:00p M-F 7:00a – 5:00p Sat	24x7 outside MSH
	ULT	8:00a - 8:00p M-F	NA
	XPRF	8:00a - 7:00p M-F	7:00p – 12:00a M-F 8:00a – 8:00p Sat-Sun
	XPWH, XPU, XPSU	8:00a – 5:30p M-F	5:30a – 12:00a M-F 8:00a – 8:00p Sat-Sun
Technical Phone Support (7x24) - OEM	Direct access to specialists for fast diagnosis and technical support.		
Technical Phone Support(During PCP) - OEM	For non-Siemens OEM systems: Direct access to technical specialists for fast diagnosis and technical support.		

Travel	Includes travel time for Customer Service Engineer to and from Customer's site. Subject to change to reflect currently prevailing rates, if occurring outside of the Principal Coverage Period indicated.
Updates	Modifications or reliability enhancements to equipment includes two types: Mandatory (safety and performance-related update instructions) and Non-mandatory (reliabilityrelated service instructions). Siemens provided labor is included for mandatory updates within primary coverage period. For non-mandatory updates, the labor is billable or applied to the labor coverage under their Service Agreement. Does not include enhancements to the operating systems or additional functionality.
Uptime Guarantee 95% the PCP.	Guarantees 95% minimum system availability over a 12-month period calculated over (SRS) connection via VPN broadband is mandatory. (See Uptime Guarantee of General Terms and Conditions for further details.)
Uptime Guarantee 97%	Guarantees 97% minimum system availability over a 12-month period calculated over the PCP. (SRS) connection via VPN broadband is mandatory. (See Uptime Guarantee of General Terms and Conditions for further details.)

Siemens Medical Solutions USA, Inc. General Terms and Conditions

1. US_Service_SALINAS VALLEY MEMORIAL_0000009615

1. Scope

For the term set forth on the first page hereof under the heading "Contract Duration", Siemens Healthineers will provide (i) remedial maintenance service on the equipment described on the preceding pages hereof (the "Equipment") when requested by the Customer, as well as planned maintenance inspections, when scheduled, as further described in the Glossary section attached hereto, in order to keep the Equipment operating in accordance with the manufacturer's specifications, and (ii) any training courses and/or other educational offerings described in Exhibit A and the Glossary. Siemens Healthineers will make every effort to respond to service calls at a mutually agreed upon arrival time consistent with the provisions cited in Section 2. In connection with the provision of Equipment maintenance services, Siemens Healthineers may take photographs or other images of the Equipment or components thereof in order to expedite the completion of repairs, provided that any such photographs shall not include any patients, employees or agents of the Customer and further provided that such photographs and images will only be used in order for Siemens Healthineers to carry out its duties and responsibilities hereunder.

In the event that (i) the term of this Agreement does not include the Equipment warranty period (as indicated on the first page hereof under the heading "Contract Duration"), or (ii) the term of this Agreement does not commence immediately upon the expiration of the Siemens Healthineers warranty, or (iii) the Equipment was serviced prior to commencement of the term by anyone other than Siemens Healthineers or an authorized Siemens Healthineers dealer or service provider, or (iv) the Equipment was moved from its original location or is not connected to its original power supply (other than portable or mobile Equipment), then the Equipment is subject to inspection by Siemens Healthineers to determine if it is in good operating condition prior to the commencement of services under this Agreement. Any inspection as well as any repairs or adjustments deemed necessary by Siemens Healthineers during such inspection may be made at Siemens Healthineers' per-call rates and terms then in effect and may include charges for parts, with all such repairs or adjustments to be completed prior to the commencement of service under this Agreement.
If this Agreement includes any training courses or other educational offerings, such training courses or other offerings may consist of on-site training or consultation at the Customer site, a Siemens Healthineers training facility or via conference call or net meeting, self-study or computer based training, or other arrangements, as further described in Exhibit A and the Glossary. In some cases, tuition charges will cover travel and lodging for offsite training, and in other cases Customer will be responsible for all travel and lodging costs. Details of the training are provided on Exhibit A and the Glossary. **2. Principal Coverage Period (PCP)**

Service and maintenance will be provided during the principal coverage period ("PCP") as defined on Exhibit A, excluding the following holidays: New Years Day, Memorial Day (observed), Independence Day, Labor Day, Thanksgiving Day, Christmas Day. If one of the foregoing holidays falls on a Saturday, then the holiday will be observed on the previous Friday, and if the holiday falls on a Sunday, the holiday will be observed on the following Monday. Unless an extended hours coverage option has been selected, labor and travel required outside the PCP will be charged at Siemens Healthineers' per-call rates and terms then in effect.

3. Replacement Parts and Labor

Siemens Healthineers will supply at its own expense, necessary parts and labor, except as indicated in the Glossary section, provided replacement of the parts and necessary labor is required because of normal wear and tear or otherwise deemed necessary by Siemens

Healthineers and further provided that the Siemens Healthineers-manufactured parts are available from the factory. For all parts and labor excluded from coverage under this Agreement, Customer must purchase all

necessary replacement parts and labor from Siemens Healthineers under Siemens Healthineers' Standard Terms and Conditions of Sale for Spare Parts and promptly return to Siemens Healthineers all used, unused or defective parts. All Parts will be new, standard parts, or used, reworked or refurbished parts that comply with applicable performance and reliability specifications. Exchange parts removed from the Equipment shall become the property of Siemens Healthineers unless such exchange parts constitute "hazardous wastes",
"hazardous substances", "special wastes" or other similar materials, as such terms are defined by any federal, state or local laws, rules or regulations, in which case, at the option of Siemens Healthineers, the exchange parts shall remain the property of the Customer and shall be disposed of by the Customer in strict compliance with all applicable laws, rules and regulations.

4. Planned Maintenance (PM)

Planned maintenance will be carried out according to the manufacturer's recommended schedule. Planned maintenance generally includes checking mechanical and electrical safety, lubrication, functional testing and adjusting for optimum performance as specified in the detailed planned maintenance work plan.

5. Software Maintenance

Whenever the Equipment covered by this Agreement utilizes Siemens Healthineers' operating system software, Siemens Healthineers will provide all maintenance and commercially available updates for such operating system software as part of this Agreement. Such updates will solely enhance previously purchased capacities of the Equipment. Operating system software upgrades that provide new features or capabilities or that require hardware changes will be offered to Customer when commercially available and at purchase prices established by Siemens Healthineers. In addition, some upgrades may require applications training performed by Siemens Healthineers' personnel that will be offered at Siemens Healthineers' rates and terms then in effect. Siemens Healthineers retains the sole right to determine whether an upgrade requires such training.

Nothing in this Agreement shall in any way grant to
Customer any right to or license in any diagnostic service software utilized by Siemens Healthineers in servicing the Equipment. Such service software is and remains the property of Siemens Healthineers and is available to Customer pursuant to the terms and conditions of a separate diagnostic materials license agreement, which may require payment of a license fee. This service software shall be disabled by Siemens Healthineers upon cancellation or termination of this Agreement.

6. Equipment; Location; Remote Access

The Equipment covered under this Agreement is limited to the Siemens Healthineers furnished Equipment described on the face sheet(s). Customer is required to maintain the Equipment in accordance with the manufacturer's written specifications. The Equipment shall not be moved to another location unless Customer obtains the prior written consent of Siemens Healthineers, except that Customer shall be entitled to move: portable Equipment (e.g., Ultrasound equipment so long as it remains inside the Customer's same facility to which it was originally delivered). Siemens Healthineers
Equipment that is housed in a mobile vehicle, van or trailer may be moved to other locations within the same facility, so long as the Customer informs Siemens Healthineers of the location of the Equipment when Siemens Healthineers is scheduled to provide on-site service. If Equipment is located in a trailer, van or other form of mobile vehicle, the Equipment may be moved from the Equipment
Location identified on Exhibit A, provided, however, that Siemens Healthineers shall not be required to service such Equipment, and the Response Time and Uptime Performance Guarantees (if any) or Availability

Commitment (if applicable) shall not apply, if either (a) the Customer does not notify Siemens Healthineers at least one (1) month in advance of the Equipment's mobile route, or (b) the Equipment is moved more than 25 miles from the original Equipment Location. If fixed Equipment is moved to any other location within the Customer's facility, then either (a) the Customer will engage Siemens Healthineers to relocate the Equipment, at Siemens Healthineers' then current rates and charges, or (b) if Siemens Healthineers does not perform the services necessary to relocate the Equipment, then Siemens Healthineers may suspend services with respect to such Equipment until Siemens Healthineers performs an inspection of the Equipment, at the Customer's cost, to determine if any repairs are necessitated as a result of any

such relocation (in which case the Customer shall be separately charged for such repairs, including parts and labor, at Siemens Healthineers' rates and charges then in effect). Customer shall, at its expense, provide all proper and necessary labor and materials for plumbing service, carpentry work, electrical and conduit wiring, water supply, ventilation and other preparations required for such relocation installation and connection services and all the permitting relating to the foregoing. All such labor and materials shall be completed by Customer and available prior to the time Siemens Healthineers is scheduled to perform the services. Siemens Healthineers service personnel will be given full and safe access to the Equipment to perform inspections and service/maintenance on the Customer's premises, and will make specific appointments for such maintenance. If the Equipment is not made available at the appointed time, waiting time beyond a reasonable allowance will be charged at Siemens Healthineers' per-call rates and terms then in effect. Customer shall arrange for the Equipment to be cleaned and decontaminated after contact with blood or other potentially infectious material. However, Customer shall have no obligation to open closed Equipment to clean or decontaminate internal components. Customer shall provide Siemens Healthineers with both on-site and remote access to the Equipment. Customer shall provide on-site access at premises free of hazardous, concealed or dangerous conditions, including safe and unobstructed means of ingress and egress. The remote access shall be provided through the Siemens Healthineers Smart Remote Services software ("SRS") in accordance with the Smart Remote Services Addendum attached hereto and incorporated herein.

7. Agreement Term; Price; Payment Terms

This Agreement shall be in effect for the period stated on the first page of this Agreement. For the basic services to be provided by Siemens Healthineers under the terms of this Agreement, Siemens Healthineers shall send invoices to the Customer and payments shall be made in advance based on the payment frequency shown in Exhibit A under "Payment Frequency". Invoices for all amounts due under this Agreement shall be sent to the Customer by regular U.S. mail, postage prepaid, at the address set forth on the first page hereof under "Bill To". After the first year of the term of the Equipment coverage period set forth in the Agreement, Siemens Healthineers may increase the Annual Agreement Price no more than once every twelve (12) months based upon the percentage increase in the Consumer Price Index for All Urban Consumers, U.S. City Average, All Items ("CPI"), as published by the United States Department of Labor, Bureau of Labor Statistics. The percentage increase in the CPI shall be measured over the period since the commencement of the Agreement (in the case of the first price increase) or since the effective date of the last price increase (in the case of any subsequent price increases). Siemens Healthineers shall provide the Customer with no less than thirty (30) days written notice of any price increase. All payments to be made by Customer under this Agreement are due net thirty (30) days from the invoice date. Past due payments shall bear interest at the rate of 1½% per month. **8. Causes for Exclusion/Separate Charges**

This Agreement specifically excludes labor, parts and expenses necessary to repair Equipment: damaged by fire, accident, misuse, abuse, negligence, improper application or alteration or by a force majeure occurrence

as described in Section 17 hereof, or by the Customer's failure to operate the Equipment in accordance with the manufacturer's instructions, including without limitation Customer's failure to maintain the recommended operating environment and line conditions or intentional delay in requesting service for Equipment;

- defective due to unauthorized attempts to repair, relocate, maintain, service, add to or modify the Equipment by the Customer or any third party or due to the attachment and/or use of non-Siemens Healthineers supplied parts, equipment or software without Siemens Healthineers' prior written approval (and if the Customer or a third party modifies the Equipment, then Siemens Healthineers may remove such Equipment from coverage under this Agreement unless the Customer restores the Equipment to the manufacturer's published specifications);
- defective due to any repair or service of the Equipment by the Customer or any third party

prior to the commencement of the term of this Agreement;

- due to Customer not providing full access to the Equipment, on a safe site free of hazardous, concealed or dangerous conditions
- which failed due to causes from within nonSiemens Healthineers supplied equipment, parts or software including, but not limited to, problems with the Customer's network;
- which is worn out and cannot be reasonably repaired due to the unavailability of spare parts from the original equipment manufacturer; or
- which is a transducer or probe and which is damaged or defective, or which failed, due to any of the foregoing causes or due to improper cleaning, disinfecting or TEE bite marks.

If Siemens Healthineers is called upon to service or repair Equipment which falls under this Section 8, a separate invoice will be issued for labor, parts and expenses at Siemens Healthineers' rates and terms then in effect.

This Agreement does not entitle the Customer to services related to information technology, patient and imaging workflow design and analysis, or problem diagnosis. Siemens Healthineers' responsibility under this Agreement does not extend beyond the outbound or inbound sockets of the Equipment. In addition, changes, adjustments, additions or repairs required to or with respect to the Equipment resulting from issues, matters, items or concerns that are the responsibility of the Customer, such as changes related to Customer's network infrastructure, are not covered by this Agreement. This may include, but is not limited to, network IP address changes. Although the Equipment may have limited short term storage capacity, the storage of images, both patient and QA images, is the responsibility of the Customer.

If Siemens Healthineers offers a Network Assistance option for the Equipment and the Customer purchases this option as indicated on Exhibit A, then Siemens Healthineers shall assist the Customer in its efforts to identify the cause of any network or connectivity problems which may affect the operation of the Equipment; provided, however, that the price for this option does not include the cost of any repairs (labor, parts, etc.) to remedy such problems, which shall be the sole responsibility of the Customer. If the Customer does not purchase this option, or if this option is not offered by Siemens Healthineers, then any assistance provided by Siemens Healthineers to the Customer with respect to any network or connectivity issues shall require a P.O. from the Customer and shall be separately billed to the Customer at Siemens Healthineers' then current rates and charges.

9. Default

Customer shall be in default under this Agreement upon: (i) a failure by Customer to make any payment due Siemens Healthineers within ten (10) days of receipt of notice from Siemens Healthineers that the payment was not made within the applicable payment period; (ii) a

failure by Customer to perform any other obligation under this Agreement within thirty (30) days of receipt of notice from Siemens Healthineers; (iii) a failure by Customer to grant Siemens Healthineers access to the Equipment as set forth in Section 6 of this Agreement; (iv) a failure by Customer to notify Siemens Healthineers the Equipment is in need of remedial maintenance or to permit Siemens Healthineers to inspect, repair or adjust the Equipment as deemed necessary by Siemens Healthineers (a) as set forth in Section 1 of this Agreement; or (b) at any time during the term of this Agreement in order to keep the Equipment operating in material compliance with the written specifications; (v) a failure by Customer to maintain the Equipment in accordance with the manufacturer's written specifications; (vi) a failure by Customer to purchase from Siemens Healthineers all necessary replacement parts and labor that are excluded from coverage under this Agreement; (vii) a default by Customer or any affiliate of the Customer under any other obligation to or agreement with Siemens Healthineers or Siemens Healthineers Financial Services, Inc. or any assignee of the foregoing (including but not limited to, a promissory note, lease, rental agreement, license agreement or purchase contract); or (viii) the commencement of any insolvency, bankruptcy or similar proceedings by or against the Customer (including any assignment by Customer for the benefit of creditors). Upon the occurrence of any event of default hereunder, Siemens Healthineers may, in addition to any and all other remedies available under law, elect to: (i) immediately cease providing services under this Agreement and any and all other agreements between the

parties, or suspend any training courses or educational offerings provided under this Agreement, until the default is cured or corrected, (ii) terminate this Agreement, in which case Customer shall pay to Siemens Healthineers (a) all amounts due under this Agreement through the effective date of termination, (b) as liquidated damages and not as a penalty, an amount equal to 25% of the remaining payments due under this Agreement from the date of termination through the scheduled expiration of the term of this Agreement, and (c) all costs and expenses of collection, including without limitation reasonable attorneys' fees and court costs incurred by Siemens Healthineers as a result of the Customer's default, (iii) void any and all warranties for the Equipment that has been affected by the use of unauthorized replacement parts and/or Customer or third-party labor; and/or (iv) commence collection actions (including court actions) for all sums due under this Agreement. All rights and remedies available to Siemens Healthineers hereunder, by law or equity, shall be cumulative and there shall be no obligation for Siemens Healthineers to exercise a particular remedy.

In the event that Customer cures all defaults hereunder, then prior to resumption of the Equipment maintenance services under this Agreement, Siemens Healthineers may inspect the Equipment to determine if it is in good operating condition. Such inspection shall be charged to the Customer at Siemens Healthineers' per-call rates and terms then in effect. Any repairs or adjustments which Siemens Healthineers determines are required due to (i) the use of any non-Siemens Healthineers parts, (ii) the repair or service of the Equipment by the Customer or any third party during the suspension of services by Siemens Healthineers, or (iii) any of the exclusions from coverage set forth in Section 8 of this Agreement, shall be charged to the Customer at Siemens Healthineers' rates and terms then in effect and shall include charges for parts, with all such repairs or adjustments to be completed prior to the resumption of service under this Agreement.

10. Limitation of Liability

Siemens Healthineers' entire liability and Customer's exclusive remedy for any direct damages incurred by the Customer from any cause whatsoever, and regardless of the form of action, whether liability in contract or in tort, arising under this Agreement or related hereto, shall not exceed, as applicable: (i) an amount equal to the Annual Agreement Price (in effect when the cause of action arose) for the specific item of Equipment under this Agreement that caused the damage or is the subject matter of, or is directly related to, the cause of action, or (ii) the amount paid by Customer to Siemens Healthineers under this Agreement for the particular training course or educational offering that is the subject matter of the claim.

The foregoing limitation of liability shall not apply to claims by Customer or third parties for bodily injury or damage to real property or tangible personal property (including damage to the Equipment covered by this Agreement) caused solely and directly by the gross negligence or willful misconduct of Siemens Healthineers. In addition, Siemens Healthineers shall have no liability hereunder to Customer to the extent that Customer's or any third party's acts or omissions contributed in any way to any loss it sustained or to the extent that the loss or damage is due to a force majeure occurrence as described in Section 17 hereof or any other cause beyond the reasonable control of Siemens Healthineers.

THIS IS A SERVICE AGREEMENT. WITHOUT LIMITING THE LIMITATION OF LIABILITY SET FORTH IN THE PRECEDING PARAGRAPH, SIEMENS HEALTHINEERS EXPRESSLY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT WILL SIEMENS HEALTHINEERS BE LIABLE FOR ANY LOST PROFITS, LOST SAVINGS, LOST REVENUES, LOSS OF USE OR DOWNTIME (EXCEPT AS OTHERWISE PROVIDED HEREIN), LOST DATA, OR FOR ANY INDIRECT, INCIDENTAL, UNFORESEEN, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES WHETHER BASED ON CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR ANY OTHER THEORY OR FORM OF ACTION, EVEN IF SIEMENS HEALTHINEERS HAS BEEN ADVISED OF THE POSSIBILITY THEREOF, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE USE OR PERFORMANCE OF THE EQUIPMENT.

11. Notices

Except for the issuance of invoices as set forth in Section 7 hereof, all notices required to be provided hereunder shall be in writing and shall be sent by overnight delivery

via a nationally recognized delivery service or by certified or registered mail, postage prepaid, to Siemens Healthineers at the address set forth on the first page of this Agreement and to the Customer at the address set forth under "Bill To" on the first page of this Agreement. Notice given in compliance with this Section 11 shall be sufficient for all purposes under this Agreement, and such notice shall be effective when sent. Either party may change its notice address only if notification is sent in writing pursuant to this Section 11. **12. Governing Law; Waiver of Jury Trial**

This Agreement shall be governed by the laws of the State of California. TO THE EXTENT NOT PROHIBITED BY LAW, THE PARTIES WAIVE ALL RIGHTS TO A JURY TRIAL IN ANY LITIGATION ARISING FROM OR RELATED IN ANY WAY TO THIS AGREEMENT OR THE TRANSACTION CONTEMPLATED HEREBY.

13. Government Access Clause

Until the expiration of four (4) years after the furnishing of any services under this Agreement, Siemens Healthineers shall make available upon written request of the Secretary of the Department of Health and Human Services, the Comptroller General, or any of their duly authorized representatives, this Agreement and the books, documents and records of Siemens Healthineers which are necessary to certify the nature and extent of costs incurred under this Agreement. If Siemens Healthineers carries out any of the duties of this Agreement through a subcontract with a value of $10,000 or more over a 12 month period with a related organization, such subcontract shall include a clause to the effect that until the expiration of four (4) years after the furnishing of any services under the subcontract, the related organization shall make available upon written request of the Secretary of the Department of Health and Human Services, the Comptroller General, or any of their duly authorized representatives, the subcontract and the books, documents and records of the related organization that are necessary to certify the nature and extent of costs incurred under that subcontract.

This provision shall apply if and solely to the extent that Section 1861 (v) (1) (I) of the Social Security Act applies to this Agreement.

14. Damages, Costs, And Fees

In the event that any dispute or difference is brought arising from or relating to this Agreement or the breach, termination, or validity thereof, the prevailing party shall not be entitled to recover from the other party punitive damages. The prevailing party shall be entitled to recover from the other party all reasonable attorneys' fees and collection agency fees incurred, together with such other expenses, costs and disbursements as may be allowed by law.

15. Severability; Headings

No provision of this Agreement which may be deemed invalid, illegal or unenforceable will in any way invalidate any other portion or provision of this Agreement. Paragraph headings are for convenience only and will have no substantive effect.

16. Waiver

No failure, and no delay in exercising, on the part of any party, any right under this Agreement will operate as a waiver thereof, nor will any single or partial exercise of any right preclude the further exercise of any other right.

17. Force Majeure

Siemens Healthineers will not be liable to Customer for any failure to fulfill its obligations under this Agreement due to causes beyond its reasonable control and without its fault or negligence including, but not limited to, governmental laws and regulations, acts of God or the public, war or other violence, civil commotion, blockades, embargoes, calamities, floods, fires, earthquakes, explosions, epidemics, pandemics, accidents, storms, strikes, lockouts, work stoppages, labor disputes, or unavailability of labor, raw materials, power or supplies. In addition, in the event of any determination pursuant to the provisions of a collective bargaining agreement between the Customer and any labor union representing any employees of the Customer preventing or hindering the performance of any of the obligations of Siemens Healthineers under this Agreement, or determining that the performance of any such obligations violates provisions of that collective bargaining agreement, or in the event a trade union, or unions, representing any of the

employees of the Customer otherwise prevents Siemens Healthineers from performing any such obligations, then Siemens Healthineers shall be excused from the performance of such obligations unless the Customer makes all required arrangements with the trade union, or unions, to permit Siemens Healthineers to perform the work. The Customer shall pay any additional costs incurred by Siemens Healthineers that are related to any labor dispute(s) that involve the Customer.

18. Confidentiality

Siemens Healthineers and the Customer shall maintain the confidentiality of any information provided or disclosed to the other party, its employees or agents (a "receiving party") relating to the business, customers and/or patients of the disclosing party, including but not limited to know-how, technical data, processes, software, techniques, developments, inventions, research products and plans for future developments, proprietary matters of a business or technical nature, as well as this Agreement and its terms (including the pricing and other financial terms under which the Customer will be obtaining the services hereunder). Confidential Information shall also include all written materials (including correspondence, memoranda, manuals, training materials, notes and notebooks) and all computer software, models, mechanisms, devices, drawings or plans which may be disclosed or made available embodying Confidential Information. All Confidential Information shall be and remain the sole and exclusive property of the disclosing party. Each party shall use reasonable care to protect the confidentiality of the information disclosed, but no less than the degree of care it would use to protect its own confidential information, and shall only disclose the other party's confidential information to its employees and agents having a need to know this information.

Confidential Information shall not include any information or data which (i) is or becomes public knowledge (through

no fault of the receiving party or any of its employees or agents), (ii) is made available to the receiving party by an independent third party without any obligation of confidentiality, (iii) is already in the receiving party's possession at the time of receipt from the disclosing party (as such prior possession can be properly demonstrated by it), or (iv) is required by law to be disclosed, provided that the receiving party gives the disclosing party advance notice of the requirement for disclosure so that the disclosing party can take whatever action it deems necessary to protect the disclosure of its Confidential Information. In addition, this confidentiality provision shall not apply to any action brought by either party to enforce the terms of this Agreement against the other party. Any unauthorized use, disclosure or misappropriation of any Confidential Information by the receiving party in violation the foregoing may result in irreparable and continuing damage to the disclosing party; in the event of such breach, the disclosing party shall be entitled to seek immediate injunctive relief and any other relief or remedies to which it may be entitled. The receiving party waives any requirement that the disclosing party post a bond or other security in connection with any petition filed by the disclosing party for injunctive relief. In the event that a court of competent jurisdiction determines that the receiving party has breached this provision, then the receiving party shall reimburse the disclosing party for the costs of any court proceedings and all reasonable attorneys' fees.

