

Chief Executive Officer  
Chris Bjornberg



Board of Directors  
Jeanne Utterback, President  
Tami Vestal-Humphry, Vice President  
Beatriz Vasquez, Ph.D., Secretary  
Abe Hathaway, Treasurer  
Tom Guyn, M.D., Director

Finance Committee  
**Meeting Agenda**  
October 26<sup>th</sup>, 2022 at 11:00 AM  
Pit River Lodge Employee Housing  
24500 Pit 1 Power House Road, Fall River Mills

In observance of the Americans with Disabilities Act, please notify us at 530-336-5511, ext 1264 at least 48 hours in advance of the meeting so that we may provide the agenda in alternative formats or make disability-related modifications and accommodations. The District will make every attempt to accommodate your request.

**Attendees**

Abe Hathaway, Chair, Board Member  
Tami Vestal-Humphry, Board Member  
Chris Bjornberg, CEO  
Travis Lakey, CFO

				<b>Approx. Time Allotted</b>
1	<b>CALL MEETING TO ORDER</b>			
2	<b>CALL FOR REQUEST FROM THE AUDIENCE - PUBLIC COMMENTS OR TO SPEAK TO AGENDA ITEMS</b>			
3	<b>APPROVAL OF MINUTES</b>			
3.1	Regular Meeting –September 28 <sup>th</sup> , 2022	<i>Attachment A</i>	<b>Action Item</b>	2 min.
4	<b>FINANCIAL REVIEWS/BUSINESS</b>			
4.1	September 2022 Financials	<i>Attachment B</i>	<b>Action Item</b>	15 min.
4.2	Accounts Payable (AP)/Accounts Receivable (AR)		<b>Action Item</b>	15 min.
4.3	Disposal of Property – 43216 5 <sup>th</sup> Street, FRM, CA – APN 032-160-029	<i>Attachment C</i>	<b>Action Item</b>	2 min.
4.4	IV Pumps	<i>Attachment D</i>	<b>Action Item</b>	2 min.
4.5	Recommendation to Award Master Planning Services Contract to Aspen Street Architects, Inc.	<i>Attachment E</i>	<b>Action Item</b>	2 min.
5	<b>ADMINISTRATIVE REPORT</b>		Report	5 min.
6	<b>OTHER INFORMATION/ANNOUNCEMENTS</b>		Information	
7	<b>ADJOURNMENT:</b> Next Regular Meeting – December 7, 2022 Posted 10/21/2022			

Public records which relate to any of the matters on this agenda (except Closed Session items), and which have been distributed to the members of the Board, are available for public inspection at the office of the Clerk to the Board of Directors, 43563 Highway 299 East, Fall River Mills CA 96028. This document and other Board of Directors documents are available online at [www.mayersmemorial.com](http://www.mayersmemorial.com).

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Board of Directors  
**Finance Committee**  
**Minutes**

September 28, 2022  
FR Boardroom

*These minutes are not intended to be a verbatim transcription of the proceedings and discussions associated with the business of the board's agenda; rather, what follows is a summary of the order of business and general nature of testimony, deliberations and action taken.*

1	<b>CALL MEETING TO ORDER:</b> Abe Hathaway called the meeting to order at 11:04 am on the above date.		
	<b>BOARD MEMBERS PRESENT:</b>	<b>STAFF PRESENT:</b>	
	Abe Hathaway, Committee Chair Tami Vestal-Humphry, Director	Chris Bjornberg, CEO Travis Lakey, CFO Jessica DeCoito, Board Clerk	
	<b>ABSENT:</b>		
2	<b>CALL FOR REQUEST FROM THE AUDIENCE – PUBLIC COMMENTS OR TO SPEAK TO AGENDA ITEMS - None</b>		
3	<b>APPROVAL OF MINUTES: August 31, 2022 – minutes attached.</b> Motion moved, seconded and carried.	<i>Humphry, Hathaway</i>	<b>Approved by All</b>
4	<b>FINANCIAL REVIEWS</b>		
4.1	<b>August 2022 Financials:</b> Rate Range is federal monies. We were only allotted half of what we would get last year, and we will get the second half plus or normal funds this year. PG&E cancelled out the \$450,000 back due invoice but they have scheduled a call with us to discuss the increase in energy/power from the NHW. Audit with Wipfli went well. Revenues were up this last month which is not normal in historical financials. Discussion about minimum wage for fast food service and how that will affect us took place. Still many unknowns. Finance to start providing the over 365 uncollected for patient and residents. Paycom report was delayed and not shown by department. We will work on the individual entries to show salaries and it will not change the bottom line. Retail Pharmacy had a good month. We may have a report from Retail Pharmacy in a couple of months that will go into more detail on 340B. Working on Cost Report which is due November 30 <sup>th</sup> .	<i>Humphry, Hathaway</i>	<b>Approved by All</b>
4.2	<b>Accounts Payable (AP) &amp; Accounts Receivable (AR):</b> 736,464 – AR Days 63		
4.3	<b>Board Quarterly Finance Review:</b> motion moved, seconded and carried to take to full Board for approval.	<i>Humphry, Hathaway</i>	<b>Approved by All</b>
5	<b>ADMINISTRATIVE REPORT:</b> will share everything in the full Board Meeting.		
6	<b>OTHER INFORMATION/ANNOUNCEMENTS: None</b>		
7	<b>ADJOURNMENT – 12:15 am</b>		
	Next Finance Committee Meeting: October 26, 2022		

## Finance Notes September FY 23

<b>Summary of Financial Ratios</b>			
<b>Ratios</b>	<b>August</b>	<b>YTD or Average where Applicable</b>	
<b>Cash on Hand</b>	<b>193</b>	<b>232</b>	<b>Average PY</b>
<b>Net Income</b>	<b>276,276</b>	<b>98,763</b>	<b>Average Monthly FY 20</b>
<b>Current Ratio</b>	<b>13</b>		<b>N/A</b>
<b>AR Days</b>	<b>64</b>	<b>61</b>	<b>Average PY</b>
<b>AP</b>	<b>545,368</b>	<b>798,869</b>	<b>Average PY</b>
<b>Daily Gross Revenue YE</b>	<b>165,217</b>	<b>138,798</b>	<b>Average PY</b>
<b>% of Gross Revenue Collected</b>	<b>59%</b>	<b>64%</b>	<b>PY Year End</b>

- Alex and I had a call with PG&E about their 20% price hike and another expected 20% price hike upcoming. They do offer a free Healthcare Energy Assessment and zero percent financing on solar projects that we are exploring.
- We are still working on our GPO analysis with Community Hospital Corporation and Vizient to see if there are savings to be had on supplies and drugs. Mckesson was really slow in responding to the data request so it's held up the process. Our current GPO is with Premier and Dignity and past comparisons haven't warranted changing but with supply/drug costs it's always prudent to check.
- I'm on the California Hospital Association CFO committee where we are discussing metrics to identify distressed hospitals. I have a lot of experience in that area as the first half of my career Mayers was a distressed hospital.
- We are still having issues with Paycom and its files importing into Paragon which is creating a lot of manual work. Paycom's support isn't great and the most progress we've made is when we set up a zoom with Plumas who had these same issues when they went live with Paycom.
- I'm working with Wipfli to begin our Debt Capacity Study to see how much we can borrow which will guide our master planning process as in the past we had designed buildings we had no means of constructing.
- I had a great call with the health care finance analysts from Fitch who does our annual bond rating. We maintained our BBB rating despite our lower bottom line and increased expenses. I have attached the bond rating report as it's always interesting to see an outside analyst's perspective of the financial outlook of the hospital.
- We have signed on with a firm to do our chagemaster analysis so we can make sure that revenue cycle is optimal on the charge capture side.
- We are working with Wiplfi to complete our Medicare, Medi-Cal and Hospice Cost Reports before November 30<sup>th</sup>. After that the focus will go back to the audit and the more detailed single audit that is required due to the USDA loan and Provider Relief Funds. Last year we were one of the first Wipfli clients to complete their single audit.
- DHLF had an attorney on our weekly CFO meeting to discuss the State Retention Payment Program and how to handle the payments coming from the state and the employer portion. Funds will go out in January or February

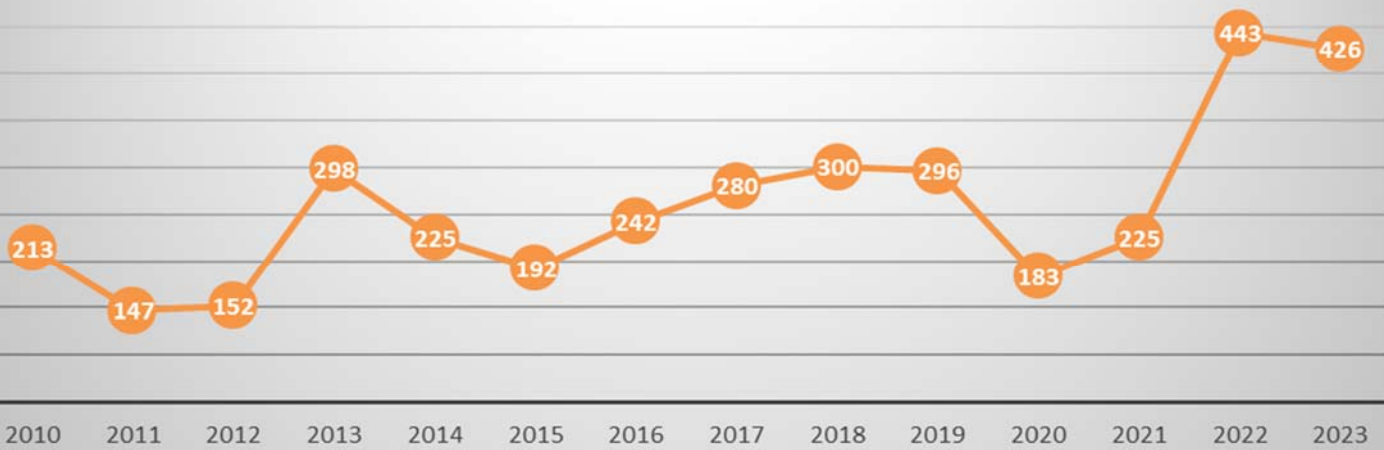
## Statistics

- Below I've used the data from the first quarter from FY 10 to the current fiscal year. ER has two charts as I like to break that down to a daily average as well.

