Northern Inyo County Local Hospital District

Board of Directors Regular Meeting

Wednesday January 16 2013; 5:30pm

Board Room
Birch Street Annex
2957 Birch Street, Bishop, CA

DRAFT AGENDA

NORTHERN INYO COUNTY LOCAL HOSPITAL DISTRICT
BOARD OF DIRECTORS MEETING
January 16, 2013 at 5:30 P.M.
In the Northern Inyo Hospital Board Room at 2957 Birch Street, Bishop, CA

1. Call to Order (at 5:30 p.m.).
2. Opportunity for members of the public to comment on any items on this Agenda.

Consent Agenda

3. Approval of the minutes of the December 19, 2012 regular meeting (*action item*).
4. Financial and Statistical Reports for the month of November 2012; John Halfen (*action item*).

   • *The month of November produced a modest surplus of revenues over expenses of $107,757; although somewhat short of budget ($181,520). Total expenses were slightly less than budget and gross revenues were slightly ahead of budget. Net income on a year-to-date basis is 2.5 million ahead of budget. Cash continues to improve slightly although days in Accounts Receivable did increase slightly to 60 days. December may prove to be a difficult month as volume was down.*

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5. Administrator's Report; John Halfen.
   - A. Orthopedic services update
   - B. Security report for November 2012
   - C. Physician Recruiting Update
   - D. Bond Refinancing Update
   - E. Patient Compliment
   - F. Anthem Blue Cross update
6. Chief of Staff Report; Robbin Cromer-Tyler, M.D.

   A. Policy and Procedure approvals (*action items*):

      1. Standardized Procedures for NIH RHC Nurse Practitioners

         a.) *Emergency Care Policy for the Nurse Practitioner*

         b.) *Laboratory and Diagnostic testing*

      2. Protocols for NIH RHC Physician Assistants

         a.) *Emergency Care Policy for the Rural Health Clinic Physician Assistant*

         b.) *Laboratory and Diagnostic Testing Policy for the Rural Health Clinic Physician Assistant*

7. Old Business

   A. Update on CEO Succession plan and selection of recruiter (*action item*).

8. New Business

A. Discussion of employee concerns regarding NIH family and medical leave policies (*possible action item*).

B. Reconsideration of separation of employment of Donise Costello, LVN (*possible action item*).

C. Discussion of the relationship between Northern Inyo Hospital; the District Board of Directors; and the Personnel Payroll Advisory Committee (PPAC); per Nita Eddy, NIH Nursing PPAC Representative (*possible action item*).

D. G.E. Healthcare Contract and purchase, wireless upgrade (*action item*).

E. Daisy Foundation Nursing Awards (*information item*).

F. NIH Employee Survey (*possible action item*).

G. Personnel Policy Approval, "*Health and Safety – Post-Offer Physical Examination and Annual Health Screening* (*action item*).

H. Proposals regarding Hospice of the Owens Valley (*possible action items*):

1. Potential Hospice merger with Pioneer Home Health Care
2. Decision regarding location of Hospices offices
3. Potential for NIH to develop and incorporate a Homecare and Hospice Division
4. Discussion of other potential roles the District would like to play in relation to the Hospice of the Owens Valley

I. Proposal for the California Section 1115 Waiver Demonstration Years Six-Ten (*action item*).

J. Possible purchase of residential real property to serve as temporary housing for persons providing essential services to the District, including but not limited to incoming physicians and nurse travelers (*action item*).

9. Reports from Board members on items of interest.

10. Opportunity for members of the public to comment on any items on this Agenda, and/or on any items of interest.

11. Adjournment to closed session to:

A. Hear reports on the hospital quality assurance activities, and hear a report from the Medical Staff Executive Committee (Section 32155 of the Health and Safety Code, and Government Code Section 54962).

B. Confer with legal counsel regarding pending litigation based on stop notice filed by Strocal, Inc. (Government Code Sections 910 et seq., 54956.9).

C. Conduct CEO Annual Performance Evaluation (Government Code Section 54957).

D. Discussion of an employee complaint and disagreement regarding an employment separation (Government Code Section 54957).

E. Discussion of an employee grievance and appeal of an employee termination (Government Code Section 54957).

F. Conference with real property negotiator (John Halfen) regarding property located in the District (Government Code Section 54956.8).

12. Return to open session, and report of any action taken in closed session.
13. Opportunity for members of the public to address the Board of Directors on items of interest.
14. Adjournment.

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CALL TO ORDER	The meeting was called to order at 5:30pm by Peter Watercott, President.
PRESENT	Peter Watercott, President John Ungersma, M.D., Vice President M.C. Hubbard, Secretary Denise Hayden, Treasurer D. Scott Clark, M.D., Director
ALSO PRESENT	John Halfen, Administrator Robbin Cromer-Tyler, M.D., Chief of Staff Douglas Buchanan, District Legal Counsel Sandy Blumberg, Executive Assistant
ALSO PRESENT FOR RELEVANT PORTIONS	Dianne Shirley, R.N., Performance Improvement Coordinator

OPPORTUNITY FOR PUBLIC COMMENT

Mr. Watercott proposed moving the final opportunity for public comment (on any items listed on the agenda for this meeting or on any items of interest) to the start of this meeting in order the allow those present for this purpose to speak at this time and not have to stay for the remainder of the meeting.

Many individuals were present to speak on the subject of the separation of employment of long-term Northern Inyo Hospital (NIH) per diem employee, Donise Costello, LVN. Ms. Costello was separated from employment when her leave of absence for medical reasons exceeded NIH's 16 week allowed leave policy. The following persons spoke to the Board on this subject:

- Lori Forehand, Med Surg Ward Clerk gave a recap of the details surrounding the separation of Ms. Costello, after "one surgery became two surgeries" and she was separated from employment. Ms. Forehand stated that the separation took NIH staff on the whole by surprise, especially in light of the fact that numerous other employees have been out on longer leaves of absence without losing their jobs. Ms. Forehand stated that this incident has left NIH staff "shaken" and fearful of losing their own jobs in the event that they experience a similar extended medical leave of absence. She also stated she has been unable to locate the personnel policy that addresses this topic, and she feels Administration needs to review and reconsider this issue. Ms. Forehand additionally stated that Ms. Costello is a per diem employee who has greatly exceeded the minimum number of hours she is required to work within a calendar year, and as a per diem employee who does not work full time she should not be held to the same policies that apply to full-time staff.
- Donise Costello spoke next, stating she is grateful that she has

been hired back effective as of December 18th, but she feels there are a lot of errors in the time-off policy that need to be addressed. She also stated she could go quietly back to work and put this incident in her past, but she does not feel that is the correct thing to do because this issue will no doubt affect other NIH employees in the future. She stated that in her case, she feels this situation was handled very poorly. She also expressed her feeling that decisions regarding changes to the leave policy should involve adequate employee input and representation. She also stated that she far surpassed the 200 hours she was required to work in calendar year 2012, and she does not understand why a per diem employee would be separated from employment. She also agreed with Ms. Forehand's statement regarding other employees exceeding the 16 week medical leave of absence without being separated from employment.

- Chris Cauldwell, NIH Surgery Technician spoke next, stating this same leave policy is now affecting her due to the fact that she has been out on leave for shoulder surgery, and now finds she needs a second, unrelated surgery as well. Ms. Cauldwell has worked at NIH for 29 years, and the two week absence needed for her 2nd surgery would result in her separation from employment. Ms. Cauldwell feels she will be forced to delay a surgery that should take place now until September of 2013, in order to avoid separation. She does not feel it is fair that she be terminated and have to return to new employee status because of the 2nd surgery.
- Retired NIH Surgery Unit Nurse Manager Barbara Stuhaan, RN also spoke regarding Ms. Caudwell's (her daughter) health and employment situation, stating her feeling that her situation is grossly unfair and not in the interest of Chris's well being. She additionally commented that Chris could probably have claimed her first (shoulder) surgery as a Workman's Comp case, and in hindsight it appears that perhaps she should have. Ms. Stuhaan also spoke to the amount of stress this type of situation places on employees who are already in a compromised medical condition, and stated that in her 42 years of employment at NIH she has never seen anything similar to this happen. Ms. Stuhaan also stated that she does not believe NIH employees ever received notice that this policy would be going into effect. She additionally stated that she was personally out on a medical leave of absence for a four month period, and she was not separated from employment. She further stated that it is difficult to obtain quality employees and the time and investment that their training requires needs to be part of the financial consideration. Even if separated employees are likely to get their jobs back (once they are able to return to work) it is unfair for them to also be subjected to the stress of potentially losing their job when they are already in a

compromised state of health. Ms. Stuhaan also stated that without quality employees a workplace is nothing more than walls, concrete, and paint. She additionally stated that in her daughter's case, if she is separated from employment, Cobra insurance coverage will cost her family approximately $2,100 per month, which she simply cannot afford. At this time, Chris plans to wait until September 2013 before having her next surgery, which is not in the best interest of her health. Ms. Stuhaan further stated that in regard to the hospitals' motto "*People you know, caring for people you love*", the employees, who are the "*People you know*" are not feeling cared for at this time.

- Martha Reynolds, NIH Case Manager RN2, spoke next, stating that what this matter has brought in ill will to the Hospital cannot possibly be compensated for in dollars. She stated that when NIH loses a valuable employee they cannot always be replaced, and she feels that the burden the new leave policy places on our employees is grossly unfair. Ms. Reynolds stated that NIH is known for its' fabulous care and excellent nursing, and that this policy is not worth any amount of money that it may save. She additionally stated that Administration provides monthly reports stating that the hospital is financially sound, so she would not understand if this policy is being enforced due to financial concerns.
- Nita Eddy, NIH Surgery Tech and 25 year Hospital employee spoke next, stating that she also shares the concerns of her co-workers. Ms. Eddy is a PPAC (Personnel Payroll Advisory Committee) representative who has received many correspond-dences from concerned staff members that she represents. It is her feeling that we may have lost sight of the employee representation element regarding personnel policy decisions, and she feels that the PPAC Committee should have been more involved in this decision. She additionally stated that she feels that management needs to be more aware of just how important NIH's employees are. Ms. Eddy also mentioned that the PPAC Committee has not met for over a year, due to the hospital being caught up in a computer conversion and with the move into the new hospital building. John Ungersma, MD asked if a meeting of the PPAC Committee can be called now, and Ms. Eddy respon-ded was that a meeting has been scheduled for January 15, 2013.
- Long-term Emergency Department RN Pam Spector spoke next, stating that everyone who works at NIH is considered to be 'family', and that our hospital family should never be treated unfairly. NIH staff cares for and about the people in our community, of which we are all a part. Ms. Spector stated the federal government requires that employers allow employees a minimum of 12 weeks of medical leave absence, but nowhere does the government require that we terminate employees if they

exceed the allowed amount of medical leave. Ms. Spector stated her feeling that we "grow people here", and that those people (and certainly our long-term employees) should always be treated fairly.

- Cindy Wahrenbrock, NIH EKG Tech stated she is also concerned about the separation policy, and she feels we need to come up with different solutions to the issue of medical leave. She does not feel it is necessary for management to separate employees who have the misfortune to be out on more than 16 weeks of medical leave, and she suggested looking into the possibility of a catastrophic medical leave insurance program, and other possible solutions rather than "giving up on our people".
- Donise Costello spoke again, asking why this matter was not placed on the agenda for this meeting. Administrator John Halfen replied that in the past, anyone who has requested that an item be placed on the Board agenda has had that request honored; however Ms. Costello's letter did not specifically make that request. Since this is not an agendized item, the Board is not allowed to discuss it at this time, but they are able to hear any public comment on this topic. Ms. Costello asked that this item be placed on the agenda for the January 16th 2013 Board of Directors' meeting, and Mr. Halfen assured her that it will be agendized.
- Chris Costello, Pastor and husband of Donise Costello spoke next, stating that he also does not understand the handling of Donise's separation from employment, noting that her employee evaluations have been exemplary and she is clearly considered to be a model employee. Especially in light of the fact that Ms. Costello is a per diem employee, he wants the Board of Directors and Administration to understand that he feels that Donise's is clearly a case of wrongful termination. He is also concerned that his wife's employment record does not contain information that may be questioned in the future regarding her being "terminated from employment", and he would like to see her termination retracted.
- NIH Dietary Manager Glen Forehand spoke next, asking what will happen to Ms. Cauldwell, who is waiting for surgery, if it takes 6 months to arrive at a solution to this issue. The Board was again unable to respond (due to the fact that this item is not on the agenda for this meeting) and no one else present offered a response to this question.
- Ms. Stuhaan then asked why Donise's employment separation decision was made, inquiring as to whether or not this was a financial decision made my management. The Board again was unable to respond, and no else present responded to the question.

At the conclusion of public comment, Mr. Watercott thanked everyone who showed up to express their concern, acknowledging that it is difficult for people to show up and comment on this topic. He also stated that

every Hospital District Board of Directors Meeting is open to the public, and that any employee or interested members of the public is welcome to attend and address the Board at any meeting.

APPROVAL OF CONSENT AGENDA ITEMS

The proposed consent agenda for this meeting included the following items:

1. Approval of the minutes of the October 17, 2012 regular meeting (*action item*)
2. Approval of the Financial and Statistical Reports for the months of August, September, and October 2012 (*action items*)
3. Policy and Procedure approvals, as follows (*action items*):
   A. Anesthesia Clinical Standards and Professional Conduct
   B. Anesthesia in Ancillary Departments
   C. Anesthesia Philosophy
   D. Anesthesia Privileges for Staff Physicians
   E. Anesthesia Record
   F. Pre and Post Operative Anesthesia Visits
   G. Quality Improvement Program Anesthesia Service
   H. Responsibility of Service Perioperative
   I. Restocking and maintenance of Anesthesia Equipment
   J. Scope of Anesthesia Practice
   K. Staffing Patterns Anesthesia
   L. Cleaning and Disinfection of Anesthesia Equipment
   M. Organization of Surgical/Anesthesia Equipment
   N. Postpartum Hemorrhage Policy
   O. HUGS Policy
   P. Activity Program Pediatrics
   Q. Hiring – Identification Badges (03-04)
   R. ED Standing Orders Policy
   S. Emergency Department Narcotic Prescription Guidelines
   T. In-House Transport of Ventilator Dependant Patient
   U. Radiologist Peer Review Program
   V. Mammography – Self Referral
   W. Playroom

These 23 Policies and Procedures have been reviewed by the appropriate

Medical Staff Committees and are being forwarded to the Board with recommendation for approval.)

It was moved by M.C. Hubbard, seconded by D. Scott Clark, M.D. and passed to approve all proposed consent agenda items as presented.

ADMINISTRATOR'S REPORT

ORTHOPEDIC SERVICES UPDATE

Mr. Halfen reported that as a result of recent changes made regarding orthopedic services coverage at Mammoth Hospital, Mark Robinson M.D. intends to move his practice to Northern Inyo Hospital essentially on a full-time basis. The orthopedic office located at 152 Pioneer Lane, Suite A will now be managed by NIH, and the support staff employed there will be asked to become NIH employees. Doctor Robinson is interested in possibly developing industrial medicine as part of his Bishop orthopedic practice, and he will work to obtain a second orthopedist to practice sports medicine and perform arthroscopies at NIH as well. Mr. Halfen noted that Mammoth Hospital also intends to locate an orthopedic office in the Bishop area as well.

SECURITY REPORTS

Mr. Halfen called attention to the Security Reports for the months of September and October 2012, which reveal no new security issues of significance.

PHYSICIAN RECRUITING UPDATE

Mr. Halfen also reported that we continue to recruit for family practice and internal medicine physicians, as well as for one locums hospitalist.

LETTER REQUESTING COLLABORATION WITH MAMMOTH HOSPITAL

Mr. Halfen also called attention to a letter received from a member of the public requesting that NIH collaborate with Mammoth Hospital in order to bring a specific family practice and psychiatrist physician here to practice medicine. The author of the letter had been informed that NIH welcomes any physician who would like to practice in this community to submit an application for Medical Staff membership.

OTHER

Mr. Halfen also stated we can expect to see an increasing amount of information on the subject of NIH becoming an Accountable Care Organization (ACO), and that this topic will definitely affect the future of Northern Inyo Hospital. He additionally mentioned that the hospital Christmas party was a great success, and that a good time was had by all.

CHIEF OF STAFF REPORT

Chief of Staff Robbin Cromer-Tyler, M.D. reported following careful review and consideration by the appropriate committees, the Medical Executive Committee recommends the following Medical Staff reappointments and reprivileging (*action items*):

1. Lara Jeanine Arndal, M.D.
2. Thomas J. Boo, M.D.
11. Mark K. Robinson, M.D.
12. Anthony Shapera, M.D.

3. Tomi L. Bortolazzo, M.D.
4. John Daniel Cowan, M.D.
5. Robbin Cromer-Tyler, M.D.
6. James Englesby, M.D.
7. Charlotte C. Helvie, M.D.
8. Sonia Johnson, M.D.
9. Gregg McAninch, M.D.
10. John C. Meher, M.D.
13. Jeanette Schneider, M.D.
14. Shiva Shabnam, M.D.
15. Stuart Souders, M.D.
16. Gary Turner, M.D.
17. Jennie G. Walker, M.D.
18. Edrick B. Willes, M.D.
19. John Williamson, M.D.

Doctor Cromer-Tyler additionally reported that following careful review and consideration the Medical Executive Committee also recommends the reprivileging of the following Allied Health Professions (*action items*):

1. Lois Alexander, NP
2. Brett Davis, P.A.
3. Sarah Starosta, P.A.
4. Mara Yolken, N.P.
5. Tracy Drew, P.A.

Doctor Cromer-Tyler also reported that following careful review and consideration the Medical Executive Committee also recommends appointment to the Provisional Medical Staff with privileges for the following physicians (*action items*):

1. Sandra Althaus, M.D.
2. John Erogul, M.D.
3. Victor Lopez-Cuenca, M.D.

It was moved by Doctor Clark, seconded by Doctor Ungersma, and passed to approve all Medical Staff recommendations regarding appointments, reprivileging, and reappointments as requested.

1998 REVENUE BOND REFINANCING, RESOLUTION 12-08

Mr. Halfen then called attention to proposed District Board Resolution 12-08 which would authorize the refinancing of the District's 1998 revenue bonds at a lower interest rate. The proposed Resolution specifically allows for approval of the following: "*The form and authorizing the execution and delivery of a second supplemental indenture of trust, an escrow agreement, a preliminary official statement, and a bond purchase agreement in connection with the issuance, sale and delivery of Northern Inyo County Local Hospital District revenue bonds and approving certain other actions*". The new Bond issue has not yet been priced, and the documents submitted for approval are being presented per the recommendation of Hospital bond counsel. Counsel is requesting Board approval of the documents with the specific dates and amounts to be filled-in at a later date, upon actual issuance of the bonds. Mr. Halfen explained that this bond offering was given a B- minus rating, due to current market conditions and a general reluctance to invest in most California hospitals. The proposed refinance is expected to take place at the start of January, and Mr. Halfen will update the Board regarding the specific numbers once they are arrived at. Once offered, the bonds are expected to be sold within a matter of minutes (partially due to the fact that they are tax exempt bonds), and an effort is being made to save a portion out for purchase by any interested local investors. The interest

rate for the existing bonds is over 4 percent, and it is expected that the reissue will come in at approximately 2.8%. Following review of the information provided it was moved by Doctor Clark, seconded by Ms. Hubbard, and passed to approve District Board Resolution 12-08 for refinancing of the 1998 revenue bonds as requested.

APPROVAL OF 6/30/12 AUDIT REPORTS IN RELATION TO THE 1998 REVENUE BOND REFINANCING

Mr. Halfen also requested approval of the June 30 2012 audit reports in relation to the 1998 Revenue Bond refinancing, which contain no significant adjustments from the previously approved reports. It was moved by Doctor Ungersma, seconded by Ms. Hubbard, and passed to approve the June 30 2012 audit reports as requested.

BREAST ULTRASOUND CONTRACT AGREEMENT

Stuart Souders, M.D. called attention to a proposal to lease *U Systems* automated breast ultrasound equipment from General Electric. Doctor Souders is passionate about acquiring this equipment, which is absolutely state-of-the-art (life saving) equipment which can result in a 38% increase in the detection of cancers in dense breast tissue. Doctor Souders stated that as of April 1 2013, hospitals will be required to inform patients of which type of breast tissue they have (fatty vs. dense), and that NIH must be prepared to provide the correct type of exam for each patient. The proposed ultrasound system is extremely accurate and cutting edge, and it should bring many test referrals to NIH. Following review of the information provided, it was moved by Ms. Hubbard, seconded by Doctor Ungersma, and passed to authorize an expenditure of up to $200,000 for the lease of the *U Systems* automated breast ultrasound equipment as requested.