19. End of Support Announcement

Notwithstanding anything to the contrary contained herein, in the event that Siemens Healthineers makes a general announcement that it will no longer offer service agreements for an item of Equipment or components thereof, or provide a particular service agreement option or feature, whether due to the unavailability of spare parts or otherwise (an "EOS Announcement"), then upon no less than twelve (12) months prior written notice to the Customer, Siemens Healthineers may modify the end date of the current Agreement to match the published date on which Siemens Healthineers will cease offering service coverage ("EOS Date") or remove any affected Equipment, components, options or features from coverage under this Agreement, with a corresponding adjustment of the Annual Agreement Price. In addition, at the end of this twelve (12) month period, the Customer may either remove the affected Equipment, components, options or features from coverage under this Agreement on or after the EOS Date and with no less than thirty (30) days written notice; or request that Siemens Healthineers provide service or parts on a time and materials basis only, at Siemens Healthineers' rates and terms then in effect, for any Equipment, components, options or features subject to an EOS Announcement.

20. Removal of Equipment from Coverage Page24

The Customer may remove Equipment from coverage under this Agreement at any time upon no less than thirty (30) days prior written notice to Siemens Healthineers if the use of the Equipment is permanently discontinued and the Equipment is removed from service. There is no fee for this cancellation. Prorated credit will be issued for any advance payments made by the Customer for the period after the effective date of removal (based on the notice requirement).

21. HIPAA

To the extent required by the provisions of the Health Insurance Portability and Accountability Act ("HIPAA"), the Health Information Technology for Economic and Clinical Health Act ("HITECH"), and any regulations promulgated thereunder, Siemens Healthineers does hereby assure Customer that it will appropriately safeguard Protected Health Information (as defined under HIPAA) made available to or obtained by Siemens Healthineers pursuant to this Agreement or any Service Schedule ("PHI"). Without limiting the obligations of Siemens Healthineers otherwise set forth in this Agreement or imposed by applicable law, Siemens Healthineers agrees to comply with applicable requirements of law relating to PHI and with respect to any task or other activity Siemens Healthineers performs on behalf of Customer. Specifically, Siemens Healthineers shall:

(a) not use or disclose PHI other than as permitted orrequired by this Agreement or as required by law, and limit any use or disclosure of PHI to a limited data set or the minimum necessary to accomplish the intended purpose of such use or disclosure;

(b) implement administrative, physical and technicalsafeguards that reasonably and appropriately protect the confidentiality, integrity and availability of any electronic PHI that it creates, receives, maintains or transmits on behalf of the Customer, and comply, where applicable, with the HIPAA Security Rule with respect to such electronic PHI, and otherwise use appropriate safeguards to prevent use or disclosure of PHI, other than as provided for by this Agreement;

(c) report to Customer any use or disclosure of PHI notprovided for by this Agreement, and report any security incident, of which Siemens Healthineers becomes aware; (d) in accordance with applicable HIPAA and HITECH requirements, ensure that any subcontractors or agents to whom Siemens Healthineers provides PHI received from, or created or received by Siemens Healthineers on behalf of, Customer agree to essentially the same restrictions and conditions that apply to Siemens Healthineers with respect to PHI and implement reasonable and appropriate safeguards with respect to PHI;

(e) upon Customer's written request, make PHIavailable to the Customer as necessary for Customer to respond to individuals' requests for access to PHI about them, provided that the PHI in Siemens Healthineers' possession constitutes a Designated Record Set and Siemens Healthineers has been specifically engaged by Customer to so maintain and service such PHI on behalf of Customer;

(f) upon Customer's written request, make PHI availableto Customer for amendment and incorporate any amendments to the PHI in accordance with applicable law, provided that the PHI in Siemens Healthineers' possession constitutes a Designated Record Set and Siemens Healthineers has been specifically engaged by Customer to so maintain and service such PHI on behalf of Customer;

(g) make available to Customer the information in itspossession required to provide an accounting of disclosures of PHI as required by applicable law;

(h) mitigate, to the extent practicable, any harmfuleffect that is known to Siemens Healthineers of a use or disclosure of PHI by Siemens Healthineers in violation of the requirements of this Agreement or of law;

(i) provide notice of a breach of unsecured PHI toCustomer without unreasonable delay, and in no case later than thirty (30) days after discovery of a breach. The notification shall include, to the extent possible, the identification of each individual whose unsecured PHI has been, or is reasonably believed by Siemens Healthineers to have been, accessed, acquired, used, or disclosed. Siemens Healthineers shall provide Customer with any other available information that Customer is required to include in notification to the Individual under applicable law;

(j) make Siemens Healthineers' internal practices,books, and records relating to the use and disclosure of PHI received from Customer available to the Secretary of the United States Health & Human Services for purposes of determining Customer's compliance with applicable law; and

(k) upon expiration or termination of this Agreement,return to Customer or destroy all PHI in its possession as a result of this Agreement and retain no copies of PHI, if it is feasible to do so. If return or destruction is not feasible, Siemens Healthineers agrees to extend all protections contained in this Agreement to Siemens Healthineers' use and/or disclosure of any retained PHI, and to limit further uses and/or disclosures to the purposes that make the return or destruction of the PHI infeasible.

(l) Siemens Healthineers may use and disclose PHI asnecessary for Siemens Healthineers to perform its obligations hereunder, and may (i) use the PHI for its proper management and administration and to carry out its legal responsibilities, (ii) disclose the PHI to a third party for Siemens Healthineers' proper management and administration or to carry out Siemens Healthineers' legal responsibilities, provided that the disclosures are required by law or Siemens Healthineers obtains reasonable assurances from the third party regarding the confidential

handling of such PHI as required under HIPAA and/or HITECH, and the third party agrees to notify Siemens Healthineers of any instances in which the confidentiality of the information has been breached, (iii) provide data aggregation services related to the healthcare operations of Customer, and (iv) de-identify the PHI, and use such deidentified data, in accordance with the de-identification requirements under HIPAA.

Siemens Healthineers agrees that it will negotiate in good faith an amendment to this Agreement if, and to the extent required by, the provisions of HIPAA and regulations promulgated thereunder, in order to assure that this Agreement is consistent therewith.

22. Uptime Performance Guarantee [DOES NOT APPLY TO EVERY SERVICE AGREEMENT]

For any Equipment that includes an Uptime Guarantee as specified in Exhibit A, Siemens Healthineers guarantees that the Equipment will function at the minimum Uptime Performance (defined below) level set forth in Exhibit A (computed as described below). "Uptime Performance" is defined as the capability of the Equipment to be utilized to treat or diagnose patients. The Equipment will be considered to be operational (i.e., it will not be considered to be "down"): (a) unless it cannot be utilized to treat or diagnose patients (room down); (b) if Siemens Healthineers is prepared to perform maintenance services to make the Equipment operational but such service is refused by the Customer or is deferred by the Customer until a later time or date; (c) if the Equipment is not otherwise made available to Siemens Healthineers' service engineers; (d) if the Equipment is down is due to, associated with, or caused by (i) misuse, negligence, or operator error, (ii) inadequate environmental conditions (not conforming with the environmental specifications provided by Siemens Healthineers), including temperature and humidity, line power exceeding Siemens Healthineers' requirements of voltage, frequency, impulses or transients, (iii) any of the exclusions set forth in Section 8 hereof, or (iv) acts of God or other force majeure events described in Section 17 hereof; or (e) during periods in which Siemens Healthineers is performing scheduled or planned maintenance, changing high-vacuum components, and installing updates and/or upgrades. If the Equipment is not operational, then the Customer must immediately notify the Siemens
Healthineers Customer Care Center (24-hour Service Call Dispatch Center). Downtime will not commence until such notification is given to Siemens Healthineers. For purposes of calculating the Uptime Performance level percentage, such computation shall be made over the PCP, to include any extended coverage hours as indicated on Exhibit A. The Equipment's Uptime Performance shall be calculated to comply with the above guidelines on an annual basis. If the Equipment's Uptime Performance level is found to be less than the guaranteed percentage, as computed in accordance with the above guidelines, Siemens Healthineers will extend the term of this Agreement by seven (7) calendar days (30 calendar days for Oncology Care Systems) for every percentage point (rounded to the nearest percent) below the guaranteed percentage. These days will be added at the end of the term of this Agreement. For example, if the guaranteed percentage is 97%, then 96% Uptime Performance would result in an extension of seven (7) calendar days and 95% Uptime Performance would result in an extension of fourteen (14) calendar days. The foregoing states Siemens Healthineers' entire obligation and liability, and the Customer's sole remedy, for Siemens Healthineers' failure to meet the Uptime Performance Guarantee. In order for the Uptime Performance Guarantee to be effective, the Customer must place all calls for service through the Siemens Healthineers Customer Care Center and must accept all Technical Assistance that is offered by Siemens
Healthineers, including, but not limited to, telephone

support and remote diagnostics. For any period of time that the Customer does not seek and accept Technical Assistance from Siemens Healthineers, then the Equipment shall be considered to be operational. The Customer agrees to allow connection to Smart Remote Service diagnostic equipment, where available, for the Equipment covered by this Agreement. Smart Remote Service (SRS) is required for SRS-capable systems. The Uptime Performance Guarantee shall be void if the SRS

connection is not provided and available 24 hours per day, 7 days a week.

23. Response Time Guarantee [DOES NOT APPLY TO EVERY SERVICE AGREEMENT]

Siemens Healthineers guarantees that it shall meet any on-site response time as specified in Exhibit A for system "down" situations. Response time is measured from the time that the Customer notifies the Siemens Healthineers Customer Care Center that a system is down. The response time only applies during the PCP, to include any extended coverage hours (if selected by the Customer), as indicated on Exhibit A. For example, a request for on-site service made at noon on a Monday (where the PCP is 8:00 a.m. through 5:00 p.m., Mondays through Fridays) will have a guaranteed arrival time of 4:00 p.m. on the same day for customers with a four (4) hour response time and a guaranteed arrival time of 11:00 a.m. on the next day for customers with an eight (8) hour response time guarantee. A request for on-site service made at 9:00 a.m. on a Saturday will have a guaranteed arrival time of noon on the next Monday for customers with a four (4) hour response time and 4:00 p.m. on that Monday for customers with an eight (8) hour response time guarantee. If a request for on-site service is made outside the PCP (to include extended coverage hours, if selected by the Customer), Siemens Healthineers will use its best efforts to have a CSE on-site as soon as possible.

If Siemens Healthineers responds to a request for on-site service during the PCP but its work to repair or service the Equipment continues after the expiration of the PCP (to include any extended coverage hours, if applicable), then any work outside the PCP will be billed to the Customer, unless any optional Continuous Effort coverage that is available for the Equipment has been purchased as part of this Agreement. Continuous Effort coverage ensures that in room/system down situations, work will continue past the contracted PCP (including any extended coverage hours, if applicable, and/or core modality specific hours, as defined in the Glossary, if applicable) at no additional charge until the system is repaired or 1:00 a.m., whichever comes first, as long as the CSE has been on-site for one hour or more before the end of the contracted PCP (including any extended coverage hours and/or core modality specific hours, if applicable).

The remedy provided by Siemens Healthineers for its failure to meet the on-site response time guarantee is as follows: for each one (1) hour or portion thereof that Siemens Healthineers fails to meet the on-site response time guarantee, the Customer will receive one (1) free hour of overtime after the PCP for that service event. The foregoing states Siemens Healthineers' entire obligation and liability, and the Customer's sole remedy, for Siemens Healthineers' failure to meet the Response Time Guarantee.

24. Tool and Test Access [DOES NOT APPLY TO EVERY SERVICE AGREEMENT]

Siemens Healthineers agrees to rent to the Customer, certain tools and test equipment as determined by Siemens Healthineers ("Tools") to enable Customer to service the Equipment during the Contract Duration on the terms set forth herein. Siemens Healthineers shall provide Tools after verifying to its sole satisfaction that Customer's In-House Biomedical Engineers are properly trained on the Equipment and Tools.

Siemens Healthineers shall notify Customer of the rental fee for the Tools at the time of the order. Customer will be charged the rental fee after shipment of the Tools to Customer. Customer agrees to pay full list price of Tools (less rental fees paid) if Customer fails to return the Tools as required herein.
Customer may use the Tools for up to two (2) weeks ("Rental Period") from the date of receipt of the Tools. Customer may, with Siemens Healthineers' consent, extend the Rental Period for an additional rental fee. Customer must return the Tools within five (5) business days of the conclusion of the Rental Period ("Return Period"). If the Tools are not received by Siemens Healthineers before the conclusion of the Return Period, Customer will be charged the then-current list price for the Tools. Customer may, at the conclusion of the Return

Period, purchase the Tools at the then-current list price, subject to the Terms and Conditions of Sale for Spare Parts and Service. The delivery of the Tools to the Customer and return of the Tools to Siemens Healthineers shall be completed by Siemens Healthineers at its own expense. Title to the Tools shall be and at all times remain with Siemens Healthineers and Customer shall keep the same free and clear of any and all liens and claims. Customer (i) authorizes Siemens Healthineers to execute in Customer's name and file (and Customer shall promptly execute, if requested by Siemens Healthineers) and (ii) irrevocably appoints Siemens Healthineers its agent and attorney-infact to execute in the name of Customer and file, with such authorities and at such locations as Siemens Healthineers may deem appropriate, any Uniform Commercial Code financing statements evidencing Siemens Healthineers' ownership of the Tools. Risk of loss shall pass to Customer upon delivery. Customer shall maintain at its expense adequate liability insurance with respect to its possession and use of the Tools and against all common risks (i.e., fire, flood, theft, Acts of God, etc.) for the full replacement value of the Tools. At the request of Siemens Healthineers, Customer shall provide Siemens Healthineers with an insurance certificate evidencing such insurance coverage. Customer shall only use the Tools for their intended purpose, in the proper manner and with appropriate care, pursuant to any instructions, training and manuals provided to Customer by Siemens Healthineers, Customer shall immediately report to Siemens Healthineers or its designee any malfunction or defect, whatever the nature or cause. Customer shall ensure that any necessary repair, modification or service to any Tool is carried out by Siemens Healthineers or Siemens Healthineers' designee. Siemens Healthineers agrees to use its best efforts to repair the Tools as needed in a prompt and timely fashion, following a reported malfunction or defect. Customer shall not move the Tools from the Customer's facilities identified on the front page of this Agreement.

Customer shall return the Tools to Siemens Healthineers in the same condition as when delivered to Customer (ordinary wear and tear excepted). Customer acknowledges the Tools constitute Confidential Information, and Customer will maintain the Tools in accordance with the Confidentiality provisions of this Agreement.

25. Centralized Depot Repair Procedures [DOES NOT APPLY TO EVERY SERVICE AGREEMENT]

For any Equipment that includes Centralized Depot Repair and Loaner Program as specified in Exhibit A, Siemens Healthineers may provide the Customer a comparable system ("Loaned System") while Siemens Healthineers attempts to repair the non-complying system. Customer's use of the Loaned System commences upon receipt of the Loaned System and continues until receipt of the repaired or replaced system (the "Loan Period"). The Loaned System must be returned to Siemens Healthineers within two (2) business days of receiving the repaired or replaced system, and in accordance with the Siemens Healthineers' written instructions. The Loaned System shall be returned in the same condition as when delivered, ordinary wear and tear excepted. Title to the Loaned System shall at all times remain with Siemens Healthineers, but Customer will be responsible for equipment that is lost, stolen, or damaged during the Loan Period. Customer is also responsible for any personal injuries or property damages caused by the negligent acts or omissions of Customer, its officers, directors, employees or agents. Customer agrees to use the Loaned System in accordance with all instructions and manuals, and to immediately report to Siemens Healthineers any malfunction or defect in the Loaned System. If the Loaned System is not returned to Siemens Healthineers per requirements herein then Purchaser will be charged, and agrees to pay Siemens Healthineers, a monthly rental fee of 3.5% of the fair market value of the Loaned System as determined by Siemens Healthineers for each full month (or any portion thereof) until Siemens Healthineers receives the Loaned System.

26. Non-Assignment

Customer may not assign this Agreement unless it obtains the prior written consent of Siemens Healthineers, which consent shall not be unreasonably withheld or delayed. Siemens Healthineers may not assign this Agreement unless it obtains the prior written consent of the Customer, which consent shall not be unreasonably withheld or

delayed, except that Siemens Healthineers may assign without Customer approval to any subsidiary or affiliated company or any of its authorized dealers.

27. Reimbursement for Training Courses and Page28

Educational Services Upon Early Termination; Cancellation Policy

If this Agreement includes any training courses or other educational offerings and this Agreement is terminated or Equipment is removed from coverage as provided hereunder prior to the expiration of the term, then Siemens Healthineers may bill the Customer for any balance due and owing with respect to those training courses or other educational offerings that have been completed by the Customer, and Customer agrees to pay the same.

Customer shall notify the Siemens Healthineers training and education coordinator, in advance, of the cancellation, in whole or in part, of any training or other educational offering, or any request to reschedule the same. The cancellation or rescheduling of any training courses and other educational offerings may be subject to the payment of a cancellation fee. A copy of Siemens Healthineers' cancellation policy is available upon request or can be found at:

https://usa.healthcare.siemens.com/education/personalized-education-by-solution/solution/imaging-andtherapy/cancellation-policy

28. Cost Reporting

Customer agrees that it must fully and accurately report prices paid under this Agreement, net of all discounts, as required by applicable law and contract, including without limitation 42 CFR §1001.952(h), in all applicable Medicare, Medicaid and state agency cost reports. Customer shall retain a copy of this Agreement and all other communications regarding this Agreement, together with the invoices for purchase and permit agents of the U.S. Department of Health and Human Services or any state agency access to such records upon request.

29. Execution; Counterparts

If the Customer is a corporation or partnership, the person signing this Agreement on its behalf certifies that such person is an officer or partner thereof, that his or her action was duly authorized by appropriate corporate or partnership action, that such action does not conflict with the corporate charter or bylaws or the partnership agreement, as the case may be, or any contractual provision binding on such corporation or partnership, and that no consent of any stockholders to his or her action is required.

This Agreement may be executed in two (2) or more counterparts, each of which shall constitute an original document but all of which together shall constitute one and the same agreement.

30. Entire Agreement

This Agreement, including all exhibits and addenda attached hereto, constitutes the entire agreement between the parties relating to the subject matter hereof, and supersedes all prior and contemporaneous oral or written representations or communications between the parties. This Agreement may not be modified or amended, except in writing executed by the appropriate designated officers of the parties hereto. Any variation in the terms and conditions contained in this Agreement (including, but not limited to, the inclusion of Customer's own terms and conditions in any purchase order or other document issued by Customer in response to and/or referencing Siemens Healthineers' quotation for service or this Agreement) shall not be deemed to be a part of this Agreement and shall not be binding upon Siemens Healthineers unless set forth in writing and executed by the appropriate designated officer of Siemens Healthineers. Subject to the limitations expressed herein, this Agreement will be binding upon and inure to the benefit of the parties hereto, their successors, legal representatives, and permitted assigns. Notwithstanding

anything to the contrary contained herein, the provisions of Sections 9, 10, 12, 13, 14, 15, 16, 18, 21 and 27 shall survive the expiration or termination of this Agreement.

Smart Remote Services Addendum

Siemens Healthineers and Customer agree that the provision of remote service and support for the Equipment shall be provided in accordance with this Smart Remote Services Addendum. All capitalized terms not defined herein shall have the meanings given to them in
the Agreement detailed above.

1. **System Monitoring**. Siemens Healthineers provides services for remote monitoring of certain Equipment used by Customer (hereafter, "Applicable Equipment"). In connection with such services, Siemens Healthineers uses SRS, a persistent online connection between Siemens Healthineers or its affiliates and the Applicable Equipment to monitor the performance of Applicable Equipment and deliver updates and patches to permit Siemens Healthineers monitoring of the performance of the Applicable Equipment anonymously ("SRS Connection"). SRS is installed on the analyzer computer or server, and works within a domain environment, workgroup, or on a standalone system. In the event that Customer fails to provide or maintain the SRS Connection for the Applicable Equipment, then Siemens Healthineers shall have the option to terminate this Agreement and any applicable Supplements or Schedules hereto. In addition, any Uptime Performance Guarantee or Availability Commitment of the Applicable Equipment (if applicable) shall be void if the SRS Connection is not provided and available 24 hours per day, 7 days a week. In the event the Customer fails to provide or maintain the SRS Connection for any Service Schedule with a volume-based deliverable (i.e. scan count or exam count) as defined in Exhibit A, then Siemens Healthineers shall have the option to terminate the affected Service Schedule(s).

   For the purposes of this Section, 'Security Concept' means Siemens Healthineers IT security concept, which can be found under the following link or which Siemens Healthineers will send to Customer upon request:

   https://marketing.webassets.siemenshealthineers.com/4275155d5aa2ce02/a0226f9a8 dd8/Smart-Remote-Services-Security-ConceptV10.pdf

   'Technical Data' means information available through the SRS Connection and may include: (i) application logfiles, errors occurred, device properties, quality control (technical status information); (ii) configuration, software versions, patches, licenses, network settings, device service history (asset and configuration data); (iii) sequences of performance of various tasks, used applications/licenses and interactions with the application (utilization data); (iv) any reagents and consumables loaded onto the Applicable Equipment; (v) any other data explicitly agreed; and in each case not related to an identified or identifiable natural person. 'Smart Technical

   Data' means correlated Technical Data derived from the Applicable Equipment to support prediction of the Applicable Equipment service requirements. Cyberthreat" means any circumstance or event with the potential to adversely impact the Equipment via unauthorized or unlawful access, damage and/or destruction, disclosure of information, modification, corruption or alteration of information, and/or denial of service rendering the Equipment unavailable or inoperable. "Insignificant" means a categorization of a Vulnerability the exploitation of which, taking into account the individual Equipment attributes and/or the respective operating environment, is not reasonably expected and/or would not result in a foreseeable impairment of the Equipment's secure operation or provide access to personal information. "IT Security" means safeguarding the uninterrupted operation of the Equipment against interference caused by exploited Vulnerabilities, as well as the availability, confidentiality and integrity of data and information created, stored, and/or transmitted by the Equipment. "Patch(es)" means an Equipment and/or operating system (OS) update that addresses security vulnerabilities within the Equipment. "Vulnerability" means a weakness in the Equipment that could be exploited by a Cyberthreat and are assigned a significance level in accordance with FDA Post-Market Guidance for Cybersecurity of Medical Devices.

   Siemens Healthineers and its affiliates are authorized to access, maintain, repair, calibrate, update or patch the Applicable Equipment that is the object of the SRS Connection or provide remote training in every case through the SRS Connection and use any Technical Data collected via the SRS Connection for the aforementioned purposes. If the Applicable Equipment hereunder is covered by a warranty period or extended service plan, then Siemens Healthineers, its affiliates and other companies engaged by Siemens Healthineers are also authorized to carry out through the SRS Connection additional system monitoring services supported by the covered Applicable Equipment.

2. **Access to Data and Use of Data.** Customer hereby irrevocably permits Siemens Healthineers and its affiliates to

use for their own business, product surveillance, research or development purposes (e.g. determine trends of usage products and services, improvement of products, services and software), for facilitating and advising on continued and sustained use of products and services, substantiation of aggregated product and services marketing claims and for benchmarking purposes, without restrictions in terms of time, transferability, replication, location or content: (i) Technical Data that is collected via the SRS Connection; and (ii) Smart Technical Data that is collected via the SRS Connection from the Applicable Equipment.

3. **Customer Obligations for SRS Connection.** (i) Customer shall permit the SRS Connection to be established by connecting the Applicable Equipment either directly or through a gateway or networked computer at Customer's own expense to a secured telecommunications link via a broadband connection and Customer shall bear the cost of any technical requirements for any such connection that is not a part of the Applicable Equipment (e.g. establishing a broadband connection); (ii) Customer shall support Siemens Healthineers in protecting against Cyberthreats by implementing and continuously maintaining a holistic, state-of-the-art security concept protecting Customer's IT infrastructure; (iii) Customer shall not connect Applicable Equipment to the SRS Connection that does not comply with state-of-the-art security policies or is otherwise approved by Siemens Healthineers; (iv) Customer shall not use the SRS Connection in a way that impairs or disrupts the integrity of the SRS Connection or Siemens Healthineers IT infrastructure; and (v) Customer shall not transmit any data containing viruses, Trojan horses or other programs that may damage or impair the SRS Connection or Siemens Healthineers IT infrastructure.