### Acute Days QTR 1 FY 10 to FY 13



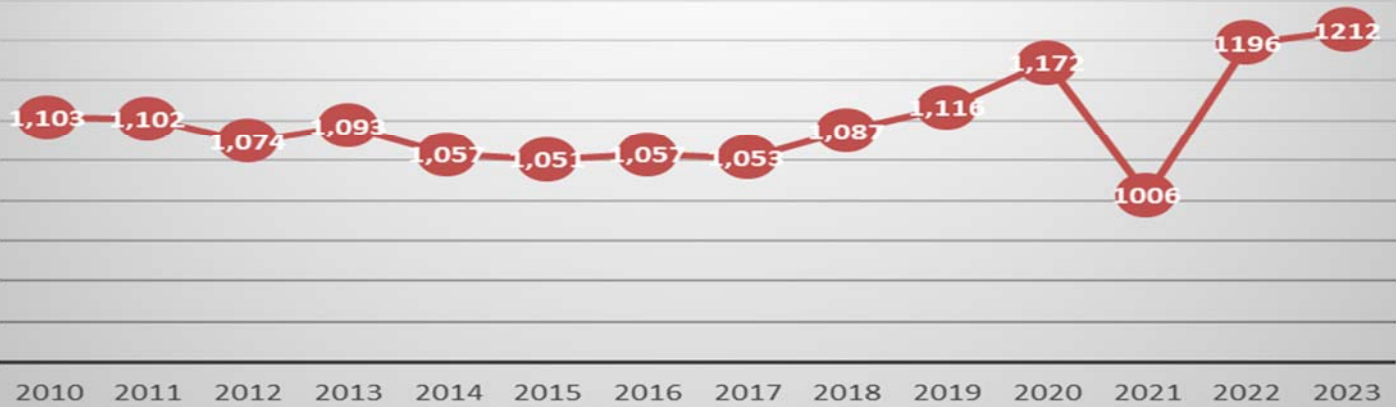
### Swing Days QTR 1 FY 10 to FY 13



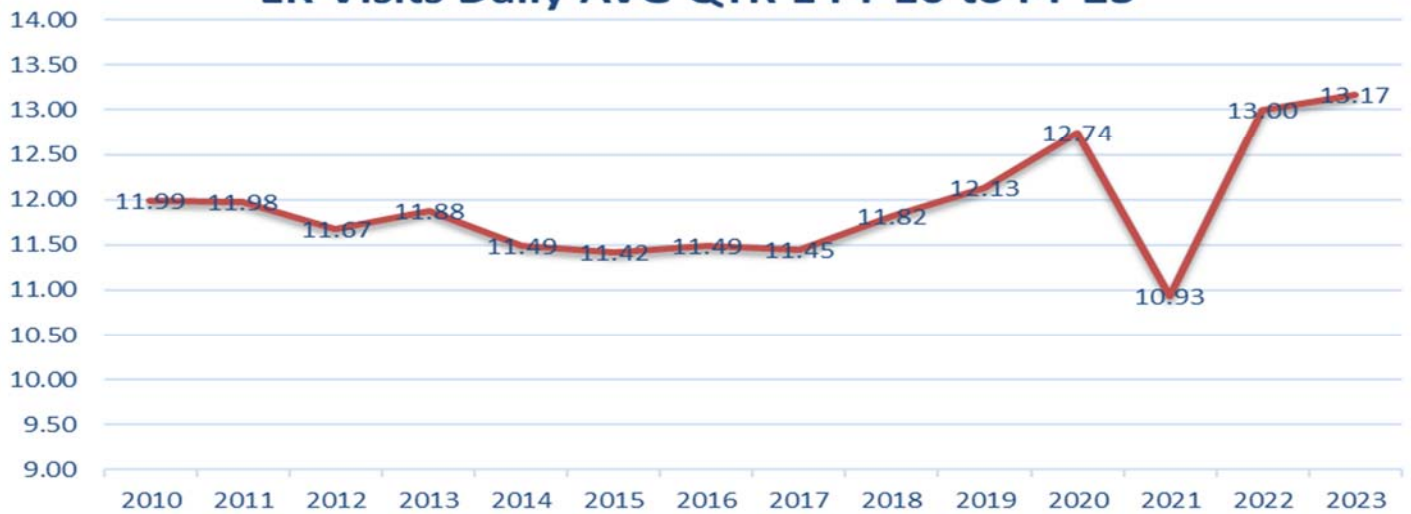
### SNF Days QTR 1 FY 10 to FY 23



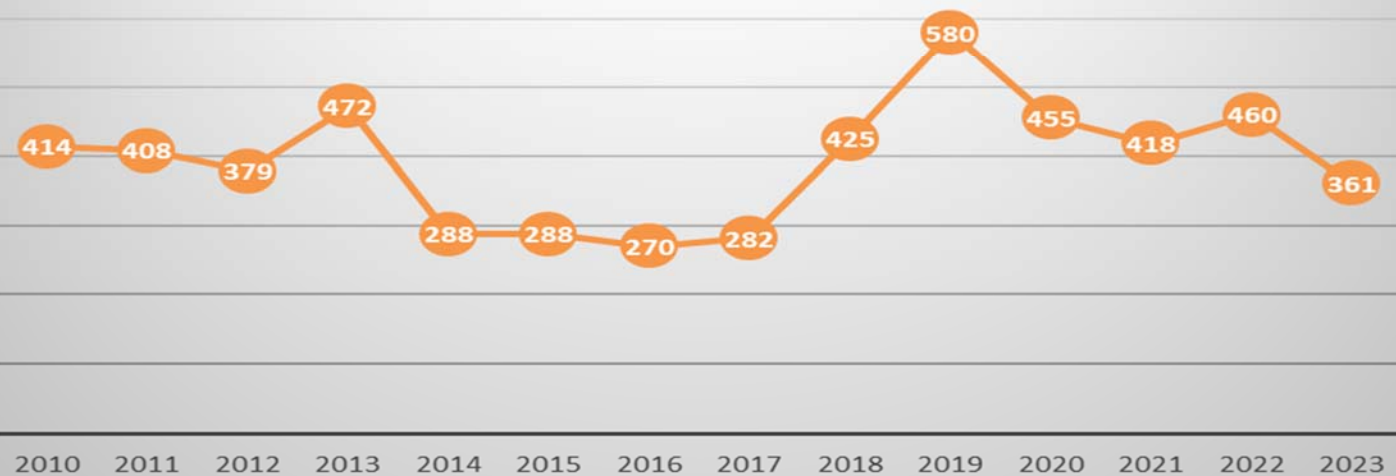
## ER Visits QTR 1 FY 10 thru FY 23



## ER Visits Daily AVG QTR 1 FY 10 to FY 23



## OP Procedures QTR 1 FY 10 to 23



### Lab Visits QTR 1 FY10 to 23



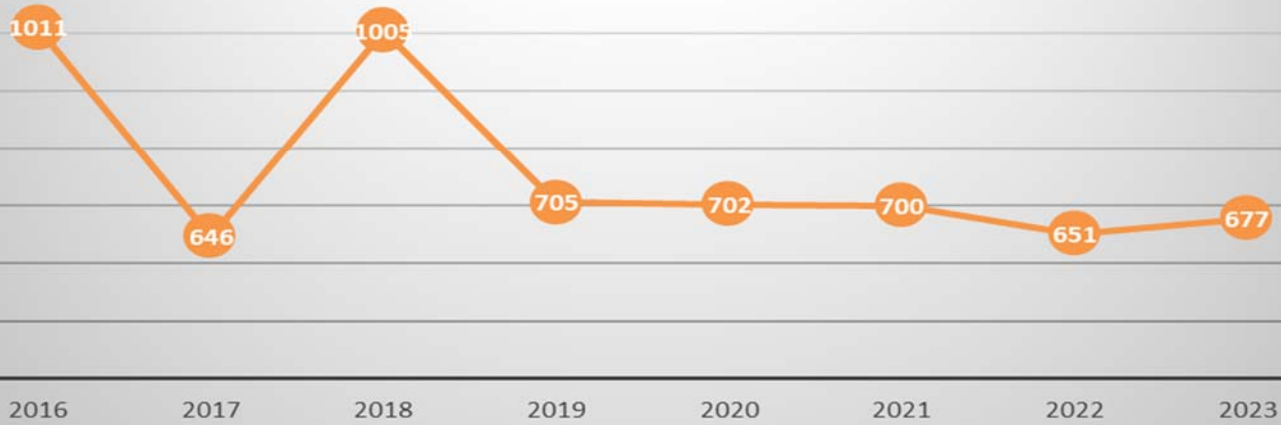
### Rad Procedures QTR 1 FY10 to 23



### Hospice Days QTR 1 FY 10 to 23



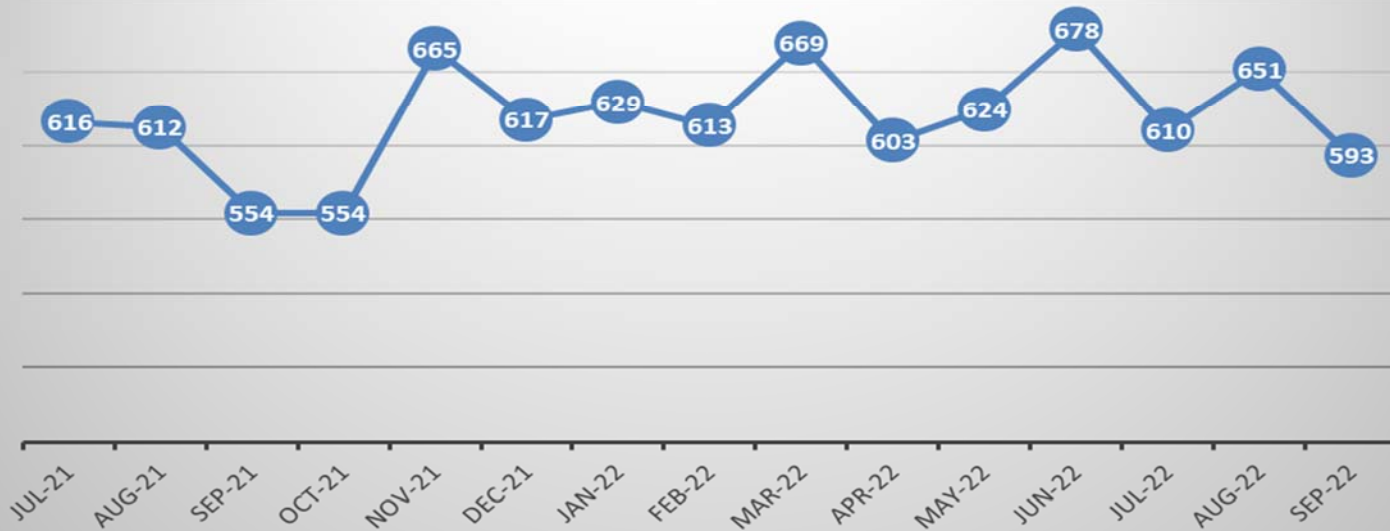
### PT Visits QTR 1 FY 16 to 23



### Cardiac Rehab QTR 1 FY 10 to FY 23



### Clinic Visits



## Income Statement

1. Acute Revenue and SNF Revenue is up due to higher-than-normal censuses. Our historical average Pre-Covid Acute/Swing census is 4.7 and this year we are averaging 7 which is a 49% increase.
2. Outpatient Revenue is up as well which is primarily driven by our 12% increase in ER visits from an average of 11.8 to 13.2.
3. Contractuals are up which is natural when revenue is higher.
4. Supplies are down 5% which is a positive sign that the surge pricing that had been occurring may be easing up.
5. One area that surge pricing hasn't gone down is in Traveler Costs. During Covid I had the Covid related costs in Other Purchased Services so it was split out for audit and Provider Relief Reporting purposes. So, this year that account will be down as we aren't putting those costs there anymore. To compare I will be grouping all the traveler costs together to compare from year to year. Last year we averaged 697K per month and this year we are at 723K per month. Talking to Modoc and some of my other counterparts we aren't alone in this as the demand for personnel is well ahead of the supply.
6. Repairs and Maintenance are up due to HVAC issues and the lodge which we knew was going to require some maintenance when we purchased it.
7. Utilities are up as I'd discussed above and we are exploring options to reduce our energy consumption and install solar.
8. Other is up as Pyxis is up about 18K and the Hospital, Hospice and Lab licensing renewals are more expensive this year.
9. Bond Repayment Interest is up as we booked it in the month that it occurred vs later in the year as there was some discussion back and forth with the auditors last year.
10. Rental Lease is down which is great as it means we aren't renting beds from Hill Rom.

## Balance Sheet

1. Reserve Cash is down as we made our USDA payment.
2. AR is up due to another high revenue month with a lot of inpatient accounts (Swing/SNF) which are slower to pay.