APPROVAL OF ZEISS MICROSCOPE PURCHASE

Mr. Halfen then asked for Board ratification of the purchase of Zeiss microscope equipment used for eye surgeries, that has already been purchased due to an emergent need. The microscope previously used for eye surgeries was 17 years old and failing, and there was no way to repair or replace that existing equipment. Surgery Unit Nurse Manager Phyllis Meneses, RN explained that the need to replace our existing equipment became urgent and necessary in order to facilitate Dr. Reid's eye surgeries. It was moved by Ms. Hubbard, seconded by Ms. Hubbard, and passed to ratify the purchase of the Zeiss microscope for use in the surgery unit as requested, with Doctor Clark voting "no" in regard to the ratification.

PAYROLL AND PERSONNELL POLICY AND PROCEDURE APPROVALS

Mr. Halfen called attention to the following Payroll and Personnel Policies & Procedures being recommended for Board approval:

1. *Employee Complaints and the Grievance Process*
2. *Punch Detail Responsibilities*
3. *Payroll Policies and Guidelines, change to on-duty meal agreement*

Mr. Halfen explained that the existing grievance procedure has been

reworked and slightly modified with the approval of the PPAC Committee. The punch detail policy clarifies the guidelines for use of the new Kronos time stamp feature; and the on-duty meal agreement allows for review of those employees who have this type of agreement on an annual basis. Following review of the information provided it was moved by Doctor Ungersma, seconded by Ms. Hayden, and passed to approve all three personnel and payroll policies and procedures as requested. Mr. Watercott stated his feeling that the new grievance policy is well written, and that it better clarifies the details regarding employee grievances.

APPROVAL OF ADMINISTRATOR'S SUCCESSION PLAN

Mr. Halfen called attention to his proposed *CEO Succession Plan*, which contains the following schedule and sequence of events:

A. 1st quarter of 2013: Create and post the position of Assistant Hospital Administrator; with qualifications, experience, and requirements to be the same as the CEO. Job responsibilities of the successful candidate will increase over a period of approximately one year.
B. 5/1/13 through 7/15/13: Start time for the Assistant Administrator. Backfill any other management openings that may be created by selection of the successful candidate.
C. Existing CEO submits resignation effective 7/15/14. Training of Assistant Administrator continues, and a continuing relationship with the outgoing CEO will be explored.
D. 7/16/14: CEO resignation becomes effective. Continuing relationship with exiting CEO begins if and as appropriate.

Mr. Halfen stated his succession plan essentially involves hiring an Assistant Administrator who will be groomed to be the next Chief Executive Officer (CEO) of Northern Inyo Hospital once he retires. Based on who is selected to be the future CEO, the Board will decide whether or not we will need a CEO only, or if we should hire both a CEO and a CFO (Chief Financial Officer) to replace Mr. Halfen. Mr. Halfen asked the Board how broad a net they would like to cast in order to obtain a suitable replacement, and also asked if they would prefer to hire a top level recruiter, a mid level, or a lower level recruiter. Following brief discussion, the Board decided to utilize a top level recruiter, and to cast a wide net in order to fill this position. Doctor Ungersma asked if Controller Carrie Petersen is interested in the CFO position, and Ms. Petersen replied with thanks, that she is not. District Legal Counsel was asked if a Board subcommittee might be convened in order to take on the task of CEO succession, and Mr. Buchanan stated it is his belief that a subcommittee of two Board members can be utilized for this purpose. It was moved by Doctor Ungersma, seconded by Ms. Hayden, and passed to approve the basics of the *CEO Succession Plan* as presented, and to hire a top level recruiter to assist in filling this position.

AGREEMENT FOR ORTHOPEDIC SERVICES WITH MARK ROBINSON, M.D.

Mr. Watercott suggested rearranging the agenda to address item H under New Business next, in order to allow Mark Robinson M.D. to go home for the day as soon as possible. Mr. Halfen then called attention to a draft agreement for orthopedic services with Mark Robinson, M.D., which utilizes the same boiler-plate contract we have used for other physician specialties in the past. The only significant difference with this particular agreement is that the suggested compensation rate is higher than 50% of the industry standard, due to the urgent need to establish improved orthopedic services in this community (the suggested compensation rate in this agreement is between 60 and 65 percent of the industry standard). Doctor Robinson stated that he has purchased a home in the Bishop area and he is ready to dedicate himself to a practice in this community. His plan is to build an orthopedic program for patients in this area, and to enhance orthopedic services for all Bishop area residents. Mr. Halfen requested Board approval of the draft agreement presented, pending housekeeping changes being made as requested by District Legal Counsel Douglas Buchanan. If approved, this agreement will become effective no later than January 21st of 2013. It was moved by Doctor Clark, seconded by Doctor Ungersma, and passed to approve the Draft Agreement for the Orthopedic Services of Mark Robinson, MD, as requested, including Mr. Buchanan's housekeeping changes.

BOARD OFFICER ANNUAL ELECTIONS

Mr. Watercott then addressed the subject of election of Board officers for the 2013 calendar year, expressing his belief that Board members should begin rotating through all of the Board positions rather than retaining the same offices from year to year. Following brief discussion it was moved by Doctor Clark, seconded by Ms. Hubbard, and passed to approve the following slate of District Board officers for the calendar year 2013: President: John Ungersma, M.D.; Vice President: M.C. Hubbard; Secretary: Denise Hayden; Treasurer: D. Scott Clark, M.D.; Member at Large: Peter Watercott. It was noted that the signature designation on NIH checks will need to be changed from Mr. Watercott to Doctor Ungersma, and Ms. Petersen will look into having that change made as quickly as possible.

REPORT ON LAB DRAWING PROFICIENCY

Laboratory Manager Leo Freis presented information regarding wait times for patients coming to the Hospital for lab draws; including suggestions for changes to improve the process and create shorter wait times for our patients. Mr. Fries explained the current registration and lab draw procedure, including the changes that have been implemented as a result of the change to the Paragon computer system. He suggested that a focus be placed on educating physicians and their offices, (as well as patients) regarding what is needed to make the lab draw process flow more smoothly and efficiently. Administration and Laboratory Management will continue to work on streamlining the lab draw process as much as possible, and to improve wait times for our patients.

BOARD MEMBER REPORTS	Mr. Watercott asked if any members of the Board of Directors wished to report on any items of interest. Doctor Ungersma reported that Mammoth Hospital CEO Gary Boyd has been diagnosed with an inoperable malignant brain tumor in his frontal lobe, but with chemotherapy treatment his prognosis for recovery is expected to be excellent.
OPPORTUNITY FOR PUBLIC COMMENT	In keeping with the Brown Act, Mr. Watercott again asked if any members of the public wished to comment on any items listed on the agenda for this meeting, or on any items of interest. No comments were heard.
CLOSED SESSION	At 7:52pm Mr. Watercott announced the meeting was being adjourned to closed session to allow the Board of Directors to: A. Hear reports on the hospital quality assurance activities, and hear a report from the Medical Staff Executive Committee (Section 32155 of the Health and Safety Code, and Government Code Section 54962). B. Confer with legal counsel regarding pending litigation based on stop notice filed by Strocal, Inc. (Government Code Sections 910 et seq., 54956.9).
RETURN TO OPEN SESSION AND REPORT OF ACTION TAKEN	At 8:32pm the meeting returned to open session. Mr. Watercott reported that the Board took no reportable action.
OPPORTUNITY FOR PUBLIC COMMENT	Mr. Watercott again asked if any members of the public or anyone present wished to comment on any items listed on the agenda or on any items of interest. No comments were heard.
ADJOURNMENT	The meeting was adjourned at 8:33pm.

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Peter Watercott, President

Attest: _____
M.C. Hubbard, Secretary

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Statement of Operation
Monthly Statement of Operations
For Period: 5-2013 (11/01/2012 - 11/30/2012)

	November	MTD Budget	MTD Variance	Actual YTD	YTD Budget	YTD Variance
Unrestricted Revenues, Gains & Other Support						
Inpatient Service Revenue						
Ancillary	566,425	561,994	4,431	2,901,893	2,866,172	35,721
Routine	2,468,952	1,859,170	609,782	11,604,528	9,481,766	2,122,762
Total Inpatient Service Revenue	3,035,377	2,421,164	614,213	14,506,421	12,347,938	2,158,483
Outpatient Service Revenue	5,160,125	5,526,088	(365,963)	27,961,088	28,183,079	(221,991)
Gross Patient Service Revenue	8,195,503	7,947,252	248,251	42,467,509	40,531,017	1,936,492
Less Deductions from Revenue						
Patient Service Revenue Deductions	(307,146)	(172,913)	(134,233)	(1,065,297)	(881,857)	(183,440)
Contractual Adjustments	(3,009,414)	(2,928,189)	(81,225)	(15,570,798)	(14,933,757)	(637,041)
Prior Period Adjustments	1,091	152,384	(151,293)	1,689,994	777,160	912,834
Total Deductions from Patient Service Revenue	(3,315,469)	(2,948,718)	(366,751)	(14,946,101)	(15,038,454)	92,353
Net Patient Service Revenue	4,880,033	4,998,534	(118,501)	27,521,408	25,492,563	2,028,845
Other revenue	25,344	26,883	(1,539)	600,844	137,112	463,732
Transfers from Restricted Funds for Operating Exp	102,014	95,290	6,724	510,068	485,981	24,087
Total Other Revenue	127,357	122,173	5,184	1,110,911	623,093	487,818
Expenses:						
Salaries and Wages	1,761,361	1,741,779	19,582	8,770,470	8,883,084	(112,614)
Employee Benefits	1,183,419	1,083,053	100,366	5,571,614	5,523,583	48,031
Professional Fees	432,484	482,967	(50,483)	2,317,100	2,463,117	(146,017)
Supplies	429,387	509,590	(80,203)	2,501,725	2,598,926	(97,201)
Purchased Services	129,201	229,801	(100,600)	1,088,986	1,172,003	(83,017)
Depreciation	198,114	312,114	(114,000)	985,740	1,591,782	(606,042)
Interest Expense	203,896	179,606	24,290	953,978	915,991	37,987
Bad Debts	277,134	196,520	80,614	1,407,530	1,002,253	405,277
Other Expense	260,706	244,701	16,005	1,442,461	1,247,973	194,488
Total Expenses	4,875,701	4,980,131	(104,430)	25,039,602	25,398,712	(359,110)
Operating Income (Loss)	131,690	140,576	(8,886)	3,592,717	716,944	2,875,773
Other Income:						
District Tax Receipts	42,397	43,093	(696)	211,984	219,776	(7,793)
Partnership Investment Incomce		3,699	(3,699)	0	18,864	(18,864)
Grants and Other Contributions Unrestricted	3,059	20,548	(17,489)	48,635	104,795	(56,160)
Interest Income	2,775	7,019	(4,244)	40,788	35,794	4,994
Other Non-Operating Income	1,313	3,043	(1,730)	37,910	15,518	22,392
Net Medical Office Activity	(152,714)	(82,188)	(70,526)	(631,423)	(419,169)	(212,254)
340B Net Activity	79,238	45,730	33,508	153,399	233,222	(79,823)
Non-Operating Income/Loss	(23,933)	40,944	(64,877)	(138,707)	208,800	(347,507)
Net Income/Loss	107,757	181,520	(73,763)	3,454,010	925,744	2,528,266

Northern Inyo Hospital
Balance Sheet
For Period: 5-2013 (11/01/2012 - 11/30/2012)

	YTD Balance
Current Assets:	
Cash and Equivaliants	$1,892,321
Short-Term Investments	$3,043,693
Assets Limited as to Use	$0
Plant Replacement and Expansion Fund	$2
Other Investments	$1,278,079
Patient Receivable	$37,115,739
Less: Allowances	$-26,457,024
Other Receivables	$17,512
Inventories	$2,840,492
Prepaid Expenses	$1,424,204
Total Current Assets	$21,155,018
Internally Designated for Capital Acquistions	$827,033
Special Purpose Assets	$37,755
Revenue Bonds Held by a Trustee	$3,003,387
Less Amounts Required to Meet Current Obligations	$0
Assets Limited as to use	$3,868,175
Long Term Investments	$100,000
Property & equipment, net Accumulated Depreciation	$90,387,752
Unamortized Bond Costs	$885,748
Total Assets	$116,396,694

Northern Inyo Hospital
Balance Sheet
For Period: 5-2013 (11/01/2012 - 11/30/2012)

	YTD Balance
Liabilities and Net Assets	
Current Liabilities:	
Current Maturities of Long-Term Debt	$-1,328,537
Accounts Payable	$-1,020,625
Accured Salaries, Wages & Benefits	$-3,598,262
Accrued Interest and Sales Tax	$-575,264
Deferred Income	$-296,777
Due to 3rd Party Payors	$-1,900,000
Due to Specific Purpose Funds	$-58,539
Total Current Liabilites	$-8,778,002
Long Term Debt, Net of Current Maturities	$-49,857,747
Bond Premium	$-1,303,539
Total Long Term Debt	$-51,161,286
Net Assets	
Unrestricted Net Assets	$-56,419,651
Tempororily Restricted	$-37,755
Net Income	
Total Net Assets	$-56,457,406
Total Liabilities and Net Assets	$-116,396,694

Northern Inyo Hospital
Monthly Report of Capital Expenditures
Fiscal Year Ending JUNE 30, 2012
As of November 30, 2012

MONTH APPROVED BY BOARD	DESCRIPTION OF APPROVED CAPITAL EXPENDITURES	AMOUNT
FY 2011-12	Transport Monitor for PACU to be purchased by NIH Auxillary Donation	15,000 *
	Additional Coppper and Fiberoptic Cable	29,884
	Paragon Physician Documentation Module	137,254
	Ultrasound Machine	165,694 *
	AMOUNT APPROVED BY THE BOARD IN THE PRIOR FISCAL YEARS TO BE EXPENDED IN THE CURRENT FISCAL YEAR	347,832
	AMOUNT APPROVED BY THE BOARD IN THE CURRENT FISCAL YEAR TO BE EXPENDED IN THE CURRENT FISCAL YEAR	
	Amount Approved by the Board in Prior Fiscal Years to be Expended in the Current Fiscal Year	347,832
	Amount Approved by the Board in the Current Fiscal Year to be Expended in the Current Fiscal Year	0
	Year-to-Date Board-Approved Amount to be Expended	347,832
	Year-to-Date Administrator-Approved Amount	196,547 *
	Actually Expended in Current Fiscal Year	0 *
	Year-to-Date Completed Building Project Expenditures	0 *
	TOTAL FUNDS APPROVED TO BE EXPENDED	544,379
	Total-to-Date Spent on Incomplete Board Approved Expenditures	0

Reconciling Totals:

Actually Capitalized in the Current Fiscal Year Total-to-Date	196,547
Plus: Lease Payments from a Previous Period	0
Less: Lease Payments Due in the Future	0
Less: Funds Expended in a Previous Period	0
Plus: Other Approved Expenditures	347,832
ACTUAL FUNDS APPROVED IN THE CURRENT FISCAL YEAR TOTAL-TO-DATE	544,379

Northern Inyo Hospital
Monthly Report of Capital Expenditures
Fiscal Year Ending JUNE 30, 2012
As of November 30, 2012

MONTH APPROVED BY BOARD	DESCRIPTION OF APPROVED CAPITAL EXPENDITURES		AMOUNT
Donations by Auxiliary		For 2012 Asset receive 2013	20,000
Donations by Hospice of the Owens Valley			0
+Tobacco Funds Used for Purchase			0
			0
			20,000

*Completed Purchase
(Note: The budgeted amount for capital expenditures for all priority requests for the fiscal year ending June 30, 2013, is $943,036 coming from existing hospital funds.)

**Completed in prior fiscal year

Northern Inyo Hospital
Monthly Report of Capital Expenditures
Fiscal Year Ending JUNE 30, 2012
As of November 30, 2012

Administrator-Approved Item(s)	Department	Amount	Month Total	Grand Total
MONTH ENDING OCTOBER 2012			64,211	**189,651**
PHILIPS HEARTSTART F43 ECG	OBSTETRICS	2,357		
PHILIPS MICROSTREAM CO2 EXTENSION	ICU	4,540		
MONTH ENDING NOVEMBER 2012			6,897	**196,547**

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NORTHERN INYO HOSPITAL

SECURITY REPORT

NOVEMBER 2012

FACILITY SECURITY

Access security during this period was problematic due to the transitional nature of the move into the new building and uncertainty of door locking policies. Over fifty exterior doors were found unlocked or unsecured during those hours when doors were to be locked or secured. Three interior doors were found unsecured during this same period.

One Hospital Vehicle was found open with the keys present and two others were found open.

ALARMS

On November 2nd, a generator alarm was activated. Maintenance was notified.

On November 22nd, an Oxygen Alarm was activated in ED Registration. Response to the O2 Plant revealed offloading of an O2 supply truck. Conversation with the driver confirmed the alarm was likely caused by the offloading process.

On November 27th, the Domestic Hot Water Supply Alarm sounded in ED Registration. Maintenance was notified. The alarm self reset.

On November 28th, Elevator 3 malfunctioned resulting in an alarm. Maintenance was called out.

HUMAN SECURITY

On November 19th, Security was called to Med/Surg for a missing patient. It was thought the patient might have left the floor to have a smoke. The patient was located outside, smoking with a family member.

On November 20th, ICSO presented in the ED with a combative, in-custody, for medical clearance. The subject was mildly combative, loud and offensive. This subject was medically cleared without incident.

On November 25th, Security was called to the ED for an intoxicated, disruptive and uncooperative patient. The patient was counseled however remained moderately uncooperative until discharge.

On November 26th, Security located a subject in the front lobby of the new building. The subject denied any legitimate reason for being at the Hospital and explained he was looking for a coffee machine. This individual stated he entered the building through the double doors at the north end of the main hallway. This subject was disheveled and sporting a bad attitude. He initially refused to answer questions with regard to his business at the Hospital. The subject was not known to Security Staff and he refused to identify himself. He was shown his way out and advised not to return absent a legitimate medical need.

On November 28th, Security was called to the ED for an angry patient. This patient was suspected of drug seeking and was upset that narcotics would not be indicated. The patient mellowed upon the arrival of Security.

On November 29th, a patient suspected of being a victim of a sexual assault presented in the ED. ICSO was notified and responded.

Security Staff provided Law Enforcement assistance in twelve instances this month. Two were for Lab BAC's.

Security Staff assisted with seven suspected 5150 patients this month.

Security Staff provided thirty-eight patient assists this month.

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Anthem BlueCross

November 30, 2012

Advance Patient Notice for Use of a Non-Participating Provider

Effective March 1, 2013, Anthem Blue Cross will require you to comply with the Advance Patient Notice for Use of a Non-Participating Provider Policy ("the APN Policy"). The APN Policy requires that you use the enclosed APN form to provide advance written notice to your Anthem patients when you refer them to a non-participating provider. The APN Policy is not intended to deter patients from using their out-of-network coverage to the extent available. The APN Policy does not apply to emergencies.

Some PPO members have benefits which allow them to seek treatment for some covered services from non-participating providers. Members often assume that a participating provider would never refer them to a non-participating provider. Therefore, Anthem Blue Cross' PPO Physician Agreements and PPO Professional Provider Manual require that physicians referring a member to a non-participating provider must provide notice to the member. It is important that members understand that services provided by a non-participating provider may result in reduced benefits and that the provider may bill the member for amounts other than deductibles and copayments and for medical services not covered under the member's benefit agreement.

Examples of non-participating providers to which this policy applies include the following:

- Anesthesiologist - anesthesia provided in connection with surgery or services
- Ambulatory Surgery Centers
- Surgical Assistant (regardless of surgical setting)
- Specialty Drug vendor for specialty drugs provided in the office
- Home Infusion Therapy (HIT)
- Durable Medical Equipment (DME)
- Laboratory services for specimens collected in the physician's office when the specimen is sent to a non-participating reference lab

The APN form will assist your patients in making an informed decision about their coverage and options when they are being referred to a non-participating provider. The form is available for download on ProviderAccess. Please provide the form to your Anthem patients for their signature and maintain a copy for your file.

Anthem Blue Cross may request from you a copy of the completed APN form. Failure to provide a copy of the signed APN form will result in an initial warning from Anthem Blue Cross.

As a participating physician, we appreciate your role in helping to keep healthcare affordable for our members while ensuring your patients remain an integral part of their healthcare decisions. If you need to locate a participating provider, please visit the Anthem Blue Cross website at anthem.com/ca and click on "Find a Doctor" Continue to follow the instructional links to select the participating provider of your choice.

If you have any questions about the use of this form or our Use of a Non-Participating Provider Advance Patient Notice Policy, please contact your Network Management Consultant by calling **855-238-0095**.

Anthem Blue Cross is the trade name of Blue Cross of California. Anthem Blue Cross and Anthem Blue Cross Life and Health Insurance Company are independent licensees of the Blue Cross Association. ® ANTHEM is a registered trademark of Anthem Insurance Companies, Inc. ® The Blue Cross name and symbol are registered marks of the Blue Cross Association.