4. **Customer's Cybersecurity Obligations.** In order to protect the Equipment against Cyberthreats, Customer shall implement and continuously maintain a holistic, state-ofthe-art security program for its IT infrastructure, including regular network scanning, provided however, that:
   (i) network scanning or penetration testing shall not be performed during clinical use of the Equipment and should optionally be scheduled, with Siemens Healthineers' assistance, during downtime;
   (ii) the system configuration and/or IT Security controls of the Equipment as stated in the MDS2 and/or Security Whitepaper provided or made available by Siemens Healthineers at, or prior to, the time of purchase must not be modified;
   (iii) if during the deployment of the Equipment, Vulnerabilities are identified by Customer, Customer shall align with Siemens Healthineers regarding the severity of the Vulnerabilities taking into account the individual Equipment attributes and intended operating environment and shall not refuse acceptance of the Equipment, if the Vulnerability is classified as 'low' by Siemens Healthineers using the Common Vulnerability Scoring System ("CVSS"); and

31

   (iv) Siemens Healthineers' initial response to Customer's inquiry on a Vulnerability will be within fifteen (15) days. Siemens Healthineers will evaluate all Vulnerabilities using CVSS and FDA's definition of "controlled" and "uncontrolled" Vulnerabilities and will make such evaluations available to Customer. Siemens Healthineers will periodically release Patches depending on the age of the device and Equipment version. If Siemens Healthineers determines the Vulnerability to be critical and uncontrolled, Siemens Healthineers will communicate this determination to Customer within thirty (30) days and utilize commercially reasonable efforts to have a mitigation (workaround, patch, etc.) available within sixty (60) days of Siemens Healthineers' determination of an uncontrolled Vulnerability. Unless otherwise specified, no patches may be loaded by Customer onto the Equipment. In the event of a Vulnerability that is reasonably determined by Customer to constitute an emergency (meaning that the Equipment must be taken out of clinical use until the Vulnerability is remedied) needing an expedited response, Siemens Healthineers will collaborate with Customer to jointly determine the most prudent action necessary in light of the circumstances.
   (v) Customer is responsible for preventing unauthorizedaccess to the Equipment licensed to Customer, including but not limited to changing passwords and other protective settings from their default values to individual ones. The Equipment shall only be connected to an enterprise network or the internet if and to the extent such a connection is authorized by Siemens Healthineers in the instructions for use and only when appropriate security measures (e.g., firewalls, network Customer authentication and/or network

segmentation) are in place. (vi) USB-storage media and other removable storage devices shall only be connected to the Equipment if and to the extent such connection is authorized by Siemens Healthineers in the instructions for use and only when the risk of a malware infection of the Equipment is minimized through malware scanners or other appropriate means.

(vii) The Equipment undergoes regular development tofurther improve its IT Security. Siemens Healthineers strongly recommends that Equipment updates be applied as soon as they are available and that the latest Equipment versions are used by Customer. The latter might include the purchase of upgrades of hardware and equipment by Customer; provided however, updates to remedy uncontrolled Vulnerabilities and/or clinical performance based on the Equipment Specification will be provided without additional charge. Use of Equipment versions that are no longer supported, and failure to apply the latest updates/upgrades may increase Customer's exposure to Cyberthreats.

(viii) Customer shall notify Siemens Healthineers withoutdelay in case of suspected or actual Cyberthreats or Vulnerabilities of the Equipment. Disclosure by Customer of such information to third parties during the immediately following sixty (60) day period requires prior written consent by Siemens Healthineers.

(ix) In the event that Customer resells an item of ApplicableEquipment, it shall inform Siemens Healthineers in writing of the name and address of the new owner and shall impose upon that new owner a corresponding obligation in case of further resale. Customer is not granted any right to sell or assign its right to use the Applicable Equipment without first obtaining Siemens Healthineers' express written consent.

(x) If Siemens Healthineers provides a Patch via SRS or fordownload, Customer shall promptly install the Patch in accordance with the respective installation instructions given by Siemens Healthineers.

5. **Siemens Healthineers Cybersecurity Obligations.** In order to protect the Equipment against Cyberthreats, Siemens Healthineers shall implement and continuously maintain a holistic, state-of-the-art security program for its IT infrastructure, including regular network scanning. In the event that Siemens Healthineers becomes aware of a Vulnerability that Siemens Healthineers does not classify as Insignificant, it shall make available Patches until the EOS Date, until the termination of this Agreement, or up to ten (10) years following the Equipment delivery, whichever occurs first, provided that Customer's Equipment version is the most recent or at least the penultimate version at the given time, except in the case of third-party Equipment where the respective Equipment provider does not have a Patch available, Siemens Healthineers will use commercially reasonable efforts to make a mitigation available for the Vulnerability within 120 days following Siemens Healthineers becoming aware of such Vulnerability.

In the case of third-party Equipment, Siemens Healthineers will make the Patch available to Customer without undue delay after such Patches are made available by Siemens Healthineers' licensors and Siemens Healthineers performs the required testing and validating on the Equipment. Depending on the severity of the Vulnerability as determined by Siemens Healthineers (after consultation with Customer), Siemens Healthineers may elect to provide the Patch at the time and as part of upcoming routine updates. If the Applicable Equipment is connected to SRS and Customer enables remote distribution of the Patch via SRS, or if Patches are made available for

download, the Patches shall be free of charge. However, if the Patch needs to be installed on site by Siemens Healthineers, Siemens Healthineers may charge Customer for the expenses (time and material) resulting from the installation. For the sake of clarity; (i) safety, uncontrolled Vulnerability and clinical performance Updates are mandatory and will be provided without additional charge to Customer regardless of contract status, and will be implemented by Siemens Healthineers regardless of who may otherwise be servicing the Equipment; and (ii) all other Updates are non-mandatory ("Refinement Updates") and are not performed unless requested by Customer and may be chargeable (e.g., travel, labor, and sometimes charges for parts) depending on Update.

NOTWITHSTANDING THE FOREGOING, SIEMENS HEALTHINEERS ASSUMES NO LIABILITY WHATSOEVER FOR DAMAGE TO THE EXTENT SUCH DAMAGE IS CAUSED BY THE FOLLOWING:

(i) Customer's intrusive IT Security testing; (ii) unauthorized modification of the system configuration or IT Security controls of the Equipment; (iii) the installation of Patches which are not authorized by Siemens Healthineers;

(iv) Customer delaying the self-installation of Patches made available by Siemens Healthineers via SRS or for download;

(v) Hacker attacks, Cyberthreats or related preventative measures; or

(vi) Failure to perform and maintain adequate backups of Customer's data.

6. **SRS Limited Warranty.** Unless explicitly otherwise regulated the SRS Connection is provided "as is" and Siemens Healthineers does not provide Customer with any warranty or guarantee regarding the availability, performance, or quality of the SRS Connection. Siemens Healthineers will not provide an SRS Connection if: (i) the provision is prevented by any impediments arising out of national or international foreign trade or custom requirements or any embargoes or other sanctions; or (ii) there is a defect, malfunction, or other problem with the telecommunications network; or (iii) there is a defect, malfunction, insufficient configuration, or other problem with Customer`s infrastructure.

7. **Update of Terms and Security Concept.** Siemens Healthineers shall set up the technical and organizational process for the SRS Connection and IT infrastructure used by Siemens Healthineers for the establishment of the SRS Connection according to the Security Concept. Siemens Healthineers shall be entitled to modify and/or update the terms of this Addendum for the SRS Connection and/or the Security Concept to reflect technical progress, changes in effect if Customer is in breach of the terms contained law and the further development of its offerings. Such herein or if Siemens Healthineers, acting reasonably, is of modifications and/or updates shall not jeopardize the the opinion that the SRS Connection to one or more of quality and execution of the SRS Connection. Siemens Customer's Applicable Equipment contains a risk for the Healthineers shall inform Customer of changes by giving security and performance of the IT infrastructure used by Customer at least thirty (30) days prior written notice. Siemens Healthineers. Siemens Healthineers will provide Customer with access to the updated terms and conditions.

8. **Certification of SRS.** Siemens Healthineers service organization shall maintain a certified information security management system for the purposes of the SRS Connection. In this regard, Siemens Healthineers shall be subject to regular external audits by independent third parties. The scope and details of the certification are provided by Customer which are hereby assigned to determined in the current Security Concept.

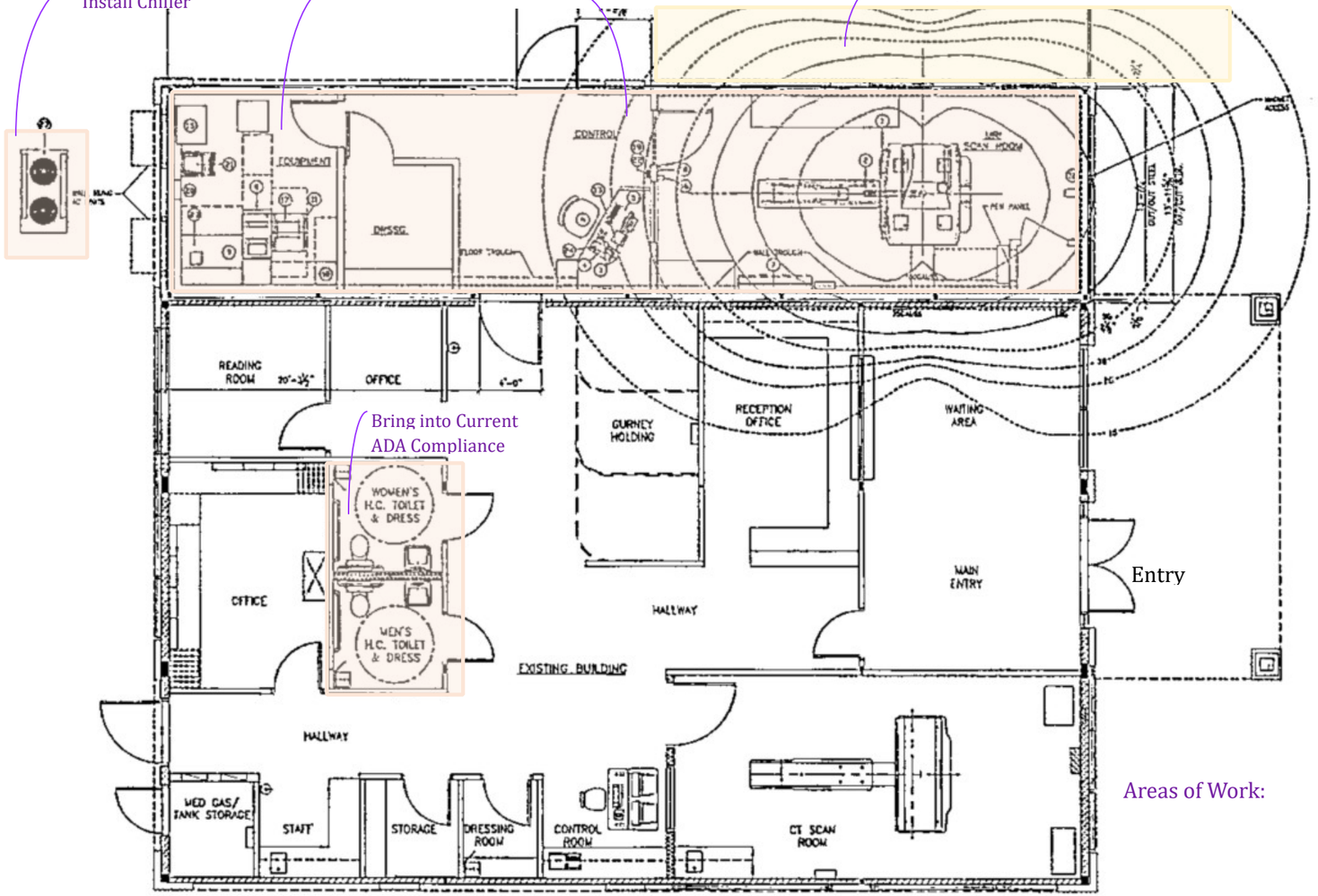
9. **SRS Connection Termination.** Siemens Healthineers shall be entitled to suspend the SRS Connection with immediate

10. **SRS Intellectual Property.** Siemens Healthineers (and its licensors, where applicable) will retain all intellectual property rights relating to the Equipment, including improvements thereto, including any improvements derived from Technical Data or Smart Technical Data, as well as any suggestions, ideas, enhancement requests, feedback, recommendations or other information which are hereby assigned to Siemens Healthineers.

Re-work Suite with New Equipment

Prep Area &
Install Chiller

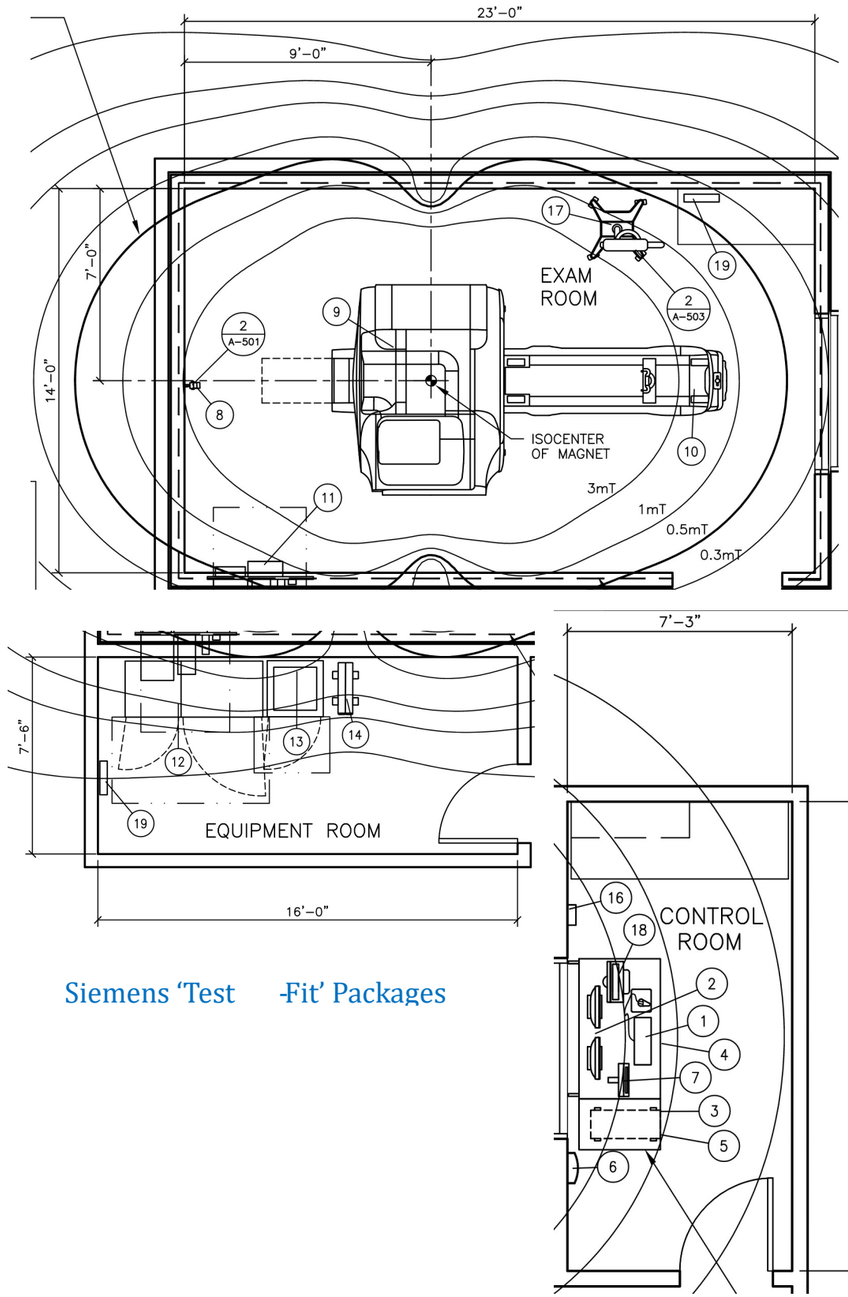
Refurbish Site after
Equipment Installation



Bring into Current
ADA Compliance

Entry

Areas of Work:



Siemens 'Test -Fit' Packages

& Control Packages

Salinas Valley Health					
Project Name: 444 E. Romie Lane MRI Installation					
Architect: TBD					
Preliminary Budget for Board Approval: February 2025					
CIP: 01.1250.3930 BCI: 250202					
Budget Approval Date:					
Issue:	2/18/2025				
	TRADE	BL	Budget		NOTES
	HARD COSTS				
	Construction - Direct Costs		$855,400		
	Construction - Contingency		$75,540		
	Construction - Insurance		$16,279		
	Sitework Refurbish		$20,000		
			$967,219		
					No Emergency Power Backup
	EQUIPMENT COSTS				
	Siemens MAGNETOM Sola 1.5T		$2,086,764		
	Siemens 5-Yr Service Agreement		$712,185		
	Fixtures		$15,000		
	Furnishings		$25,000		
	Low Voltage Coordination/Upgrade		$60,000		
			$2,898,949		
	SOFT COSTS				
	Design Documents		$110,000		
	Const. Management/Supervision		$140,000		
	Testing & Monitoring		$11,100		
	Permit Review & Fees		$30,216		
			$291,316		
	PROJECT CONTINGENCY		$200,000		
			$4,357,484		
	PROJECT BUDGET		**$4,357,484**		

Board Paper: Finance Committee

Agenda Item: Consider Recommendation for Board Approval of Project Budget, associated taxes and construction for the Salinas Valley Health Clinic MRI Equipment Installation & building refresh at 626 Brunken Avenue Imaging Center

Executive Sponsor: Alysha Hyland – Chief Administrative Officer

Date: February 14, 2025

Executive Summary

Salinas Valley Health authorized the purchase of a new MRI equipment package for installation at 626 Brunken Ave at the January 2025 Board Meeting. This authorization request is to fund the work necessary to design & permit the installation, as well as to construct the necessary improvements in and around the project site. Work slated for this project includes equipment installation, minor refreshing of the building's finishes, and the creation of additional storage needed for operational efficiency as the MRI installation displaces existing space previously used for storage. The planned renovations include select architectural finish refreshments, creation of a new reading room, prep/recovery area to support the new MRI, and a storage solution of some kind as necessary to facilitate the installation of the Canon Orian SP system. Current and projected patient utilization appear to justify the expenditure, supporting additional growth and patient access to high quality imaging services in a cost-effective manner. Facilities Management is approaching the Board to request approval of capital funding to complete renovations and procure furnishings, furniture and equipment. The total requested budget allocation for the project is $**3,367,810**

Background/Situation/Rationale

At the January 2025 the Salinas Valley Health Board of Directors approved the equipment purchase for this project in the amount of $1,385,027.00 plus no more than $450,000.00 for a 72 month service agreement. This request is to finalize the project with the addition of the construction costs as well as the sales tax associated with the equipment purchase. With the organizations clinic MRI scanner reaching end of life and the current demand growing, it is imperative for Salinas Valley Health to replace the aging scanner with one that will meet the needs of the organization and the community going forward. Adding a 1.5 Tesla magnet to the 626 Brunken location will give SVHC the ability to do prostate and breast MRI's including biopsies which are vital to our Oncology program and Breast cancer patients. Currently, the only facility in Monterey and Santa Cruz County that can do MRI breast biopsy procedures is our 559 Abbott location. Placing an upgraded MRI scanner at our outpatient location will also allow our organization to expand cardiac services by developing a site with the most up to date equipment Cannon has to offer.

Timeline/Review Process to Date:

December 2024: Equipment Selection
February-November 2025: Contracting/Procurement/Permitting/Construction December 2025: Equipment Installation and Startup

Meeting our Mission, Vision, Goals Pillar/Goal Alignment:

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

Fiscal Year Capital Budgeting:

Current capital budget forecast includes:

Tax (9.25%) on MRI Scanner Fiscal Year 2025: $128,115
Fiscal Year 2025: $600,000
Fiscal Year 2026: $2,279,695
Balance forward for Service Agreement Paydown: $360,000

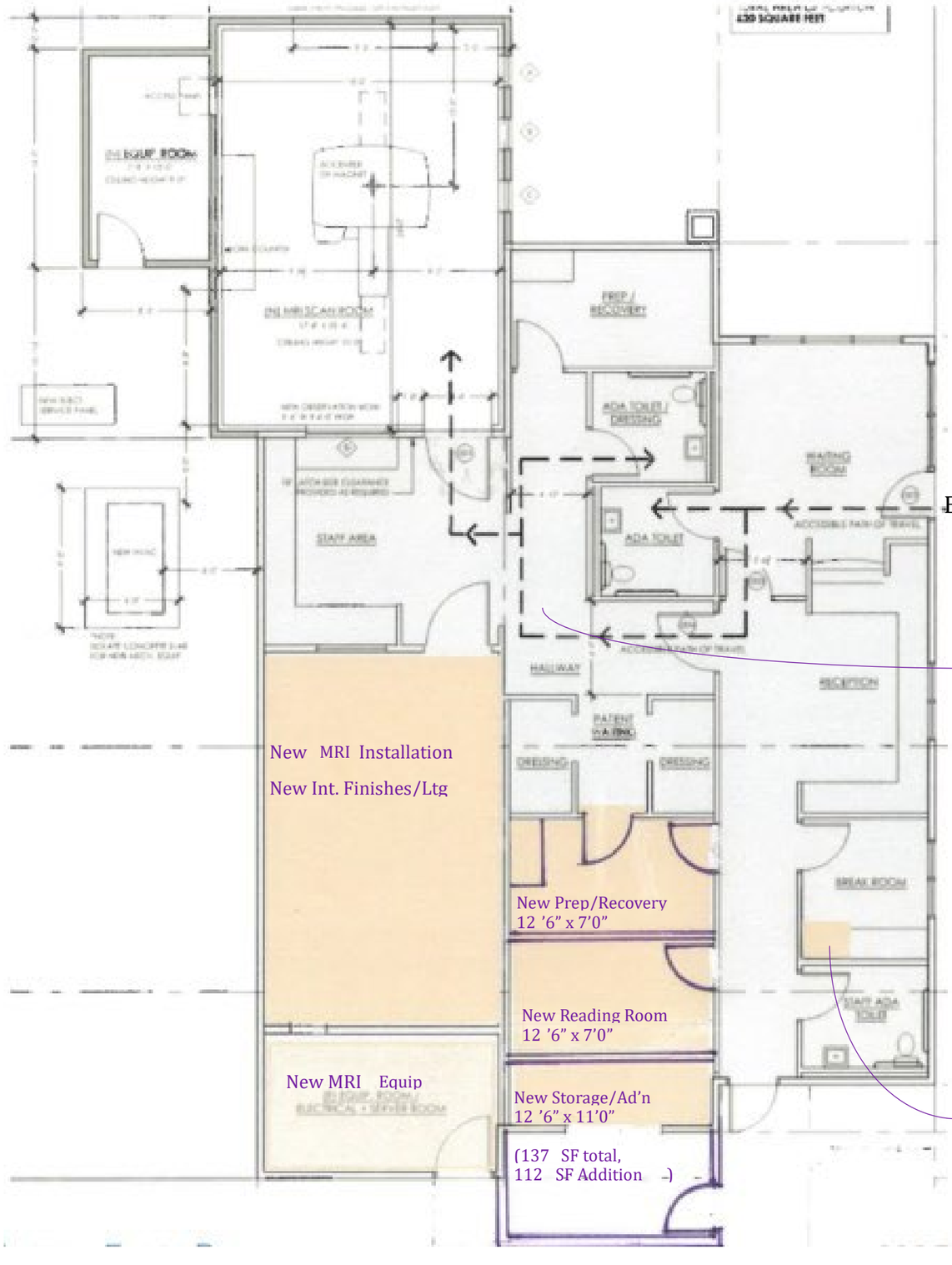
January Board Approved Total	**$1,835,027** (MRI Equipment + Service Agreement)
February Board Approval Request:	**$1,532,783** (Equipment Tax + Construction (Hard costs, soft costs and other)
Total Project Budget Cost:	**$3,367,810**