3. Accounts Payable is down to 545K. Now that we don't have large construction bills or late traveler invoices this has been trending lower.
4. HQAF may not happen this year so until there's some official notice of when it happens this will remain a zero.
5. The Rate Range payable will grow monthly as we accrue it until we make the payment around February.
6. The Current Ratio is a robust 13.18.

## Miscellaneous

1. We had a second strong collection month in a row on the Retail Pharmacy side which puts us in the black so far this year.
2. The RHC revenue has had two revenue months in a row that are well over last year's average of 133K. The RHC is at a positive bottom line and is a great feeder of hospital services for outpatient revenue gains.
3. Cash on Hand has dropped into the 190s with lodge purchase and mobile clinic expenses but with a full year of Rate Range funds I expect us to jump back into the 210's or higher by the end of the year.



**MAYERS MEMORIAL HOSPITAL**

Statistical Data

Fiscal Year Ending JUNE 30, 2023

COMPARISON TO ACTUAL

2022		2022		FY 2023		FYE 2022			
September	August			YTD	YTD			% Increase or Decrease	
Actual	Actual	Variance		Actual	Actual	Variance			
<b>VOLUME:</b>									
<b>DISCHARGES</b>									
17	14	3	Acute	49	54	(5)		-9.31%	
11	11	0	Swing Bed	31	32	(1)		-3.11%	
1	1	0	Skilled Nursing Care (DISCHG)	4	14	(10)		-71.41%	
7	10	(3)	Observations	24	40	(16)		-40.01%	
<b>PATIENT DAYS</b>									
68	54	14	Acute	220	231	(11)		-4.81%	
162	152	10	Swing Bed	426	443	(17)		-3.81%	
2,460	2,468	(8)	Skilled Nursing Care	7,188	7,108	80		1.12%	
<b>LENGTH OF STAY</b>									
4.00	3.86	0	Acute	4.49	4.28	0		4.92%	
14.73	13.82	1	Swing Bed	13.74	13.84	(0)		-7.1%	
Skilled Nursing Care									
<b>AVERAGE DAILY CENSUS</b>									
2.27	1.74	1	Acute	2.39	2.51	(0)		-4.71%	
5.40	4.90	0	Swing Bed	4.63	4.82	(0)		-3.91%	
82.00	79.61	2	Skilled Nursing Care	78.13	77.26	1		1.12%	
<b>ANCILLARY SERVICES</b>									
0	0	0	Surgery Inpatient Visits	0	0	0		#DIV/0!	
0	0	0	Surgery OP/ procedure visits	3	27	(24)		-88.91%	
385	378	7	Emergency Room Visits	1212	1,196	16		1.32%	
123	146	(23)	Outpatient Services Procedures	361	460	(99)		-21.51%	
1111	1154	(43)	Laboratory Visits	3248	4,093	(845)		-20.61%	
506	513	(7)	Radiology Procedures	1514	1,301	213		16.42%	
156	241	(85)	Hospice Patient Days	595	459	136		29.62%	
219	245	(26)	Physcial Therapy visits	677	651	26		4.02%	
157	211	(54)	Cardiac Rehab	512	476	36		7.62%	
34	41	(7)	Telemedicine visits	109	114	(5)		-4.41%	
22	23	(1)	Admissions from ER	66	83	(17)		-20.51%	
17	25	(8)	Transfers from ER	54	53	1		1.92%	
593	651	(58)	Clinic Visits	1854	1,782	72		4.02%	