Anthem BlueCross

Advance Patient Notice Form

Your physician is referring you to a non-participating physician or other type of provider for certain healthcare services. You have the right to receive services at a participating provider in order to obtain full benefits under your health coverage. If you have questions or would like to locate an in-network provider, please contact Anthem Blue Cross Customer Service at the telephone number listed on the back of your identification card.

To be completed by the referring physician:	
Please check the type of referral (check all that apply): □ Non-Par Physician or Other Provider □ Non-Par Facility □ Both	
Referring Physician Name:	**NPI #:**
Patient Name:	**Member ID#:**
Non-Participating Physician/Provider Name:	**Specialty:**
Non-Participating Facility Name:	**Type of Facility:**
Reason for non-par referral:	**Date of Service:**

To be completed by the patient or patient's legal guardian:

My signature below means that I have read and understood the following:

1. The healthcare provider named above does not participate with Anthem Blue Cross.
2. I may be responsible for extra costs if I get services from this provider.
3. I can call Anthem Blue Cross before getting services to confirm my benefits. I can call Anthem Blue Cross to get names of participating providers that can provide the recommended services.
4. This provider will collect co-payments, deductibles, coinsurance or other amounts I am required to pay under my benefit plan.
5. I am voluntarily choosing on behalf of myself or the patient named above to get services from this provider.

Signature of Patient, Parent (if patient under age 18) or Legal Guardian:	
Printed name of Patient, Parent (if patient under age 18) or Legal Guardian:	
Date:	**Daytime Phone Number:**

Anthem Blue Cross is the trade name of Blue Cross of California. Anthem Blue Cross and Anthem Blue Cross Life and Health Insurance Company are independent licensees of the Blue Cross Association. ® ANTHEM is a registered trademark of Anthem Insurance Companies, Inc. ® The Blue Cross name and symbol are registered marks of the Blue Cross Association.

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NORTHERN INYO HOSPITAL – RURAL HEALTH CLINIC
STANDARDIZED PROCEDURE

Subject: EMERGENCY CARE POLICY FOR THE NURSE PRACTITIONER

Scope: FNPs

I. POLICY – Will meet all General Policy Standardized procedure guidelines.

A. As described in the General Policy Component.

B. Covers only those registered nurses as identified in General Policy Component.

II. PROTOCOL

A. Definition: this protocol covers the management of Emergency Care conditions which may present in the NIH Rural Health Clinic.

B. Database – Nursing Practice
(Perform the usual total nursing assessment to establish database).

C. Treatment Plan – Medical regimen

1. Patients requiring emergency care will be stabilized to the best of the capabilities of the NIHRHC and transferred to or referred to an appropriate provider. These patients shall become the responsibility of the accepting physician and/or NIH-Base Hospital during ambulance transport.

2. The NP(s) may, whenever necessary, attempt to sustain life. This includes, but is not limited to:

Establishing and maintaining an airway
Cardiopulmonary resuscitation
Control of hemorrhage by external pressure or tourniquet
Establishing an intravenous line
Injection of epinephrine for asthma, anaphylactic shock or laryngeal edema
Administration of oxygen for acute dyspnea
Splint skeletal injuries
Irrigate wounds
Apply heat or cold for exposure
Administration of Narcan for suspected narcotic overdose
Administration of intravenous glucose for suspected insulin reaction
Follow Advanced Cardiac Life Support Guidelines

3. Physician Consultation: As described in the General Policy Component.

4. Referral to Physician or Specialty Clinic: Conditions for which diagnosis and/or treatment are beyond the scope of the NP's knowledge and/or skills, or for those conditions that require consultation.

    a. Emergent referral will usually require transport to NIH emergency department. This may be accomplished by use of the 911 system and ALS ambulance if indicated by the patient condition. If in the opinion of the NP the patient can tolerate transfer by wheel chair, an RN must accompany the patient to the emergency department.

    b. Emergent referrals to facilities other than NIH will be managed per NIH Emergent Transfer Policy. All EMTALA regulations will be followed and appropriate forms, including consent for transfer, will be utilized.

5. Furnishing Medications – (Medical Regimen)
   Follow furnishing protocol, utilizing formulary.

III. Documentation:

All emergency care provided will be recorded in the RHC patient chart.

Nurse Practitioner certifies that he/she is currently competent to perform according to this Standardized Procedure, and Supervising Physician(s) certifies that he/she is authorized to supervise nurse practitioner while performing according to this Standardized Procedure:

Nurse Practitioner Name	Nurse Practitioner Signature	Date
Supervising Physician Name/Title	Supervising Physician Signature	Date
Supervising Physician Name/Title	Supervising Physician Signature	Date
Supervising Physician Name/Title	Supervising Physician Signature	Date
Supervising Physician Name/Title	Supervising Physician Signature	Date

APPROVAL: This policy has been approved for use at Northern Inyo Hospital by:

Chairman, Interdisciplinary Practice Committee	Date
Chief Nursing Officer	Date
Administrator	Date
Chief of Staff	Date
President, Board of Directors	Date

NORTHERN INYO HOSPITAL – RURAL HEALTH CLINIC
STANDARDIZED PROCEDURE

Subject: LABORATORY AND DIAGNOSTIC TESTING

Scope: FNPs

I. POLICY – Will meet all General Policy Standardized Procedure guidelines

A. This standardized procedure is designed to establish guidelines that will allow the Nurse Practitioner to order laboratory and diagnostic tests under the following conditions:

1. As an appropriate adjunct to the determination of diagnosis.
2. When necessary, to implement, monitor or adjust treatment.

B. Circumstances:

1. Patient population: pediatric and adult patients
2. Setting: Medical Clinic
3. Supervision: Physicians as indicated in the General Standardized Procedure statement.

II. PROTOCOL

A. Conditions

1. The following diagnostic tests can be initiated by the Mid-level Provider without prior consultation with M.D.:

   a. Any blood work
   b. Urine: any urine test
   c. Cultures: any culture
   d. Radiologic/Sonographic: any radiologic/sonographic exam including CT scans and MRI examinations
   e. Audiometric testing/speech evaluation
   f. Pregnancy tests
   g. Cardiac Testing
   h. EEG

2. All other diagnostic tests will be ordered by the FNP Provider in consultation with the physician including:

   a. When diagnostic test of choice is in doubt.

APPROVAL: This policy has been approved for use at Northern Inyo Hospital by:

Chairman, Interdisciplinary Practice Committee	Date
Chief Nursing Officer	Date
Administrator	Date
Chief of Staff	Date
President, Board of Directors	Date

Nurse Practitioner certifies that he/she is currently competent to perform according to this Standardized Procedure, and Supervising Physician(s) certifies that he/she is authorized to supervise nurse practitioner while performing according to this Standardized Procedure:

Nurse Practitioner Name	Nurse Practitioner Signature	Date
Supervising Physician Name/Title	Supervising Physician Signature	Date
Supervising Physician Name/Title	Supervising Physician Signature	Date
Supervising Physician Name/Title	Supervising Physician Signature	Date
Supervising Physician Name/Title	Supervising Physician Signature	Date

NORTHERN INYO HOSPITAL
PROTOCOL

EMERGENCY CARE POLICY FOR RURAL HEALTH CLINIC PHYSICIAN ASSISTANT

Scope: PHYSICIAN ASSISTANT

I. POLICY – Will meet General Policy - Protocol guidelines.

A. As described in the General Policy Component.

B. Circumstances:

1. Patient population: pediatric and adult patients
2. Setting: Medical Clinic
3. Supervision: Physicians indicated in Delegation of Authority Agreement and the General Protocol

II. PROTOCOL

A. Definition: this protocol covers the management of Emergency Care conditions which may present in the NIH Rural Health Clinic.

B. Database

1. Subjective
   a. Obtain pertinent history related to emergency symptoms
   b. Collect appropriate information, including past medical history, review of systems, allergies, immunizations, and medications.
2. Objective
   a. Perform limited physical examination pertinent to the emergency illness or injury, including any possible involved organ systems.
   b. Obtain appropriate evaluative studies, including but not limitied to, lab work and xrays. (See Lab and diagnostic testing protocol.

C. Assessment
1. Formulate diagnosis consistent with the data base collected.
2. Document diagnosis in the patient chart

D. Treatment Plan – Medical regimen

1. Patients requiring emergency care will be stabilized to the best of the capabilities of the NIHRHC and transferred to or referred to an appropriate provider. These patients shall become the responsibility of the accepting physician and/or NIH-Base Hospital during ambulance transport.

2. The Physician assistant(s) may, whenever necessary, attempt to sustain life. This includes, but is not limited to:

Establishing and maintaining an airway
Cardiopulmonary resuscitation
Control of hemorrhage by external pressure or tourniquet
Establishing an intravenous line
Injection of epinephrine for asthma, anaphylactic shock or laryngeal edema
Administration of oxygen for acute dyspnea
Splint skeletal injuries
Irrigate wounds
Apply heat or cold for exposure
Administration of Narcan for suspected narcotic overdose
Administration of intravenous glucose for suspected insulin reaction
Follow Advanced Cardiac Life Support Guidelines

3. Physician Consultation: As described in the General Policy Component.

4. Referral to Physician or Specialty Clinic: Conditions for which

E. Circumstances:

1. Patient population: pediatric and adult patients
2. Setting: Medical Clinic
3. Supervision: Physicians indicated in Delegation of Authority Agreement and the General Protocol
4. Refer to Physician or Specialty Clinic: Diagnosis and/or treatment are beyond the scope of the PA's knowledge and/or skills, or for those conditions that require consultation.

a. Emergent referral will usually require transport to NIH emergency department. This may be accomplished by use of the 911 system and ALS ambulance if indicated by the patient condition. If in the opinion of the NP, the patient can tolerate transfer by wheel chair, an RN must accompany the patient to the emergency department.

b. Emergent referrals to facilities other than NIH will be managed per NIH Emergent Transfer Policy. All EMTALA regulations will be followed and appropriate forms, including consent for transfer, will be utilized.

5. Medications – See Delegation of Authority Agreement

III. Documentation:

All emergency care provided will be recorded in the RHC patient chart.

APPROVAL: This policy has been approved for use at Northern Inyo Hospital by:

Chairman, Interdisciplinary Practice Committee	Date
Chief Nursing Officer	Date
Administrator	Date
Chief of Staff	Date
President, Board of Directors	Date

Physician Assistant certifies that he/she is currently competent to perform according to this Protocol and Supervising Physician(s) certifies that he/she is authorized to supervise physician assistant while performing according to this Protocol:

Physician Assistant Name	Physician Assistant Signature	Date
Supervising Physician Name/Title	Supervising Physician Signature	Date
Supervising Physician Name/Title	Supervising Physician Signature	Date
Supervising Physician Name/Title	Supervising Physician Signature	Date
Supervising Physician Name/Title	Supervising Physician Signature	Date

NORTHERN INYO HOSPITAL
PROTOCOL

LABORATORY AND DIAGNOSTIC TESTING POLICY FOR RURAL HEALTH CLINIC PHYSICIAN ASSISTANTS

Scope: PHYSICIAN ASSISTANT

I. POLICY – Will meet all General Policy -Protocol guidelines

A. This policy is designed to establish guidelines that will allow the Physician Assistant (PA) to order laboratory and diagnostic tests under the following conditions:

1. As an appropriate adjunct to the determination of diagnosis.
2. When necessary, to implement, monitor or adjust treatment.

B. Circumstances:

1. Patient population: pediatric and adult patients
2. Setting: Medical Clinic
3. Supervision: Physicians as indicated in the Delegation of Authority Agreement and the General Policy.

II. PROTOCOL

A. Conditions

1. The following diagnostic tests can be initiated by the Physician Assistant Provider without prior consultation with M.D.:

   a. Any blood work
   b. Urine: any urine test
   c. Cultures: any culture
   d. Radiologic/Sonographic: any radiologic/sonographic exam including CT scans and MRI examinations
   e. Audiometric testing/speech evaluation
   f. Pregnancy tests
   g. Cardiac Testing
   h. EEG

2. All other diagnostic tests will be ordered by the Physician Assistant in consultation with the physician including:

   a. When diagnostic test of choice is in doubt.

APPROVAL: This policy has been approved for use at Northern Inyo Hospital by:

Chairman, Interdisciplinary Practice Committee	Date
Chief Nursing Officer	Date
Administrator	Date
Chief of Staff	Date
President, Board of Directors	Date

Physician Assistant certifies that he/she is currently competent to perform according to this Protocol and Supervising Physician(s) certifies that he/she is authorized to supervise physician assistant while performing according to this Protocol:

Physician Assistant Name	Physician Assistant Signature	Date
Supervising Physician Name/Title	Supervising Physician Signature	Date
Supervising Physician Name/Title	Supervising Physician Signature	Date
Supervising Physician Name/Title	Supervising Physician Signature	Date
Supervising Physician Name/Title	Supervising Physician Signature	Date

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GE Healthcare

QUOTATION

Quotation Number: P4-C156970 V 1

Northern Inyo Hospital
150 Pioneer Ln
Bishop CA 93514-2556

Attn: Patty Dickson

Date: 12-12-2012

Qty	Catalog No.	Description
1	S3926BK	Precision 500D Loyalty IB Upgrade Promotion with one Flashpad Detector Package Includes: • One FlashPad wireless DR detector - Amorphous Silicon, Cesium Iodide-Based Detector 41 x 41cm - Active Area (Single Piece Construction) - Rapid Readout, Low Noise Electronics - DQE of 68% (0 lp/mm) - Two detector batteries - One 7m (23.0ft) detachable detector cable that allows for battery-less and wired operation • Precision 500D Wireless DR Imaging Console • 100cm Table Grid F100cm 12:1 70 l/cm • 130cm Wallstand Grid F130cm 10:1 70 l/cm • 130cm 6:1 Clip-on Grid • Table Top Lateral Detector Holder - Wireless DR detector holder, designed specifically for GE, secures the detector in a vertical position on the tabletop for cross-table imaging
1	S2100MH	Precision 500D Venus Kit Select The kit consists of a new computer CPU with keyboard and mouse, touch-screen monitor and radiology control interface module to replace the integrated Venus computer-monitor console. The upgrade offers reliability, speed and a better user-interface experience overall. This upgrade is required on Precision 500D systems prior to the current production versions that have not already been upgraded.

Quote Summary:

Total Quote Net Selling Price **$100,000.00**

(Quoted prices do not reflect state and local taxes if applicable)

If you would like to place an order for this equipment, a formal contract document will be prepared for your consideration. This quote is for budgetary use only; only a GE contract can become a binding order.

PO Box 414, Milwaukee, WI 53201-0404
General Electric Company
General Electric Company, GE Medical Systems

GE Healthcare

QUOTATION

Quotation Number: P4-C156970 V 1

Northern Inyo Hospital
150 Pioneer Ln
Bishop CA 93514-2556

Attn: Patty Dickson

Date: 12-12-2012

This Agreement (as defined below) is by and between the Customer and the GE Healthcare business ("GE Healthcare"), each as identified herein. GE Healthcare agrees to provide and Customer agrees to pay for the Products listed in this GE Healthcare Quotation ("Quotation"). "Agreement" is defined as this Quotation and the terms and conditions set forth in either (i) the Governing Agreement identified below or (ii) if no Governing Agreement is identified, the following documents:

1) This Quotation that identifies the Product offerings purchased or licensed by Customer;

2) The following documents, as applicable, if attached to this Quotation: (i) GE Healthcare Warranty(ies); (ii) GE Healthcare Additional Terms and Conditions; (iii) GE Healthcare Product Terms and Conditions; and (iv) GE Healthcare General Terms and Conditions.

In the event of conflict among the foregoing items, the order of precedence is as listed above.

This Quotation is subject to withdrawal by GE Healthcare at any time before acceptance. Customer accepts by signing and returning this Quotation or by otherwise providing evidence of acceptance satisfactory to GE Healthcare. Upon acceptance, this Quotation and the related terms and conditions listed above (or the Governing Agreement, if any) shall constitute the complete and final agreement of the parties relating to the Products identified in this Quotation. The parties agree that they have not relied on any oral or written terms, conditions, representations or warranties outside those expressly stated or incorporated by reference in this Agreement in making their decisions to enter into this Agreement. No agreement or understanding, oral or written, in any way purporting to modify this Agreement, whether contained in Customer's purchase order or shipping release forms, or elsewhere, shall be binding unless hereafter agreed to in writing by authorized representatives of both parties. Each party objects to any terms inconsistent with this Agreement proposed by either party unless agreed to in writing and signed by authorized representatives of both parties, and neither the subsequent lack of objection to any such terms, nor the delivery of the Products, shall constitute an agreement by either party to any such terms.

By signing below, each party certifies that it has not made any handwritten modifications. Manual changes or mark-ups on this Agreement (except signatures in the signature blocks and an indication in the form of payment section below) will be void.

- Terms of Delivery: FOB Destination
- Quotation Expiration Date: 12-27-2012
- Billing Terms: 80% delivery / 20% Installation
- Payment Terms: UPON RECEIPT
- Governing Agreement: None

Each party has caused this agreement to be signed by an authorized representative on the date set forth below. Please submit purchase orders to GE Healthcare
3200 N. Grandview Blvd., Mail Code WT-897, Waukesha, WI 53188

GE HEALTHCARE _____
Pamela Lewis Date
Product Sales Specialist

CUSTOMER

12-18-12
Authorized Customer Date

John Halfen 12-18-12 CEO
Print Name and Title

83010
PO #

Desired Equipment First Use Date

GE Healthcare will use reasonable efforts to meet Customer's desired equipment first use date. The actual delivery date will be mutually agreed upon by the parties.

INDICATE FORM OF PAYMENT:

(If there is potential to finance with a lease transaction, GE HFS or otherwise, select lease.)

✓ Cash * ____ Lease ____ HFS Loan

If financing please provide name of finance company below*:

*Selecting Cash or not identifying GE HFS as the finance company declines option for GE HFS financing.

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QUOTATION

Quotation Number: P4-C156970 V 1

Qty	Catalog No.	Description
1	S3926BK	P500D Loyalty IB Upgrade with ONE Flashpad
1	S2100MH	Precision 500D Venus Kit Select

Quote Summary:

Total Quote Net Selling Price **$100,000.00**

(Quoted prices do not reflect state and local taxes if applicable. Total Net Selling Price includes Trade In allowance, if applicable.)

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GE Healthcare

For Third Party Products and Services Only: If GE Healthcare has agreed to provide any third party products and/or services (other than GE Healthcare accessories and supplies) to Customer as part of the Quotation, including but not limited to any Commitment Account/Non-Inventory items, (i) GE Healthcare is acquiring such products and/or services on Customer's behalf and not as a supplier of such products and/or services; (ii) GE Healthcare makes no warranties of any kind, express or implied, with respect to such products and/or services (warranties, if any, on such products and/or services will be provided by the manufacturer or service provider, as applicable); (iii) Customer is solely responsible for ensuring that the acquisition and use of such products and/or services is in compliance with applicable laws and regulations, including applicable FDA regulations; and (iv) Customer is solely responsible for any and all claims resulting from or related to the acquisition or use of such products and/or services.

For Mobile Systems Only: For products that are approved by GE Healthcare for use as transportable, relocatable and mobile systems, GE Healthcare will deliver the system to Customer's van manufacturer and furnish final assembly services to place the system in Customer's van. At the time of order, Customer must notify GE Healthcare of the van manufacturer to which the system is to be shipped. It is Customer's responsibility to make arrangements with the van manufacturer for delivery of the van and to comply with any additional planning requirements of the van manufacturer. For MR systems, GE Healthcare's product tests will be performed when assembly in the van is completed and MR system operation will be re-checked when the van is delivered to Customer.

For MR Products Only:

a. MR Systems. Customer will provide a site and surroundings suitable for installation and operation of an MR system producing strong magnetic and electric fields, and Customer will be required to provide a water chiller meeting GE Healthcare specifications.

b. Magnetic Resonance Imaging (MR) Site. Customer will provide a site and surroundings suitable for installation and operation of an MR system producing strong magnetic and electric fields, and Customer will be required to provide a water chiller meeting GE Healthcare specifications. Customer acknowledges that the magnetic fields of MR systems attract ferro-magnetic articles and are capable of rapidly accelerating such articles toward the magnet, creating corresponding physical danger to persons in the vicinity and possible damage to such systems. In addition, the magnetic and radio frequency fields of such systems may adversely affect the operation of pacemakers, equipment containing magnetic reed switches, and aneurysm or surgical clips.

c. Magnet Maintenance and Cryogens. The price of MR systems includes all cryogens necessary for final assembly and testing of the MR system. Cryogen loss attributable to power loss or water chiller failure for the MR system's shield cooler or condenser system during installation is Customer's responsibility, and Customer will be billed for cryogen replacement plus the associated cryogen transfill labor at GE Healthcare's then applicable rates. After final assembly, Customer will be responsible to supply and install all cryogens, unless cryogen loss is caused by a defect in material or workmanship within the scope of GE Healthcare's applicable MR system warranty. Following final assembly, provided cryogen boil-off rates have not been adversely affected by actions of Customer, its representatives or contractors, or any third party not authorized by GE Healthcare, GE Healthcare will provide a super-conductive magnet which, at the expiration of the warranty period, has cryogen boil-off rates not exceeding those stated in GE Healthcare's applicable magnet specifications. GE Healthcare has no responsibility to Customer for cryogen boil-off rates subsequent to expiration or termination of the applicable MR system warranty, unless Customer elects to receive magnet maintenance and cryogen service under a separate agreement with GE Healthcare.