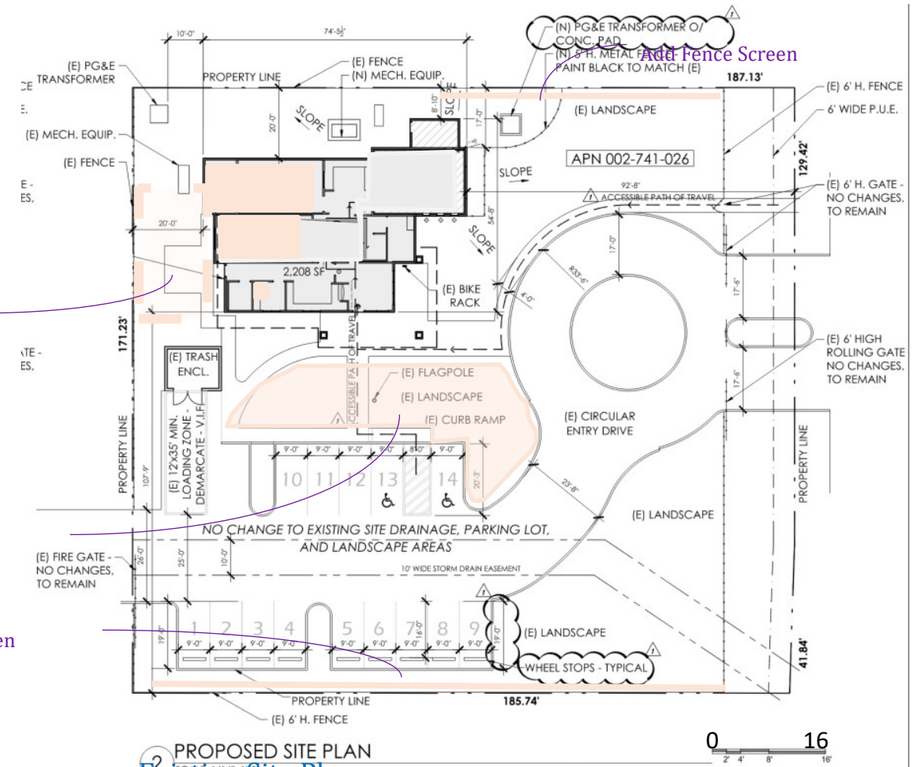
Recommendation

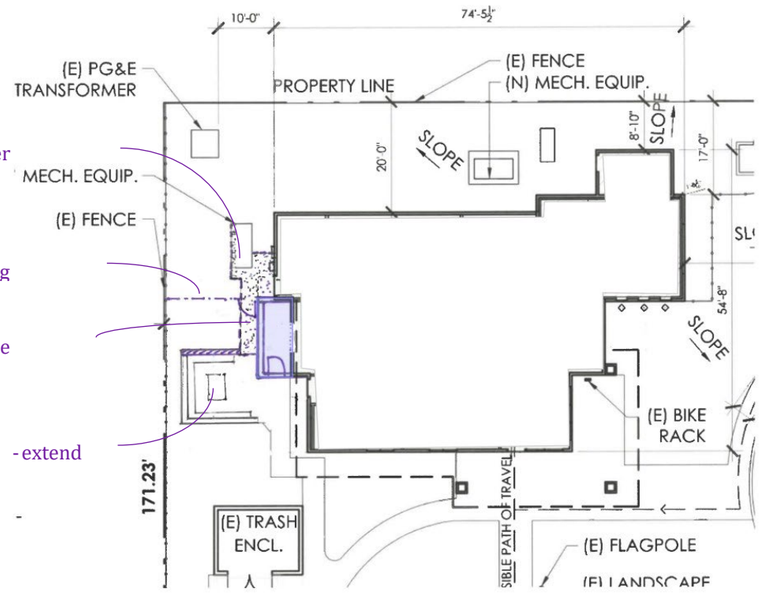
Consider recommendation for Board of Directors to approve the total estimated Project Budget, associated taxes and construction for the Salinas Valley Health Clinic MRI Equipment Installation at 626 Brunken Ave in the amount of $**1,532,783.**

Attachments

1) MRI Install & Refresh Plan 2/12/25
2) Project Cost Budget at time of equipment procurement
3) Reference – 1 Page Jan 22, 2025 Board Paper for Equipment Purchase Request


Entry
New MRI Installation
New Int. Finishes/Ltg
New MRI Equip
New Prep/Recovery
12 ’6” x 7’0”
New Reading Room
12 ’6” x 7’0”
New Storage/Ad’n
12 ’6” x 11’0”
(137 SF total,
112 SF Addition)
Gen: Replace Sheet Vinyl
Throughout - Off Hours
Adjust Cab/Counter for Refer


Add Fence Screen
Area of Exterior
Adjustments
Area of Work:
Rework landscaping,
remove flagpole & railings
Replace Fence Screen
(N) PG&E TRANSFORMER O/ CONC. PAD
(N) 8' H. METAL FENCE - PAINT BLACK TO MATCH (E)
(E) PG&E TRANSFORMER
PROPERTY LINE
(E) FENCE
(N) MECH. EQUIP.
(E) LANDSCAPE
APN 002-741-026
(E) MECH. EQUIP.
(E) FENCE
2,208 SF
(E) BIKE RACK
(E) 6' H. FENCE
6' WIDE P.U.E.
(E) 6' H. GATE - NO CHANGES, TO REMAIN
ACCESSIBLE PATH OF TRAVEL
(E) TRASH ENCL.
(E) FLAGPOLE
(E) LANDSCAPE
(E) CURB RAMP
(E) 12'X35' MIN. LOADING ZONE DEMARCATE - V.I.F.
(E) CIRCULAR ENTRY DRIVE
(E) 6' HIGH ROLLING GATE - NO CHANGES, TO REMAIN
NO CHANGE TO EXISTING SITE DRAINAGE, PARKING LOT, AND LANDSCAPE AREAS
10' WIDE STORM DRAIN EASEMENT
(E) FIRE GATE - NO CHANGES, TO REMAIN
(E) LANDSCAPE
WHEEL STOPS - TYPICAL
PROPERTY LINE
(E) 6' H. FENCE
PROPOSED SITE PLAN
Existing Site Plan


Expand concrete for Chiller and walkway
New Security Fence/Locking Gate
New Addition for Storage
Modify seating area - extend wall up
(E) PG&E TRANSFORMER
PROPERTY LINE
(E) FENCE
(N) MECH. EQUIP.
MECH. EQUIP.
(E) FENCE
(E) BIKE RACK
(E) TRASH ENCL.
(E) FLAGPOLE
SIDLE PATH OF TRAVEL
Proposed Site Plan Addition Area

Salinas Valley Health

Project Name: 626 Brunken Avenue MRI Installation

Architect: TBD

Preliminary Budget for Board Approval: February 2025

CIP: 01.1250.3930 BCI: 250202

Budget Approval Date:

Issue: *2/14/2025*

TRADE	BL	Budget	NOTES
HARD COSTS			
Construction - Direct Costs		$657,900	
Construction - Contingency		$60,790	
Construction - Insurance		$13,100	
Const: Allowance at Fire Sprinkler		$140,000	
Sitework Refurbish		$45,000	
		$916,790	
			No Emergency Power Backup
EQUIPMENT COSTS			
Cannon Vantage Orian SP 1.5T		$1,513,142	
5-Yr Service Agreement		$450,000	
Fixtures		$15,000	
Furnishings		$0	
Low Voltage Coordination/Upgrade		$12,000	
		$1,990,142	
SOFT COSTS			
Design Documents		$100,000	
Const. Management/Supervision		$140,000	
Testing & Monitoring		$11,100	
Permit Review & Fees		$24,316	
		$275,416	
PROJECT CONTINGENCY		$185,462	
		$3,367,810	
PROJECT BUDGET		**$3,367,810**	

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Agenda Item: **Consider Recommendation for Board Approval of Purchase of MRI Equipment**

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CLOSED SESSION

(Report on Items to be Discussed in Closed Session)

RECONVENE OPEN SESSION/
CLOSED SESSION REPORT

(Meeting Chair)

Review Key Operating Budget Assumptions

Fiscal Year 2026 Budget

Finance Committee – February 24, 2025

Salinas Valley Health

Operating Budget Timeline & Process

I. **Jan 2025 Finance compiles baseline data for budget development**
- Payroll, Non Payroll, and Productivity Metrics

II. **Jan/Feb 2025 Finance to pull initial baseline data: Revenues & Expenses (Year-to-Date December 2024)**
- For Payroll – 14 Pay Periods - as of **PPE 1/5/25**
- Departmental Worked Hours per Unit of Service Targets Developed
- Review Contract Labor & Overtime Targets
- Evaluate impact of new positions being considered, partial year FTEs, open/closed positions, re-classes, leave of absences

III. **Jan 10 Directors to submit New Position Request Form**

IV. **Jan 2025 Develop and finalize Capital Budget – On or before Feb 14**

Salinas Valley Health
Operating Budget Timeline & Process

V. Feb 20	**Review Key Operating Budget assumptions with Finance Committee**
VI. Feb 10 – Feb 28	**Operating Budget Development** • Departmental Budgets meetings with Finance • Departmental Budgets Due 2/28
VII. Mar 3 – Mar 14	**Operating Budget Review & Finalization**
VIII. May 14	**Present Operating and Capital Budget at Leadership Working Group**
IX. Jun 5	**Special Board Meeting Budget Workshop, Operating and Capital (2 Hours, 4-6PM)** *(Meeting will be scheduled in Conference Room)*
X. Jun 12	**Operating and Capital Budget Review with Medical Executive Committee**

XI. Jun 23	**Operating and Capital Budget Review with Finance Committee**
XII. Jun 26	**Board Meeting for Review & Approval for SVH Budget**

Salinas Valley Health
Strategic Budget Considerations

1. **Budgeting for selected opportunities for FY26**
   a) Non Labor opportunities (Supplies, Purchased Services, Other)
   b) Labor: Implement efficiencies where possible, consider attrition strategies
   c) Minimize growth in new FTEs for FY26 (new FTE request form/process)

2. **Consideration of Strategic Capital Investments:**
   a) New Emergency Room

b) Ambulatory Capacity/Physician recruitment

c) Hospital MRI, Imaging / Cath Lab equipment: SVH Clinic MRI

d) Other

Salinas Valley Health Medical Center
Key Operating Budget Assumptions

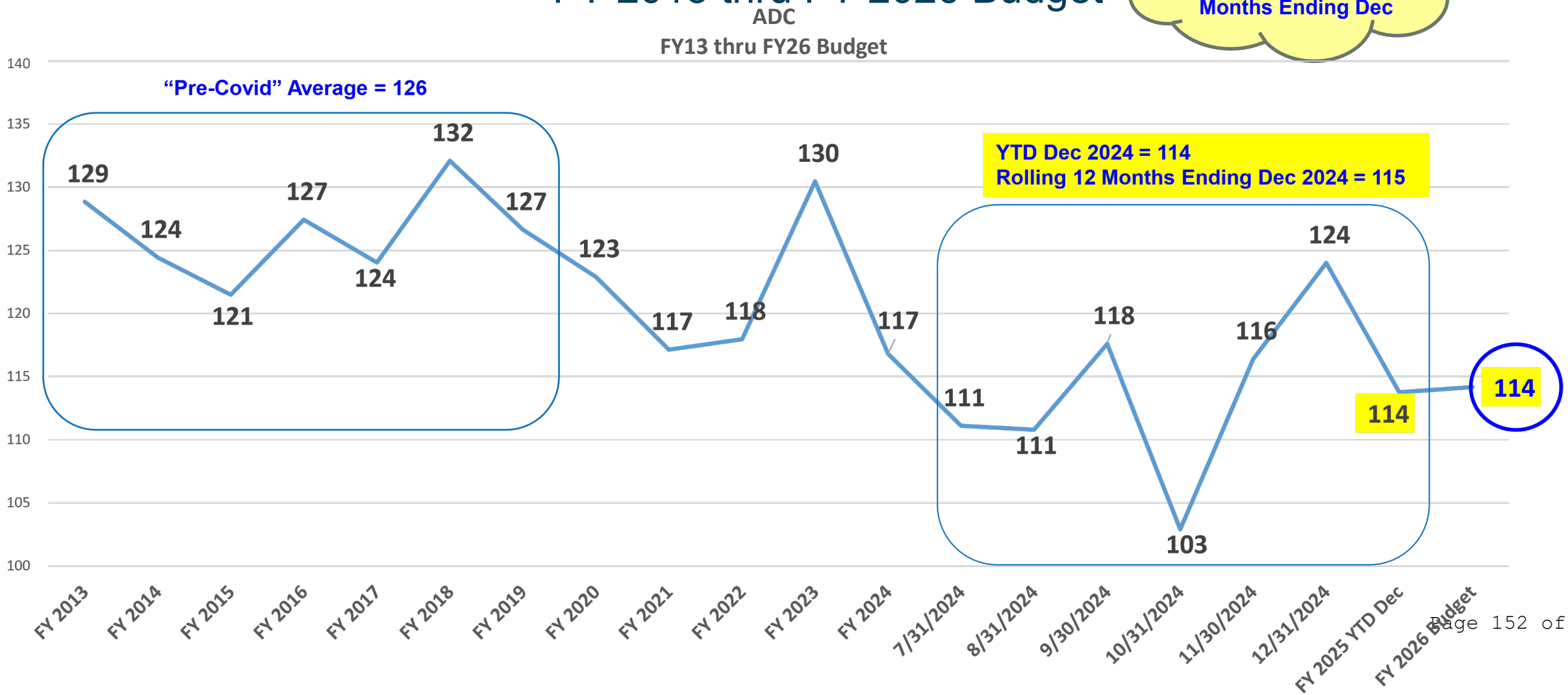
- **Operating Margin % : TBD**
- **Budget FY 2026 – Incorporates patient volumes based on current trends**

Statistic	FY 2026 Budget
ADC	114
Admissions	10,966
ALOS	3.8
IP Surgery	1,719
OP Surgery	3,447
Deliveries	1,353
ER Admissions	8,460
ER OP Visits	54,791

Total ER Admissions % of Admissions (excl OB ED)	85%

Salinas Valley Health Medical Center
Average Daily Census (ADC) Tre
FY 2013 thru FY 2026 Budget

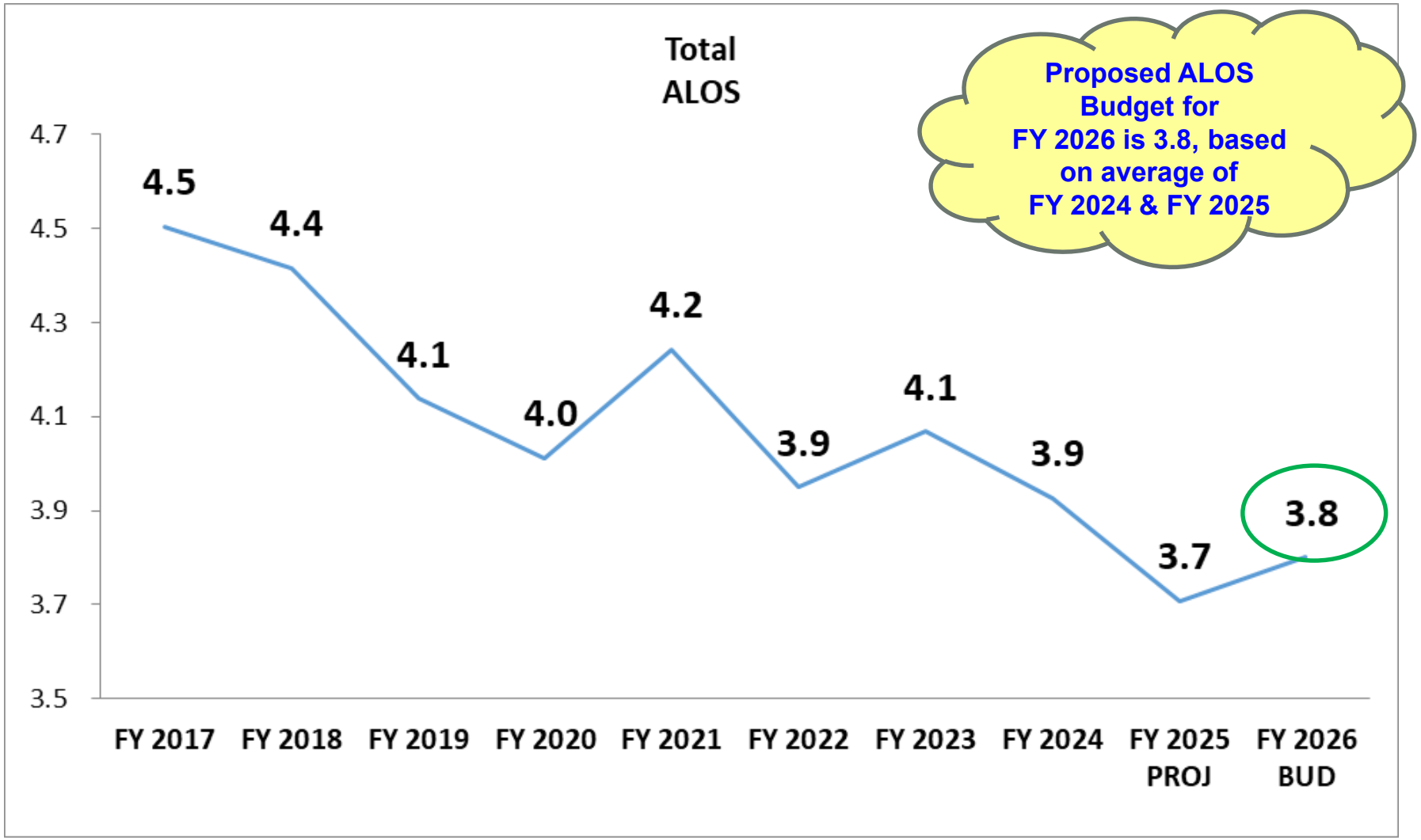
Proposed ADC Budget for FY 2026 is 114, which equates to Rolling 12 Months Ending Dec



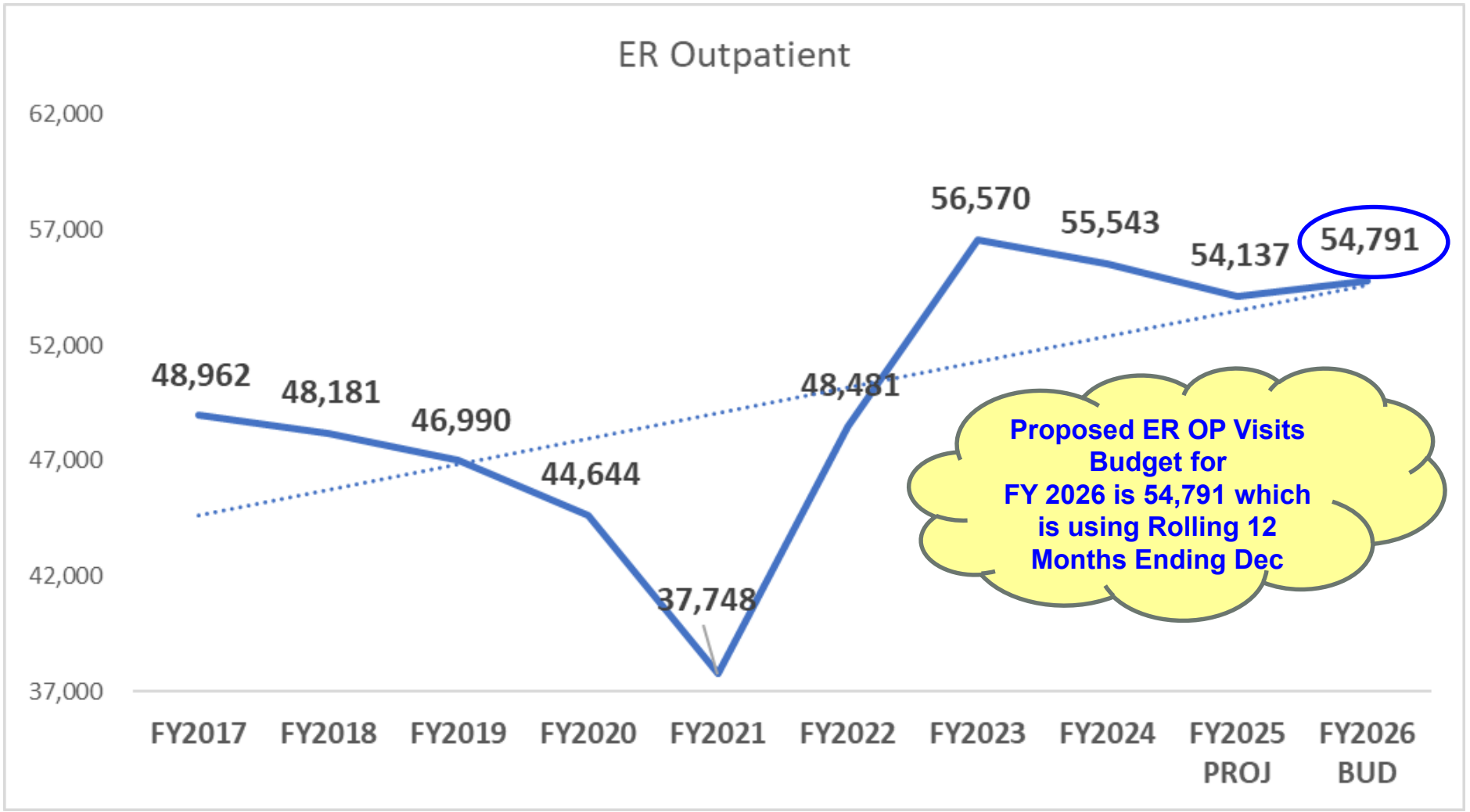
Salinas Valley Health Medical Center

Average Length of Stay (ALOS) Trend

FY 2017 thru FY 2026 Budget


Total ALOS
Proposed ALOS Budget for FY 2026 is 3.8, based on average of FY 2024 & FY 2025
4.7
4.5
4.3
4.1
3.9
3.7
3.5
4.5
4.4
4.1
4.0
4.2
3.9
4.1
3.9
3.7
3.8
FY 2017
FY 2018
FY 2019
FY 2020
FY 2021
FY 2022
FY 2023
FY 2024
FY 2025 PROJ
FY 2026 BUD

Salinas Valley Health Medical Center
ER Outpatient Visits
FY 2017 thru FY 2026 Budget


ER Outpatient
62,000
57,000
52,000
47,000
42,000
37,000
48,962
48,181
46,990
44,644
37,748
48,481
56,570
55,543
54,137
54,791
FY2017
FY2018
FY2019
FY2020
FY2021
FY2022
FY2023
FY2024
FY2025 PROJ
FY2026 BUD
Proposed ER OP Visits Budget for FY 2026 is 54,791 which is using Rolling 12 Months Ending Dec

Salinas Valley Health Medical Center
Key Budget Assumptions (Continued)

- **Labor**
- **SVHMC Budget Standards will be established based on 14 Pay Periods – As of PPE 1/5/25:**
- Adjustments will be considered for the following:
- Budgeted positions in FY 2025 that have not yet been filled
- Partial Year Vacancies filled
- Transfer of positions between departments
- Any eliminated positions

- Incorporate labor efficiency standards

- **Requested Positions will continue to be carefully reviewed and approved by the Executive Team on a case by case basis.**

Salinas Valley Health Medical Center
Key Budget Assumptions (Continued)

- **Non-Labor**

- **Medical Supply expenses** will be driven by departmental volume, incorporating inflationary rate increases as provided by Vizient

- **Discretionary expenses** will be budgeted in alignment with Executive Team & Finance
- **Overhead Expenses** to be budgeted by Finance/Accounting:
- Depreciation – Building & Equipment (per Capital Budget)
- Insurance
- Other Categories

Salinas Valley Health Clinics
Key Assumptions FY26 Budget

- **Volumes**, **Gross Charges** & **Net Revenues:** New provider ramp up period reflected, remaining will be same store business are generally budgeted to a normalized version of FY2025
- **Reimbursement rates:** Current yield to reflect recently negotiated contract rates for Commercial Health Plans
- **Incorporate retention/recruitment** of physicians and / or expansion of new practices and service lines
- **Incorporate negotiated rate increases** to physician professional services agreements at fair market values
- **Incorporate inflationary increases** to salaries, wages & benefits of non-physician staff, purchased services and supplies/non-labor expenses

Salinas Valley Health
Capital Plan Management
Fiscal Year 2026

- We will continue to manage the pace of capital spending relative to financial performance. Future capital spending will be dependent on the long term financial outlook.

- Administration will prioritize the proposed capital expenditures while staying within the overall approved spending levels in support of our days cash on hand goals.