## MAYERS MEMORIAL HOSPITAL

Statement of Revenue and Expenses

Fiscal Year Ending JUNE 30, 2023

COMPARISON TO ACTUAL

2022		2021				FY 2023		FY 2022			
SEPTEMBER	SEPTEMBER					YTD	YTD			Increase	Decrease
ACTUAL	ACTUAL	Variance				ACTUAL	ACTUAL	Variance		%	%
<b>PATIENT REVENUE</b>											
868,817	871,219	(2,402)	Acute		2,417,580.00	2,531,814.24	(114,234)	-4.51%			
1,219,710	1,049,686	170,024	Skilled Nursing		3,568,144	3,249,735	318,409	9.82%			
451,809	343,221	108,589	Inpatient Ancillary								
0	0	0	Acute		1,257,212	890,929	366,283	41.12%			
			Skilled Nursing		(621)	1,716	(2,337)				
2,540,336	2,264,125	276,211	Total Inpatient Revenue		7,242,315	6,674,194	568,121	8.52%			
2,624,970	2,288,154	336,816	Total Outpatient Revenue		8,084,822	6,985,582	1,099,240	15.72%			
5,165,306	4,552,279	613,027	<b>Total Patient Revenue</b>		15,327,138	13,659,776	1,667,362	12.22%			
<b>DEDUCTIONS FROM REVENUE</b>											
865,516	529,405	(336,112)	Contractuals - Care/Cal		2,259,697	2,460,405	200,708				
376,061	243,431	(132,630)	Contractuals - PPO		1,118,893	788,346	(330,546)				
0	0	0	Charity and Write Offs		8,099	3,739	(4,360)				
80,525	181,283	100,759	Admin Adjmts/Emp Discounts		341,386	400,002	58,616				
149,742	78,582	(71,160)	Provision for Bad Debts		339,292	252,522	(86,769)				
1,471,845	1,032,701	(439,143)	<b>Total Deductions</b>		4,067,366	3,905,015	(162,351)				
20,478	54,582	(34,104)	Other Operating Revenues		351,108	142,743	208,365				
3,713,940	3,574,160	139,780	<b>Net Revenue</b>		11,610,879	9,897,504	1,713,375				
<b>OPERATING EXPENSES</b>											
1,173,090	1,044,096	(128,994)	Productive Salaries		3,643,559	3,558,402	(85,157)	-2.41%			
154,721	162,421	7,700	Non-Productive Salaries		545,595	484,385	(61,210)	-12.61%			
318,811	312,602	(6,209)	Employee Benefits		1,026,652	997,199	(29,453)	-3.01%			
340,664	365,892	25,227	Supplies		898,457	950,442	51,985	5.52%			
111,251	179,654	68,403	Professional Fees		340,618	226,854	(113,764)	-50.11%			
141,172	56,412	(84,760)	Acute/Swing Travelers		442,619	152,884	(289,734)	-189.51%			
231,399	172,884	(58,515)	SNF Travelers		705,497	421,958	(283,539)	-67.21%			
208,106	42,040	(166,067)	Ancillary Travelers		658,639	85,316	(573,323)	-672.01%			
151,298	266,758	115,461	Other Purchased Services		476,443	600,404	123,961	20.62%			
52,298	22,736	(29,561)	Repairs & Maintenance		128,919	69,975	(58,944)	-84.21%			
108,807	50,266	(58,542)	Utilities		193,668	131,597	(62,071)	-47.21%			
31,712	33,453	1,741	Insurance		68,217	118,047	49,830	42.22%			
83,843	56,484	(27,359)	Other		228,414	151,977	(76,437)	-50.31%			
134,169	123,126	(11,043)	Depreciation		391,608	374,030	(17,578)	-4.71%			
0	0	0	Bond Repayment Insurance		-	0	0				
338,683	18,256	(320,426)	Bond Repayment Interest		338,683	54,078	(284,604)	-526.31%			
6,008	6,745	737	Interest		17,722	17,268	(454)	-2.61%			
2,748	10,390	7,642	Rental - Lease		13,894	31,320	17,426	55.62%			
3,588,780	2,924,215	(664,565)	<b>Total Operating Expense</b>		10,119,202	8,426,136	(1,693,067)	-20.11%			
125,160	649,945	(524,785)	<b>Income From Operations</b>		1,491,677	1,471,369	20,308				
<b>NON-OPERATING REVENUE AND EXPENSE</b>											
313,971	271,661	42,310	Non-Operating Revenue		904,605	778,450	126,155				
609	458	151	Interest Income		45,110	17,547	27,564				
163,464	190,305	26,841	Non-Operating Expense		553,203	566,530	13,326				
151,116	81,815	69,301	<b>Total Non-Operating</b>		396,512	229,468	167,044				
276,276	731,759	(455,484)	<b>NET INCOME</b>		1,888,189	1,700,836	187,353				

**MAYERS MEMORIAL HOSPITAL****Balance Sheet**

	<b>SEPTEMBER 2022</b>	<b>AUGUST 2022</b>
<b>CURRENT ASSETS</b>		
Cash (General/Payroll/Petty Cash)	2,086,915	1,214,968
Reserve Cash (unrestricted)	17,366,530	18,866,530
Reserve Cash (restricted) - USDA Debt Serv / Construction	2,165,896	2,888,969
Accounts Receivable	10,938,834	10,251,210
County Treasury receivable	(310,298)	(405,635)
Less: Reserve for Uncollectibles	(1,216,744)	(1,057,185)
Reserve for Medicare/Medi-Cal/Commercial	(3,766,088)	(3,558,178)
Inventories	689,560	678,539
Accounts Receivable - Other	320,963	320,963
Prepaid Expenses	685,798	703,758
Medicare/Medi-Cal Settlement	2,660,082	1,646,123
<b>TOTAL CURRENT ASSETS</b>	<b>31,621,449</b>	<b>31,550,063</b>
<b>PROPERTY, PLANT AND EQUIPMENT</b>		
Land and Building Improvements	3,969,852	3,969,852
Building and Fixed Equipment	36,509,934	36,498,134
Equipment	14,537,545	14,466,128
Construction in Progress (other)	4,393,723	4,341,186
Hospital expansion	0	0
LESS: Reserve for Depreciation	(25,708,075)	(25,571,100)
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b>	<b>33,702,978</b>	<b>33,704,200</b>
<b>OTHER ASSETS (includes 2007 Bond / AP Bond / G.O. BOND)</b>		
Bond Reserve Funds held by trustee	-	-
Unamortized Bond Discount	0	0
Unamortized Cost of Bond Defeasance	-	-
G.O. Bond - issue / discount / cost	-	-
<b>TOTAL OTHER ASSETS</b>	<b>0</b>	<b>0</b>
<b>TOTAL ASSETS</b>	<b>65,324,426.97</b>	<b>65,254,263.11</b>
<b>CURRENT LIABILITIES</b>		
Accounts Payable	545,368	771,864
Accrued Payroll	229,884	153,256
Accrued Payroll Taxes	(384,624)	(383,531)
Accrued Vacation & Holiday	857,702	884,597
Accrued Health Insurance	46,989	48,001
Accrued Interest	196,965	196,965
RETAINAGE PAYABLE	94,399	94,399
PRIME PLAN	0	0
HQAF	0	0
Rate Range	983,376	599,153
NOTES & LOANS PAYABLE	123,014	128,337
Current Portion of Medicare/Medi-Cal Settlement	(7,082)	(7,082)
<b>TOTAL CURRENT LIABILITIES</b>	<b>2,685,989</b>	<b>2,485,959</b>
<b>LONG-TERM DEBT</b>		
G.O. Bond	1,501,848	1,501,848
Capital Leases / Settlement pymt		
Leases	(46,386)	(43,920)
Provider Relief Fund- Deffered revenue	0	0
Notes & Loans Payable/ CHFFA	1,329,126	1,329,126
GO BOND SERIES B & REFUNDING	20,457,000	20,842,000
<b>TOTAL LONG-TERM DEBT</b>	<b>23,241,588</b>	<b>23,629,054</b>
<b>FUND EQUITY</b>	<b>39,396,850</b>	<b>39,139,250</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>65,324,426.97</b>	<b>65,254,263.11</b>
<b>CURRENT RATIO:</b>	11.77	12.69

**MAYERS MEMORIAL HOSPITAL**  
**SUMMARY OF SERVICES - DEPOSITS - REFUNDS**  
- Fiscal Year 2023

DATE:	REVENUE / SERVICES	AVERAGE DAILY REVENUE	TOTAL DEPOSITS	MISC. PAYMENTS	MISC. PMTS PT RELATED	PATIENT PAYMENTS	ADJUSTMENT S & WRITE-OFFS	REFUNDS
July 31, 2022	4,665,515.38	150,500.50	3,318,978.74	263,239.28	16,825.00	3,038,914.46	1,506,553.80	7,898.24
August 31, 2022	5,143,194.31	165,909.49	3,416,118.51	335,527.56	-	3,080,590.95	1,954,193.05	13,566.53
September 30, 2022	4,956,524.74	165,217.49	2,988,469.36	63,716.15	-	2,924,753.21	1,673,077.03	946.90
October 31, 2022	-	-	-	-	-	-	-	-
November 30, 2022	-	-	-	-	-	-	-	-
December 31, 2022	-	-	-	-	-	-	-	-
January 30, 2023	-	-	-	-	-	-	-	-
February 28, 2023	-	-	-	-	-	-	-	-
March 31, 2023	-	-	-	-	-	-	-	-
April 30, 2023	-	-	-	-	-	-	-	-
May 31, 2023	-	-	-	-	-	-	-	-
June 30, 2023	-	-	-	-	-	-	-	-
<b>YTD TOTAL</b>	<b>14,765,234.43</b>	<b>160,542.49</b>	<b>9,723,566.61</b>	<b>662,482.99</b>	<b>16,825.00</b>	<b>9,044,258.62</b>	<b>5,133,823.88</b>	<b>22,411.67</b>