For PET and PET/Cyclotron Systems Only: For PET Cyclotron/Chemistry systems, any target or gas processing system purchased with the system must be installed with the original system prior to system checkout. Installation after this time will require a separate quotation by GE Healthcare and is billable to Customer at GE Healthcare's then-current rates. Further, any system storage fees associated with this order are solely the responsibility of Customer. PET Cyclotron/Chemistry systems are sold for

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use in generating radiotracers for diagnostic imaging applications only. GE Healthcare does not sell or intend such systems or any part(s) thereof for use in radiation therapy.

For PET/CT and PET Radiopharmacy Sites Only: Customer will provide a site and surroundings suitable for installation and operation of such a systems using and/or producing radiation. Further, Customer will be responsible for obtaining all required federal, state, and local licenses and permits for radioactive sealed sources and radioisotopes used with such system. If permitted under applicable licensing requirements, GE Healthcare representatives will work under Customer's license and supervision when handling any radioactive substance for which a license is required, or Customer will provide such handling itself under an appropriate license. Customer will provide all radioactive sources and radioisotopes for calibration and performance checks of such system. Customer acknowledges that such systems utilize radioactive materials. As with all systems utilizing radioactive materials, hazards exist creating possible physical danger to persons in the vicinity.

For iCenter and iLinq Only: GE Healthcare will provide iCenter and/or iLinq information management Services at no additional charge during the term of the applicable product warranty, subject to then-applicable terms and conditions for such services.

For Healthcare IT Products Only:

a. Payment. Unless specified separately in the Quotation, fees for non-GE Healthcare software and hardware shall be due one hundred percent (100%) on delivery of the applicable software or hardware.

b. Audit Rights. Upon forty-five (45) days notice GE Healthcare may audit Customer's use of the software. Customer agrees to cooperate with GE Healthcare's audit and to provide reasonable assistance and access to information. If the audit uncovers underpaid or unpaid fees owe to GE Healthcare, Customer agrees to pay those fees and GE Healthcare's costs incurred in conducting the audit within thirty (30) days of written notification of the amounts owed. If Customer does not pay the amounts owed, GE Healthcare may terminate Customer's license to use the applicable software. Customer agrees to permit GE Healthcare to obtain certain reasonable information regarding the users and other use information regarding the software. All of such information shall be treated as confidential information, shall be used solely for the purposes of technical support and auditing the use of the software, and shall not be disclosed to any third party (other than third-party vendors of software licensed to Customer under this Agreement) without Customer's consent.

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GE Healthcare General Terms and Conditions

GE Healthcare

References herein to "Products" and "Services" mean the Products (including equipment and software) and Services identified on the applicable GE Healthcare Quotation ("Quotation").

1. General Terms

1.1. Confidentiality. Each party will treat the terms of this Agreement and the other party's written, proprietary business information as confidential if marked as confidential or proprietary. Customer will treat GE Healthcare (and GE Healthcare's third party vendors') software and technical information as confidential information whether or not marked as confidential and shall not use or disclose to any third parties any such confidential information except as specifically permitted in this Agreement or as required by law (with reasonable prior notice to GE Healthcare). The receiving party shall have no obligations with respect to any information which (i) is or becomes within the public domain through no act of the receiving party in breach of this Agreement, (ii) was in the possession of the receiving party prior to its disclosure or transfer and the receiving party can so prove, (iii) is independently developed by the receiving party and the receiving party can so prove, or (iv) is received from another source without any restriction on use or disclosure.

1.2. Governing Law. The law of the state where the Product is installed or the Service is provided will govern this Agreement.

1.3. Force Majeure. Neither party is liable for delays or failures in performance (other than payment obligations) under this Agreement due to a cause beyond its reasonable control. In the event of such delay, the time for performance shall be extended as reasonably necessary to enable performance.

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

1.5. Amendment; Waiver; Survival. This Agreement may be amended only in writing signed by both parties. Any failure to enforce any provision of this Agreement is not a waiver of that provision or of either party's right to later enforce each and every provision. The terms of this Agreement that by their nature are intended to survive its expiration (such as the confidentiality provisions included herein) will continue in full force and effect after its expiration.

1.6. Termination. If either party materially breaches this Agreement and the other party seeks to terminate this Agreement for such breach, such other party shall notify the breaching party in writing, setting out the breach, and the breaching party will have sixty (60) days following receipt of such notice to remedy the breach. If the breaching party fails to remedy the breach during that period, the other party may, subject to the terms of Section 1.4.5 of the GE Healthcare Product Terms and Conditions, terminate this Agreement by written notice to the breaching party. For the avoidance of doubt, this Agreement is not terminable for convenience and may only be terminated in accordance with this Agreement. If GE Healthcare determines in good faith at any time that there are legal or regulatory compliance and/or material credit issues with this Agreement, if any, GE Healthcare may terminate this Agreement (including warranty services hereunder) immediately upon written notice to Customer.

2. Compliance

2.1. Generally. This Agreement is subject to (i) GE Healthcare's on-going credit review and approval and (ii) GE Healthcare's on-going determination that Customer and this Agreement comply with all applicable laws and regulations, including those relating to workplace safety, FDA matters, Federal Healthcare Program Anti-kickback compliance, export/import control and money laundering prevention. CUSTOMER ACKNOWLEDGES THAT THE PRODUCTS ARE OR MAY BE SUBJECT TO REGULATION BY THE FDA AND OTHER FEDERAL OR STATE AGENCIES. CUSTOMER SHALL NOT USE OR PERMIT THE PRODUCTS TO BE USED IN ANY MANNER THAT DOES NOT COMPLY WITH APPLICABLE FDA OR OTHER REGULATIONS OR FOR ANY NON-MEDICAL, ENTERTAINMENT, OR AMUSEMENT PURPOSES. Further, Customer represents that it is purchasing the Products for its own use consistent with the terms of this Agreement and that it does not intend to re-sell the Products to any other party or to export the Products outside the country to which GE Healthcare delivers the Products.

2.2. Cost Reporting. Customer represents and warrants that it shall comply with (a) the applicable requirements of the Discount Statutory Exception, 42 U.S.C. 1320a-7b(b)(3)(A), and the Discount Safe Harbor, 42 C.F.R. § 1001.952(h), with respect to any discounts Customer may receive under this Agreement and (b) the Warranties Safe Harbor, 42 C.F.R. § 1001.952(g), with respect to any price reductions of an item (including a free item) which were obtained as part of a warranty under this Agreement. Customer agrees that, if Customer is required to report its costs on a cost report, then (i) the discount must be based on purchases of the same good bought within a fiscal year; (ii) Customer must claim the benefit in the fiscal year in which the discount is earned or in the following year; (iii) Customer must fully and accurately report the discount in the applicable cost report; and (iv) Customer must provide, upon request, certain information required to be provided to the Customer by GE Healthcare as a seller or offeror, as appropriate. If Customer is on individual or entity in whose name a claim or request for payment is submitted for the discounted items, the discount must be made at the time of the sale of the good; and the Customer must provide, upon request, certain information required to be provided to the Customer by GE Healthcare as a seller or offeror, as appropriate. GE

Healthcare agrees to comply with the applicable requirements for sellers or offerors under the Discount Safe Harbor, as appropriate.

2.3. Site Access Control and Network Security. Customer shall be solely responsible for establishing and maintaining security, virus protection, backup and disaster recovery plans for any data, images, software or equipment. GE Healthcare's Services do not include recovery of lost data or images. Customer shall comply with all applicable laws and regulations related to site access control.

2.4. Environmental Health and Safety. Customer shall provide and maintain a suitable, safe and hazard-free location and environment for the GE Healthcare Products and Services in material compliance with any written requirements provided by GE Healthcare, perform GE Healthcare recommended routine maintenance and operator adjustments, and ensure that any non-GE Healthcare provided Service is performed by, and GE Healthcare Products are used by, qualified personnel in accordance with applicable user documentation. GE Healthcare shall have no obligation to perform Services until Customer has complied with its obligations under this Section.

2.5. GE Healthcare-Supplied Parts. GE Healthcare can make no assurances that Product performance will not be affected by the use of non-GE Healthcare-supplied parts. In some instances, use of non-GE Healthcare-supplied parts may affect Product performance or functionality.

2.6. Training. Any Product training identified in the Quotation shall be in accordance with GE Healthcare's then-current training program offerings and terms. Unless otherwise stated in the catalog description, training must be completed within twelve (12) months after (i) the date of Product delivery for training purchased with Products and (ii) the start date for Services for training purchased with Services. If training is not completed within the applicable time period, GE Healthcare's obligation to provide the training will expire without refund.

2.7. Medical Diagnosis and Treatment. All clinical and medical treatment and diagnostic decisions are the responsibility of Customer and its professional healthcare providers.

3. Disputes; Liability; and Indemnity

3.1. Waiver of Jury Trial. EACH PARTY EXPRESSLY WAIVES ALL RIGHTS TO A JURY TRIAL IN CONNECTION WITH ANY DISPUTE ARISING UNDER THIS AGREEMENT.

3.2. Limitation of Liability. GE HEALTHCARE'S (AND ITS REPRESENTATIVES') LIABILITY UNDER THIS AGREEMENT, REGARDLESS OF THE FORM OF ACTION, SHALL NOT EXCEED: (A) FOR PRODUCTS OR SERVICES OTHER THAN SERVICES UNDER AN ANNUAL SERVICE CONTRACT, THE PRICE FOR THE PRODUCT OR SERVICE THAT IS THE BASIS FOR THE CLAIM; OR (B) FOR ANNUAL SERVICE CONTRACTS, THE ANNUAL CONTRACT PRICE FOR THE SERVICE THAT IS THE BASIS FOR THE CLAIM. NEITHER CUSTOMER NOR GE HEALTHCARE (NOR THEIR RESPECTIVE REPRESENTATIVES) SHALL BE LIABLE TO THE OTHER PARTY UNDER THIS AGREEMENT (OR OTHERWISE IN CONNECTION WITH THE PRODUCTS AND SERVICES) FOR ANY INDIRECT, SPECIAL, PUNITIVE, INCIDENTAL OR CONSEQUENTIAL DAMAGES, OR FOR LOSS OF PROFITS, REVENUE, TIME, OPPORTUNITY OR DATA, WHETHER IN AN ACTION IN CONTRACT, TORT, PRODUCT LIABILITY, STATUTE, EQUITY OR OTHERWISE. THE LIMITATION OF LIABILITY AND EXCLUSION OF DAMAGES SHALL APPLY EVEN IF THE LIMITED REMEDIES FAIL OF THEIR ESSENTIAL PURPOSE.

3.3. IP Indemnification. GE Healthcare will defend, indemnify and hold harmless Customer from any third party claims for infringement of intellectual property rights arising from Customer's use of GE Healthcare manufactured equipment and/or GE Healthcare proprietary software listed in the Quotation in accordance with their specifications and within the license scope granted in this Agreement. If any such claim materially interferes with Customer's use of such equipment and/or software, GE Healthcare shall, at its option: (i) substitute functionally equivalent non-infringing products; (ii) modify the infringing Product so that it no longer infringes but remains functionally equivalent; (iii) obtain for Customer at GE Healthcare's expense the right to continue to use the infringing Product; or (iv) if the foregoing are not commercially reasonable, refund to Customer the purchase price, as depreciated (based on five (5) year straight-line depreciation), for the infringing Product. Any such claims arising from Customer's use of such infringing Product after GE Healthcare has notified Customer to discontinue use of such infringing Product and offered one of the remedies set forth in clauses (i) through (iv) above are the sole responsibility of Customer. This Section represents Customer's sole and exclusive remedy (and GE Healthcare's sole and exclusive liability) regarding any infringement claim associated with such infringing Product. The above indemnification obligation is conditional upon Customer providing GE Healthcare prompt written notice of the infringement claim after receiving notice of such claim, allowing GE Healthcare to control the defense of such claim, and reasonably cooperating with GE Healthcare in such defense. Notwithstanding any other provision in this Agreement, GE Healthcare shall not have any obligation to Customer hereunder for infringement claims based on or resulting from: (a) use of such infringing Product in combination with any computer software, tools, hardware, equipment, materials, or services, not furnished or authorized in writing for use by GE Healthcare; (b) use of such infringing Product in a manner or environment or for any purpose for which GE Healthcare did not design or license it, or in violation of GE Healthcare's use instructions; or (c) any modification of such infringing Product by Customer or any third party. GE Healthcare shall not be responsible for any compromise or settlement or claim made by Customer without GE Healthcare's written consent. This indemnification obligation is expressly limited to the GE Healthcare manufactured equipment and/or GE Healthcare proprietary software listed in the Quotation.

4. Payment and Finance

4.1. Generally. The payment and billing terms for the Product(s) and/or Service(s) are stated in the Quotation.

4.2. Affiliate Billing. If Customer's order includes Products manufactured by more than one GE Healthcare affiliated company, each affiliated company may invoice Customer separately for the portion of the total price under the Quotation attributable to its Products, under the same payment terms specified in the Quotation. There shall be no additional fees or charges to Customer for such separate invoicing.

4.3. Late Payment. Failure to make timely payment is a material breach of this Agreement, for which (in addition to other available remedies) GE Healthcare may suspend performance under any or all GE Healthcare agreements until all past due amounts are brought current. If GE Healthcare so suspends, GE Healthcare will not be responsible for the completion of planned maintenance due to be performed during the suspension period and any product downtime will not be included in the calculation of any uptime commitment. Interest shall accrue on past-due amounts at a rate equal to the lesser of one-and-one-half percent (1.5%) per month or the maximum rate permitted by applicable law. Customer will reimburse GE Healthcare for reasonable costs (including attorneys' fees) relating to collection of past due amounts. Any credits that may be due to Customer under an agreement may be applied first to any outstanding balance. If Customer has a good faith dispute

regarding payment for a particular Product (or subsystem thereof) or Service, such dispute shall not entitle Customer to withhold payment for any other Product (or subsystem thereof) or Service provided by GE Healthcare. GE Healthcare may revoke credit extended to Customer because of Customer's failure to pay for any Products or Services when due, and in such event all subsequent shipments and Services shall be paid for on receipt.

4.4. Taxes. Prices do not include sales, use, gross receipts, excise, valued-added, services, or any similar transaction or consumption taxes ("Taxes"). Customer shall be responsible for the payment of any such Taxes to GE Healthcare unless it otherwise timely provides GE Healthcare with a valid exemption certificate or direct pay permit. In the event GE Healthcare is assessed Taxes, interest or penalty by any taxing authority, Customer shall reimburse GE Healthcare for any such Taxes, including any interest or penalty assessed thereon. Each party is responsible for any personal property or real estate taxes on property that the party owns or leases, for franchise and privilege taxes on its business, and for taxes based on its net income or gross receipts.

GE Healthcare Product Terms and Conditions

GE Healthcare

References herein to "Products" and "Services" mean the Products (including equipment and software) and Services identified on the applicable GE Healthcare Quotation ("Quotation"). References herein to "Healthcare IT Products" are (i) those software products identified in the Quotation as a "Centricity" product, any third party software licensed for use in connection with the Centricity software, all hardware used to operate the Centricity or the third party software, and services provided with respect to the implementation, installation or support and maintenance of the Centricity or the third party software, and/or (ii) any software, product or service that is included in a Quotation which Quotation is designated as an "Healthcare IT Quotation".

1. Commercial Logistics

1.1. Order Cancellation and Modification.

1.1.1. Cancellation and Payments. Except for Healthcare IT Products, if Customer cancels an order without GE Healthcare's prior written consent, Customer will pay a cancellation charge of fifteen percent (15%) of the price of the Products ordered. GE Healthcare will retain as a credit any payments received up to the amount of the cancellation charge. If Customer cancels an order for Products for which GE Healthcare has provided site evaluation services, Customer will also pay GE Healthcare reasonable charges for such services performed prior to cancellation. If applicable for the order, Customer will pay all progress payments (other than the final payment) prior to final Product calibration, and GE Healthcare may, at its option, delay final calibration until required progress payments are received. If Customer fails to schedule a delivery date with GE Healthcare within six (6) months after order entry, GE Healthcare may cancel Customer's order upon written notice to Customer.

1.1.2. Order Modifications. No modifications may be made to an order without GE Healthcare's prior written consent. The Product configuration listed in the Quotation is based upon information furnished to GE Healthcare by Customer, and Customer is responsible to provide and pay for modifications, if any, to the configuration due to inaccuracies or incompleteness of the information furnished to GE Healthcare by Customer, changes in Customer's needs or requirements, or for other reasons attributable to Customer.

1.2. Site Preparation. If applicable, Customer will be responsible, at its sole expense, for evaluating and preparing the site where the Products will be installed in accordance with GE Healthcare's site preparation requirements and applicable laws. Customer must provide GE Healthcare with prompt written notice if Customer is unable to prepare the site before the mutually agreed installation date. Upon receipt of such notice, GE Healthcare will reschedule the installation to a mutually agreed date. Customer shall be liable for any costs or expenses GE Healthcare or its representatives incur resulting from Customer's failure to provide GE Healthcare with timely notice of Customer's failure to properly prepare the site. GE Healthcare may, in its discretion, delay delivery or installation if GE Healthcare determines that the site has not been properly prepared or there are any other impediments to installation; provided that GE Healthcare gives Customer written notice of such delay stating the reasons therefor. If GE Healthcare provides site evaluation services, such services are intended only to assist Customer in fulfilling Customer's responsibility to ensure that the site complies with GE Healthcare's applicable site preparation requirements.

1.3. Transportation, Title and Risk of Loss; Delivery; Returns.

1.3.1. Transportation, Title and Risk of Loss. Unless otherwise indicated in the Quotation, shipping terms are FOB Destination. Title and risk of loss to equipment passes to Customer upon delivery to Customer's designated delivery location. Software is licensed to Customer; no title to or other ownership interest in such software passes to Customer.

1.3.2. Delivery. When feasible, GE Healthcare reserves the right to make delivery in installments. All such installments shall be separately invoiced and paid for when due, without regard to subsequent deliveries. At the time of such delivery, Customer will pay GE Healthcare for any amounts due upon delivery. Delivery dates are approximate. For GE Healthcare software or documentation, delivery means the first to occur of: (i) communication to Customer through electronic means, that allows Customer to take possession of the first copy or product master, or (ii) delivery to Customer's designated delivery location.

1.3.3. Product Returns. Customer shall not have any right to return Products for a refund after delivery except for products shipped in error that are different from the Products listed in the Quotation.

1.4. Installation and Certification. GE Healthcare will provide product assembly, installation and calibration, as required, at no additional charge, except for items excluded herein. GE Healthcare installation Services provided under the Quotation will be performed in accordance with applicable GE Healthcare installation guides and/or project plans. Customer will review the applicable GE Healthcare installation guides, and/or project plans, and perform Customer's obligations as set forth in those materials. Upon completion of assembly, installation and calibration, and prior to turnover of the Products to Customer for clinical use, as applicable, GE Healthcare will perform prescribed tests using its own performance specifications, instruments and procedures to verify that the Products meet GE Healthcare's applicable performance specifications.

1.4.1. Customer-Supplied Items.

- Customer will install necessary system cable and assemble any necessary equipment or hardware not provided by GE Healthcare, unless agreed otherwise in writing by the parties.
- For Products that will be operated on or in connection with Customer supplied hardware or software, Customer is responsible

for ensuring that such hardware and software conform to GE Healthcare's minimum hardware and software requirements as made available to Customer.

- Unless GE Healthcare has agreed in writing to maintain responsibility for an applicable service, Customer will be responsible for enabling the connectivity and interoperability between Customer-supplied hardware or software or other systems or devices and the Product, including, without limitation, procuring and installing any modifications, interfaces or upgrades consistent with GE Healthcare's written specifications.
- Unless otherwise agreed in writing by GE Healthcare, Customer is solely responsible for the performance of and payment for any applicable rigging and/or facility costs. GE Healthcare will not install accessory items unless otherwise agreed in writing by GE Healthcare.
- If applicable for the Product, electrical wiring and outlets, computer network infrastructure, conduit, cabinetry modification, wall mounts, ventilation and any other site preparation are not included in the purchase price and are the responsibility of Customer, unless otherwise agreed in writing by GE Healthcare.

1.4.2. Network. Unless Customer has elected to purchase network preparation and certification Services from GE Healthcare as set forth in the Quotation, Customer is solely responsible for ensuring that Customer's network is adequate for the proper operation and performance of the Products and otherwise meets GE Healthcare's written network configuration requirements.