DISCUSSION / COMMENTS

Financial Performance Review
January 2025
Finance Committee

Augustine Lopez

Chief Financial Officer

Consolidated Financial Summary
For the Month of January 2025

$ in Millions	For the Month of January 2025			
			Variance fav (unfav)	
	Actual	Budget	$VAR	%VAR
Operating Revenue	$ 75.2	$ 63.3	$ 11.9	18.8%
Operating Expense	$ 66.4	$ 64.4	$ (2.0)	-3.1%
Income from Operations	**$ 8.8**	**$ (1.1)**	**$ 9.9**	**900.0%**
Operating Margin %	*11.7%*	*-1.8%*	*13.5%*	*750.00%*
Non Operating Income	$ 0.6	$ 3.2	$ (2.6)	-81.3%
Net Income	**$ 9.4**	**$ 2.1**	**$ 7.3**	**347.6%**
Net Income Margin %	*12.5%*	*3.2%*	*9.3%*	*290.6%*

Operating Income includes the Normalizing Item of:

CCAH Voluntary Rate Range Funds (net) Received in January for CY 2023 totaling $4.6 Million

Non Operating Income includes Normalizing Items of:

- FEMA Grant funds (net) received in January $114K

Non-Operating Revenues were below budget due to lower than expected investment earnings

Consolidated Financial Summary
For the Month of January 2025 - Normalized

$ in Millions	For the Month of January 2025			
			Variance fav (unfav)	
	Actual	Budget	$VAR	%VAR
Operating Revenue	$ 70.6	$ 63.3	$ 7.3	11.5%
Operating Expense	$ 66.4	$ 64.4	$ (2.0)	-3.1%
Income from Operations	**$ 4.2**	**$ (1.1)**	**$ 5.3**	**481.8%**
Operating Margin %	*5.9%*	*-1.8%*	*7.7%*	*427.78%*
Non Operating Income	$ 0.4	$ 3.2	$ (2.8)	-87.5%
Net Income	**$ 4.6**	**$ 2.1**	**$ 2.5**	**119.0%**
Net Income Margin %	*6.5%*	*3.2%*	*3.3%*	*103.1%*

Operating Income excludes the Normalizing Item of

CCAH Voluntary Rate Range Funds (net) Received in January for CY 2023 totaling $4.6 Million

Non Operating Income includes Normalizing Items of:

- FEMA Grant funds (net) received in January $114K

Non-Operating Revenues were below budget due to lower than expected investment earnings

Executive Summary: Financial Performance

Salinas Valley Health Income from Operations was $8.8 million for the month which was favorable to budget by $9.9M. Normalized Income from operations was $4.2M (5.9%). The favorable financial performance for the month was driven by the following:

Key Favorable Performance Highlights:

- **Outpatient revenue** was favorable compared to budget by $23M (16%), due to higher than budgeted patient volumes in the following areas:
  - **OP Surgeries** were over budget by 21% (57 cases)
  - **OP Infusion cases** were over budget by 18% (182 cases)
  - **Mammography** cases were over budget by 8% (213 cases)
- **Total Inpatient Admissions** were 16% (143 admits) above budget

- **Commercial Insurance Revenue** was above budget by 12%
- **IP Surgeries** were over budget by 5% (7 cases)
- **Average Length of Stay** was 15% favorable to budget at 3.5 days
- **Deliveries** were up 23% (26 cases)

Executive Summary: Financial Performance – Cont'd

Key Unfavorable Performance Highlights:

- ✓ **Total Case Mix** was under budget by 3% at 1.57
- ✓ **Cath Lab Procedures** were down 30 cases, or 10% below budget at 274
- ✓ **OP Observation** cases were over budget by 31% (43 cases)
- ✓ **Non-Operating Income** was under budget $2.6 million for the month on lower than budget investment income

Consolidated Financial Summary YTD January 2025

$ in Millions	FY 2025 January YTD			
			Variance fav (unfav)	
	Actual	Budget	$VAR	%VAR
Operating Revenue	$ 477.5	$ 435.6	$ 41.9	9.6%
Operating Expense	$ 453.4	$ 442.3	$ (11.1)	-2.5%
Income from Operations	**$ 24.1**	**$ (6.7)**	**$ 30.8**	**459.7%**
Operating Margin %	*5.1%*	*-1.6%*	*6.7%*	*418.8%*
Non Operating Income	$ 20.1	$ 20.7	$ (0.6)	-2.9%
Net Income	**$ 44.2**	**$ 14.0**	**$ 30.2**	**215.7%**
Net Income Margin %	*9.3%*	*3.2%*	*6.1%*	*190.6%*

Operating Income includes the Normalizing Item of:

CCAH Voluntary Rate Range Funds (net) Received in January for CY 2023 totaling $4.6 Million

Non Operating Income includes Normalizing Items of:

FEMA Grant funds (net) received YTD are $3.0 million

- including $114K in January
- FEMA Grant funds received inception to date totals $9.6 million

Consolidated Financial Summary
YTD January 2025 - Normalized

$ in Millions	FY 2025 January YTD			
			Variance fav (unfav)	
	Actual	Budget	$VAR	%VAR
Operating Revenue	$ 472.9	$ 435.6	$ 37.3	8.6%
Operating Expense	$ 453.4	$ 442.3	$ (11.1)	-2.5%
Income from Operations	**$ 19.5**	**$ (6.7)**	**$ 26.2**	**391.0%**
Operating Margin %	*4.1%*	*-1.6%*	*5.7%*	*356.3%*
Non Operating Income **	$ 17.1	$ 20.7	$ (3.6)	-17.4%
Net Income	**$ 36.6**	**$ 14.0**	**$ 22.6**	**161.4%**
Net Income Margin %	*7.8%*	*3.2%*	*4.6%*	*143.8%*

Operating Income excludes the Normalizing Item of:

CCAH Voluntary Rate Range Funds (net) Received in January for CY 2023 totaling $4.6 Million

Non Operating Income excludes Normalizing Items of:

FEMA Grant funds (net) received YTD are $3.0 million

- including $ $114K in January
- FEMA Grant funds received inception to date totals $9.6 million

SVHMC Revenue Highlights January 2025

Gross Revenues were 10.7% *favorable* to budget

- **IP Gross Revenues** were 2.3% *favorable* to budget
- **ED Gross Revenues** were 6.8% *favorable* to budget
- **OP Gross Revenues** were 23.7% *favorable* to budget in the following areas:
  - OP Infusion
  - OP Surgery
  - Mammography

- **Commercial: 12%** *above* budget
- **Medicaid: 12%** *above* budget
- **Medicare: 7%** *above* budget

Payor Mix –Mixed

Total Net Patient Revenues were **$64.0M**, which was *favorable* to budget by **$11.5M** or 21.9%

Financial Summary – January 2025

ADC

Average daily census was 118, 1% above budget of 117

Admits

Total admissions were 16%, 143 admits, above budget

ER Visits

ER Outpatient visits were 1%, 58 cases, above budget

ER Admits

ER admissions were above budget 124 admits, 18%. ER admits as % of total admissions were 84.5% (Excluding OB ED)

IP Surgeries

Inpatient Surgeries were up 5%, 7 cases above budget at 140

OP Infusion

OP Infusion cases were up 18%, 182 cases above budget at 1,186

Cath Lab

Cath Lab procedures were down 30 cases, or 10% below budget at 274

CT/MRI Procedures

MRI procedures were below budget by 30 cases, 10%. CT procedures were above budget by 152 cases, 8%

OP Surgeries

Outpatient Surgeries were above budget 21%, 57 cases, at 328

Deliveries

Deliveries were up 23%, 26 cases, above budget at 141

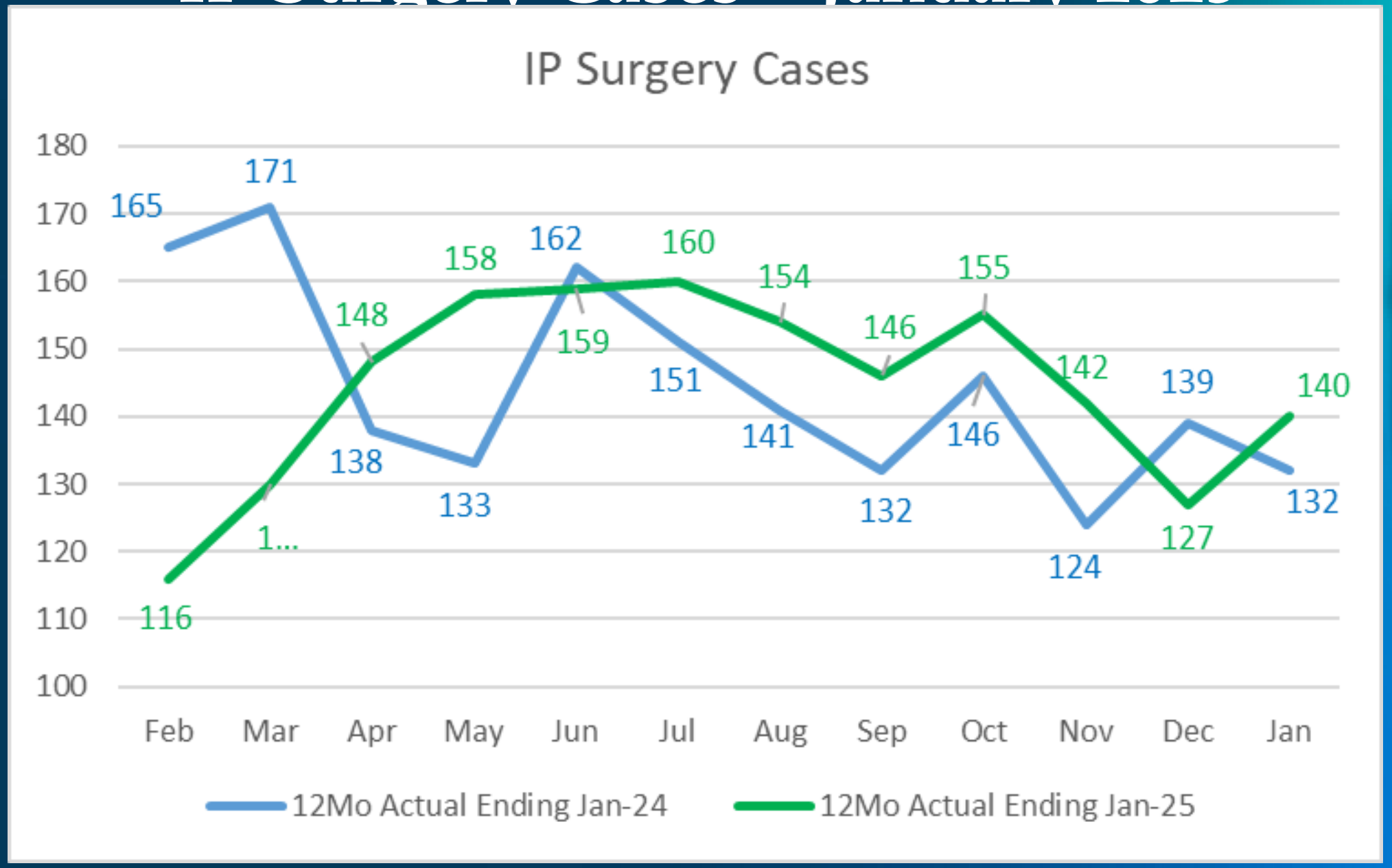
Observation Cases

OP Observations cases were over budget by 31%, or 43 cases at 181

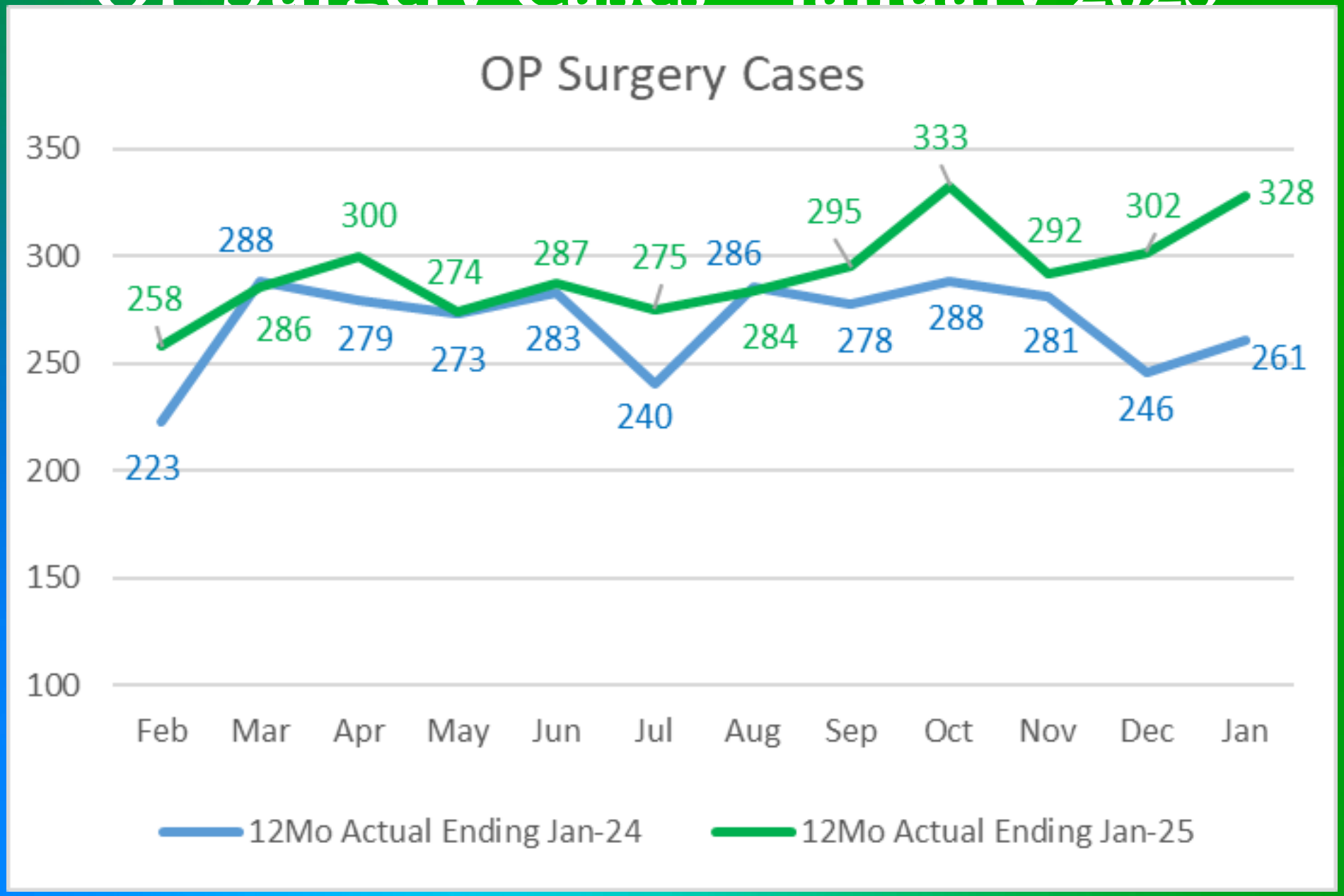
Medicare ALOS

Medicare Traditional ALOS CMI adjusted was favorable to budget at 2.2 days with a Case Mix Index of 1.67