ACCOUNTS RECEIVABLE AGING					PAYOR MIX - YTD % OF REVENUE				
	SEPT \$ OUTSTANDING	SEPT DAYS OUT	AUGUST DAYS OUT	JULY DAYS OUT		SEPTEMBER	AUGUST	JULY	3 MONTH AVERAGE
MEDICARE	3,293,970.82	48.01	48.44	50.71	MEDICARE	42.03%	45.87%	40.08%	42.66%
MEDI - CAL	2,647,832.73	43.29	40.78	42.15	MEDI - CAL	40.72%	36.45%	37.16%	38.11%
THIRD PARTY	2,773,840.75	109.1	105.10	106.12	THIRD PARTY	13.28%	14.07%	20.51%	15.95%
PRIVATE	1,543,641.27				PRIVATE	3.96%	3.61%	2.25%	3.27%
<b>LTC ONLY (INCLUDE)</b>	<b>1,518,648.44</b>	<b>41.52</b>	<b>42.60</b>	<b>39.04</b>					
<b>OVERALL</b>	<b>10,259,285.57</b>	<b>63.92</b>	<b>62.66</b>	<b>65.32</b>					

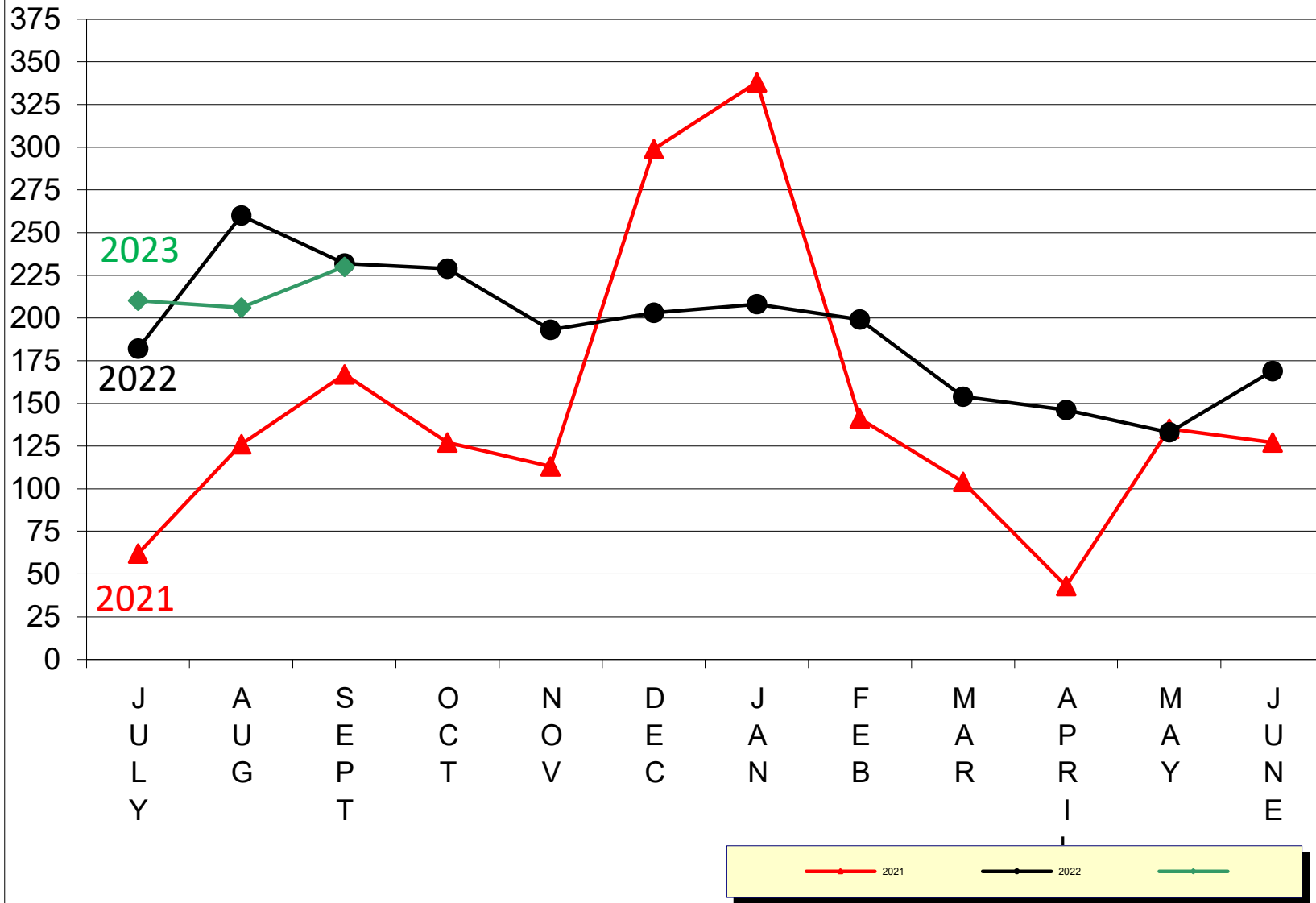
**MAYERS MEMORIAL HOSPITAL  
NON-OPERATING REVENUE AND EXPENSE  
RETAIL PHARMACY**

2022		2021			FY 2023	FY 2022		Increase Decrease %
SEPT ACTUAL	SEPT ACTUAL	Variance			YTD ACTUAL	YTD ACTUAL	Variance	
			<b>RETAIL PHARM REVENUE</b>					
			<b>NON-OPERATING REVENUE</b>					
0	0	0	MEDICARE		0	0	0	#DIV/0!
0	8,936	(8,936)	MEDI-CAL		0	20,533	(20,533)	-100.01%
182,078	134,954	47,124	THIRD PARTY		522,965	367,072	155,894	42.52%
28,034	31,591	(3,557)	PRIVATE		86,605	89,841	(3,235)	-3.61%
(1,092)	101	(1,193)	OTHER		(1,820)	(235)	(1,584)	672.92%
209,020	175,581	33,439	<b>Total Revenue</b>		607,751	477,210	130,541	27.42%
209,020	175,581	33,439	<b>Net Non Operating Revenue</b>		607,751	477,210	130,541	
			<b>NON - OPERATING EXPENSES</b>					
21,252	21,841	589	Productive Salaries		75,937	68,807	(7,130)	-10.41%
2,907	777	(2,130)	Non-Productive Salaries		5,691	3,758	(1,933)	-51.41%
2,411	2,381	(30)	Employee Benefits		8,573	8,048	(525)	-6.51%
134,166	161,813	27,647	Supplies		442,238	471,160	28,922	6.12%
0	0	0	Ancillary Travelers		4,983	0	(4,983)	#DIV/0!
(1,003)	50	1,053	Other Purchased Services		4,063	4,281	219	5.12%
0	0	0	Repairs		0	0	0	#DIV/0!
662	0	(662)	Utilities		1,825	1,084	(742)	-68.41%
262	628	366	Other		1,166	948	(218)	-23.11%
2,807	2,807	0	Depreciation		8,420	8,420	0	.02%
0	8	8	Rental - Lease		308	24	(284)	-1183.31%
163,464	190,305	26,841	<b>Total Non-Operating Expense</b>		553,203	566,530	13,326	2.42%
45,556	(14,724)	60,280	<b>NET INCOME</b>		54,548	(89,320)	143,868	
			(LOSS) GAIN					