1.4.3. License, Permits, and Approvals. Customer shall obtain and maintain all licenses, permits and other approvals necessary for installation, use, and disposal/recycling of the Products provided under this Agreement, including, but not limited to, any government licenses required to use radioactive sources for Products that require the use of such sources. GE Healthcare will ship such sources to Customer only after Customer provides GE Healthcare with satisfactory evidence that Customer has obtained all required licenses for such sources in addition, Customer will provide all radioactive sources for calibration and performance checks of Products that require the use of such sources. GE Healthcare will file any required Federal and State reports relating to its installation activities. GE Healthcare will not install, test, certify or provide its own software license or warranty for Products that are not listed in its on-line catalog or price pages at the time of sale (such Products are normally identified by NL or NW series numbers), unless otherwise agreed in writing by GE Healthcare.

1.4.4. Non-GE Healthcare Labor. If local labor conditions make it impractical to, or GE Healthcare is directed not to, use GE Healthcare's employees or pre-qualified contractors for the installation, all work will be performed by Customer's laborers or outside labor at Customer's expense; provided that GE Healthcare will, at Customer's request, furnish guidance for installation. GE Healthcare is not responsible for the quality or adequacy of any work performed by any party other than GE Healthcare or its pre-qualified contractors.

1.4.5. Non-GE Healthcare Installation. For Products that GE Healthcare is obligated to install under the terms of this Agreement, if GE Healthcare delivers the Product but fails to perform its installation obligations, then in such event Customer shall nevertheless be obligated to pay GE Healthcare an amount equal to (a) the Product purchase price set forth in the Quotation, if the Product purchase price and the installation Services price are shown as separate line items in the Quotation, or (b) if the Product purchase price and installation Services price are not shown as separate line items in the Quotation, then the Product purchase price less the fair market value of the applicable installation Services, taking into account the type of Product and level of installation required ("Installation Service FMV"). An independent third party shall determine the Installation Service FMV. Notwithstanding any other provision of this Agreement to the contrary, either the discharge of Customer's obligation to pay for installation Services shown as a separate line item(s) in the Quotation or the deduction of the Installation Service FMV, as applicable, shall be Customer's sole and exclusive remedy (and GE Healthcare's sole and exclusive liability) in the event GE Healthcare fails to perform its installation obligations under this Agreement.

1.5. Acceptance. Unless expressly provided otherwise in this Agreement, Customer shall be deemed to have accepted a Product delivered by GE Healthcare under this Agreement on the earlier of: (i) if GE Healthcare installs the Product, five (5) days after GE Healthcare notifies Customer that it has completed assembly and the Product is operating substantially in accordance with GE Healthcare's published performance specifications; (ii) if GE Healthcare does not install the Product, five (5) days after delivery of the Product to Customer; or (iii) the date Customer first uses the Product for patient use.

1.6. Warranties. Product warranties (if applicable) are set forth in the GE Healthcare warranty forms delivered with the Quotation. GE Healthcare may use refurbished parts in new Products as long as it uses the same quality control procedures and warranties as for new Products. Any part for which GE Healthcare has supplied a replacement shall become GE Healthcare property.

1.7. Data Access. If applicable, Customer shall permit GE Healthcare to connect to the Products, or to otherwise access Product performance data through a Customer-furnished telephone line or Broadband connection. The data collected by GE Healthcare will be used, during and after the term of this Agreement, in accordance with all applicable laws and regulations and in a manner that will maintain confidentiality.

2. Software License

2.1. License Grant. GE Healthcare grants to Customer a non-exclusive, non-transferable license to use for Customer's internal business purposes the GE Healthcare software, third-party software and Documentation at the location (or, for mobile systems, in the specific vehicle) identified in the Quotation, subject to the license scope and other restrictions set forth in this Agreement. "Documentation" means the GE Healthcare user manuals, on-line help functions, technical specifications and user instructions regarding the operation, installation and use of the software as made available by GE Healthcare to Customer. Customer may only use third-party software provided by GE Healthcare together with the GE Healthcare software and will comply with all third-party software license terms included in any click or shrink wrap license or of which GE Healthcare otherwise makes Customer aware. To the extent permitted by applicable law, licensors of third-party software shall be third-party beneficiaries of this Agreement with respect to third-party software sublicensed under this Agreement. Customer may permit its employees, agents, independent contractors and healthcare providers with privileges at Customer's facilities to use the software and Documentation; provided, however, that Customer shall be responsible for any acts of such third parties that are inconsistent

with this Agreement. Notwithstanding the foregoing, independent contractors that supply products comparable to the software shall be provided access to the software only with GE Healthcare's prior written consent and subject to any conditions GE Healthcare deems appropriate to protect its confidential and proprietary information.

2.2. Additional License Terms. Without GE Healthcare's prior written consent, Customer may not: (i) copy, sublicense, distribute, rent, lease, loan, resell, modify or translate the software or create derivative works based thereon, except that to the extent applicable, the software may be configured as specifically permitted in the Documentation; (ii) directly or indirectly decompile, disassemble, reverse engineer or otherwise attempt to learn the source code, structure, algorithms or ideas underlying the software; (iii) provide service bureau, time share or subscription services based on the software; (iv) remove, obscure or modify any markings, labels or any notice of the proprietary rights, including copyright, patent and trademark notices of GE Healthcare or its licensors; (v) electronically transfer the software outside Customer's intranet or network dedicated for the software, unless otherwise authorized in writing by GE Healthcare; or (vi) publicly release the results of any testing or benchmarking of the software without the prior written consent of GE Healthcare. Customer may transfer authorized copies of the software, and Documentation to a party that purchases or otherwise acquires the equipment and accepts any applicable license terms, except for software and Documentation that are (a) not a part of the base system standard operating software or Documentation for the equipment and (b) generally provided by GE Healthcare to its customers for a separate fee or charge. Advanced service software is subject to a separate fee and eligibility criteria and licensed under a separate agreement with GE Healthcare.

2.3. Backups. Customer may make a reasonable number of copies of the software in machine-readable form solely for backup, training, testing or archival purposes, so long as applicable license fees are paid. Customer shall reproduce on any such copy the copyright notice and any other proprietary legends that were on the original copy. GE Healthcare and its licensors, as applicable, retain all ownership and intellectual property rights to the software and Documentation. If Customer acquires any rights to the software or Documentation, Customer hereby assigns all of those rights to GE Healthcare or its licensors, as applicable. No license rights are granted (whether by implied license or otherwise), to Customer, except as specifically provided in this Section.

2.4. Remedies. Customer agrees that a violation of GE Healthcare's license, confidentiality or intellectual property rights will cause irreparable harm to GE Healthcare for which the award of money damages alone are inadequate. In the event of any breach of this provision, GE Healthcare shall be entitled to seek injunctive relief in addition to immediately terminating the license granted herein and requiring that Customer cease use of the software and return all copies of stand-alone software in any media in addition to seeking any other legal or equitable remedies available to GE Healthcare. This paragraph shall survive the termination of this Agreement.

3. Payment and Finance

3.1. Security Interest; Upgrade Pricing. Customer grants GE Healthcare a purchase money security interest in all items of hardware or equipment listed in the Quotation until full payment is received, and Customer shall perform all acts and execute all documents as may be necessary to perfect GE Healthcare's security interest. Except for Healthcare IT Products, prices for upgrades and revisions assume that Customer returns the replaced component and transfers title to GE Healthcare at no charge to GE Healthcare. If, after Product delivery, Customer does not make any payments for the Products within forty-five (45) days after such payments are due, GE Healthcare may, upon ten (10) days prior written notice to Customer, either (a) enter upon Customer's site and remove the Products or (b) temporarily disable the Products so that they are not operational.

3.2. Leases. If Customer is acquiring use of Products through an equipment lease (a "Lease") with an equipment lessor (a "Lessor"), certain provisions of this Agreement (including, but not limited to, terms related to payment, title transfer, warranties, and software licenses) may be modified as agreed to in writing between GE Healthcare, the applicable Lessor, and/or Customer, as the case may be. Acceptance of the equipment as between GE Healthcare and Lessor will be defined by this Agreement; acceptance of the equipment as between Lessor and Customer will be defined by the lease agreement. Notwithstanding the foregoing, if the Lessor does not comply with the terms of this Agreement, Customer shall continue to be responsible for the payment obligations hereunder.

4. Product Specific Terms

4.1. MUSE CV Information Technology Professional Services (ITPS). MUSE CV Product ITPS shall be performed within six (6) months of the date Customer orders the Services. Without limiting the foregoing, Customer agrees that, if the Services have not been performed within one (1) year of the date Customer orders the Services for reasons other than GE Healthcare's failure to perform, GE Healthcare shall be relieved of its obligation to perform the Services and the Customer shall not be entitled to a refund for such unperformed Services. ITPS Services include clinical applications training, project management, HL7/HIS systems integration, database conversion, and network design and integration (ND&I).

4.2. Pre-Owned Products. Products identified as pre-owned/refurbished/remanufactured Products have been previously owned and used; they are not new. When delivered to Customer, such Products may have received mechanical, electrical, and/or cosmetic reconditioning, as necessary, and will meet their original specifications. Since pre-owned Products may be offered simultaneously to several customers, their sale to Customer is subject to their continued availability at the time Customer offers to purchase such Products. If the pre-owned Products are no longer available, (i) GE Healthcare will attempt to identify other pre-owned Products in its inventory that meet Customer's needs, and (ii) if substitute pre-owned Products are not acceptable to Customer, GE Healthcare will cancel the order and refund any deposit Customer has paid for such Products.

4.3. CT and X-Ray Products. Certain Products that use x-ray or image intensifier tubes have been designed to recognize GE Healthcare-supplied tubes and report to the user the presence of a non-GE Healthcare-supplied tube. This will permit the user to make any adjustments to Product use that the user deems appropriate. Use of the Products with non-GE Healthcare-supplied tubes is always at the user's discretion; however, Customer acknowledges that advanced scanner functionality may be impaired or disabled by the use of non-GE Healthcare-supplied tubes. GE Healthcare assumes no liability for the use of non-GE-Healthcare-supplied tubes and disclaims any responsibility for any effect such tubes may have on Product performance.

GE Healthcare

GE Healthcare Additional Terms and Conditions: Uptime Commitment

This Uptime Commitment incorporates GE Healthcare's General Terms and Conditions and GE Healthcare's Product Terms and Conditions and will apply to eligible diagnostic imaging systems covered by the Quotation, as identified in the Quotation ("Eligible Systems").

1. Scope. GE Healthcare will provide Customer with expanded warranty protection for Eligible Systems in consideration of Customer's commitment to provide a broadband network connection to enable GE Healthcare to better provide warranty service for the Eligible Systems during the warranty period. The following provisions will apply only to Eligible Systems and only during the warranty period.

2. Eligibility. To be eligible for this expanded warranty protection, Customer must: (a) establish (if not previously established) and maintain a broadband network connection at Customer's site that connects to the Eligible System, which broadband connection meets GE Healthcare's minimum specifications, (b) provide GE Healthcare with access to the Eligible System through Customer's broadband network connection and maintain security for Customer's broadband network connection in accordance with appropriate industry best practices, (c) provide necessary support to maintain such broadband network connection, including designation of a primary Customer contact person, (d) provide GE Healthcare with at least two (2) business days advance notice of any planned changes to Customer's network that may impact such broadband connection and with notice of any unplanned changes (e.g., power outages, computer viruses, system crashes) to Customer's network that may impact such broadband connection within two (2) business days after the occurrence of the unplanned changes, (e) reasonably cooperate with GE Healthcare in maintaining such broadband connection during all such planned and unplanned changes, and (f) use reasonable efforts to ensure that Customer's connection to the Internet and LAN systems operate at a maximum of 75% of capacity and have an uptime rate of at least 98%.

3. Uptime Commitment. If Customer performs these responsibilities, GE Healthcare will provide Customer, at no additional charge and in addition to other remedies available under GE Healthcare's warranty, an uptime commitment of 97% (95% for all covered nuclear imaging systems and all covered X-ray systems except digital mammography, digital radiographic and vascular X-ray systems), and uptime remedies, as described below.

4. Definitions. "Uptime Commitment" means GE Healthcare's commitment on Eligible System uptime during the warranty period, as defined below. "Uptime Remedy" is, in addition to the other remedies specified in the warranty, Customer's sole and exclusive remedy if GE Healthcare fails to meet any Uptime Commitment over a 26-week measurement period during the warranty period. Should the Eligible System fail to achieve the Uptime Commitment as calculated by the Uptime Commitment Calculation, GE Healthcare will provide an extension of Customer's service agreement with GE Healthcare for the Eligible System (or, if Customer has not entered into a service agreement with GE Healthcare, the warranty period for the Eligible System) at no additional charge, as follows:

% < Uptime Commitment	Extension
0	0 weeks
0.1 - 3.0	1 week
3.1 - 8.0	2 weeks
8.1 - 13.0	4 weeks
> 13.0	6 weeks

"Uptime Commitment Calculation" means the calculation used to determine achievement of the Uptime Commitment, as follows: The basis for each measurement period is GE Healthcare's standard warranty service coverage hours of A hours per day, B days per week for 26 weeks, less C hours spent on planned maintenance ("PM") during that interval:

Hours1 = A hours per day X B days per week X 26 weeks
Hours2 = Hours1 - C hours for planned maintenance
Required in-service hours at Customer's % commitment: Hours3 = Hours2 X Customer's %

5. Eligible System. An Eligible System will be considered inoperable and out of service under the Uptime Commitment if, due to GE Healthcare's design, manufacturing, material, or service or maintenance performance failure, the Eligible System is unavailable for scanning patients and diagnosing images on the Eligible System display console or operator's console. Peripheral equipment such as remote consoles, magnetic tape drives, hard copy devices, and multi-format and laser cameras are excluded from the terms of the Uptime Commitment. Repair and adjustments required for anything other than Eligible System failure, and damage or inoperability due to any cause other than GE Healthcare's design, manufacturing, material, or service or maintenance performance failure, will be excluded from the Uptime Commitment Calculation, including without limitation damage through misuse, operator error, inadequate environmental or air conditioning protection, power failure, and acts of God. PM time will not be included in the calculation of downtime. If GE Healthcare's responding representative agrees the Eligible System is inoperable due to GE Healthcare's design, manufacturing, material, or service or maintenance performance failure, the Eligible System will be considered out of service from the time the request for service was received by GE Healthcare until the Eligible System is again turned over to Customer for operation. If Customer fails to give GE Healthcare immediate and unencumbered access to the Eligible System or continues to obtain scans after notifying GE Healthcare of any Eligible System failure, the Eligible System will be considered to be in service.

GE Healthcare Confidential & Proprietary

GE Healthcare Additional Terms and Conditions: Healthcare IT

GE Healthcare

References herein to "Products" and "Services" mean the Products (including hardware and software) and Services purchased by Customer as identified on the applicable GE Healthcare Quotation ("Quotation"). References herein to "Healthcare IT Products" are (i) those software products identified in the Quotation as a "Centricity" product, any third party software licensed for use in connection with the Centricity software, all hardware used to operate the Centricity or the third party software, and services provided with respect to the implementation, installation or support and maintenance of the Centricity or the third party software, and/or (ii) any software, product or service that is included in a Quotation which Quotation is designated as an "Healthcare IT Quotation".

These Additional Terms and Conditions incorporate the GE Healthcare General Terms and Conditions as well as the GE Healthcare Product Terms and Conditions and will apply only to the license, purchase and use of Healthcare IT Products.

1. Healthcare IT Product Specific Terms. The following terms apply only to the purchase of Healthcare IT Products.

1.1. Statement of Work (SOW). Following the effective date of this Agreement, the parties may enter into a written statement of work ("SOW") signed by the parties that describe the professional services to be provided by pursuant to the quotation, which may include, among other things, an installation and implementation project work plan, identification of installation and implementation services, and other related professional services. GE Healthcare shall perform the professional services and provide any deliverables described in any such SOW and shall use commercially reasonable efforts to do so according to any delivery schedule in the SOW. GE Healthcare is responsible for the assignment of personnel to perform all services and may make any change in staffing it deems necessary provided that such change does not compromise the level of expertise required to complete the applicable SOW. Each SOW may include descriptions of the following: (i) professional services to be performed; (ii) deliverables; (iii) Customer's additional responsibilities; (iv) project work scope, (v) estimated performance schedule and applicable milestones; (vi) Customer's site and any site preparation requirements; (vii) network, hardware or other environmental or infrastructure requirements; (viii) preliminary implementation plans; or (ix) key assumptions. The terms and conditions of this Agreement shall prevail over those of the SOW. A SOW may only be modified in writing signed by authorized representatives of both parties and must be made pursuant to mutually agreed change control procedures. Changes to a SOW may require a change in fees reflecting the change in scope and/or change in schedule of delivery of the professional services or deliverables and/or change in Customer's responsibilities. From time to time during the term of this Agreement, the parties may enter into additional SOWs relating to services purchased by Customer under Change Orders to this Agreement. Each such additional SOW shall constitute a separate and independent work engagement and contractual obligation.

1.2. Project Managers. If required by the SOW, Customer and GE Healthcare shall each designate a project manager who will be responsible for day-to-day communications regarding the subject matter of the applicable SOW. The project managers will be responsible for monitoring the schedules and progress of services pursuant to the Agreement and/or SOW and will have the authority to act for the respective parties in all aspects of the engagement. The project managers for the parties will meet in person or via conference call as necessary. The responsibilities of the project managers include to: (i) serve as the single point of contact for all departments in their organization participating in this project; (ii) administer the change-of-control procedure; (iii) participate in project status meetings; (iv) obtain and provide information, data, decisions and approvals, within seven working days of the other party's request unless GE Healthcare and Customer mutually agree to an extended response time; (v) resolve deviations from project plans that may be caused by the parties' respective organizations; (vi) help resolve project issues and escalate issues within the parties' respective organizations, as necessary; (vii) monitor and report project status on a regular basis to the respective organizations as appropriate; and (viii) provide and coordinate technical and specialist resources as necessary.

1.3. HITECH Certification. GE Healthcare will use diligent efforts to obtain certification under the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act") to the extent that certification standards are established for the applicable functionality included as part of GE Healthcare's EMR or Centricity Practice Solutions software licensed by Customer, including those product updates that GE Healthcare provides generally to Customer of such products as part of support and maintenance. If GE Healthcare fails to obtain certification for the applicable components within ninety (90) days after the beginning of the first Reporting Period in a Payment Year that Customer is actively seeking to demonstrate Meaningful Use, GE Healthcare will credit the standard support services fees for such software for each month during which the software is not certified (up to a maximum of 6 months) against future support fees. The foregoing is Customer's sole and exclusive remedy in the event GE Healthcare fails to obtain certification. For the avoidance of doubt, Customer's payment obligations under this Agreement are not conditioned on receipt of HITECH incentive payments, certification of the software or demonstration of meaningful use. GE Healthcare will keep Customer informed of GE Healthcare's certification status by posting such status at www.gehealthcare.com/hitech (or some other location that of which GE Healthcare may inform Customer). It is Customer's responsibility to ensure Customer meets all the requirements to qualify for the incentive payments, including "meaningful use", and to confirm that the GE Healthcare software Customer is using is certified according to HITECH criteria. GE Healthcare's obligations under this section apply only to the then-most current version of GE Healthcare's Centricity EMR or Centricity Practice Solution software products. GE Healthcare's obligations are contingent upon Customer then-receiving and paying for support services and complying with the requirements of the GE Healthcare service policy and, if GE Healthcare so requires, upon Customer installing software fixes, patches or updates or migrating to a new or different GE Healthcare software offering, and on Customer otherwise having installed all functionality not part of the GE Healthcare software that would have been required to show Meaningful Use. All capitalized terms shall the definitions set forth in this Agreement, the HITECH Act or any applicable implementing regulations.

1.4. Ownership Rights. GE Healthcare shall retain ownership of all deliverables (including any intellectual property embodied in the

deliverables or related to them) and any intellectual property developed under a SOW or during the course of performing the services whether or not the services are performed by GE Healthcare alone or jointly with Customer or others. In addition, GE Healthcare shall own all improvements, enhancements and derivative works of any GE Healthcare intellectual property. Customer hereby assigns, and will cause Customer's employees and independent contractors to assign, to GE Healthcare all of Customer's rights in and to such deliverables and intellectual property. GE Healthcare grants to Customer a nonexclusive, nontransferable, license, without the right to sublicense, to use the deliverables solely for Customer's internal business purposes and subject to the limitations described in this Agreement and the relevant SOW. Customer agrees to provide reasonable assistance to GE Healthcare in obtaining and enforcing GE Healthcare's rights to such deliverables and intellectual property. GE Healthcare will acquire no rights to any of Customer's confidential information that may be included in any deliverable unless expressly agreed to otherwise by Customer.