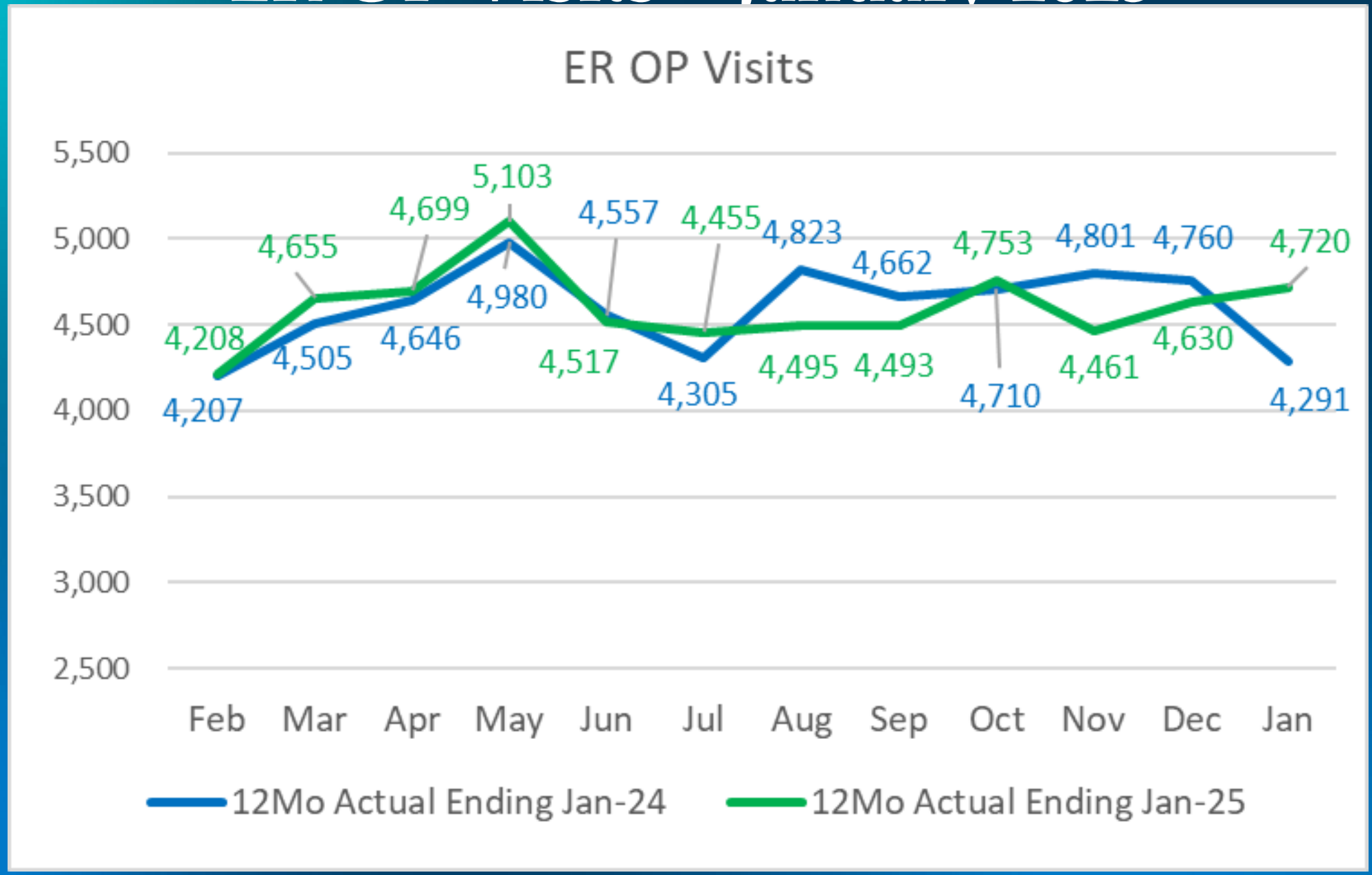
IP Surgery Cases – January 2025



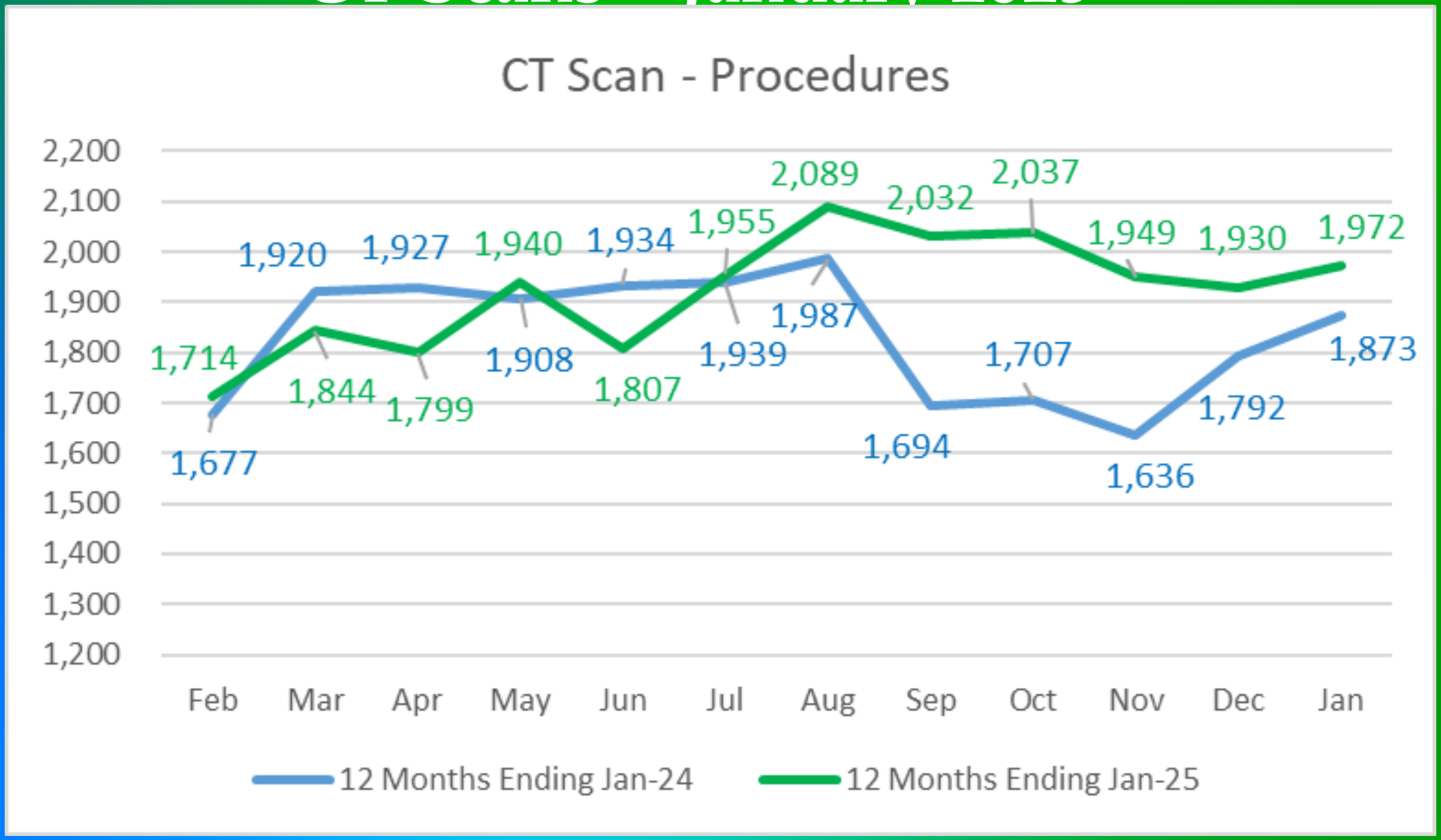
OP Surgery Cases – January 2025



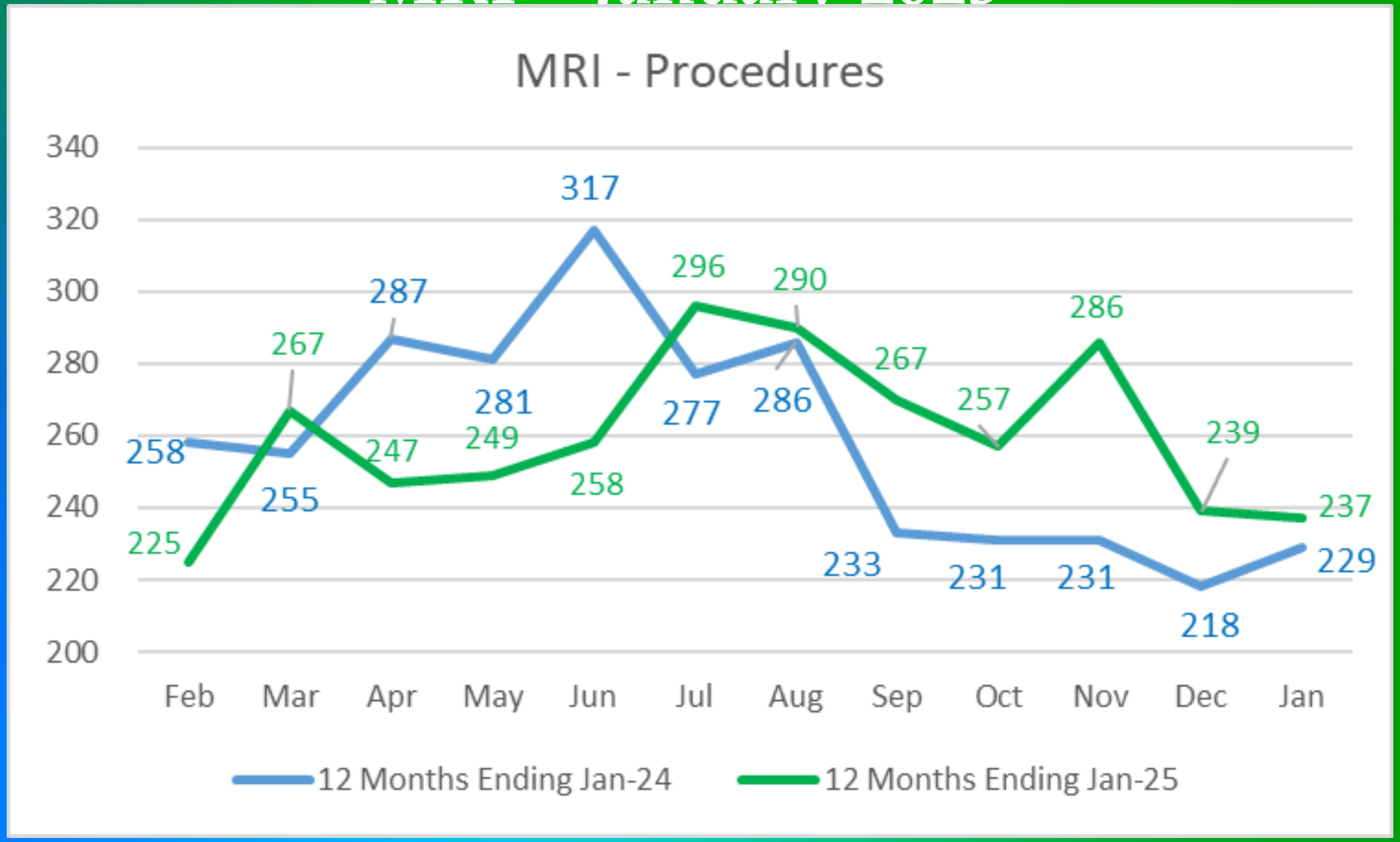
ER OP Visits – January 2025



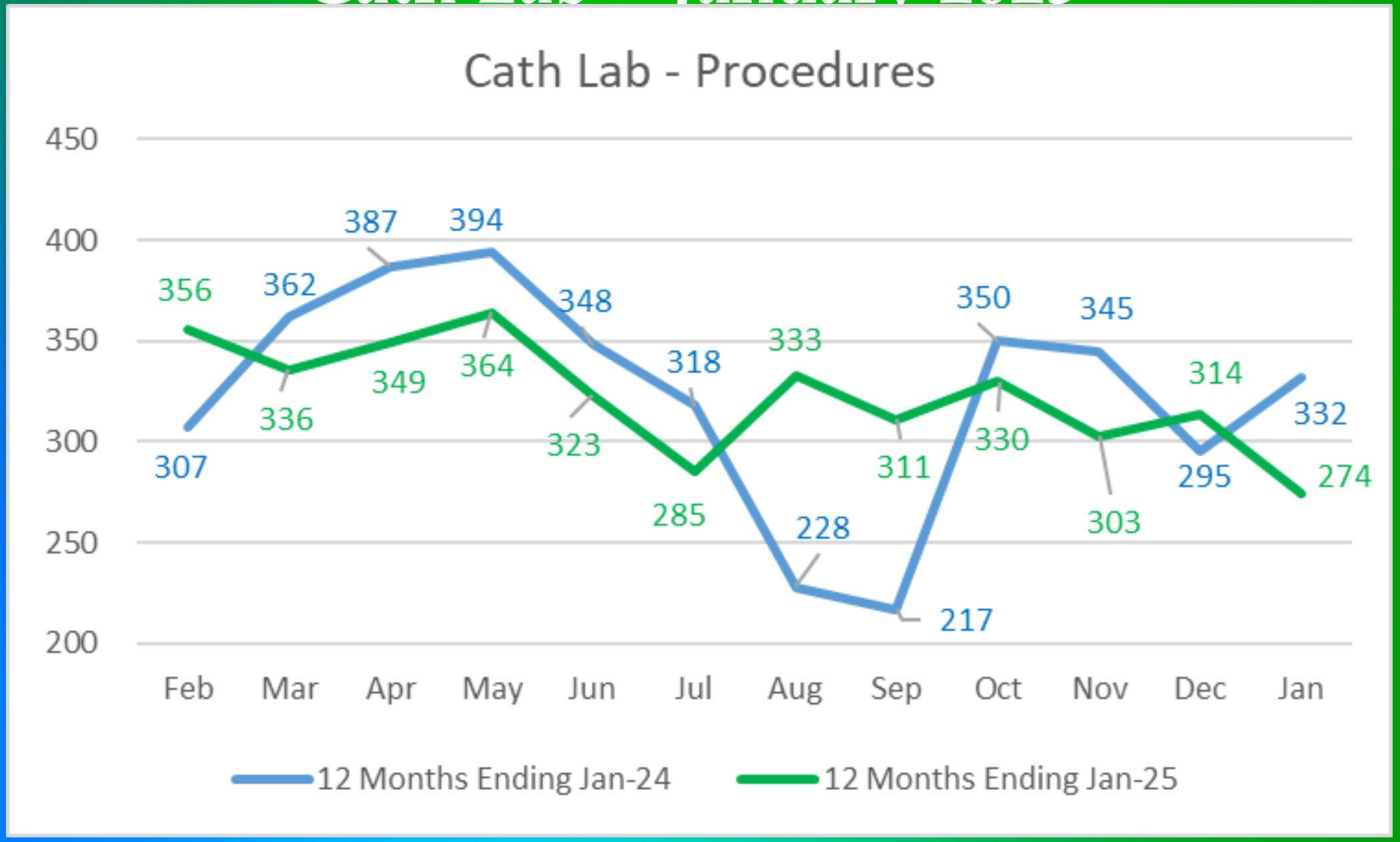
CT Scans – January 2025



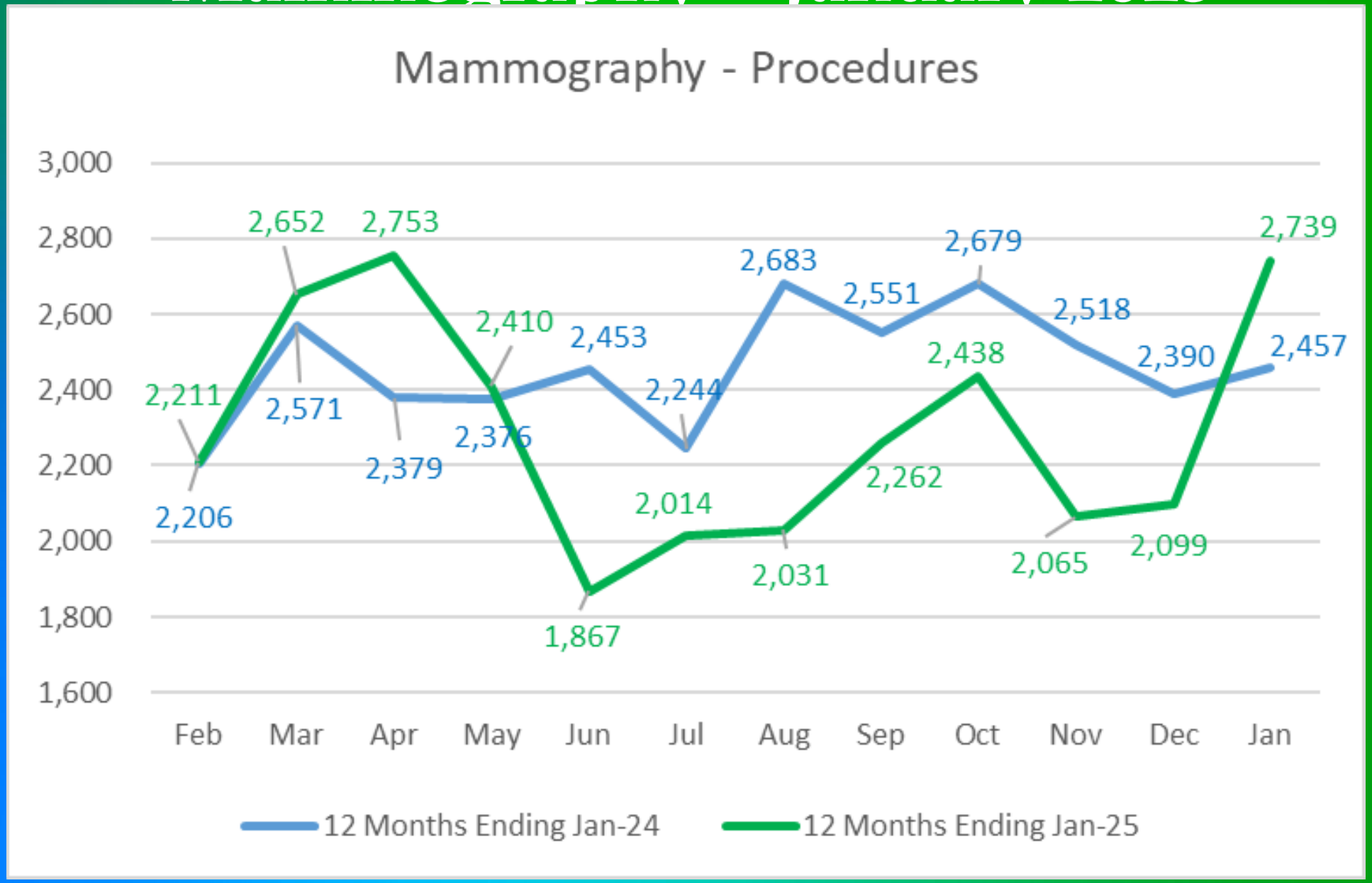
MRI – January 2025



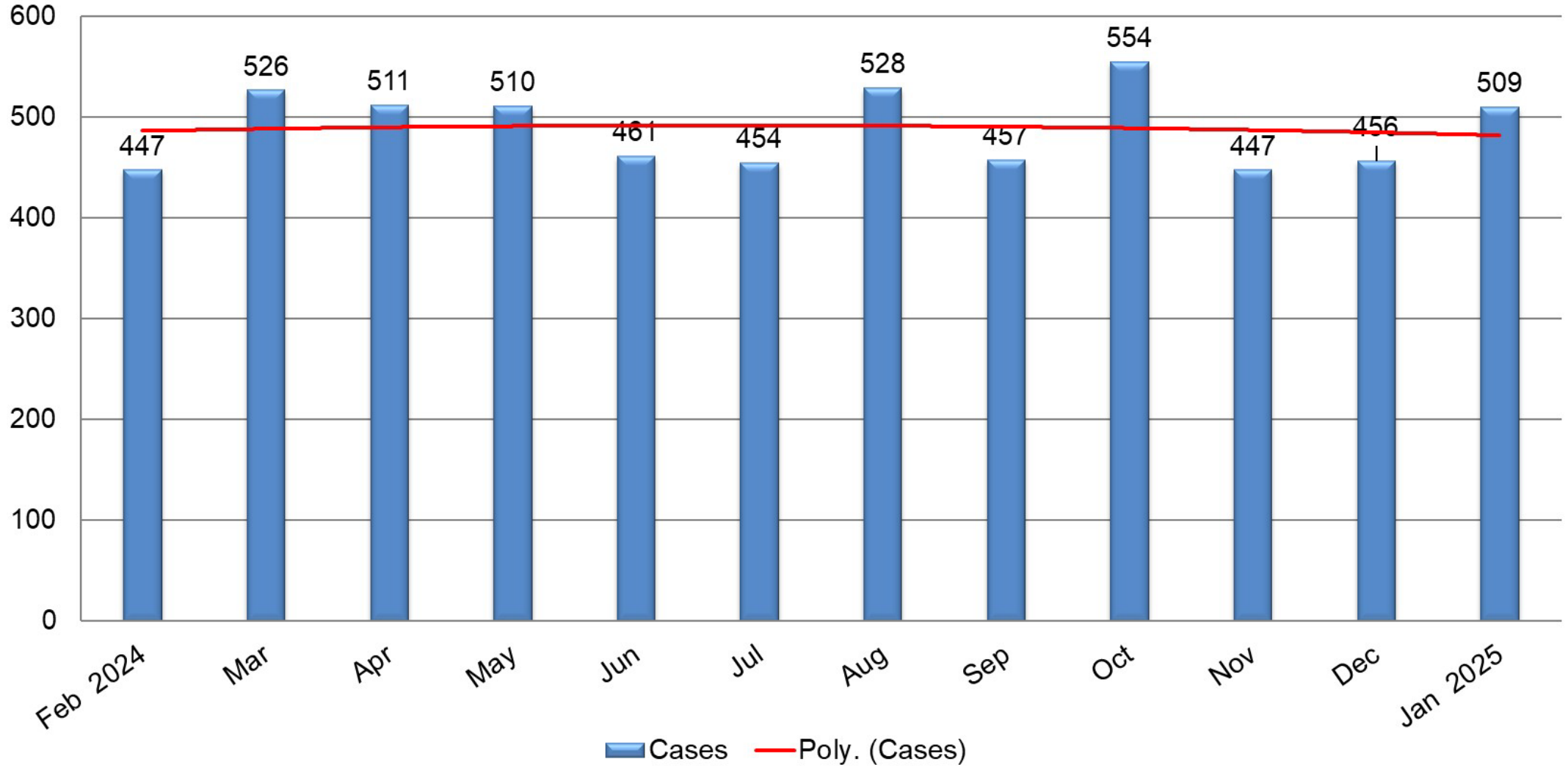
Cath Lab – January 2025



Mammography – January 2025



CDOC Cases - Rolling 12 Month Trend
Feb 2024 thru Jan 2025



Labor Productivity – January 2025

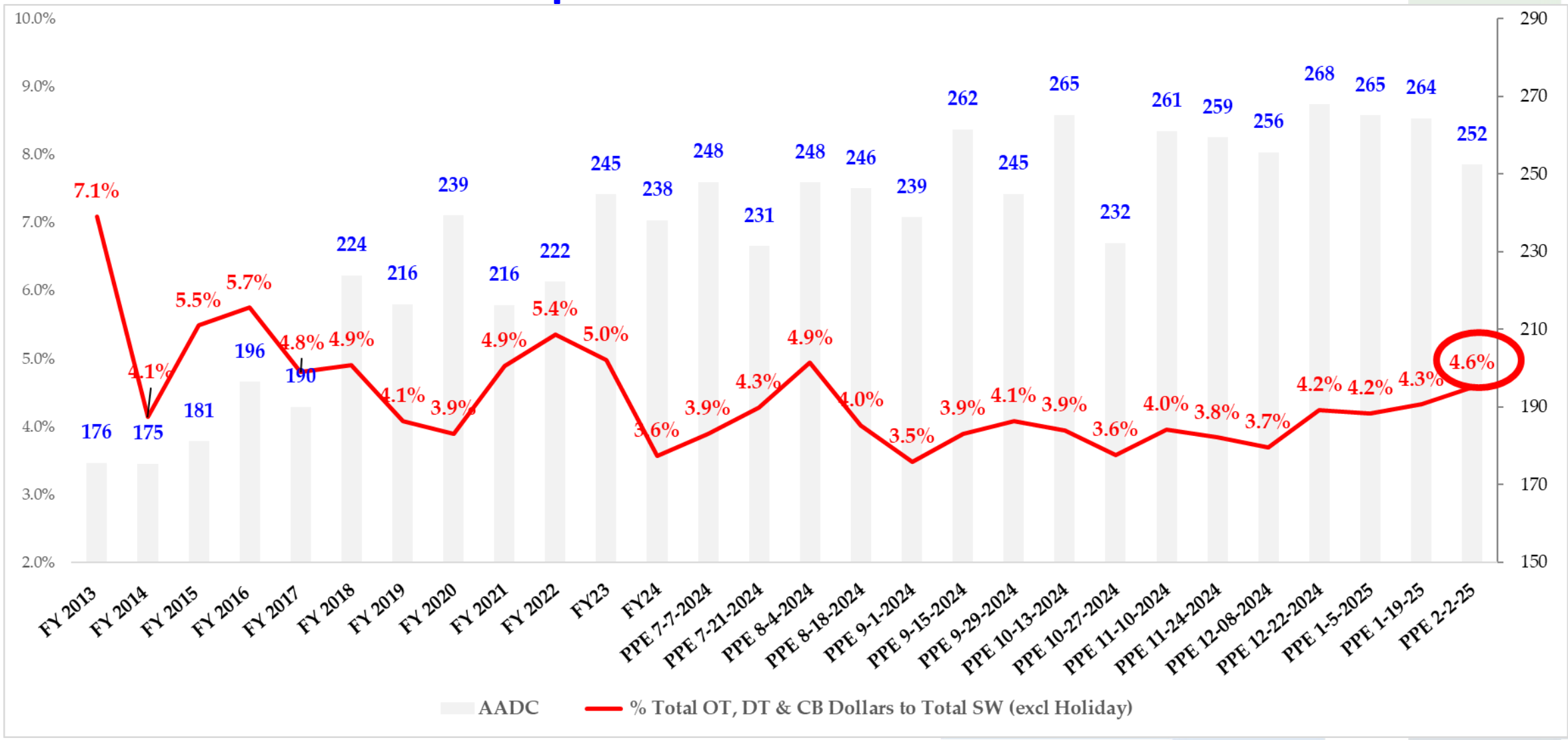
1. **Worked FTEs:** During the month of January, worked FTEs on a PAADC basis were 4.3% favorable at **6.3** with a target of **6.5**. *When reviewed on a unit-by-unit level, the variance was **51** FTEs positive (**$745k**).*

2. **Worked FTEs** increased from 1,473 in December to 1,566 in January. Average daily census decreased by 6 compared to prior month at 118 (1% above budget).

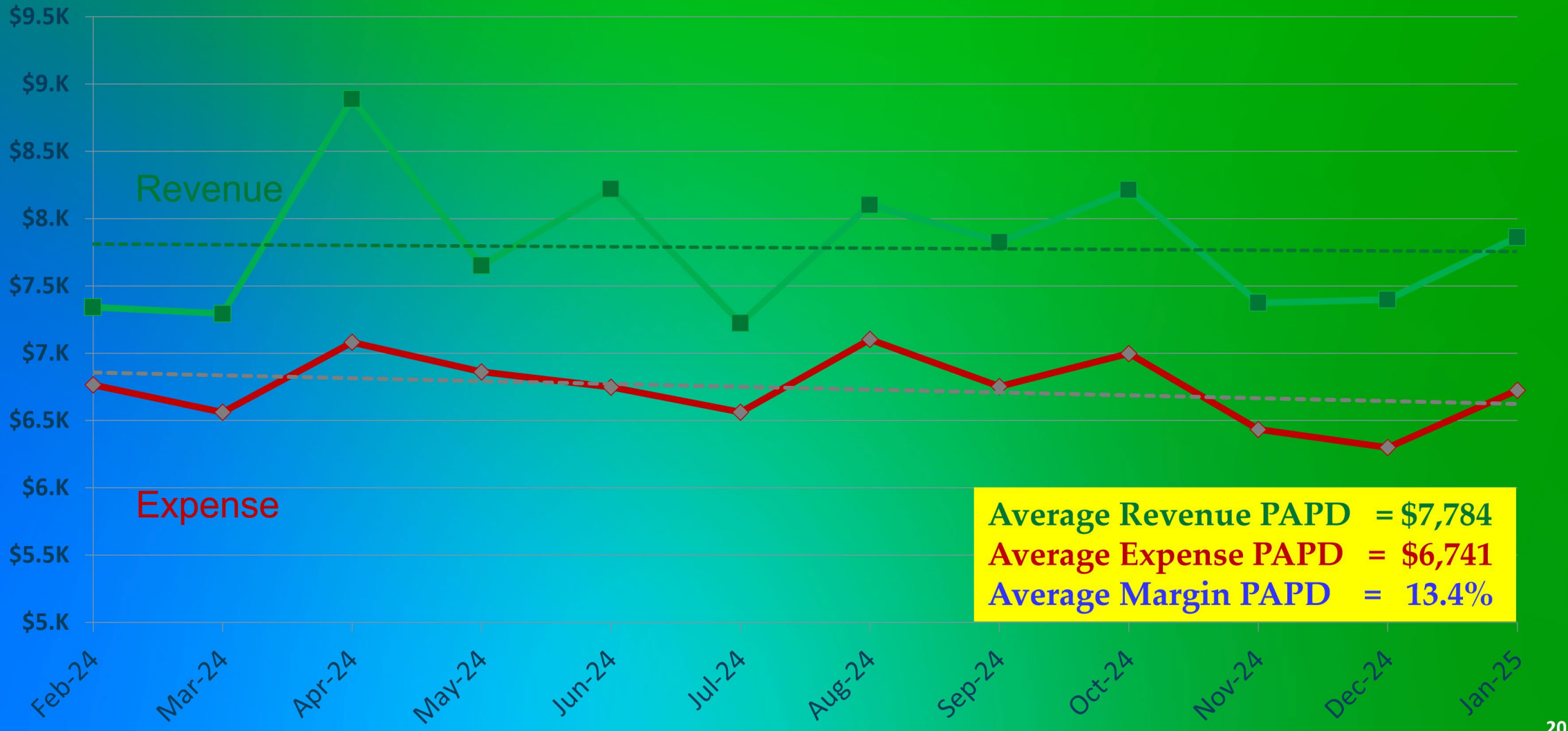
3. **Paid FTEs:** On a PAADC basis, paid FTEs were **6.9%** favorable to budget at **7.3 actual vs. 7.8 budget.** Paid FTEs increased from 1,799 in December to 1,824 in January.