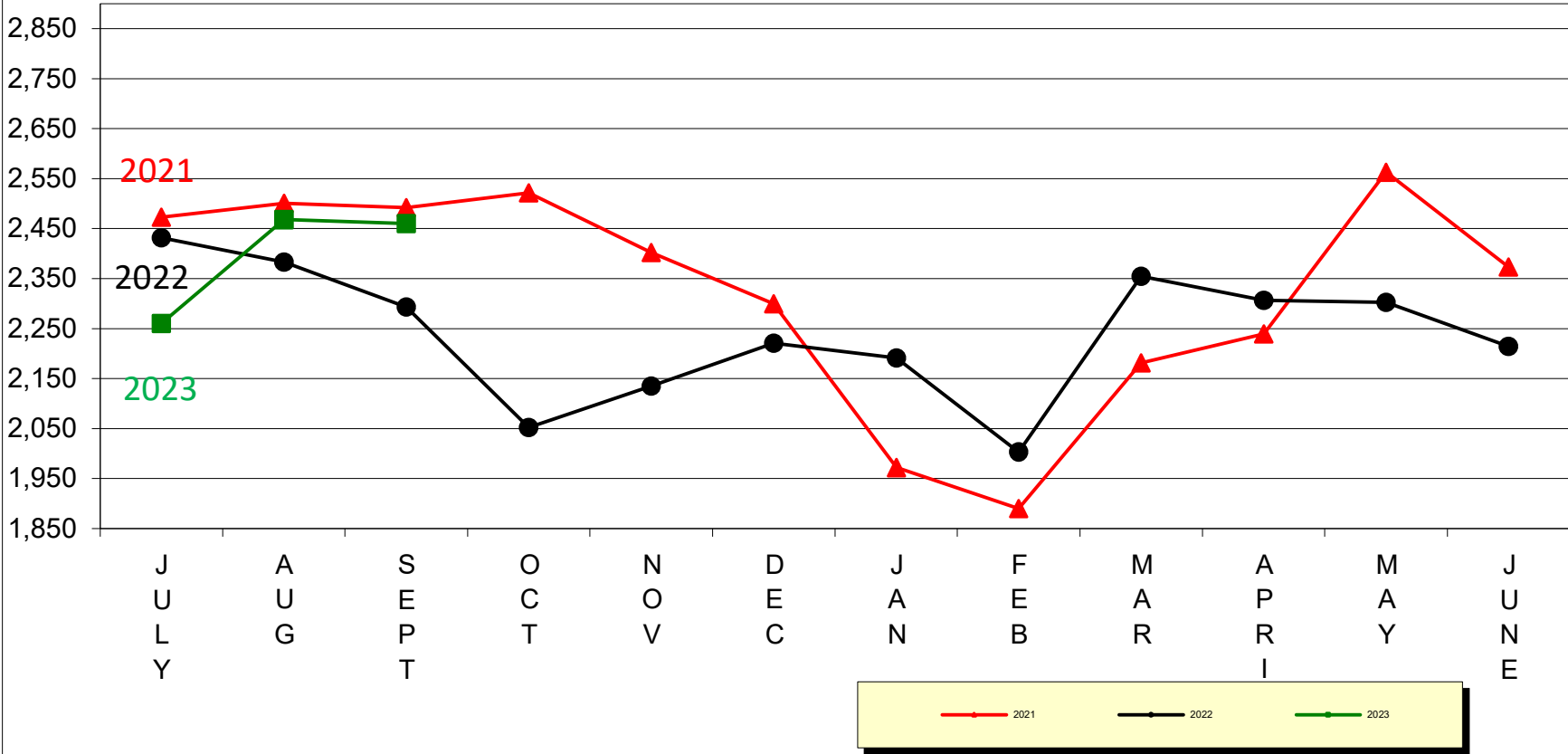
Rural Health Clinic - Burney

Gross Revenue	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	YTD
TOTAL OUTPT REVENUE	108,130.38	171,033.56	170,106.44	-	-	-	-	-	-	-	-	-	449,270.38
<b>Operating Expenses</b>													
PRODUCTIVE SALARIES	124,945.78	97,617.19	101,189.90	-	-	-	-	-	-	-	-	-	323,752.87
NON-PRODUCTIVE SALARIES	9,889.28	936.16	4,910.98	-	-	-	-	-	-	-	-	-	15,736.42
EMPLOYEE BENEFITS	11,187.87	7,132.26	8,226.53	-	-	-	-	-	-	-	-	-	26,546.66
SUPPLIES	2,808.01	8,267.90	5,087.64	-	-	-	-	-	-	-	-	-	16,163.55
PROFESSIONAL FEES	92.57	101.62	116.72	-	-	-	-	-	-	-	-	-	310.91
TRAVELERS	-	-	-	-	-	-	-	-	-	-	-	-	-
OTHER PURCHASED SERVICES	7,976.51	7,490.63	7,634.78	-	-	-	-	-	-	-	-	-	23,101.92
REPAIRS	-	-	-	-	-	-	-	-	-	-	-	-	-
INSURANCE	-	-	-	-	-	-	-	-	-	-	-	-	-
OTHER	218.57	1,307.54	200.52	-	-	-	-	-	-	-	-	-	1,726.63
DEPRECIATION	350.41	350.41	350.41	-	-	-	-	-	-	-	-	-	1,051.23
RENTAL/LEASE	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenses	157,469.00	123,203.71	127,717.48	-	-	-	-	-	-	-	-	-	408,390.19
Net Profit or (Loss)	(49,338.62)	47,829.85	42,388.96	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	40,880.19

# ACUTE / SWING PATIENT DAYS

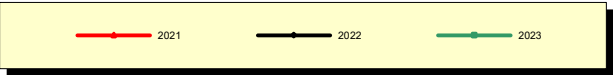
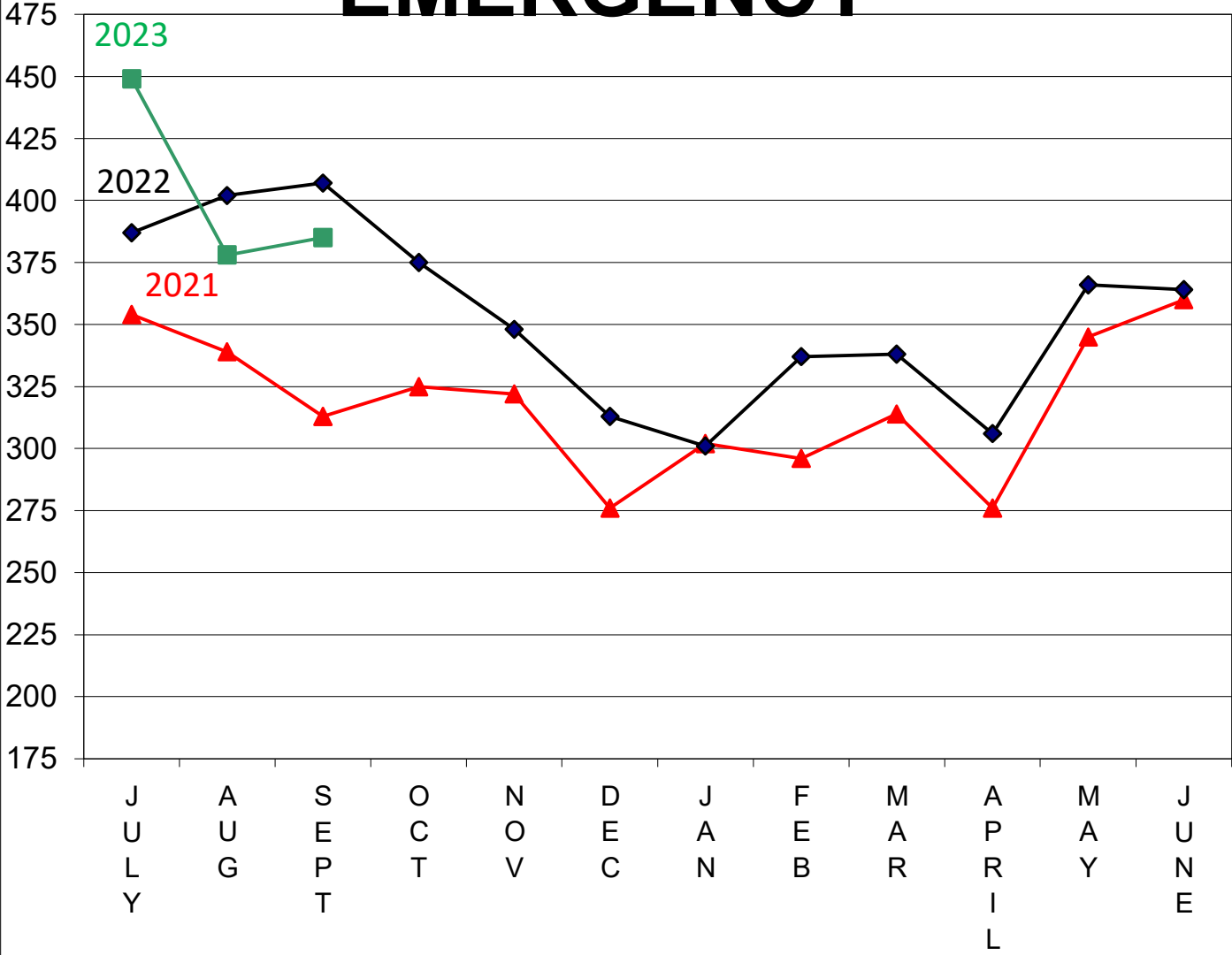