1.5. Software Product Testing and Acceptance. Commencing on the date that GE Healthcare gives notice of installation of the GE Healthcare software (or on the date as otherwise provided for in the applicable SOW) and implementation by GE Healthcare of appropriate option and parameter selections made by Customer, Customer will have thirty (30) days to test each unit or module of the GE Healthcare software. Customer shall be deemed to have accepted GE Healthcare proprietary software the earlier of (i) Customer's written acceptance, (ii) the expiration of the test period identified in the preceding sentence without GE Healthcare receiving written notice from Customer of the existence of any errors and a reasonable description of such error(s), or (iii) the date Customer first uses the software to process actual data in the operation of Customer's business (e.g. to register a patient, to produce a bill, to record a treatment or diagnosis or to process or view a medical image). As used in this section, an "error' is the failure of the software to perform substantially in accordance with the documentation. Acceptance tests will be conducted using test data, preferably from Customer's historical operations, in a non-productive environment and according to test protocol to be mutually agreed upon by the parties. Upon discovering an error, Customer shall promptly notify GE Healthcare in writing of the error, which notice shall include a reasonable description of the error. Upon GE Healthcare's timely receipt of Customer's written notice, GE Healthcare shall promptly correct such failures identified by Customer therein. An acceptance test for amendments or alterations provided by GE Healthcare as a result of testing may be conducted by Customer for a period of not more than five (5) days after delivery of such amendment or alteration, and the test period shall be extended for this purpose. Upon the occurrence of acceptance, all payments associated with acceptance, if any, shall be due and payable.

1.6 Software Support. GE Healthcare will provide to Customer the software support services as described in the applicable GE Healthcare service policy for the GE Healthcare software and the support period as specified in the applicable quotation for which Customer has paid the applicable fees. Software that is identified on the quotation and either (i) is delivered to Customer in a third-party developer/supplier's packaging and with its labeling or (ii) for which GE Healthcare expressly indicates (either in the quotation or in the product documentation) that the software is provided with the third-party developer/supplier's software support services in lieu of GE Healthcare software support services is not covered under this Agreement unless specifically stated otherwise in the applicable quotation. GE Healthcare support services will automatically renew for another annual term upon payment of the applicable renewal support fees, unless either party provides sixty (60) days prior written notice of non-renewal. GE Healthcare may increase its charges for support and maintenance fees for each successive annual software renewal support term. In connection with any annual renewal of support services, GE Healthcare may increase its annual charges for maintenance and support by no more than CPI plus two percent (2%). CPI shall mean the U.S. City Average (December to December percent) for ALL Urban Consumers (CPI-U). If GE Healthcare announces to its customers that it will no longer offer support ("end of product life") for a product or component, then upon at least twelve (12) months' prior written notice to Customer, GE Healthcare may, at its option, remove any such item from all GE Healthcare service agreements, with an appropriate adjustment of charges, without otherwise affecting such agreements.

1.7 Medical Diagnosis and Treatment. Customer acknowledges that: (a) the software does not make clinical, or other decisions and is not a substitute for competent, properly trained and knowledgeable staff who bring professional judgment and analysis to the information presented by the software; (b) Customer is responsible for verifying the accuracy of all patient information and determining the data necessary for Customer and Customer's users to make medical and diagnostic decisions, as well as for complying with all laws, regulations and licensing requirements applicable to Customer's delivery of healthcare services; (c) Customer is responsible for establishing and maintaining reasonable quality control procedures to ensure the accuracy of input to the software; (d) Customer and Customer's staff will consider all relevant information including information presented to Customer and Customer's staff by the software and may give whatever weight Customer and Customer's staff deem appropriate to the information produced by the software in the performance of Customer's and Customer's staff's functions; (e) any and all financial and management information produced by the software must be tested for reasonableness and accuracy before any actions are taken or reliance placed on it; (f) Customer has reviewed and will communicate to users who use and access the software any software information, which may be provided to Customer by GE Healthcare from time to time; (g) although GE Healthcare and its third-party vendors have used reasonable care in obtaining information from sources believed to be reliable, Customer acknowledges that it is Customer's obligation to be informed about any changes or developments in clinical information or guidelines that may not be reflected in the software and that the absence of an alert or warning for a given course of treatment, drug or drug combination should not be construed to indicate that the treatment, drug or drug combination is safe, appropriate or effective in any given patient; (h) Customer is solely responsible for the proper, complete and accurate submission of claims, including without limitation the determination of proper billing, diagnosis and procedure codes and the maintenance of patient medical records containing appropriate documentation of the Services billed; (i) when selecting a narrative condition or coded diagnosis or procedure, Customer must make an independent and informed judgment based upon the patient's condition and symptoms and/or a physician's submitted diagnosis, to select a code appropriate for that patient (GE Healthcare does not make any representation or warranty regarding the appropriateness of any of the narrative or codes displayed for any or all patients); (j) since it is possible that a payor's local medical review policies may be in effect prior to their receipt or update by GE Healthcare or its licensors, Customer, as a provider under Federal health care programs, assumes responsibility for the accuracy of all claims submitted for Services performed for Medicare beneficiaries. Customer shall use the Products only for clinical diagnostic purposes in the diagnosis or treatment of a disease or condition, and not for any entertainment or amusement purposes. GE Healthcare will not deliver, install, service or provide training on use of the Products if GE Healthcare discovers the Products have been or are intended to be used for non-clinical purposes

in violation of the preceding sentence.

1.8 Return of Software. Upon termination of this Agreement for any reason, Customer shall immediately return to GE Healthcare any and all software for which license grant immediately terminates.

2. Healthcare IT Warranty. The following warranties apply only to Healthcare IT products and are in lieu of any other standard GE Healthcare warranties.

2.1. Express Warranties. GE Healthcare makes the following express warranties to Customer:

2.1.1. GE Healthcare warrants that its services will be performed by trained individuals in a professional, workman-like manner.

2.1.2. Except as indicated otherwise below, GE Healthcare warrants that (i) GE Healthcare has the right to license or sublicense the software to Customer for the purposes and subject to the terms and conditions set forth herein, (ii) for 90 days following the warranty commencement date, the software will perform substantially in accordance with the applicable documentation, (iii) it has not inserted any disabling code (as defined herein) into the software, and (iv) it will use reasonable commercial efforts consistent with industry standards to scan for and remove any software viruses before installation of the software. As used herein, (a) "disabling code" means computer code that is designed to delete, interfere with, or disable the normal operation of the software; provided, however, that code included in the software that prohibits use outside of the license scope purchased for the software will not be deemed to be disabling code, and (b) "warranty commencement date" means the date upon which Customer first uses the software to process actual data in the operation of Customer's business (e.g., to register a patient, to produce a bill, to record a treatment or diagnosis or to process or view a medical image). The warranty period for any software or component furnished to correct a warranty failure will be the unexpired term of the warranty applicable to the repaired or replaced software.

2.1.3. Except for the right to license warranty above, the above warranties do not cover equipment or third-party software delivered with the GE Healthcare software. Third-party software is identified with a separate part number on the quotation (i) delivered to Customer in the third-party manufacturer/supplier's packaging and with its labeling, or (ii) for which GE Healthcare expressly indicates (either in the quotation or in the product documentation) that the software or equipment is provided with the third-party manufacturer/supplier's warranty in lieu of a GE Healthcare warranty. Such products are covered by the third-party manufacturer/supplier's warranties, to the extent available.

2.2. No Other Warranties. NO OTHER EXPRESS OR IMPLIED WARRANTIES, INCLUDING IMPLIED WARRANTIES OF NON-INFRINGEMENT, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, QUIET ENJOYMENT, SYSTEM INTEGRATION AND DATA ACCURACY, WILL APPLY.

2.3. Sole and Exclusive Remedies for Breach of Warranties. The remedies set forth below are Customer's sole and exclusive remedies and GE Healthcare's sole and exclusive liability for warranty claims. These exclusive remedies shall not have failed of their essential purpose (as that term is used in the Uniform Commercial Code) as long as GE Healthcare remains willing to repair or replace defective warranted products or re-perform any non-conforming services for no charge, as applicable, within a commercially reasonable time after being notified of Customer's warranty claim.

2.3.1. If there is any breach of a warranty contained in Section 2.1.1, GE Healthcare will promptly re-perform any non-conforming services for no charge as long as Customer provides reasonably prompt written notice to GE Healthcare.

2.3.2. If there is a breach of warranty contained in Section 2.1.2(i) GE Healthcare will indemnify Customer in accordance with Section 3.3 of the General Terms and Conditions to included as part of this Agreement.

2.3.3. If there is any breach of a warranty contained in Section 2.1.2(ii) - (iv) and Customer promptly notifies GE Healthcare of Customer's warranty claim during the warranty period and makes the software available for service, GE Healthcare will, at its option, with respect to the GE Healthcare software, either correct the non-conformity or replace the applicable software. Unless agreed otherwise, warranty service will be performed without charge from 8:00 a.m. to 5:00 p.m. (local site time), Monday-Friday, excluding GE Healthcare holidays, and outside those hours at GE Healthcare's then prevailing service rates and subject to the availability of personnel. For certain licensed software, GE Healthcare will perform warranty service only at an authorized service center or, in some instances, via a secure, remote connection to a GE Healthcare online center.

2.4. Limitations. GE Healthcare shall not have any obligation to Customer hereunder if the warranty claim results from or arises out of: (i) the use of the software in combination with any software, tools, hardware, equipment, supplies, accessories or any other materials or services not furnished by GE Healthcare or recommended in writing by GE Healthcare; (ii) the use of the software in a manner or environment, or for any purpose, for which GE Healthcare did not design or license it, or in violation of GE Healthcare's written recommendations or instructions on use; (iii) any alteration, modification or enhancement of the software by Customer or any third party not authorized or approved in writing by GE Healthcare (iv) inadequate back-up or virus protection or any other cause external to the software or beyond GE Healthcare's reasonable control. In addition, the warranties set forth above do not cover the software to the extent it is used in any country other than the country to which GE Healthcare ships the licensed software (unless GE Healthcare expressly agrees otherwise in writing). GE Healthcare does not guarantee that the software will operate without error or interruption.

Warranty Statement (United States)

GE Healthcare

1. **Warranted Products.** These warranties cover the purchase and use of the following GE Healthcare products:

- Magnetic Resonance
- Computed Tomography
- Mammography
- Positron Emission Tomography (including scanners, cyclotrons & chemistry labs)
- Nuclear
- X-ray
- Surgical Navigation Systems
- Cardiology
- Ultrasound
- Bone Mineral Densitometry
- Physiological Monitoring
- Small Animal Imaging
- C-Arms
- Advantage Workstation and Server
- Anesthesia Delivery
- Respiratory Care
- Gold Seal
- Phototherapy and other infant care accessories
- Microenvironments, including Giraffe®, Care Plus®, Ohio® Infant Warmer Systems and Panda™ Baby Warmers

2. **GE Healthcare Warranties.**

2.1 Scope. This warranty statement incorporates GE Healthcare's General Terms and Conditions and GE Healthcare's Product Terms and Conditions. GE Healthcare warrants that its services will be performed by trained individuals in a professional, workman-like manner. GE Healthcare will promptly re-perform any non-conforming services for no charge as long as Customer provides reasonably prompt written notice to GE Healthcare. The foregoing service remedy, together with any remedy provided herein, are Customer's sole and exclusive remedies (and GE Healthcare's sole and exclusive liability) for warranty claims. These exclusive remedies shall not have failed of their essential purpose (as that term is used in the Uniform Commercial Code) as long as GE Healthcare remains willing to repair or replace defective warranted products or re-perform any non-conforming services for no charge, as applicable, within a commercially reasonable time after being notified of Customer's warranty claim. NO OTHER EXPRESS OR IMPLIED WARRANTIES, INCLUDING IMPLIED WARRANTIES OF NON-INFRINGEMENT, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, QUIET ENJOYMENT, SYSTEM INTEGRATION AND DATA ACCURACY, WILL APPLY.

2.2 Term Usage. "Warranted Product" is a collective term which includes both the above-listed manufactured equipment and licensed software, with the exception of Healthcare IT Products, purchased by and/or licensed to (as applicable) Customer under the relevant GE Healthcare Quotation. Where an item of equipment has software code embedded in it, the code will only be considered licensed software under this warranty statement if the applicable GE Healthcare Quotation provides a separate part number for that software.

2.3 Equipment Warranty. Except as indicated otherwise below, GE Healthcare warrants the equipment will be free from defects in title and that for 1 year from the Warranty Commencement Date (as defined below) (i) the equipment will be free from defects in material and workmanship under normal use and service and (ii) except for equipment manufactured in compliance with Customer's designs or specifications, the equipment will perform substantially in accordance with GE Healthcare's written technical specifications for the equipment (as such specifications exist on the date the equipment is shipped) (the "Specifications"). This warranty covers both parts and labor and is available only to end-users that purchase the equipment from GE Healthcare or its authorized distributors. Customers purchasing through an authorized distributor must contact GE Healthcare promptly following such purchase to enable this warranty.

2.4 Software Warranty. Except as indicated otherwise below, GE Healthcare warrants for 90 days from the Warranty Commencement Date that (i) the licensed software will perform substantially in accordance with the applicable Documentation (as defined herein), (ii) it has not inserted any Disabling Code (as defined herein) into the licensed software and (iii) it will use reasonable commercial efforts consistent with industry standards to scan for and remove any software viruses before installation of the applicable Warranted Product. Except as indicated otherwise below, GE Healthcare warrants that it has the right to license or sublicense the licensed software to Customer for the purposes and subject to the terms and conditions set forth in GE Healthcare's General Terms and Conditions. As used in this warranty statement, (i) "Disabling Code" means computer code that is designed to delete, interfere with, or disable the normal operation of the Warranted Product; provided, however, that code included in the licensed software that prevents use outside of the license scope purchased for the software will not be deemed to be Disabling Code and (ii) "Documentation" means the GE Healthcare user manuals, on-line help functions, technical specifications and user instructions regarding the operation, installation and use of the software as made available by GE Healthcare to Customer.

2.5 Pre-owned Equipment. GE Healthcare's Gold Seal Preferred Products (certain pre-owned GE Healthcare equipment) and GE Healthcare's certified pre-owned Bone Mineral Densitometry Products are provided with GE Healthcare's standard warranties carrying the same duration as the new equipment warranty, but in no event exceeding 1 year (unless otherwise provided in writing by GE Healthcare). Except as expressly provided in this paragraph or in the applicable GE Healthcare Quotation, used and/or pre-owned equipment is not warranted by GE Healthcare.

2.6 Healthcare IT and X-Ray Tubes. GE Healthcare X-ray and Image Intensifier Tubes, Maxiray X-ray Tubes and GE Healthcare IT Products are covered by a separate warranty statement provided in an applicable GE Healthcare Quotation.

2.7 Third-Party Software and Equipment. This warranty statement does not cover Third-Party Software and Equipment (as defined herein) delivered with the Warranted Products (commonly identified by NL or NW series numbers in GE Healthcare's Quotation). "Third-Party Software and Equipment" means any non-GE Healthcare software or equipment (i) delivered to Customer in the third-party manufacturer/supplier's packaging and with its labeling or (ii) for which GE Healthcare expressly indicates (either in the GE Healthcare Quotation or in the product documentation) that the software or equipment is provided with the third-party manufacturer/supplier's warranty in lieu of a GE Healthcare warranty. Such products are covered by the third-party manufacturer/supplier's warranties, to the extent available. Anesthesia monitor mounting solutions Third-Party Software and Equipment purchased directly from GE Healthcare will not be treated as Third-Party Software or Equipment.

3. Warranty Commencement. Unless expressly provided otherwise in this warranty statement or the applicable GE Healthcare Quotation, the warranty period begins (the "Warranty Commencement Date") on the earlier of: (i) if GE Healthcare installs the Warranted Product, 5 days after GE Healthcare notifies Customer that it has completed assembly and the Warranted Product is operating substantially in accordance with GE Healthcare's Specifications; (ii) if GE Healthcare does not install the Warranted Product, 5 days after delivery of the Warranted Product to Customer; (iii) the date Customer first uses the Warranted Product for patient use; or (iv) if GE Healthcare is contractually required to install the Warranted Product, the 30th day following shipment to the end-user Customer if installation is delayed for reasons beyond GE Healthcare's reasonable control. The warranty period for any Warranted Product or component furnished to correct a warranty failure will be the unexpired term of the warranty applicable to the repaired or replaced Warranted Product. The warranty period for Vital Signs, Inc. Products begins on the date such products are shipped to Customer.

4. Remedies. If Customer promptly notifies GE Healthcare of Customer's warranty claim during the warranty period and makes the Warranted Product available for service, GE Healthcare will, at its option (i) with respect to equipment, either repair, adjust or replace (with new or exchange replacement parts) the non-conforming Warranted Product or components of the Warranted Product and (ii) with respect to GE Healthcare's licensed software, either correct the non-conformity or replace the applicable licensed software. Warranty service will be performed without charge from 8:00 a.m. to 5:00 p.m. (local site time), Monday-Friday, excluding GE Healthcare holidays, and outside those hours at GE Healthcare's then prevailing service rates and subject to the availability of personnel. For certain Warranted Products, GE Healthcare will perform warranty service only at an authorized service center or, in some instances, via a secure, remote connection to a GE Healthcare online center. With respect to GE Healthcare's warranty for the services it provides to Customer, Customer's exclusive remedy is set forth in Section 2.1 above.

Warranty claims for the Warranted Products should be directed through GE CARES at 1-800-437-1171. Warranty claims for accessories and supplies items should be directed through 1-800-558-5102.

5. Limitations. GE Healthcare shall not have any obligation to Customer hereunder if the warranty claim results from or arises out of: (i) the use of the Warranted Product in combination with any software, tools, hardware, equipment, supplies, accessories or any other materials or services not furnished by GE Healthcare or recommended in writing by GE Healthcare; (ii) the use of the Warranted Product in a manner or environment, or for any purpose, for which GE Healthcare did not design or license it, or in violation of GE Healthcare's recommendations or instructions on use; or (iii) any alteration, modification or enhancement of the Warranted Product by Customer or any third party not authorized or approved in writing by GE Healthcare. In addition, this warranty does not cover the Warranted Product to the extent it is used in any country other than the country to which GE Healthcare ships the Warranted Product (unless GE Healthcare expressly agrees otherwise in writing). GE Healthcare does not guarantee that licensed software will operate without error or interruption.

In addition, these warranties do not cover: (i) any defect or deficiency (including failure to conform to Specifications and/or Documentation, as applicable) that results, in whole or in part, from any improper storage or handling, failure to maintain the Warranted Products in the manner described in any applicable instructions or specifications, inadequate back-up or virus protection or any cause external to the Warranted Products or beyond GE Healthcare's reasonable control, including, but not limited to, power failure and failure to keep Customer's site clean and free of dust, sand and other particles or debris; (ii) the payment or reimbursement of any facility costs arising from repair or replacement of the Warranted Products or parts; (iii) any adjustment, such as alignment, calibration, or other normal preventative maintenance required of Customer; (iv) expendable supply items; (v) stockpiling of replacement parts; (vi) any failure of the Warranted Products to use or correctly process dates; and (vii) products not listed in GE Healthcare's Accessories and/or Supplies catalogs at the time of sale, and all service manuals are provided AS IS. For network and antenna installations not provided by GE Healthcare or its authorized agent(s), network and antenna system troubleshooting will be billable at GE Healthcare's standard service rates.

For MR systems, these warranties do not cover (i) any defect or deficiency that results, in whole or in part, from failure of any water chiller system supplied by Customer, (ii) service to any water chiller systems supplied by Customer and (iii) for MR systems with LHe/LN or shield cooler configured superconducting magnets (except for MR Systems with LCC magnets), any cryogen supply, cryogenic service or service to the magnet, cryostat, coldhead, shield cooler compressor or superconductive or resistive shim coils unless the need for such supply or service is caused by a defect in material or workmanship covered by these warranties (GE Healthcare's MR Magnet Maintenance and Cryogen Service Agreement is available to provide supplemental coverage during the warranty period). For Proteus XR/a, Definium and Precision 500D x-ray systems, these warranties do not cover collimator bulbs.