% of Total OT, DT & CB Dollars to Total S&W

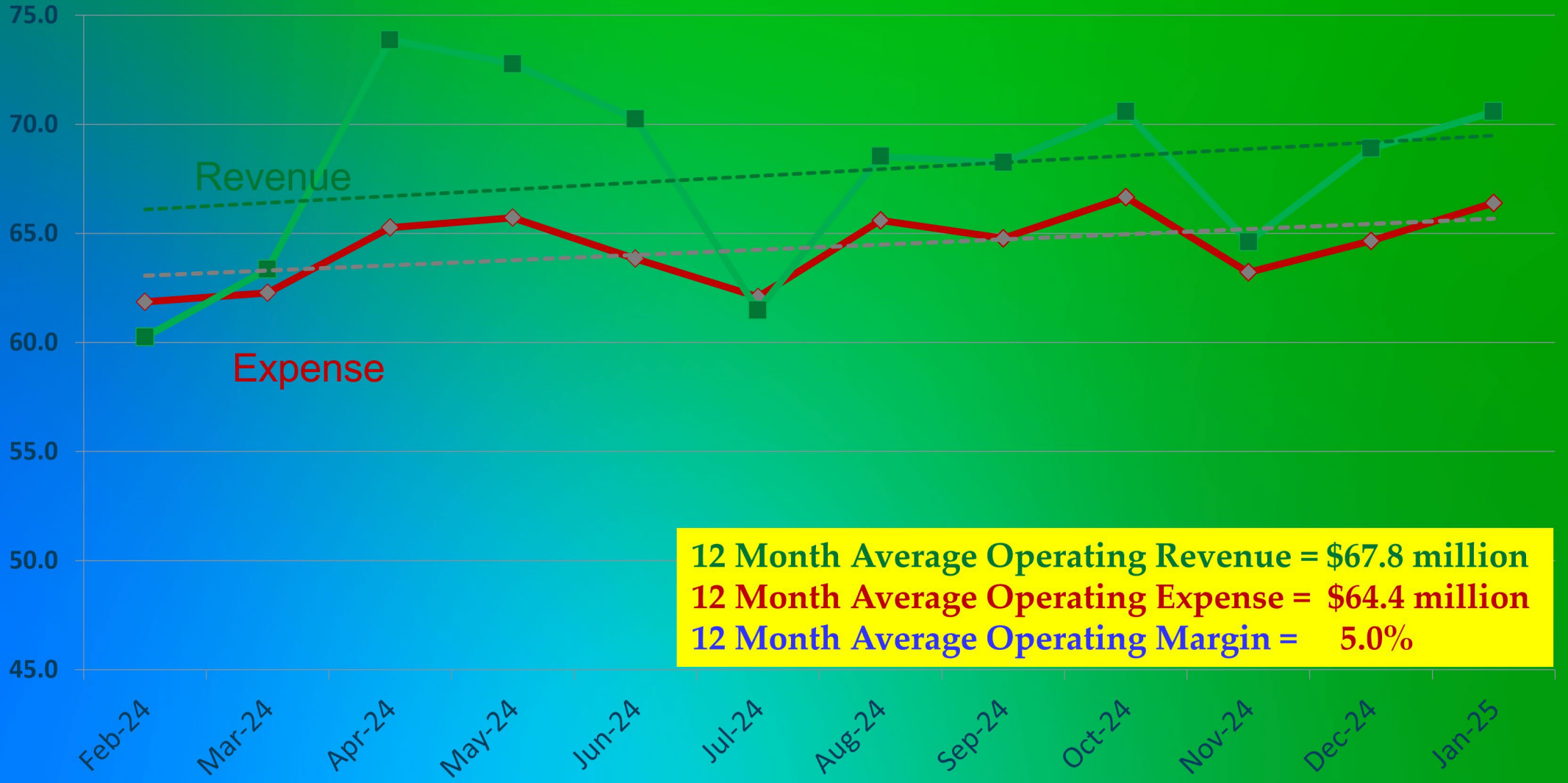
Updated Thru PPE 2-2-25



SVHMC Revenues & Expenses Per Adjusted Patient Day
Rolling 12 Months: Feb 24 to Jan 25



SVH Consolidated Revenues & Expenses
Rolling 12 Months: Feb 24 to Jan 25



12 Month Average Operating Revenue = $67.8 million
12 Month Average Operating Expense = $64.4 million
12 Month Average Operating Margin = 5.0%

All metrics above are consolidated for SVH except Operating Expense per APD

*These metrics have **not** been adjusted for normalizing items

**Metric based on Operating Income (consistent with industry standard)

***Metric based on 365 days average net revenue (consistent with industry standard)

Salinas Valley Health Key

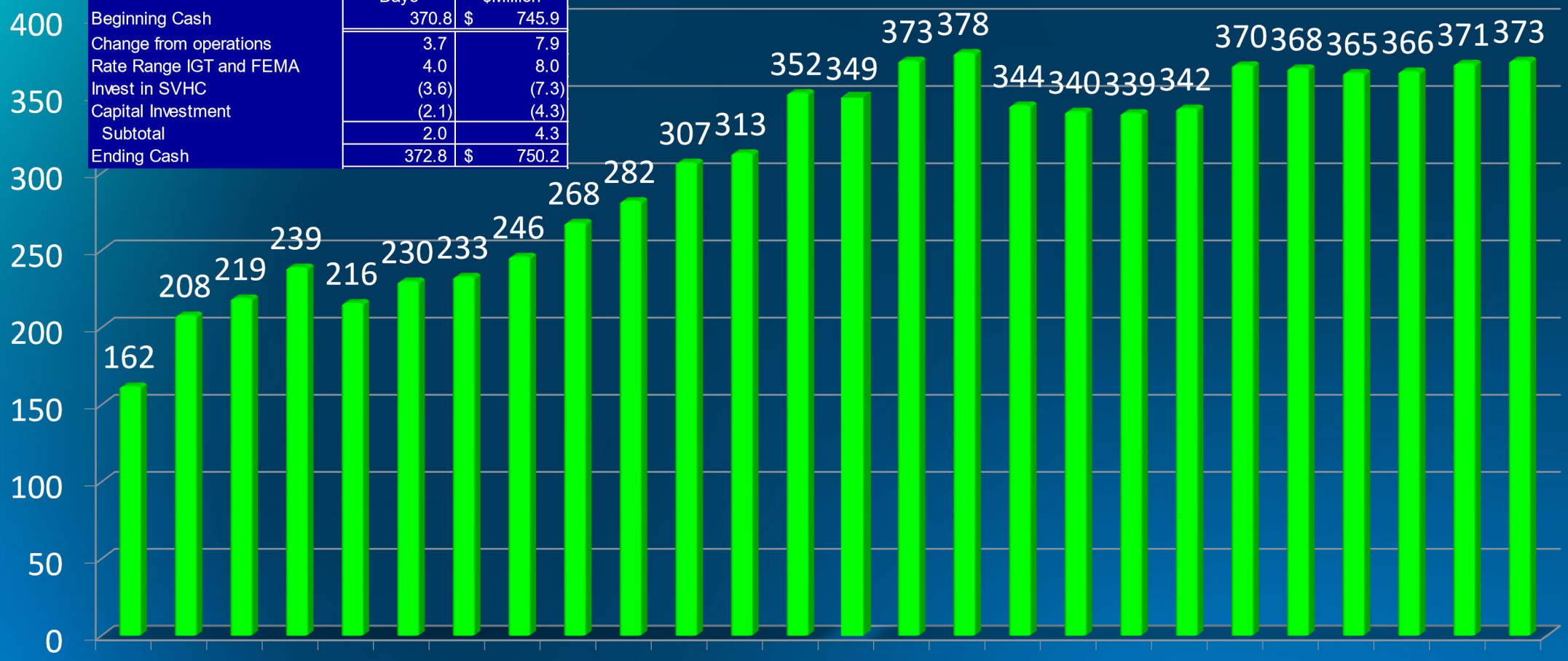
Financial Indicators

	YTD	SVH		S&P A+ Rated		YTD	
Statistic	**1/31/25**	**Target**	**+/-**	**Hospitals**	**+/-**	**1/31/24**	**+/-**
Operating Margin*	5.1%	5.0%		4.0%		-2.2%	
Total Margin*	9.3%	6.0%		6.6%		4.2%	
EBITDA Margin**	9.5%	7.4%		13.6%		2.6%	
Days of Cash*	373	305		249		338	
Days of Accounts Payable*	48	45		-		48	

Days of Net Accounts Receivable**	65	45		49		63	
Supply Expense as % NPR	14.6%	14.0%		-		13.9%	
SWB Expense as % NPR	51.9%	53.0%		53.7%		55.9%	
Operating Expense per APD*	6,637	6,739		-		6,732	

Salinas Valley Health
Days Cash on Hand = 373 Days ($750M) - January 2025

	Days	$Million
Beginning Cash	370.8	$ 745.9
Change from operations	3.7	7.9
Rate Range IGT and FEMA	4.0	8.0
Invest in SVHC	(3.6)	(7.3)
Capital Investment	(2.1)	(4.3)
Subtotal	2.0	4.3
Ending Cash	372.8	$ 750.2



Routine Capital Expenditures
Through January 2025

Fiscal Month	FY 2025 Approved Budget *	Total Purchased Expenditures	Remaining	Project	Amount
July	1,916,667	712,780	1,203,887	Cath Lab Equipment Replacement	103,681
August	1,916,667	1,382,572	1,737,981	Angio Equipment Replacement	75,996
September	1,916,667	729,309	2,925,338	Nurse Call System	15,414
October	1,916,667	1,191,148	3,650,857	Nuclear Med D-Spect Camera	11,040
November	1,916,667	794,889	4,772,635	Miscellaneous	2,344
December	1,916,667	1,381,451	5,307,851	Total Improvements	208,475
January	1,916,667	1,565,871	5,658,646	Surgery Stryker Drill Set	554,586
February	1,916,667		7,575,313	Respiratory Ventilator Systems	327,681
March	1,916,667		9,491,980	Pharmacy Cabinets	129,533
April	1,916,667		11,408,646	Cath Lab Ultrasound	93,220
May	1,916,667		13,325,313	Miscellaneous	252,377
June	1,916,667		15,241,980	Total Equipment	1,357,396
YTD TOTAL	**23,000,000**	**7,758,020**	**15,241,980**	**Grand Total**	**1,565,871**

Questions/Comments

SALINAS VALLEY HEALTH MEDICAL CENTER SUMMARY INCOME STATEMENT January 31, 2025

	Month of January, current year	Month of January, prior year	Seven months ended January 31, current year	Seven months ended January 31, prior year
Operating revenue:				
Net patient revenue	$ 64,024,725	$ 61,613,990	$ 398,737,744	$ 351,385,979
Other operating revenue	1,644,039	328,494	10,635,166	7,575,234
Total operating revenue	65,668,764	61,942,484	409,372,910	358,961,213
Total operating expenses	52,189,851	50,949,807	351,080,574	335,514,655
Total non-operating income	(3,487,895)	(997,809)	(14,947,158)	(6,817,582)
Operating and non-operating income	$ 9,991,018	$ 9,994,868	$ 43,345,178	$ 16,628,976

SALINAS VALLEY HEALTH MEDICAL CENTER BALANCE SHEETS January 31, 2025

	Current year	Prior year
ASSETS:		
Current assets	$ 431,470,049	$ 349,508,114
Assets whose use is limited or restricted by board	170,818,952	164,835,169
Capital assets	255,391,954	250,724,362
Other assets	304,325,620	290,451,252
Deferred pension outflows	$ 85,734,219	116,911,125
LIABILITIES AND EQUITY:		
Current liabilities	97,804,783	94,768,782
Long term liabilities	20,911,441	21,143,341
Lease deferred inflows	1,167,366	1,771,268
Pension liability	90,863,576	118,792,064
Net assets	1,036,993,628	935,954,566
	1,247,740,794	$ 1,172,430,022
		$
	1,247,740,794	$ 1,172,430,022

SALINAS VALLEY HEALTH MEDICAL CENTER
SCHEDULES OF NET PATIENT REVENUE
January 31, 2025

	Month of January, current year	Month of January, prior year	Seven months ended January 31, current year	Seven months ended January 31, prior year
Patient days:				
By payer:				
Medicare	1,831	1,899	12,248	12,602
Medi-Cal	473	475	3,262	3,345
Commercial insurance	677	497	3,926	4,167
Other patient	140	822	783	
Gross revenue:				
Medicare	$ 132,293,277	$ 128,500,375	$ 880,619,262	$ 786,057,925
Medi-Cal	84,681,418	76,095,203	562,489,994	483,005,847
Commercial insurance	63,332,434	52,992,852	407,886,997	369,393,576
Other patient	13,871,775	9,975,991	76,098,061	63,559,989
Gross revenue				
Deductions from revenue:				
Administrative adjustment	282,707	604,055	2,363,252	2,229,964
Charity care	1,023,528	632,874	3,682,134	5,185,545
Contractual adjustments:				
Medicare outpatient	44,561,448	39,108,296	293,449,699	242,070,816
Medicare inpatient	51,414,963	48,186,591	335,666,644	327,361,010

Medi-Cal traditional outpatient	153 1,713,806	2,133,509	10,874,065	20,177,785	Total patient days 3,711 24,260 24,863
Medi-Cal traditional inpatient	2,019,001	5,015,765	34,810,341	33,132,174	
Medi-Cal managed care outpatient	44,411,828	31,859,719	276,222,576	210,393,394	
Medi-Cal managed care inpatient	24,103,199	30,651,688	179,840,538	174,533,845	
Commercial insurance outpatient	27,257,532	21,567,547	186,423,928	153,003,181	
Commercial insurance inpatient	24,657,651	19,760,753	155,121,747	143,564,296	
Uncollectible accounts expense	5,976,284	4,246,345	38,366,424	29,558,634	
Other payors	2,733,795	2,183,218	11,525,091	9,412,784	
Deductions from revenue					
Net patient revenue	$ 294,178,862	267,564,349	1,927,084,182	1,702,009,407	
	$ 64,024,725	$ 61,613,990	$ 398,737,744	$ 351,385,979	

SALINAS VALLEY HEALTH MEDICAL CENTER
STATEMENTS OF REVENUE AND EXPENSES
January 31, 2025

Gross billed charges by patient type:

Inpatient	$ 138,434,750	$ 141,826,613	$ 902,679,828	$ 871,913,731
Outpatient	121,139,628	96,790,497	800,334,925	624,917,743
Emergency room	34,604,184	28,947,238	224,069,429	205,177,933
Total	$ 294,178,562	$ 267,564,349	$ 1,927,084,182	$ 1,702,009,407

	Month of January, current year	Month of January, prior year	Seven months ended January 31, current year	Seven months ended January 31, prior year	
Operating revenue:					
Net patient revenue	$ 64,024,725	$ 61,613,990	$ 398,737,744	$ 351,385,979	
Other operating revenue	1,644,039	328,494	10,635,166	7,575,234	
Total operating revenue	65,668,764	61,942,484	409,372,910	358,961,213	
Operating expenses:					
Salaries and wages	17,711,591	17,798,503	123,165,030	117,136,222	Total operating expenses
Compensated absences	3,717,358	3,193,519	22,289,741	21,164,194	
Employee benefits	8,925,390	9,012,836	56,169,573	58,759,047	
Supplies, food, and linen	8,367,519	7,564,505	60,272,399	50,475,764	
Purchased department functions	3,754,821	4,139,693	27,054,251	25,681,515	
Medical fees	2,745,113	2,259,127	17,786,920	17,398,107	
Other fees	1,955,129	2,981,889	13,496,786	16,222,380	
Depreciation	2,706,543	2,390,598	17,894,958	16,775,845	
All other expense	2,306,387	1,609,137	12,950,916	11,901,581	
	52,189,851	50,949,807	351,080,574	335,514,655	
Non-operating income:					
Donations	237,282	1,000,015	4,245,242	2,333,567	
Property taxes	476,714	333,333	3,337,000	2,333,333	
Investment income	179,786	2,687,322	9,942,500	19,973,644	
Taxes and licenses	0	0	0	0	
Income from subsidiaries	(4,381,677)	(5,018,479)	(32,471,900)	(31,458,126)	

Total non-operating income	(3,487,895)	(997,809)	(14,947,158)	(6,817,582)	Income from operations
Operating and non-operating income	9,991,018	9,994,868	43,345,178	16,628,976	
Net assets to begin	1,027,002,610	925,959,698	993,648,450	919,325,590	
Net assets to end					
	$ 9,991,018	$ 9,994,868	$ 43,345,178	$ 16,628,976	
Net income excluding non-recurring items Non-recurring income (expense) from cost report settlements and re-openings and other non-recurring items	0	0	0	0	
Operating and non-operating income	$				
	$ 1,036,993,628	$ 935,954,566	$ 1,036,993,628	$ 935,954,566	
	13,478,913	10,992,677	58,292,336	23,446,558	
	9,991,018	$ 9,994,868	$ 43,345,178	$ 16,628,976	

SALINAS VALLEY HEALTH MEDICAL CENTER
SCHEDULES OF INVESTMENT INCOME
January 31, 2025

	Month of January, current year	Month of January, prior year	Seven months ended January 31, current year	Seven months ended January 31, prior year	
Detail of income from subsidiaries:					
Salinas Valley Health Clinics					
Pulmonary Medicine Center	$ (237,909)	$ (223,555)	$ (1,450,445)	$ (1,423,234)	
Neurological Clinic	(58,648)	(80,430)	(466,193)	(518,658)	
Palliative Care Clinic	29,441	(96,907)	(632,309)	(615,459)	
Surgery Clinic	(82,651)	(206,760)	(1,125,991)	(1,297,721)	Total $
Infectious Disease Clinic	(50,964)	(40,476)	(318,309)	(253,012)	
Endocrinology Clinic	(235,538)	(249,892)	(1,595,505)	(1,604,863)	
Early Discharge Clinic	0	0	0	0	
Cardiology Clinic	(577,992)	(658,904)	(4,029,118)	(4,056,325)	
OB/GYN Clinic	(584,087)	(379,663)	(2,954,846)	(2,747,900)	
PrimeCare Medical Group	(497,193)	(1,003,003)	(5,581,085)	(6,060,927)	
Oncology Clinic	(389,087)	(363,583)	(2,742,026)	(2,298,809)	
Cardiac Surgery	(303,848)	(185,270)	(2,366,480)	(2,094,519)	
Sleep Center	(96,624)	(54,630)	(612,884)	(343,644)	
Rheumatology	(75,096)	(77,219)	(527,644)	(492,547)	
Precision Ortho MDs	(465,356)	(530,693)	(3,108,991)	(3,351,265)	
Precision Ortho-MRI	0	0	0	0	
Precision Ortho-PT	(59,452)	(59,246)	(516,213)	(313,642)	
Vaccine Clinic	0	0	0	16	
Dermatology	(39,488)	(50,380)	(297,434)	(286,885)	
Hospitalists	0	0	0	0	
Behavioral Health	(34,571)	(60,198)	(279,460)	(314,499)	
Pediatric Diabetes	(28,865)	(40,284)	(282,244)	(321,548)	
Neurosurgery	(132,651)	(32,703)	(825,632)	(241,364)	
Multi-Specialty-RR	3,277	1,303	74,094	19,866	
Radiology	(335,606)	(360,050)	(2,307,253)	(2,243,847)	
Salinas Family Practice	(87,835)	(133,209)	(773,048)	(966,162)	
Urology	(196,692)	(199,553)	(1,351,345)	(1,206,127)	
Total SVHC	(4,537,435)	(5,085,305)	(34,070,361)	(33,033,075)	
Doctors on Duty	(104,183)	77,862	(60,674)	371,821	
LPCH NICU JV	0	0	0	0	
Central Coast Health Connect	0	0	0	0	
Monterey Peninsula Surgery Center	186,973	207,358	1,142,100	949,261	
Coastal	(82,833)	(217,350)	(78,187)	18,336	
Apex	0	0	0	0	
21st Century Oncology	96,935	(35,715)	181,124	(47,108)	
Monterey Bay Endoscopy Center	58,865	34,672	414,098	282,638	
	(4,381,677)	$ (5,018,479)	$ (32,471,900)	$ (31,458,126)	

SALINAS VALLEY HEALTH MEDICAL CENTER
BALANCE SHEETS
January 31, 2025

	Current year	Prior year
	431,470,049	349,508,114
	170,818,952	164,835,169
ASSETS		
Current assets:		
Cash and cash equivalents	$ 288,649,815	$ 219,093,803
Patient accounts receivable, net of estimated uncollectibles of $60,646,814	122,201,698	107,899,596
Supplies inventory at cost	9,121,260	8,246,117
Current portion of lease receivable	956,741	1,239,543
Other current assets	10,540,535	13,029,056
Total current assets		
Assets whose use is limited or restricted by board		
Capital assets:		
Land and construction in process	44,567,392	75,034,848
Other capital assets, net of depreciation	210,824,562	175,689,514
Total capital assets		
Other assets:		
Right of use assets, net of amortization	8,434,565	6,932,254
Long term lease receivable	245,848	666,332
Subscription assets, net of amortization	8,843,195	8,126,644
Investment in Securities	264,948,778	253,785,075
Investment in SVMC	(733,492)	14,520,242
Investment in Coastal	1,674,184	1,699,977
Investment in other affiliates	22,207,845	13,431,703
Net pension asset	(1,295,303)	(8,710,975)
Total other assets		
	265,395,020	290,474,262
Deferred pension outflows		
	85,734,219	116,911,125
	$ 1,247,740,794	$ 1,172,430,022
LIABILITIES AND NET ASSETS Current liabilities:		
Accounts payable and accrued expenses	$ 64,968,185	$ 63,482,139
Due to third party payers	4,014,940	5,517,961
Current portion of self-insurance liability	22,825,371	18,883,412
Current subscription liability	3,159,894	4,375,801

Current portion of lease liability	2,836,393	2,509,470
	118,716,224	115,912,124
	1,167,366	1,771,268
	90,863,576	118,792,064
Total current liabilities	97,804,783	94,768,782
Long term portion of workers comp liability	12,078,720	13,027,333
Long term portion of lease liability	5,581,127	4,643,054
Long term subscription liability	3,251,594	3,472,954
Total liabilities		
Lease deferred inflows		
Pension liability		
Net assets:		
Invested in capital assets, net of related debt	255,391,954	250,724,362
Unrestricted	781,601,674	685,230,204
	1,036,993,628	935,954,566
Total net assets	$ 1,247,740,794	$ 1,172,430,022

SALINAS VALLEY HEALTH MEDICAL CENTER STATEMENTS OF REVENUE AND EXPENSES - BUDGET VS. ACTUAL
January 31, 2025

	Month of January,			Seven months ended January 31,			% Var
	Actual	Variance	% Var	Actual	Budget	Variance	
Operating revenue:							
Gross billed charges	$ 294,178,562	$ 28,528,597	10.74%	$ 1,927,084,183	$ 1,796,533,093	130,551,090	7.27%
Dedutions from revenue	230,153,837	16,285,402	7.61%	1,528,346,439	1,439,724,919	88,621,520	6.16%
Net patient revenue	64,024,725	12,243,194	23.64%	398,737,744	356,808,174	41,929,570	11.75%
Other operating revenue	1,644,039	191,370	13.17%	10,635,166	10,168,683	466,483	4.59%
Total operating revenue	**65,668,764**	**12,434,564**	**23.36%**	**409,372,910**	**366,976,857**	**42,396,053**	**11.55%**
	13,478,913	**9,164,109**	**212.39%**	**58,292,336**	**29,925,252**	**28,367,084**	**94.79%**
Operating expenses:							
Salaries and wages	17,711,591	269,492	1.55%	123,165,030	120,057,583	3,107,447	2.59%
Compensated absences	3,717,358	416,075	12.60%	22,289,741	23,843,214	(1,553,473)	-6.52%
Employee benefits	8,925,390	658,805	7.97%	56,169,573	55,552,119	617,454	1.11%
Supplies, food, and linen	8,367,519	1,065,243	14.59%	60,272,399	50,643,748	9,628,651	19.01%
Purchased department functions	3,754,821	(70,463)	-1.84%	27,054,251	26,776,982	277,269	1.04%
Medical fees	2,745,113	259,476	10.44%	17,786,920	17,399,461	387,459	2.23%
Other fees	1,955,129	198,701	11.31%	13,496,786	12,226,875	1,269,911	10.39%
Depreciation	2,706,543	157,367	6.17%	17,894,958	16,649,957	1,245,001	7.48%
All other expense	2,306,387	315,760	15.86%	12,950,916	13,901,667	(950,751)	-6.84%
Total operating expenses	**52,189,851**	**3,270,455**	**6.69%**	**351,080,574**	**337,051,605**	**14,028,969**	**4.16%**

Income from operations							
Non-operating income:							
Donations	237,282	28,949	13.90%	4,245,242	1,458,333	2,786,909	191.10%
Property taxes	476,714	(0)	0.00%	3,337,000	3,337,000	(0)	0.00%
Investment income	179,786	(1,711,387)	-90.49%	9,942,500	13,238,212	(3,295,712)	-24.90%
Income from subsidiaries	(4,381,677)	741,545	-14.47%	(32,471,900)	(35,862,555)	3,390,655	-9.45%
Total non-operating income	**(3,487,895)**	**(940,894)**	**36.94%**	**(14,947,158)**	**(17,829,009)**	**2,881,851**	**-16.16%**
Operating and non-operating income	**$ 9,991,018**	**$ 8,223,215**	**465.17%**	**$ 43,345,178**	**$ 12,096,243**	**31,248,935**	**258.34%**

VALLEY HEALTH MEDICAL CENTER
PATIENT STATISTICAL REPORT
For the month of January and seven months to date

	Month of January		Seven months to date		
	2024	2025	2023-24	2024-25	Variance
NEWBORN STATISTICS					
Medi-Cal Admissions 30 40 245 249 4 Other Admissions 73 106 572 584 12 Total Admissions 103 146 817 833 16 Medi-Cal Patient Days 47 64 393 476 83					
Other Patient Days	107	169	954	857	(97)
Total Patient Days of Care 154 233 1,347 1,333 (14) Average Daily Census 5.0 7.5 6.3 6.2 (0.1)					
Medi-Cal Average Days	1.8	2.0	1.7	2.1	0.4
Other Average Days 0.8 1.7 1.7 1.5 (0.2) Total Average Days Stay 1.6 1.8 1.7 1.7 (0.0)					
ADULTS & PEDIATRICS					
Medicare Admissions 400 430 2,647 2,682 35 Medi-Cal Admissions 308 285 1,851 2,005 154 Other Admissions 357 341 2,075 2,225 150 Total Admissions 1,065 1,056 6,573 6,912 339					
Medicare Patient Days	1,654	1,480	10,733	10,138	(595)
Medi-Cal Patient Days	1,193	1,044	7,520	7,698	178
Other Patient Days	1,002	942	6,633	5,374	(1,259)
Total Patient Days of Care 3,849 3,466 24,886 23,210 (1,676) Average Daily Census 124.2 111.8 115.7 108.0 (7.8) Medicare Average Length of Stay 4.1 3.3 4.1 3.8 (0.3) Medi-Cal AverageLength of Stay 4.0 3.3 3.5 3.4 (0.2) Other Average Length of Stay 2.8 2.2 2.5 1.9 (0.6) Total Average Length of Stay 3.6 2.9 3.4 3.0 (0.4)					
Deaths	29	22	185	187	2
Total Patient Days	4,003	3,699	26,233	24,543	(1,690)
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%	0.02%	0.00%	-0.02%

SALINAS VALLEY HEALTH MEDICAL CENTER
PATIENT STATISTICAL REPORT
For the month of January and seven months to date