# SNF PATIENT DAYS

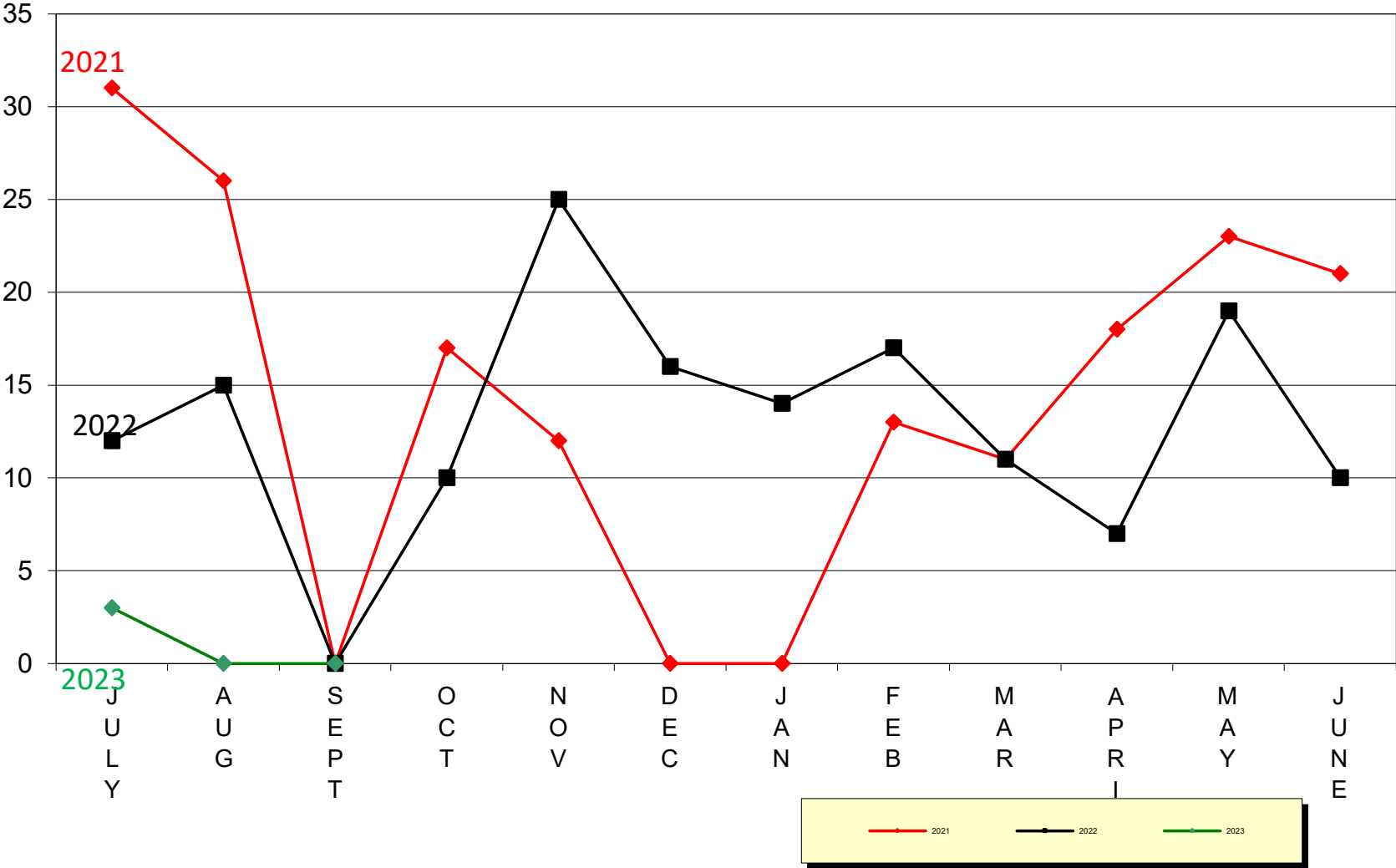




# EMERGENCY



# SURGERY / OUTPATIENT PROCEDURES



**MAYERS MEMORIAL HOSPITAL  
2022-2023 OPERATING ACTUAL**

	JULY	AUG	SEPT	OCT	NOV	DEC	Jan-22	FEB	MAR	APR	MAY	JUN	YTD FY 2023 ACTUAL	YTD PRIOR YR Current Mth ACTUAL
<b>Operating Revenue:</b>														
Routine														
Acute	797,204.00	751,559.00	868,817.00	-	-	-	-	-	-	-	-	-	2,417,580.00	2,531,814
SNF	1,111,826.19	1,236,607.79	1,219,709.97	-	-	-	-	-	-	-	-	-	3,568,143.95	3,249,735
Acute Ancillary	402,916.15	402,486.90	451,809.40	-	-	-	-	-	-	-	-	-	1,257,212.45	890,929
SNF Ancillary	(621.00)	-	-	-	-	-	-	-	-	-	-	-	(621.00)	1,716
Outpatient	2,489,335.61	2,970,516.97	2,624,969.78	-	-	-	-	-	-	-	-	-	8,084,822.36	6,985,582
	4,800,660.95	5,361,170.66	5,165,306.15	-	-	-	-	-	-	-	-	-	15,327,137.76	13,659,776
														0
<b>Less Deductions:</b>														
Contractuals - Care/Cal	359,000.82	1,035,179.70	865,516.47	-	-	-	-	-	-	-	-	-	2,259,696.99	2,460,405
Contractuals - PPO	562,191.62	180,639.78	376,061.31	-	-	-	-	-	-	-	-	-	1,118,892.71	788,346
Charity Care & Write off	-	8,098.67	-	-	-	-	-	-	-	-	-	-	8,098.67	3,739
Other Contractual write off:	122,141.89	138,719.85	80,524.61	-	-	-	-	-	-	-	-	-	341,386.35	400,002
Medicare													-	0
Medi-Cal													-	0
PPO's													-	0
Administrative & Other													-	0
Provision For Bad Debts	70,780.26	118,769.10	149,742.17	-	-	-	-	-	-	-	-	-	339,291.53	252,522
Total Deductions	1,114,114.59	1,481,407.10	1,471,844.56	-	-	-	-	-	-	-	-	-	4,067,366.25	3,905,015
														0
Other Revenue	33,672.28	296,957.52	20,478.03	-	-	-	-	-	-	-	-	-	351,107.83	142,743
Net Revenue	3,720,218.64	4,176,721.08	3,713,939.62	-	-	-	-	-	-	-	-	-	11,610,879.34	9,897,504
														0
<b>Operating Expenses:</b>														
Salaries - Productive	1,232,974.57	1,237,494.11	1,173,090.06	-	-	-	-	-	-	-	-	-	3,643,558.74	3,558,402
Salaries - Non-productive	266,128.69	124,745.26	154,721.12	-	-	-	-	-	-	-	-	-	545,595.07	484,385
Employee Benefits	376,492.16	331,348.32	318,811.26	-	-	-	-	-	-	-	-	-	1,026,651.74	997,199
Supplies	263,383.02	294,409.18	340,664.40	-	-	-	-	-	-	-	-	-	898,456.60	950,442
Professional Fees	102,089.09	127,277.94	111,251.04	-	-	-	-	-	-	-	-	-	340,618.07	226,854
Acute/Swing travelers	160,437.84	141,009.20	141,171.78	-	-	-	-	-	-	-	-	-	442,618.82	152,884
SNF travelers	227,327.76	246,770.52	231,398.85	-	-	-	-	-	-	-	-	-	705,497.13	421,958
Ancillary travelers	226,664.40	223,868.05	208,106.38	-	-	-	-	-	-	-	-	-	658,638.83	85,316
Other Purchased Services	119,773.12	205,371.77	151,297.85	-	-	-	-	-	-	-	-	-	476,442.74	600,404
Repairs & Maintenance	24,073.00	52,548.47	52,297.71	-	-	-	-	-	-	-	-	-	128,919.18	69,975
Utilities	23,100.21	61,760.42	108,807.49	-	-	-	-	-	-	-	-	-	193,668.12	131,597
Insurance	16,776.20	19,729.01	31,712.01	-	-	-	-	-	-	-	-	-	68,217.22	118,047
Other Expense	77,555.43	67,015.07	83,843.48	-	-	-	-	-	-	-	-	-	228,413.98	151,977
Depreciation	124,559.07	132,880.42	134,168.75	-	-	-	-	-	-	-	-	-	391,608.24	374,030
Bond Repayment Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Bond Repayment Interest	-	-	338,682.50	-	-	-	-	-	-	-	-	-	338,682.50	54,078
Interest	6,432.20	5,281.71	6,007.59	-	-	-	-	-	-	-	-	-	17,721.50	17,268
Rent/Lease Equipment	4,288.62	6,857.58	2,747.77	-	-	-	-	-	-	-	-	-	13,893.97	31,320
Total Operating Exp	3,252,055.38	3,278,367.03	3,588,780.04	-	-	-	-	-	-	-	-	-	10,119,202.45	8,426,136
														0
Net Operating Rev over Expense	468,163.26	898,354.05	125,159.58	-	-	-	-	-	-	-	-	-	1,491,676.89	1,471,369
														0
<b>Non-Operating Revenue:</b>														
Non-operating Revenue	277,983.20	312,650.83	313,971.11	-	-	-	-	-	-	-	-	-	904,605.14	778,450
Interest Income	43,738.28	763.08	609.10	-	-	-	-	-	-	-	-	-	45,110.46	17,547
Other non-operating Expense	196,173.00	193,566.29	163,464.07	-	-	-	-	-	-	-	-	-	553,203.36	566,530
Total Non-Operating Rever	125,548.48	119,847.62	151,116.14	-	-	-	-	-	-	-	-	-	396,512.24	229,468
														0
Net Revenue over Expense	593,711.74	1,018,201.67	276,275.72	-	-	-	-	-	-	-	-	-	1,888,189.13	1,700,836
DIFF s/b 0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
														0
Expenses per day	100,886.98	101,467.31	115,153.71	-	-	-	-	-	-	-	-	-	-	-
DAYS CASH ON HAND	214.16	197.91	168.93	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	28,864.36	-
AVERAGE YTD	214.16	206.01	192.56	192.56	192.56	192.56	192.56	192.56	192.56	192.56	192.56	192.56	-	-