6. Exceptions to GE Healthcare Standard Warranties Described Above.

CT Partial System Equipment Upgrades*: Six (6) months
MR Partial System Equipment Upgrades*: Six (6) months
X-ray Partial System Equipment Upgrades*; High Voltage Rectifiers and TV Camera Pick-Up Tubes: Six (6) months
PET Partial System Equipment Upgrades* (Scanners, Cyclotrons and Chemistry Labs): Six (6) months
Nuclear Partial System Equipment Upgrades*: Six (6) months
GE OEC New or Exchange Service/Maintenance Parts: Ninety (90) days
HealthNet Lan, Advantage Review — Remote Products: Ninety (90) days

GE Ultrasound Exchange Probes and Transducers, Ultrasound Water Path attachment Kit: Ninety (90) days
GE Ultrasound Service Replacement Parts: Thirty (30) days
LOGIQBook and Other Handheld/Compact Ultrasound Products: Standard warranty includes (i) repair services at GE Healthcare service facilities, (ii) three (3) business day turnaround repair time for systems shipped via overnight delivery (where available), measured from the date of shipment (GE Healthcare is not responsible for delays in overnight shipment), (iii) seventy-two (72) hour looner systems or probe replacement service via Fed Ex (shipping charges included), (iv) technical support via telephone from 7:00 am to 7:00 pm Central Time, Monday-Friday, excluding GE Healthcare holidays, (iv) field support/service is available for an additional charge and (v) preventative maintenance for an additional charge. For an additional charge, GE Healthcare will also provide the following enhanced warranty features as part of the system warranty: coverage for system damage due to accidental dropping or mishandling, with a maximum of two (2) replacement systems during the term of the warranty.
Ultrasound Partial System Equipment Upgrades*: Ninety (90) days (Customer will not be credited the value of this warranty against pre-existing warranties or service agreements).
Dash, Solar 8000M, 8000i & Tram: Additional two (2) years of parts only coverage, excluding displays (United States only)
DINAMAP ProCare Vital Signs Monitors: Two (2) years
DINAMAP Pro 100-400V2 Series Monitors: Three (3) years
Enterprise Access: One (1) year parts, ninety (90) days labor
MAC 1600: Three (3) years
MAC 1200: Three (3) years (United States only)
Batteries: Ninety (90) days, except (i) for LOGIQBook batteries, which are warranted for twelve (12) months and (ii) for Nickel cadmium or lead acid batteries for X-ray and mammography systems (which will carry a sixty (60)-month warranty prorated as shown below). For Nickel cadmium or lead acid batteries for X-ray and mammography systems, warranty service will be performed without charge from 8:00 a.m. to 5:00 p.m. (local site time), Monday-Friday, excluding GE Healthcare holidays, and outside those hours at GE Healthcare's then prevailing service rates and subject to the availability of personnel only during the first twelve (12) months of the sixty (60)-month warranty period. For X-ray and mammography systems, if nickel cadmium or lead acid batteries need replacement during their applicable warranty period, Customer will pay the price of the replacement battery in effect on its delivery date less a Pro Rata Credit Allowance (as defined herein). The Pro Rata Credit Allowance for batteries that fail less than twelve (12) months after the warranty begins is one hundred percent (100%). The Pro Rata Credit Allowance for batteries that fail more than twelve (12) months after the warranty begins is:

1 - (# of Mos. After Warranty Commencement /60) x 100%

For the purpose of Pro Rata Credit Allowance, a fraction of a month less than fifteen (15) days will be disregarded, and a fraction of a month equal to or greater than fifteen (15) days will be regarded as a full month.
Care Plus® Incubator: Three (3) years parts, one (1) year labor
Ohio® Infant Warmer Systems and Panda™ Warmers: Lifetime parts warranty on heater cal rod
BiliBlanket® Plus High Output Phototherapy System: Two (2) years on Light Box and eighteen (18) months on Fiberoptic Pad
Microenvironment and Phototherapy expendable components, this includes but is not limited to patient probes, probe covers and light bulbs: Thirty (30) days
GE OEC refurbished c-arms: Twelve (12) months after installation
Oximeters: Three (3) years from installation, or thirty-nine (39) months from GE Healthcare invoice, whichever occurs sooner
Tec 7 Vaporizers: Three (3) years
Tec 6 Plus Vaporizers: Two (2) years
X-ray and Image Intensifier Tubes and Maxiray X-ray Tubes: See GE Healthcare Warranty Statement X-Ray an Image Intensifier Tubes
Accessories and Supplies: GE Healthcare's catalog and/or website includes a "Service/Warranty Code" which identifies the installation, warranty, applications and post-warranty service, if any, provided for each accessory and supply product. Following are the warranty periods for accessories and supplies:

Service/Warranty Code T	100 Years
Service/Warranty Code V	25 Years
Service/Warranty Codes X	15 Years
Service/Warranty Codes F	3 Years
Service/Warranty Codes D, J, N, O, R or Z	2 Years
Service/Warranty Codes A, B, C, E, G, L, P, Q, S or Y	1 Year
Service/Warranty Code H	6 Months
Service/Warranty Code K and all Vital Signs, Inc. products	3 Months
Service/Warranty Code M	1 Month
Service/Warranty Code W	Out of Box Failure Only

*** NOTE: For partial system equipment upgrades, the warranty applies only to the upgraded components**

GE Healthcare

Warranty Codes For Accessories And Supplies

Service / Warranty Codes. If Customer promptly notifies GE Healthcare of its warranty claim and makes the Product available for service, GE Healthcare will provide the warranty service indicated in the applicable Service/Warranty Code description. The terms and conditions of GE Healthcare's Warranty Statement(s) apply to all warranty claims. Basic Service Premise for Products – GE Healthcare Field Engineers will take the first call for service and either provide direct support or arrange for support from the manufacturer or its dealers as indicated by the individual Service/Warranty Code. If the Service/Warranty Code calls for Product return for repair or in-warranty exchange, Customer must return the Product as GE Healthcare directs. GE Healthcare provides warranty service from 8:00 AM to 5:00 PM local time Monday-Friday EXCLUDING GE HEALTHCARE HOLIDAYS. If a Service/Warranty Code provides for warranty service to be performed on Customer's site, such service is available outside the above hours at GE Healthcare's prevailing service rates and subject to the availability of personnel.

A GE Healthcare directly, or through a sub-contractor, provides the following:

Installation; parts; on-site warranty service to repair, adjust or replace (at GE Healthcare's option and using new or exchange replacement parts) non-conforming products or parts; applications training in some cases (with additional charge); and post-warranty service, at prevailing hourly billed service ("HBS") rates and, in some cases, under GE Healthcare service contracts.

B GE Healthcare directly provides the following through GE Healthcare's Global Parts Operation (GPO):

New or exchange replacement parts at no charge to correct non-conforming products or parts during the warranty period; new or exchange replacement parts at GE Healthcare's normal prices for post-warranty repairs. ***Note:*** *Installation, applications training and on-site service is the Customer's responsibility. However, GE Healthcare's Field Engineers may be available at prevailing HBS rates. Contact GE CARES for availability.*

C GE Healthcare arranges for the third-party Product Manufacturer or its dealers to provide the following:

Installation (in some cases with an additional charge); parts; on-site warranty service to repair, adjust, or replace (at the manufacturer's or dealer's option and using new or exchange replacement parts) non-conforming products or parts; applications training in some cases (some with additional charge); and post-warranty service at prevailing service rates.

D GE Healthcare refers to the Product Manufacturer warranty, which provides the following:

Basic functional troubleshooting (no technical labor) with supplier phone support and repair or replacement (at the manufacturer's or dealer's option) of defective products or parts. ***Note:*** *The battery for Service/Warranty Code **D** has a 1-year warranty. For detailed warranty information, please refer to the Product Manufacturer's warranty certificate.*

E GE Healthcare directly, or through a sub-contractor, provides:

Installation (in some cases with an additional charge); basic functional troubleshooting (no technical labor) with supplier phone support; and coordination of unit exchange or loaner program for in-factory service.

GE Healthcare arranges for the third-party Product Manufacturer or its dealers to provide in-factory service:

At no charge during the warranty period and at manufacturers or dealer's prevailing service rates outside of the warranty period. Products must be returned to the manufacturer or dealer, at GE Healthcare's expense during warranty and Customer's expense after warranty, for repair.

F GE Healthcare refers to the Product Manufacturer warranty, which provides the following:

Basic functional troubleshooting (no technical labor) with supplier phone support and replacement of non-conforming products or parts, which Customer returns to the manufacturer or dealer during the warranty period. ***Note:*** *For detailed warranty information, please refer to the Product Manufacturer's warranty certificate.*

G, J, O and Q GE Healthcare refers to the Product Manufacturer warranty, which provides the following:

Start up and commissioning; basic functional troubleshooting (no technical labor) with supplier phone support 24/7; and warranty service to repair, adjust, or replace (at the manufacturer's or dealer's option) non-conforming products or parts (excluding installation, time and material). ***Note:*** *The UPS battery for Service/Warranty Code **G** has a 9-year pro-rated warranty to cover non-conforming material. Start up and commissioning for Service/Warranty Code **O** applies only to 10 KVA and above. The UPS battery for Service/Warranty Codes **O** and **Q** has a 1-year warranty to replace the product. For detailed warranty information, please refer to the Product Manufacturer's warranty certificate. Warranty service for Service/Warranty Codes **G** and **O** is provided On-site. For detailed warranty information, please refer to the Product Manufacturer's warranty certificate.*

H, K, L and M GE Healthcare directly provides the following:

Exchange of non-conforming products, which Customer returns to GE Healthcare during the warranty period. ***Note:*** *Installation, parts, applications training, and on-site service is the Customer's responsibility.*

N, R and S GE Healthcare refers to the Product Manufacturer warranty, which provides the following:

Installation; Preventative Maintenance; and parts and labor. ***Note:*** *Post-warranty service, at manufacturer's prevailing HBS rates, and in some cases, under GE Healthcare service contracts. The battery for Service/Warranty Code R has a 1-year warranty. For detailed warranty information, please refer to the Product Manufacturer's warranty certificate.*

P GE Healthcare directly provides the following:

Replacement of non-conforming components. ***Note:*** *Installation, parts, applications training, and on-site service is the Customer's responsibility.*

T, V and X GE Healthcare directly provides the following:

Replacement of Product only; GE Healthcare will not replace patient records; and product is warranted only for image legibility. ***Note:*** *Installation, parts, applications training, and on-site service is the Customer's responsibility.*

W GE Healthcare directly provides the following:

Replacement of Product only for Out of Box failure. ***Note:*** *Installation, parts, applications training, and on-site service is the Customer's responsibility.*

Y and Z GE Healthcare refers to the Product Manufacturer warranty, which provides the following:

Basic functional troubleshooting (no technical labor) with supplier phone support and replacement of non-conforming components. ***Note:*** *All electrical components (excluding the UPS) for Service/Warranty Code **Z** have a 1-year warranty. For detailed warranty information, please refer to the Product Manufacturer's warranty certificate.*

GE Healthcare

Warranty Statement for X-Ray And Image Intensifier Tubes (United States And Canada)

1. Warranty Scope. These warranties cover each GE Healthcare X-ray or image intensifier tube ("Tube") listed in the GE Healthcare Quotation. This warranty statement incorporates GE Healthcare's General Terms and Conditions and GE Healthcare's Product Terms and Conditions.

GE Healthcare warrants that, starting with the Warranty Commencement Date and for the Warranty Period (as defined below): (i) the Tube will be free from defects in title, material and workmanship under normal use and service and (ii) except for Tubes manufactured in compliance with Customer's designs or specifications, the Tube will perform substantially in accordance with GE Healthcare's written technical specifications for the Tube (as such specifications exist on the date the Tube is shipped) ("Tube Specifications"). This warranty statement defines GE Healthcare's warranty obligations for both parts and labor and is available only to end-users that purchase Tubes from GE Healthcare or its authorized distributors. The Warranty Period for all warranties, except the warranty of title and the Patent and Copyright Warranty, is limited in time as shown below.

2. Warranty Commencement Date and Warranty Periods. The Warranty Period start date ("Warranty Commencement Date") for Tubes supplied as part of a new system installation will be the system installation date. The Warranty Commencement Date for replacement Tubes is determined by (i) the date GE Healthcare installs the Tube or (ii) if the date of installation is unknown, then the date of GE Healthcare's invoice to Customer or GE Healthcare's authorized distributor, as applicable, and in all cases not later than six (6) months following shipment of the Tube by GE Healthcare. The Warranty Periods are determined as follows:

- Customer Receives A New Tube As Part Of A New System Installation: For Tubes furnished to Customer as part of a new system installation, the Warranty Period for the replacement Tube will be the full term of the warranty, as shown in the chart below.
- Customer Pays A Portion Of The Cost For The New Tube (Pro Rata Calculation Table Applies): For Tubes purchased by Customer with A PRO-RATA ALLOWANCE, the Warranty Period for the new Tube will be the full term of the warranty, as shown in the chart below.
- Customer Pays The Entire Cost For The New Tube: For Tubes purchased by Customer with NO PRO-RATA ALLOWANCE, the Warranty Period for the new Tube will be the full term of the warranty, as shown in the chart below.
- GE Healthcare Pays The Entire Cost For The New Tube: For Tubes furnished to Customer under terms of the FULL WARRANTY PERIOD, as described in the chart, the Warranty Period for the new Tube will be the unexpired term of the warranty applicable to the last Tube for which Customer paid all or a portion of the cost of that Tube. (Note that the Warranty Period is not "reset" for Tubes supplied when GE Healthcare pays the entire cost for the replacement Tube.)
- GE Healthcare Supplied Tubes Under A GE Healthcare Tube Contract: For Tubes furnished to Customer under terms of a GE Healthcare Tube contract, refer to the Tube contract terms for discussion of any warranty provisions for the Tube. (Note that in general, at Tube contract termination, GE Healthcare provides no warranty of any kind on the Tube(s) remaining in the system.)

3. Remedies

3.1. General Remedies Terms. If, within 10 days after Tube failure, Customer notifies GE Healthcare of Customer's warranty claim during the Warranty Period, provides GE Healthcare with the information shown below, and makes the Tube available for service, GE Healthcare will, at its option, either repair, adjust or replace (with new or exchange replacement parts) the non-conforming Tube or parts of the Tube. Customer must provide GE Healthcare in writing (i) GE Healthcare's serial number of the Tube, (ii) the location and GE Healthcare's serial number of the system on which the Tube was installed, (iii) the date the Tube failed, (iv) the date the Tube was removed from service, and (v) the exposure counter reading when the Tube was removed. Warranty service will be performed as detailed below (with some types of service for a charge and other types of service on a no charge basis, as listed below) during GE Healthcare's standard service coverage hours of 8:00 a.m. to 5:00 p.m. (local site time), Monday-Friday, excluding GE Healthcare holidays ("Standard Coverage Hours"), and outside of Standard Coverage Hours at GE Healthcare's then-prevailing service rates (except as otherwise stated herein) and subject to the availability of personnel.

Customer must: (i) use the Tube in accordance with GE Healthcare service instructions and recommendations for the Tube and the system on which it is installed (including warm up and calibration procedures); (ii) perform preventive and corrective maintenance of the Tube utilizing maintenance procedures in accordance with GE Healthcare service instructions and recommendations and using GE Healthcare replacement parts or replacements parts of equivalent quality; and (iii) keep and make available to GE Healthcare, upon request records documenting the above maintenance.

Customer's failure to (i) properly use the Tube, (ii) perform the maintenance described above, (iii) maintain the information required above, (iv) provide the above information or any other information required by this warranty within the designated time periods, or (v) permit GE Healthcare, to verify such information during GE Healthcare's normal working hours will invalidate this warranty.

3.2. Determining Tube Charge For Replacement Tubes. Customer will pay the price of the replacement Tube in effect on its delivery date less the applicable Pro Rata Warranty Allowance (if applicable) described in the table that follows. For the purpose of the Pro Rata Warranty Allowance, a fraction of a month less than 15 days will be disregarded, and a fraction of a month equal to or greater than 15 days will be regarded as a full month.

3.3. Non-CT Tubes (Radiographic, Radiographic & Fluoroscopic, Vascular, and Mammographic). For Non-CT Tubes, warranty service does not include installation of the replacement Tube in Customer's system, but upon Customer's request, GE Healthcare, will install the Tube at GE Healthcare's then-prevailing service rates. If a replacement Tube is not installed by GE Healthcare, Customer must, not later than 10 days after its installation date, provide GE Healthcare, in writing (i) GE Healthcare's serial number of the replacement Tube, (ii) the location and GE Healthcare's serial number of the system on which the replacement Tube has been installed, (iii) the date of installation, and (iv) the exposure counter reading on the installation date.

3.4. CT Tubes Replaced During Full Warranty Period.

3.4.1. Determining Labor Charges For Tubes Replaced During Full Warranty Period. No service charges for the installation of the replacement Tube will be billed to Customer for CT Tubes replaced during the Full Warranty Period when those Tubes are replaced during Standard Coverage Hours.

3.4.2. GE Healthcare Pays The Entire Cost For The CT Tube. For CT Tubes furnished to Customer under terms of the FULL WARRANTY PERIOD as described in the chart, there is no charge to Customer for GE Healthcare installation costs for installation during Standard Coverage Hours. For services performed outside the Standard Coverage Hours, the service will be provided at GE Healthcare's prevailing service rates at the time of service, less a credit for the comparable service had it been rendered during the Standard Coverage Hours, so that Customer will pay the net difference. No refund or payment will be issued to Customer or other parties who choose to utilize either in-house or third party service providers for installation of the replacement Tube.

3.5. CT Tubes Replaced During Pro Rata Warranty Period.

3.5.1. Determining Labor Charges For CT Tubes Replaced During Pro Rata Warranty Period: Customer will pay GE Healthcare a service charge for the installation of the replacement CT Tube in effect on the date the service is rendered, less the applicable Pro Rata Labor Allowance. (Note that the Pro Rata Labor Allowance may be applied only to charges by GE Healthcare for GE Healthcare supplied labor.) No refund or payment will be issued to Customer or other parties who choose to utilize either in-house or third party service providers for installation of the replacement Tube. GE Healthcare will make a credit allowance at the billing rate for services performed for installation during Standard Coverage Hours. For services performed outside of Standard Coverage Hours, the service will be performed at GE Healthcare's prevailing service rates at the time of service, less a credit for the comparable service had it been rendered during Standard Coverage Hours, so that Customer will pay the net difference.

3.5.2. Customer Pays A Portion Of The Cost For The Replacement Tube: For Tubes furnished to Customer with A PRO-RATA WARRANTY ALLOWANCE to correct the warranty failure, the labor allowance multiplier will be calculated at the same pro-rata rate as is applicable to the part that is being replaced or repaired. That allowance will be applied to the prevailing service rates at time of service. Customer will pay the service charge less the Pro-Rata Labor Allowance amount.

4. Limitations. GE Healthcare shall not have any obligation to Customer hereunder if the warranty claim results from or arises out of: (i) the use of the Tube in combination with any hardware, equipment, supplies, accessories or any other materials or services not furnished by GE Healthcare or recommended in writing by GE Healthcare; (ii) the use of the Tube in a manner or environment, or for any purpose, for which GE Healthcare did not design or manufacture it, or in violation of GE Healthcare's recommendations or instructions on use; or (iii) any alteration, modification or enhancement of the Tube by Customer or any third party not authorized or approved in writing by GE Healthcare. In addition, this warranty does not cover the Tube to the extent it is used in any country other than the country to which GE Healthcare ships the Tube (unless GE Healthcare expressly agrees otherwise in writing). In addition, these warranties do not cover: (i) any defect or deficiency (including failure to conform to Tube Specifications that results, in whole or in part, from any improper storage or handling, failure to maintain the Tubes in the manner described in any applicable instructions or specifications or any cause external to the Tubes or beyond GE Healthcare's reasonable control, including, but not limited to, power failure and failure to keep Customer's site clean and free of dust, sand and other particles or debris; (ii) any adjustment, such as alignment, calibration, or other normal preventative maintenance required of Customer; (iii) expendable supply items; and (iv) stockpiling of replacement parts.