	Month of January		Seven months to date		
	2024	2025	2023-24	2024-25	Variance
PATIENT DAYS BY LOCATION					
Level I	307	258	1,736	1,698	(38)
Heart Center	342	340	2,304	2,293	(11)
Monitored Beds	659	596	4,353	3,966	(387)
Single Room Maternity/Obstetrics	267	417	2,190	2,455	265
Med/Surg - Cardiovascular	850	891	5,826	6,110	284
Med/Surg - Oncology	307	265	1,965	1,883	(82)
Med/Surg - Rehab	531	448	3,251	3,245	(6)
Pediatrics	136	128	944	840	(104)
Nursery	154	233	1,347	1,333	(14)
Neonatal Intensive Care	79	123	874	720	(154)
PERCENTAGE OF OCCUPANCY					
Level I	76.18%	64.02%	62.11%	60.75%	
Heart Center	73.55%	73.12%	71.44%	71.10%	
Monitored Beds	78.73%	71.21%	74.99%	68.32%	
Single Room Maternity/Obstetrics	23.28%	36.36%	27.53%	30.86%	
Med/Surg - Cardiovascular	60.93%	63.87%	60.22%	63.15%	
Med/Surg - Oncology	76.18%	65.76%	70.30%	67.37%	
Med/Surg - Rehab	65.88%	55.58%	58.16%	58.05%	
Med/Surg - Observation Care Unit	0.00%	0.00%	0.00%	0.00%	
Pediatrics	24.37%	22.94%	24.39%	21.71%	
Nursery	30.11%	45.55%	18.99%	18.79%	
Neonatal Intensive Care	23.17%	36.07%	36.96%	30.44%	

SALINAS VALLEY HEALTH MEDICAL CENTER
PATIENT STATISTICAL REPORT
For the month of January and seven months to date

Month of January		Seven months to date		
2024	2025	2023-24	2024-25	Variance

SALINAS VALLEY HEALTH MEDICAL CENTER
PATIENT STATISTICAL REPORT
For the month of January and seven months to date

	Month of January		Seven months to date		
	2024	2025	2023-24	2024-25	Variance
DELIVERY ROOM					
Total deliveries	102	139	753	822	69
C-Section deliveries	21	51	249	259	10
Percent of C-section deliveries	20.59%	36.69%	33.07%	31.51%	-1.56%
OPERATING ROOM					
In-Patient Operating Minutes	16,222	18,783	112,915	127,446	14,531
Out-Patient Operating Minutes	26,930	36,017	204,723	243,536	38,813
Total	43,152	54,800	317,638	370,982	53,344
Open Heart Surgeries	12	13	80	82	2
In-Patient Cases	115	125	809	833	24
Out-Patient Cases	278	343	2,036	2,300	264
EMERGENCY ROOM					
Immediate Life Saving	24	33	244	226	(18)
High Risk	869	835	5,204	6,014	810
More Than One Resource	2,655	3,003	19,808	19,736	(72)
One Resource	1,691	1,934	13,534	12,516	(1,018)
No Resources	54	68	648	532	(116)
Total	5,293	5,873	39,438	39,024	(414)

SALINAS VALLEY HEALTH MEDICAL CENTER
PATIENT STATISTICAL REPORT
For the month of January and seven months to date

Month of January		Seven months to date		
2024	2025	2023-24	2024-25	Variance

SALINAS VALLEY HEALTH MEDICAL CENTER
PATIENT STATISTICAL REPORT
For the month of January and seven months to date

	Month of January		Seven months to date		
	2024	2025	2023-24	2024-25	Variance
CENTRAL SUPPLY					
In-patient requisitions	13,675	12,261	92,017	87,284	-4,733
Out-patient requisitions	10,221	10,913	72,031	76,426	4,395
Emergency room requisitions	677	403	5,132	4,205	-927
Interdepartmental requisitions	6,876	7,244	46,479	47,769	1,290
Total requisitions	31,449	30,821	215,659	215,684	25
LABORATORY					
In-patient procedures	40,812	37,881	258,702	248,990	-9,712
Out-patient procedures	41,103	49,217	167,740	307,184	139,444
Emergency room procedures	12,631	13,310	90,813	88,021	-2,792
Total patient procedures	94,546	100,408	517,255	644,195	126,940
BLOOD BANK					
Units processed	241	234	2,103	2,000	-103
ELECTROCARDIOLOGY					
In-patient procedures	1,224	1,150	7,685	7,822	137
Out-patient procedures	366	464	2,760	2,901	141
Emergency room procedures	1,250	1,375	8,443	8,987	544
Total procedures	2,840	2,989	18,888	19,710	822
CATH LAB					
In-patient procedures	110	143	841	931	90
Out-patient procedures	134	91	806	851	45
Emergency room procedures	0	0	0	1	1
Total procedures	244	234	1,647	1,783	136
ECHO-CARDIOLOGY					
In-patient studies	429	386	2,666	2,771	105
Out-patient studies	312	370	1,937	2,342	405
Emergency room studies	0	2	7	12	5
Total studies	741	758	4,610	5,125	515
NEURODIAGNOSTIC					
In-patient procedures	116	158	910	953	43
Out-patient procedures	13	36	128	178	50
Emergency room procedures	0	0	0	1	1
Total procedures	129	194	1,038	1,132	94

SALINAS VALLEY HEALTH MEDICAL CENTER
PATIENT STATISTICAL REPORT
For the month of January and seven months to date

Month of January		Seven months to date		
2024	2025	2023-24	2024-25	Variance

SALINAS VALLEY HEALTH MEDICAL CENTER
PATIENT STATISTICAL REPORT
For the month of January and seven months to date

	Month of January		Seven months to date		
	2024	2025	2023-24	2024-25	Variance
SLEEP CENTER					
In-patient procedures	0	0	0	0	0
Out-patient procedures	274	299	1,638	1,945	307
Emergency room procedures	0	0	0	0	0
Total procedures	274	299	1,638	1,945	307
RADIOLOGY					
In-patient procedures	1,440	1,331	9,268	9,090	-178
Out-patient procedures	396	516	2,781	3,048	267
Emergency room procedures	1,438	1,670	10,400	11,042	642
Total patient procedures	3,274	3,517	22,449	23,180	731
MAGNETIC RESONANCE IMAGING					
In-patient procedures	141	172	982	1,275	293
Out-patient procedures	98	88	796	736	-60
Emergency room procedures	6	6	49	45	-4
Total procedures	245	266	1,827	2,056	229
MAMMOGRAPHY CENTER					
In-patient procedures	4,057	4,493	28,996	25,294	-3,702
Out-patient procedures	4,026	4,476	28,651	25,217	-3,434
Emergency room procedures	0	0	9	9	0
Total procedures	8,083	8,969	57,656	50,520	-7,136
NUCLEAR MEDICINE					
In-patient procedures	26	19	139	116	-23
Out-patient procedures	97	151	744	908	164
Emergency room procedures	0	0	2	2	0
Total procedures	123	170	885	1,026	141
PHARMACY					
In-patient prescriptions	98,461	80,937	595,876	558,723	-37,153
Out-patient prescriptions	16,025	17,401	110,049	117,119	7,070
Emergency room prescriptions	8,968	10,635	64,845	69,581	4,736
Total prescriptions	123,454	108,973	770,770	745,423	-25,347
RESPIRATORY THERAPY					
In-patient treatments	19,701	15,809	116,513	104,681	-11,832
Out-patient treatments	1,145	906	7,592	6,072	-1,520
Emergency room treatments	363	718	3,587	3,762	175
Total patient treatments	21,209	17,433	127,692	114,515	-13,177
PHYSICAL THERAPY					
In-patient treatments	2,521	2,332	17,682	16,215	-1,467
Out-patient treatments	265	286	1,842	1,742	-100
Emergency room treatments	0	0	0	0	0
Total treatments	2,786	2,618	19,524	17,957	-1,567

SALINAS VALLEY HEALTH MEDICAL CENTER
PATIENT STATISTICAL REPORT
For the month of January and seven months to date

Month of January		Seven months to date		
2024	2025	2023-24	2024-25	Variance

SALINAS VALLEY HEALTH MEDICAL CENTER
PATIENT STATISTICAL REPORT
For the month of January and seven months to date

	Month of January		Seven months to date		
	2024	2025	2023-24	2024-25	Variance
OCCUPATIONAL THERAPY					
In-patient procedures	1,541	1,540	9,983	10,041	58
Out-patient procedures	276	263	1,687	1,445	-242
Emergency room procedures	0	0	0	0	0
Total procedures	1,817	1,803	11,670	11,486	-184
SPEECH THERAPY					
In-patient treatments	526	630	3,582	3,741	159
Out-patient treatments	40	41	272	245	-27
Emergency room treatments	0	0	0	0	0
Total treatments	566	671	3,854	3,986	132
CARDIAC REHABILITATION					
In-patient treatments	1	0	10	4	-6
Out-patient treatments	592	552	3,537	4,267	730
Emergency room treatments	0	0	0	1	1
Total treatments	593	552	3,547	4,272	725
CRITICAL DECISION UNIT					
Observation hours	423	288	2,221	1,786	-435
ENDOSCOPY					
In-patient procedures	80	71	522	569	47
Out-patient procedures	39	63	397	405	8
Emergency room procedures	0	1	0	2	2
Total procedures	119	135	919	976	57
C.T. SCAN					
In-patient procedures	781	760	5,037	5,304	267
Out-patient procedures	359	539	2,486	3,483	997
Emergency room procedures	732	672	5,113	5,183	70
Total procedures	1,872	1,971	12,636	13,970	1,334
DIETARY					
Routine patient diets	13,125	17,075	118,097	111,267	-6,830
Meals to personnel	28,709	38,471	199,414	250,027	50,613
Total diets and meals	41,834	55,546	317,511	361,294	43,783
LAUNDRY AND LINEN					
Total pounds laundered	99,024	103,102	683,051	687,136	4,085

SALINAS VALLEY HEALTH MEDICAL CENTER
PATIENT STATISTICAL REPORT
For the month of January and seven months to date

Month of January		Seven months to date		
2024	2025	2023-24	2024-25	Variance

Balanced Scorecard

FY 2025 YTD December

Finance Committee

Monthly Scorecard

Organizational Goals by Pillar	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	FY 2025 Act/Proj	TARGET	Var %		FY 2024 Baseline	
I. Service												
Inpatient - Recommend the Hospital	77.6	75.4	77.3	79.7	77.0	76.0	77.2	78.5	-1.7%		78.0	
Emergency Room - Likelihood of Recommending	66.9	69.2	70.9	65.6	59.7	65.6	66.3	62.3	6.5%		61.8	
Ambulatory - Recommend the Hospital	80.0	85.4	79.8	81.3	79.4	82.6	81.4	86.4	-5.7%		85.4	
Outpatient - Likelihood of Recommending	89.1	87.4	88.6	87.0	89.1	88.1	88.2	89.4	-1.4%		88.4	

- Based on top box scores (highest response possible on the survey scale: Yes, Definitely Yes, Always)
- Inpatient Score FY 2024 Baseline was 78.0. Rationale: Threshold = Baseline. Target is +0.5 from baseline. Max is +1.0 from baseline.
- ER Score FY 2024 Baseline was 61.8. Rationale: Threshold = Baseline. Target is +0.5 from baseline. Max is +1.0 from baseline.
- Ambulatory Score FY 2024 Baseline was 85.4. Rationale: Threshold +0.5 from Baseline. Target is +1.0 from baseline. Max is +1.5 from baseline.
- Outpatient Score FY 2024 Baseline was 88.4. Rationale: Threshold +0.5 from Baseline. Target is +1.0 from baseline. Max is +1.5 from baseline.

Service (30%)

Monthly Scorecard

Notes / Assumptions:

- Source: Press Ganey
- Based on monthly **received date**

Monthly Scorecard
Quality & Safety Processes – ER *(5%)*

Organizational Goals by Pillar	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	FY 2025 Act/Proj	TARGET	Var %	FY 2024 Baseline
III. Quality & Safety Processes										
Emergency Room Efficiencies										
Median length of stay for non-admits (in minutes)	181.0	179.0	177.0	178.0	178.0	182.0	179.0	181.0	1.1%	181.0
Median time from admit decision to time of admission to nursing unit (in minutes)	71.0	68.0	72.0	65.0	67.0	69.0	69.0	74.0	6.8%	74.0

ER - LOS for Non-Admits in Minutes: Data Criteria: Calculate the median LOS in minutes for ER Outpatients for each month & YTD for cases in ER (excludes inpatients and patients leaving against medical advice or left without being seen.) Baseline = Target is based on FY 2024 Actuals. The Threshold & Maximum are 2 minute increments from the Target. **Rationale:** SVHMC ER has recently experienced a higher volume level, including a surge of patients and provider turnover. According to CMS, the latest available data from 2021 indicates that the State Rate is 196 minutes and the National Rate is 203 minutes for comparable size hospitals. The implementation of new ED modular will necessitate new patient flow process which could impact wait times / efficiency (Estimated to start October 2024).

ER - Time to Admit in Minutes: Data Criteria: Calculate the median time for inpatients from admit decision to time of admission to nursing unit in minutes (includes observation cases). Baseline = Target is based on FY 2024 Actuals. The Threshold & Maximum are 2 minute increments from the Target.

Rationale: The ER average daily census is currently averaging at about 186 patients a day compared to the baseline period of 128 (Jul21-Jan22), or a **45%** increase in ER census. We also have continued challenges with COVID and respiratory isolation. The vast increase of volume leads to limited space availability and delays. We have put forth a new initiative called the “Big 5 Handover Process”, which is a streamline handover process between the ED and nursing units, which may reduce admit time. The implementation of new ED modular will necessitate new patient flow process which could impact wait times / efficiency (Estimated to start October 2024).

Source: Meditech

Monthly Scorecard

Cath Lab Percentage of 1

Monthly Scorecard
Quality & Safety Processes – OR & Cath Lab *(5%)*

Organizational Goals by Pillar	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	FY 2025 Act/Proj	TARGET	Var %		FY 2024 Baseline	
III. Quality & Safety Processes												
Operating Room Efficiencies												
Turnover Time (Wheels out / Wheels in) (in minutes)	30.8	30.5	33.9	34.6	32.3	31.1	32.2	30.5	-5.6%		30.8	
Cath Lab Efficiencies												
First Case - On Time Start %	86.1%	81.6%	75.0%	85.4%	83.8%	87.8%	83.3%	85.0%	-2.0%		80.4%	

OR Turnover Time Measurement: Source is from the **PICIS OR Nurse Record**. Calculate minutes elapsed between the wheels out & wheels in of the next case. Only cases where the time difference is less than or equal to 60 minutes will be included because breaks are often scheduled in a day. Due to MD availability, cases that exceed 60 threshold minutes will not count as a turnover. Excludes non-scheduled cases. Measurement applies to cases for the same physician and same room only. Data will be partition by actual date rather than previously scheduled date. **National benchmarks range from 25 to 38 minutes.** FY 2025 Goals are set at a level to continue high efficiency performance and strive to maintain sustainability at these levels as the result of upcoming changes during FY 2025: An additional 7th operating room is expected to open during September & 3 new surgeons hired during FY 2025, which means there will be more complex cases specifically for robotic & neurosurgery cases that require a longer setup and cleanup time for the room.

st case On Time Start Time

Source is from Meditech Community Wide Scheduling for the first case scheduled in each Cath Lab, where the scheduled time is from 7:00 am to 9:00 am

Conscious sedation patients prepped and draped 5 minutes before the scheduled start time as measured by "Patient Ready" note charted in McKesson/CPACS

- Anesthesia patients prepped and draped within 60 minutes of scheduled start time as measured by "Patient Ready" note charted in McKesson/CPACS

Monthly Scorecard

Quality & Safety Processes – HAC & Hand Hygiene *(10%)*

Organizational Goals by Pillar	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	FY 2025 Act/Proj	TARGET	Var %		FY 2024 Baseline
III. Quality & Safety Processes											
Hospital Acquired Conditions Index (Weighted Total)	N/A	N/A	0.86	N/A	N/A	0.80	0.83	0.77	-8.1%		0.77
Hand Hygiene (Average Number of Observations Per Quarter Per Nursing Unit)	N/A	N/A	251	N/A	N/A	218	235	220	6.6%		216

Hospital Acquired Conditions

Source: National Healthcare Safety Network (NHSN) & BD Health Insight Interface

Hospital Acquired Conditions will be measured **quarterly**

Rationale for Targets: The Threshold = FY 2024 Baseline; Max = FY 2023 Baseline; Target is the midpoint. Utilizing CMS/NHSN/Magnet benchmarks and last year's FY targets for sustainment and ongoing prevention practices. Process improvement measures for Falls, HAPIs, CLABSI, CAUTI, CDI, and SSI processes are in place. With the changes in the data methodology in FY 2024, especially with CLABSI, CAUTI, CDI & SSI, we are continuing to create consistency by re-baselining the data for FY 2025 and utilizing comparison data outcomes from FY 2023 and FY 2024.

- **Falls with injury:** NDNQI Magnet benchmark 0.5- our outcomes in FY2022 and FY2023 are meeting the benchmarks
- **HAPI—stage 2 and Deep tissue injuries are added to the CMS measures already reported (currently, stage 3,4 and unstageable events are reported)—the goal expanded. There is no current benchmark. We have already improved the outcomes in FY 2023 over FY 2021—**we are proposing to keep/sustain the current outcomes. Displayed as a rate: number of pressure injuries /over 1000 patient days.
- **CLABSI** (Central Line-Associated Bloodstream Infection), Health & Human Services 2020 Goal for CLABSI: SIR <0.50. An HAI Event can create increases above the benchmark SIR due to low utilization. Example: FY Q2 2021 1 CLABSI increased the SIR to 0.63. We will utilize a rate methodology: number of infections/ over 1000 line days. This rate is not risk-adjusted like the SIR rate is, but it provides us with the ability to display outcome measures after the close of the month instead of waiting from NHSN for benchmarked data. This is important for rapid continuous improvement work.

Monthly Scorecard

- **CAUTI** (Catheter Associated Urinary Tract Infection) Health & Human Services 2020 Goal for CAUTI: SIR <0.75. An HAI Event(s) can create increases above the benchmark SIR due to low utilization. Example: FY Q4 2022 1 CAUTI increased the SIR to 0.72 .We will utilize a rate methodology: number of infections/ over 1000 line days. This rate is not risk adjusted like the SIR rate is but it provides us with the ability to display outcome measures after the close of the month instead of waiting from NHSN for benchmarked data.
- **CDI** (Clostridium Difficile Infection), Health & Human Services 2020 Goal for CDI: SIR <0.70. We will utilize a rate methodology: number of infections/ over 1000 patient days. This rate is not risk adjusted like the SIR rate is but it provides us with the ability to display outcome measures after the close of the month instead of waiting from NHSN for benchmarked data.
- **SSI** (Surgical Site Infections), Health and Human Services 2020 Goal for SSI <0.70. We will utilize a rate methodology: number of infections/ over 1000 procedure days. This rate is not risk adjusted like the SIR rate is but it provides us with the ability to display outcome measures after the close of the month instead of waiting from NHSN for benchmarked data. **Hand Hygiene**

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Source: Hand Hygiene Auditing Tool populated by SVHMC staff. The threshold = baseline, the target is +4 & Maximum is +14 from baseline.

Monthly Scorecard

Organizational Goals by Pillar	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	FY 2025 Act/Proj	TARGET	Var %	FY 2024 Baseline
IV. Finance										
SVHMC Income from Operations (Normalized & Adjusted) ($ in Millions)	$4,729	$7,311	$7,978	$9,050	$6,954	$8,792	$89,627	$50,803	76.4%	$74,413
Operating Margin (Normalized)	*9.2%*	*12.4%*	*13.7%*	*14.8%*	*12.8%*	*14.9%*	*13.0%*	*8.1%*	*61.8%*	*11.3%*

Target Methodology is based on SVHMC's 100% of FY 2025 Board Approved Annual Operating Budget (in dollars).

Finance *(20%)*

Monthly Scorecard

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New Oncology clinical trials opened: 1 **Growth *(10%)*** (NCI Cancer Moonshot Biobank Study)

Organizational Goals by Pillar	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Act/Proj	TARGET	Var %		FY 2024 Baseline
V. Growth											
Increase the scope of the Community Oncology Research Program by adding one to two New Clinical Trials	-	-	-	-	-	-	-	1	1	1	0.0% -
Expand / Add one to two New Comprehensive Cancer Program Outpatient Supportive Services	-	-	-	-	-	0	1	-100.0%	-	-	- -
Initiation of Familial Genetic Testing for non-breast cancers							-	0	1	-100.0%	-
Implementation of External TeleHealth Services in the SVH Clinic System & Average Monthly Visits during FY25Q4				-	-	-	-	0	25	-100.0%	-

- **Increase the scope of the Community Oncology Research Program by adding 1-2 Clinical Trials:** Success measured by the number of new active Clinical Trial Agreements (CTA's) for IRBapproved oncology research protocols. Expanding the number clinical trials aligns with the Comprehensive Cancer Program's mission to advance oncology research and improve outcomes and health equity within the community. There is no Threshold (zero opportunity for Threshold Incentive). Data Source: Research Program (Terri Nielsen)
- **Expand/add Comprehensive Cancer Program Outpatient Supportive Services**: Supportive services in Cancer Care complements the care provided by oncologists. Cancer patients and their families have significant supportive needs throughout their disease trajectory. The Cancer Resource Center currently provides supportive services such as Social Work, personalized Nurse Navigator Support, Support Groups and Wig/Head Covering Program. Supportive services for consideration include lymphedema clinic, nutritional counseling, spiritual care, art therapy, etc. There is no Threshold (zero opportunity for Threshold Incentive). Data Source: Comprehensive Cancer Program.
- **Initiation of Familial Genetic Testing for non-breast cancers**: Familial genetic testing allows family members of an individual known to have an inherited gene mutation to test and determine if they need screening tests to look for cancer early or if they need to take steps to lower their risk of cancer. Familial genetic testing is offered for families of breast cancer patients with specific gene

Monthly Scorecard

mutations. The Target is based on successful initiation of the program, while the Stretch goal will include Genetic Counseling provided as part of the service. There is no Threshold (zero opportunity for Threshold Incentive). Data Source: Myriad and Meditech Reports

- **Implementation of External TeleHealth Services in the SVH Clinic System for FY2025 Q4:** Expansion of resources via an external telehealth company. Increase access and expand provider team. Rollout will require implementation plan and resources to ensure success/adoption (insurance credentialing, patient education). Areas of emphasis: after hours and weekend coverage provided. Important to improve access for services, patient experience and reduce burden of call for physicians (provider satisfaction). External resources supplement current services provided at four SVH locations (in person and telehealth). (Not including DOD.) The Threshold will be based on successful implementation of the Telehealth Services, followed by the Target & Maximum measured by average monthly visits during Q4. Data will be provided FY2025, Q4. Data Source: Business & Development Reports

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**

- Achieved by:
-
-
-
- Threshold 3 | Target 5 | Max 6

Community
FY 2025 Goals

Organizational Goals by Pillar	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	FY 2025 Act/Proj	TARGET	Var %		FY 2024 Baseline
VI. Community											
* Increase community engagement through individual district zone specific events	0	0	0	2	0	0	2	5	-60.0%		-
** Allocation of Community Benefit funding in South County Measured by: % Over Baseline ($3,000)	-	-	-	-	-	6.0%	6.0%	4.0%	50.0%		-
Allocation of Community Benefit funding in North County Measured by: % Over Baseline ($0)	-	-	6.0%	-	-	-	6.0%	4.0%	50.0%		-

Community Pillar (Total 5%) – Increase diversified impact throughout the hospital District through community engagement and program support.

Increase community engagement through individual district zone specific events (2.5%)

Diversified community outreach events in each of the five District zones
Community health and service line promotion prioritized
Measured by event hosting or participation

Zone 1	Zone 2 ✔	Zone 3	Zone 4	Zone 5 ✔
Confirmed event on April 27th	COMPLETED on Oct 14th: Flu Clinic and hospital resource fair at Boys & Girls Club	Confirmed event on March 6th	Confirmed event March 30th	COMPLETED on Oct 12th: Gonzales Family Fun Day

- Diversify distribution of Community Benefit Funding to increase grants in North County and South County regions.
- Measurement is based on % increase of total funds allocated in identified areas, baseline FY24 number and development of dashboard

**** Community Engagement Status:***

Development of a Community Funding dashboard
Include District funding distribution
Outreach to underrepresented communities to encourage aligned funding request

- Threshold: 2% increase | Target: 4% increase | Max: 6% increase

***** Allocation of Community Benefit funding: South County community benefit was funded $2,500 on 9/23/24 and $5,000 on 12/30/24 which has exceeded the maximum of 6% over the baseline (baseline is $3,000). North County community benefit was funded $5,000 on 9/23/24 which has exceeded the maximum of 6% over the baseline (baseline is $0).***

Allocation of Community Benefit funding (2.5%)

- Achieved by:
  -
  -
  -

QUESTIONS / COMMENTS

ADJOURNMENT