5. Warranty Periods

TUBE TYPE OR SYSTEM DESCRIPTION (a)	FULL WARRANTY PERIOD (b)	PRO RATA WARRANTY PERIOD (c)
Radiographic	30 days	24 months
Radiographic & Fluoroscopic	30 days	24 months
Vascular	30 days	24 months
Mammographic	30 days (d)	12 months
MX150 Vascular	36 months	N/A
Performix 160A (MX160)	36 months	N/A
MX120 Fluoroscopic	30 days	18 months
CT Max	4,000 slices	40,000 slices or 12 months

TUBE TYPE OR SYSTEM DESCRIPTION (a)	FULL WARRANTY PERIOD (b)	PRO RATA WARRANTY PERIOD (c)
CT 8800/9000 Metal	4,000 slices	40,000 slices or 12 months
CT 8800/9000 Graphite	4,000 slices	40,000 slices or 12 months
GE CGR Graphite	4,000 slices	40,000 slices or 12 months
GE Technicare CT	4,000 slices	40,000 slices or 12 months
CT Pace/Sytec 2000-4000	5,000 slices	80,000 slices or 12 months
CT SRi/Synergy	6,000 slices	80,000 slices or 12 months
CT 9800 Graphite	5,000 slices	80,000 slices or 12 months
HiLight Advantage	5,000 slices	80,000 slices or 12 months
Pegasus on CT/e	5,000 slices	50,000 slices or 12 months
Pegasus on CT/e Dual	30 days	50,000 slices or 12 months
ProSpeed/Sytec 6000-8000	9,000 slices	110,000 slices or 12 months
HiSpeed Advantage on HiSpeed Advantage and CT/I	9,000 slices	140,000 slices or 12 months
Solarix on LX/I, FX/I, DX/I	10,000 slices	100,000 slices or 12 months
Solarix 630 on HiSpeed ZX/I	10,000 slices	100,000 slices or 12 months
Solarix 630 on NX/I Pro	30 days	12 months or 15,000 amp-seconds
Performix-ADV on CT/I	6 months or 100,000 slices, whichever occurs first	N/A
Performix-ADV QX/i	6 months or 30,000 amp-seconds, whichever occurs first	N/A
Performix Ultra on LightSpeed 16, LightSpeed Ultra, LightSpeed Plus, LightSpeed QX/I, HiSpeed QX/I, Discovery LS, Discovery ST	12 months or 70,000 amp-seconds, whichever occurs first	N/A
Performix Ultra on BrightSpeed 16 (Elite), BrightSpeed 8 (Edge), BrightSpeed 4 (Excel)	12 months or 6,000 patient exams, whichever occurs first	N/A
Performix Pro80 (D3634T) on LightSpeed Pro 16, LightSpeed RT	12 months or 70,000 amp-seconds, whichever occurs first	N/A
Performix Pro VCT100 (D3194T) on LightSpeed Pro16	12 months or 70,000 amp-seconds, whichever occurs first	N/A
Performix Pro VCT100 (D3194T) on LightSpeed VCT, LightSpeed VCT Select, LightSpeed RT16, LightSpeed Xtra, Discovery VCT	12 months or 6,000 patient exams, whichever occurs first	N/A
Image Intensifier	30 days	24 months

COMMENTS

(a) For actual catalog numbers, please contact your local GE Healthcare representative.
(b) Initial period of time or amount of use after warranty begins during which a full 100% warranty is provided for a Tube that fails.
(c) Maximum period of time or amount of use during which a Pro Rata Warranty Allowance is provided for a Tube that fails. The Pro Rata Warranty Allowance and the Pro Rata Labor Allowance are calculated as follows:

$$1 - \frac{\text{Number of months between date of warranty commencement and date of failure}}{\text{Complete Warranty Time Period}} \times 100$$

OR

$$1 - \frac{\text{Slices Taken or Amp-Seconds}}{\text{Complete Pro Rata Warranty Slice or Amp-Second Amount}} \times 100$$

The Pro Rata Warranty period ends at the expiration of the maximum time period or the maximum usage amount identified in column (c) above, whichever occurs first.

(d) Mammography tubes included with new systems have a full 12 month, non-prorated warranty. Mammography replacement tubes carry a 30 day full warranty/12 month prorated warranty.

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NORTHERN INYO HOSPITAL
EMPLOYEE HANDBOOK – PERSONNEL POLICY

Title: Health and Safety - POST-OFFER PHYSICAL EXAMINATION AND ANNUAL HEALTH SCREENING (12-02)	
Scope: Hospital Wide	Department: **Human resources – Employee Handbook**
Source: Human Resources	Effective Date:

POLICY:

Before you begin work, a post-offer physical examination is required of you. The purpose of the examination is to help determine if employees are able to perform assigned duties and are free of infectious disease. The physical is provided free of cost by the Employee Health Nurse Practitioner, or designee, and is a requirement for employment.

Depending upon the employee's job, there may be additional immunizations, tests, and/or examinations periodically required. All Northern Inyo Hospital employees are required to have yearly screening for tuberculosis.

Additional information on Employee Health can be found under Employee Health, in Policy and Procedure Manager.

draft

Approval	**Date**
Human Resources	
Administration	
Board of Directors	

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Proposal for discussion on January 16, 2013 Agenda Of Northern Inyo Hospital District Board Meeting By Hospice of the Owens Valley

BACKGROUND

History of Hospice as NIH auxiliary with building on hospital campus

Northern Inyo Hospital (NIH) and Hospice of the Owens Valley (HOV) started their relationship, when, in 1984, Joan Ortman, the head nurse of NIH, founded the volunteer program to meet a great need in the Bishop community. In 1995, Herm Spencer, the former NIH CEO, offered the land on the hospital campus to build the current Hospice office and the building was funded by donations raised from community members, longing for a program for the dying and their families.

Current NIH/Hospice relationship and Hospice status

In the past few years, it has come to light that Medicare regulations restrict the relationships of hospitals with auxiliary organizations. In January 2012, NIH requested that we do our payroll with an outside accountant to reduce confusion with auditors. Since that time, we have proceeded to evaluate how HOV can become a formalized organization as opposed to an auxiliary to NIH to follow the current regulations. We have been working with John Halfen and others to evaluate the possible options.

Hospice of the Owens Valley, as a small volunteer organization, has only been serving less than 15% of the potential hospice clients, compared to 35-65% served when looking at hospice organizations in their prospective communities on a national average. Also, our length of stay is 26.5 days, compared to the national average of 67.4 days, reported by the National Hospice and Palliative Care Organization (NHPCO). The current structure makes it difficult to recruit nurses who are available to volunteer their time on a consistent basis. Furthermore, the fact that our income is based on donations, memorials and fundraising, it is difficult to project a budget for paid nursing staff. Our volunteer status restricts our census, length of patient stay on service, geographic service area, and our ability to recruit nurses.

OPTIONS FOR HOV FUTURE

The following options have been evaluated:

1. HOV could continue as a volunteer, non-licensed program and apply for our own 501c3.

- - We are concerned that this model continues to under serve the needs of our community.

2. NIH could consider a Hospice Department of the hospital.

- - This model could cause continued pressure by Medicare auditors. There was a recent case at the Mendocino Coast Hospital, in which it was forced to form a Hospice and Home Care Division under the Mendocino Coast Healthcare District to address allegations by Medicare over billing issues, abandoning the model of hospital out-patient department.

3. HOV has been discussing with Pat West the potential of joining under Pioneer Home Health Care, Inc. (PHHC) 501c3.

- - Hospice can run under the PHHC current home care license , share the professional staff experienced in home visiting, and apply for Medicare certification to promote income to be able to serve the needs of the broader community more effectively.

4. Northern Inyo Healthcare District could consider Division of Home Care and Hospice

- - This type of collaboration under the District promotes a healthcare community that encompasses the entire spectrum of care from in-patient to all out-patient services. It honors the history of NIH's relationship with HOV, while updating the model to adhere to Medicare current regulations, to face the changes in the healthcare system and to enhance patient care holistically.

BUILDING OPTIONS

1. Our first choice, at HOV, would be to be able to stay in the building that holds the history of the hard work of our founders, where the Light up a Life Tree has grown and where a plaque stands honoring Janie Carrington. We think that staying in the building would help maintain our volunteer base through the changes we are facing, as these experienced and committed volunteers would continue to be essential in providing support to our clients and their bereaved loved ones. In the eyes of our potential clients and their loved ones, staying in our building helps demonstrate that our vision remains the same despite our programmatic changes and potential merger.

We understand the value of the land on the NIH campus. The expansion of new hospital has opened up some options for more office space, but it continues to be in high demand. We believe having our community service program accessible on the NIH campus has been helpful and comforting for clients and their families, as well as a resource for hospital staff/providers. We would like the District to consider the benefits of maintaining the Hospice building for Hospice, even as a merged entity with Pioneer Home Health Care, as it grows with the needs of the community and the changes in the healthcare system. We would, of course, initiate and pay market value for a lease on the land, finally after 18 years of sitting on the parcel.

2. The other options would include HOV moving. The possibility of the building being moved to a new location for our use is very slim, not to mention terribly costly. The building is a framed structure, not a mobile, on a slab foundation and would not withstand a move.

3. Lastly, there is the option of NIH buying the building from HOV. The office space and storage unit were made possible by community members donations and NIH could compensate these donors with money to take over the building that then could be used for the future of Hospice at a different site.

SUMMARY

Hospice of the Owens Valley needs to become its own entity and grow to meet the needs of the greater Eastern Sierra community. Its current structure is not sustainable and risks closure.

A combination of options 3 and 4, as listed above, could serve HOV well immediately and into the future. Pioneer Home Health Care, Inc. could provide the license, infrastructure, staffing support and administrative expertise to expedite the necessary development of HOV. The Northern Inyo Hospital District could create a Hospice and Home Care Division to promote a collaboration that encompasses the full spectrum of care for clients as it has done .

NIH could lease the land to HOV with PHHC and the physical presence of the Division on the campus would further promote transitions of care for our clients and resources for all of our staff and providers.

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NORTHERN INYO HOSPITAL
DELIVERY SYSTEM REFORM INCENTIVE POOL
PROPOSAL FOR THE
CALIFORNIA SECTION 1115 WAIVER
DEMONSTRATION YEARS SIX - TEN

Submitted

December 11, 2012

I. INTRODUCTION

Northern Inyo Hospital is pleased to submit this proposal for delivery system reform under California's Section 1115 Waiver's Delivery System Reform Incentive Pool Program, for demonstration years six through ten. Our proposal addresses important gaps in service, including unsatisfactory wait times experienced by our rural residents, and provides a unique opportunity for the traditional health care system in our community to utilize new technologies and techniques to reduce costs and to improve the over-all experience and health outcomes of our local low income population.

A. Background

Organizational and Community Context. Northern Inyo Hospital (NIH) is a 25 bed, Critical Access Hospital located in Bishop, California which has been owned and operated by the Northern Inyo County Local Hospital District since its creation under The Local Health Care District Law, Division 23, §32000 of the California Health and Safety Code in 1946. NIH has been has been designated by the Centers for Medicare and Medicaid Services as a "Sole Community Provider," and has been accredited by the Joint Commission on Accreditation ~~of Healthcare~~ Organization (JCAHO) for over 40 years.

Population and Geographical Description. The district's diversity breaks down as follows: 10% Native American, 16% Hispanic, and 62% Caucasian. Northern Inyo Hospital provides a wide range of services to an approximate population of 12,000 residents inside the hospital district, and nearly 23,000 patients in the geographic service area. NIH provides safety-net medical care to the following communities in Inyo and Mono counties: Bishop, Wilkerson, Laws, Round Valley, 40 Acres, Big Pine, Paradise, Swall Meadows, Starlite, Swall Meadows, Aspendell, Mammoth Lakes, Benton, Hammill Valley, Chalfant, Independence, Lone Pine, Shoshone, Tecopa, as well as many travelers on highway US 395 (the only connector between San Bernardino and Reno), and several small communities in near-by rural Nevada. Northern Inyo Hospital's campus is located in the city of Bishop, approximately 270 miles north of the City of Los Angeles and 200 miles south of Reno, Nevada. The hospital's geographical service area encompasses well over 10,000 square miles (approximately 6% of the State of California) and is larger than the individual states of New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New Jersey, Delaware, and Hawaii.

Health System Description. The mission of Northern Inyo Hospital is to provide quality healthcare by maintaining an environment that is positive and caring for the patients, staff and community we serve, in a financially responsible manner. Northern Inyo Hospital's services include inpatient, outpatient and 24-hour emergency services, ICU, orthopedic and general surgery, labor and delivery, pediatrics, family medicine, internal medicine, a Rural Health Clinic, radiology, laboratory, and physical therapy departments, among others. NIH has a state of the art, on campus Imaging Center which offers and holds accreditations through the American College of Radiology for: Magnetic Resonance Imaging, Mammography, Breast Magnetic Resonance Imaging, Ultrasound, Computed Tomography, and Nuclear Medicine. NIH is a contracted provider under Medicare, Medi-Cal and various commercial insurance programs, and sees many County Medical Services Program (CMSP) and Charity Care patients in order to promote the public health and general welfare of the residents of northern Inyo County.

NIH's Rural Health Center is one of the largest safety-net providers in our region. The hospital collaborates with a variety of service organizations, governmental agencies and non-profits to ensure that our resident's basic needs are met. Some examples of this are the We Care! Early Breast Cancer Detection Program, Drive By Influenza Vaccinations, Blood Drives, Disaster Preparedness Training, Sexual Assault Response Team, Childhood Obesity Workgroup, Inyo County Domestic Violence Counsel, and the Drug Addiction Taskforce. To serve our diverse population of tourists and residents in the Eastern Sierra, NIH provides interpretive services in over 160 languages utilizing combinations of in-house bilingual interpreters, video medical interpretation (video conferencing), and over the phone Language Line services. Additionally, NIH provides several free education courses to residents and local healthcare providers such as American Heart Association CPR, Community First Aid, ACLS, NRP, and PALS. To ensure that our residents experience good transitions of care and that avoidable readmissions are prevented, Northern Inyo Hospital works closely with Pioneer Home Health and Hospice of the Eastern Sierra.

B. Executive Summary

Northern Inyo Hospital proposes a series of improvements across the four categories prioritized by CMS- Infrastructure, Redesign, Population Health, and Urgent Improvement- that will transform our traditional public health systems into a cost effective, patient centered delivery system.

Project 1.1 Expand Primary Care Capacity (Infrastructure)

The recent closure of the Family Health Center (another Rural Health Clinic located in Bishop) has left our community with a serious shortage of access to Primary Care Providers. To address this issue, NIH is expanding the physical clinic space at the Rural Health Clinic and recruiting additional providers to expand encounter volumes.

Project 1.2 Establish Telemedicine Program (Infrastructure)

NIH will establish a Telemedicine Program to expand specialty capacity in these following lines of service: Oncology, Dermatology, Rheumatology, Psychology, and Pediatric Sexual Assault Forensic-Medical Exams. NIH will create viable billing and clinical models (in both a hub and spoke capacity) to fulfill identified community needs. The Medical Staff's bylaws will need to be amended to allow for credentialing by proxy specifically for Telemedicine, as this will allow us access to Renown's Telemedicine program and Specialists (Renown is NIH's main tertiary). Equipment and

software need to be purchased and implemented, and base line referral numbers for these specialties will be collected in order for progress to be calculated. NIH will start by piloting two Telemedicine lines of service in either the hospital or its Rural Health Clinic next year, and will have all five lines of Telemedicine service implemented by the end of the following year. Additionally, NIH (including the Rural Health Clinic and NIH-based providers) will gain bidirectional connectivity to a Health Information Exchange to improve patient outcomes and reduce costs associated with duplicated diagnostic testing.

Project – 1.2 Establish Telemedicine Program		
DY8: 2012-13	**DY9:2013-14**	**DY10: 2014-15**
Process Milestone: Create 3 year plan to implement telemedicine for the following lines of service: 1. Oncology 2. Dermatology 3. Rheumatology 4. Psychology 5. ***Pediatric*** SAFE (Sexual Assault Forensic-Medical Exam). **Process Goal:** Establish viable billing and clinical models for both the hospital and its Rural Health Clinic, in both hub/spoke provider capacities, as required to fulfill identified community needs. **Metric:** Document current baseline referral numbers for identified lines of service. **Metric:** Document that Medical Staff bylaws allow for credentialing by proxy for telemedicine. **Metric:** Obtain approval of telemedicine policy and procedures by Board of Directors. **Improvement Milestone:** Indentify, purchase, and implement hardware/software to conduct said telemedicine services which integrate with our eHR (Paragon and/or Centricity). **Metric:** Provide invoices for hardware and software purchases. **Metric:** Document completion.	**Process Milestone:** Pilot two or more identified telemedicine services in either the hospital or Rural Health Clinic. **Metric:** Documentation of contracts for service with consulting and/or referring providers. **Metric:** Documentation of connection to a Health Information Exchange with at least one tertiary hospital providing hub telemedicine services. **Improvement Milestone:** Increase the number of telemedicine consultations. **Metric:** Determine the number of provisions of care which could be delivered via telemedicine for identified lines of service. **Metric:** Calculate telemedicine utilization rate. **Numerator:** Number of telemedicine visits provided. **Denominator:** Total number of identified referrals for entire identified telemedicine service line.	**Process Milestone:** Expand telemedicine program to include all five identified lines of service. **Metric:** Number of implemented lines of telemedicine service. **Improvement Milestone:** Increase the telemedicine utilization rate. **Metric:** Calculate telemedicine utilization rate. **Numerator:** Number of telemedicine visits provided. **Denominator:** Total number of identified referrals for entire identified telemedicine service line.

Project 2.1 Reduce Readmissions (Innovation & Redesign)

NIH will identify patients at risk for readmission, and will reduce readmission rates through improved case management and discharge planning. Additionally, NIH will continue to work with local partners such as Home Health agencies to improve the accuracy of home Medical Reconciliations and post-discharge outreach.

Project 2.2 Improve ED Throughput (Innovation & Redesign)

NIH will utilize the "ED Tracking Board" in Paragon to track Emergency Department throughput times, specifically for time to MD, time to disposition, time to discharge, and time to admission to unit. Once six months of accurate data has been collected, this information will be compared to metrics for Emergency Departments on a national level. At this point, the overall cycle from presentation to disposition of the patient will be measured and evaluated by an interdisciplinary workgroup. This workgroup will then validate the collected data, evaluate performance at each step in the cycle, compare results with industry standards for Best Practice, and establish targets for ED cycle improvements. Next, a small test of change will occur in the ED. Once evaluated for efficacy, and approved by hospital and medical staff committees, the staff and physicians will be globally educated on the new procedures. ED Throughput performance will be continuously tracked and evaluated.

Project 2.1: Improve Patient Flow in the Emergency Department		
DY8: 2012-13	**DY9: 2013-14**	**DY10: 2014-15**
1. Process Milestone: Implement the Electronic Health Record (ED Management - Paragon) to track these statistics **Rationale/Evidence:** Imperative to have consistent accurate data to evaluate processes. **Metric:** Phase I meaningful use – use of the ED Tracking Board for metrics.	**2. Process Milestone:** Database of 6 months of accurate data for ED arrival, Time to MD, Time to Disposition, Time to Discharge and Time to Admission to Unit. **Rationale/Evidence:** Accurate data is critical to understanding process and potential for improvements. **Metric:** National database research for Emergency Department metrics. Hospital metrics validated for accuracy on automated retrieval for: 1. Actual time from first presentation to the ED Department to time seen by Physician. 2. Actual time from first presentation to the ED Department to time discharged by Physician. 3. Actual time from first presentation to the ED Department to time admitted by Physician. 4. Actual time from first presentation to the ED Department to arrival time to floor. 5. Analysis of patient flow with submission of patient flow diagram (cycle).	**3. Process Milestone:** Develop and implement initiative dissecting and measuring components of overall cycle from presentation to disposition of patient. **Rationale/Evidence:** analyzing ED throughput analysis must include all steps of the process from triage to disposition. **Metric:** Patient flow (throughput) diagram from initial presentation to ED to disposition including components and time spent. **Improvement Milestone:** 1. Establish interdisciplinary workgroup to validate and improve data capture, evaluate performance, compare with best practice, and establish targets for ED cycle improvements. 2. Communicate present practice opportunities for improvement and targets to appropriate hospital-wide and medical staff committees. 3. Initiate small test of change. 4. Evaluate efficacy, revise appropriately and present to hospital and medical staff committees for approval. 5. Educate staff including physicians using a model for small test of change. 6. Track performance. Report performance to appropriate hospital and medical staff committees focusing on continuous performance improvement. **Rational/Evidence:** Presentation of data, small test of change, evaluation and reporting using principles of continuous performance improvement increases awareness, improves cycle times, and consistency in practice. **Improvement of throughput** efficiencies will decrease hold times in the ED; improve patient satisfaction; increase patient safety; and maximize bed utilization. **Metric:** 1. Development of process improvement plan. 2. Education of staff and physicians 3. Improvement in patient cycle times compared with best practices.

Project 2.3 Pulmonary Functions Rehabilitation Program (Innovation & Redesign)

NIH will evaluate the feasibility of establishing a Pulmonary Functions Rehabilitation Program in Bishop. This program would provide information and training so that each participant could effectively manage their pulmonary health. The program would include patient evaluation and individualized plans of care, education and skills training, supervised exercise, development of home exercise programs, and emotional/social support. The goals of the program would include improved symptom control, improved exercise tolerance, improved understanding of pulmonary disease and treatment options, improved quality of life.

Project 3.1 Health & Science Resource Center (Population Focused Improvement)

NIH will establish a Health & Science Resource Center for employees, patients and the community to improve access to health information and education.

Project 3.2 Smoking Cessation (Population Focused Improvement)

NIH will become a smoke free campus in conjunction with developing and offering free smoking cessation programs to employees and community members.

Project 3.3 BMI Screening (Population Focused Improvement)

NIH will develop a BMI Screening and Obesity Counseling Program available to staff and community members. This program is aimed at improving the general health of the community and reducing health care costs.

Project 4.1 Patient Lift Team (Patient Safety)

Northern Inyo Hospital will develop a Patient Lift Team to improve patient transport/moving and to reduce injury and health care costs associated with patient handling injury claims.

Project 4.2 Health Care Improvement (Patient Safety)

NIH will join the Institute for Health Care Improvement for staff education and the adoption of evidence-based patient safety initiatives.

Project 4.3 VTE Prevention (Patient Safety)

NIH will screen all patients for VTE prevention via the tools available in Paragon and Quality eMeasures. NIH will treat and document all patients appropriately.

END