**MAYERS MEMORIAL HOSPITAL  
2021-2022 OPERATING ACTUAL**

	2021 JULY	2021 AUG	2021 SEPT	2021 OCT	2021 NOV	2021 DEC	2022 Jan-21	2022 FEB	2022 MAR	2022 APR	2022 MAY	2022 JUN	YEAR TO DATE FY 2022 ACTUAL	FY YTD ACTUAL
<b>Operating Revenue:</b>														
Routine														
Acute	697,951.10	962,644.14	871,219.00	851,470.00	695,997.00	741,332.00	761,658.00	726,316.00	567,331.00	542,943.00	488,671.00	662,225.06	8,569,757.30	2,531,814
SNF	1,103,358.39	1,096,690.86	1,049,685.58	934,360.58	958,296.63	969,512.60	956,104.32	977,508.87	1,199,507.00	1,135,854.84	1,155,824.47	1,096,317.29	12,633,021.43	3,249,735
Acute SNF	258,125.20	289,583.15	343,220.65	399,569.15	229,958.80	214,501.65	266,517.20	217,677.60	248,551.90	207,414.80	131,221.95	347,471.80	3,153,813.85	890,929
Outpatient	1,716.00	-	-	-	837.00	75.00	-	157.00	-	130.00	-	334.00	3,249.00	1,716
	2,145,869.61	2,551,558.46	2,288,153.95	2,269,854.93	2,250,238.03	2,308,977.59	2,370,671.38	2,392,064.29	2,434,713.60	2,355,657.24	2,396,737.44	2,538,012.81	28,302,509.33	6,985,582
	4,207,020.30	4,900,476.61	4,552,279.18	4,455,254.66	4,135,327.46	4,234,398.84	4,354,950.90	4,313,723.76	4,450,103.50	4,241,999.88	4,172,454.86	4,644,360.96	52,662,350.91	13,659,776
Less Deductions:														0
Contractuals - Care/Cal	867,547.28	1,063,453.65	529,404.55	763,824.26	141,513.99	246,064.99	677,517.41	878,085.70	1,424,846.48	923,609.71	1,145,409.26	1,712,901.09	10,374,178.37	2,460,405
Contractuals - PPO	267,522.45	277,392.72	243,431.19	315,464.08	297,419.03	208,877.56	165,125.79	408,317.42	266,293.55	(272.19)	167,033.66	738,693.40	3,355,298.66	788,346
Charity Care & Write off	3,209.00	530.00	-	5,925.00	-	4,418.00	-	10,034.00	12,176.79	6,210.00	-	(302.66)	42,200.13	3,739
Other Contractual write offs	81,329.18	137,389.22	181,283.45	79,104.35	133,497.75	94,900.14	236,087.47	135,856.42	132,040.60	340,808.01	225,474.22	244,258.17	2,022,028.98	400,002
														0
														0
Provision For Bad Debts	141,033.50	32,906.66	78,582.25	45,431.75	22,264.91	72,817.41	(1,176.86)	100,471.77	(1,860.45)	231,466.17	106,244.09	35,278.77	863,459.97	252,522
Total Deductions	1,360,641.41	1,511,672.25	1,032,701.44	1,209,749.44	594,695.68	627,078.10	1,077,553.81	1,532,765.31	1,833,496.97	1,501,821.70	1,644,161.23	2,730,828.77	16,657,166.11	3,905,015
														0
Other Revenue	57,398.27	30,763.16	54,581.89	111,616.63	271,542.65	65,052.89	172,094.23	86,867.23	(73,711.76)	100,717.30	38,066.22	30,611.97	945,600.68	142,743
Net Revenue	2,903,777.16	3,419,567.52	3,574,159.63	3,357,121.85	3,812,174.43	3,672,373.63	3,449,491.32	2,867,825.68	2,542,894.77	2,840,895.48	2,566,359.85	1,944,144.16	36,950,785.48	9,897,504
														0
<b>Operating Expenses:</b>														0
Salaries - Productive	1,306,672.52	1,207,632.91	1,044,096.23	1,128,295.53	1,137,514.09	1,093,663.84	1,081,017.63	1,060,820.24	1,171,571.68	1,169,495.01	1,193,246.18	1,093,971.20	13,687,997.06	3,558,402
Salaries - Non-productive	184,173.02	137,790.65	162,421.16	157,532.78	123,310.94	130,216.64	284,230.90	166,663.36	122,105.84	106,298.43	108,441.40	155,399.15	1,838,584.27	484,385
Employee Benefits	347,828.84	336,767.99	312,602.13	314,417.66	318,913.33	300,869.10	363,135.37	330,289.03	327,886.52	338,161.01	335,736.59	335,069.43	3,961,677.00	997,199
Supplies	301,479.92	283,070.40	365,891.52	465,446.70	324,358.99	395,628.93	421,494.42	308,547.05	433,177.25	293,159.22	188,826.31	404,454.42	4,185,535.13	950,442
Professional Fees	26,851.65	20,348.67	179,654.11	148,194.97	143,206.55	167,835.73	142,481.41	188,203.14	152,075.90	161,672.25	238,756.06	177,450.42	1,746,730.86	226,854
Acute/Swing travelers	34,876.25	61,596.56	56,411.57	58,129.30	57,456.25	89,120.95	40,063.88	42,531.18	38,918.63	56,522.25	84,193.19	114,171.50	733,991.51	152,884
SNF travelers	141,190.66	107,883.18	172,884.16	111,733.63	149,101.85	245,144.00	140,948.27	114,693.57	173,405.67	194,840.61	122,132.50	227,720.91	1,901,679.01	421,958
Ancillary travelers	15,665.00	27,611.00	42,039.81	109,647.78	225,316.15	258,589.89	213,983.60	67,651.50	215,104.75	128,503.35	101,410.17	198,510.10	1,604,033.10	85,316
Other Purchased Services	143,896.84	189,748.18	266,758.48	195,223.73	206,070.10	266,194.25	264,909.71	221,089.61	294,623.33	232,623.88	864,979.51	973,800.14	4,119,917.76	600,404
Repairs & Maintenance	29,521.36	17,717.75	22,736.38	65,196.61	22,639.04	27,850.36	18,432.70	33,293.63	40,117.10	27,697.88	135,229.86	60,457.36	500,890.03	69,975
Utilities	33,895.40	47,436.28	50,265.62	40,914.81	58,508.38	63,585.74	47,602.38	49,869.60	49,260.97	87,803.68	9,998.15	44,607.64	583,748.65	131,597
Insurance	33,502.67	51,091.75	33,452.67	33,452.66	33,452.67	33,452.67	33,580.48	33,580.48	33,580.48	33,580.48	33,580.48	16,241.70	402,549.19	118,047
Other Expense	44,590.21	50,902.35	56,484.21	51,468.59	64,327.29	80,924.92	79,768.39	67,125.85	71,540.23	60,008.06	73,887.22	82,354.76	783,382.08	151,977
Depreciation	126,926.47	123,977.88	123,125.60	118,437.78	118,437.78	118,586.53	114,435.30	113,893.07	113,610.06	111,538.29	111,538.29	352,254.72	1,646,761.77	374,030
Bond Repayment Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Bond Repayment Interest	17,910.82	17,910.82	18,256.38	17,910.82	17,910.82	-	-	-	330,526.50	-	-	243,939.67	664,365.83	54,078
Interest	5,319.38	5,203.38	6,744.87	5,167.45	5,384.95	5,728.15	5,225.52	5,396.95	5,441.51	5,508.90	5,818.27	8,334.80	69,274.13	17,268
Rent/Lease Equipment	10,881.39	10,048.64	10,390.08	9,136.40	(3,409.30)	14,520.67	3,405.00	18,792.85	3,479.77	2,955.00	7,819.75	6,011.90	94,032.15	31,320
Total Operating Expense	2,805,182.40	2,696,738.39	2,924,214.98	3,030,307.20	3,002,499.88	3,291,912.37	3,254,714.96	2,822,441.11	3,576,426.19	3,010,368.30	3,615,593.93	4,494,749.82	38,525,149.53	8,426,136
														0
Net Operating Rev over Expense	98,594.76	722,829.13	649,944.65	326,814.65	809,674.55	380,461.26	194,776.36	45,384.57	(1,033,531.42)	(169,472.82)	(1,049,234.08)	(2,550,605.66)	(1,574,364.05)	1,471,369
														0
<b>Non-Operating Revenue:</b>														0
Non-operating Revenue	248,634.29	258,154.79	271,661.38	261,513.41	291,756.08	296,277.68	262,232.19	222,917.71	305,394.08	828,975.01	1,369,156.29	175,905.04	4,792,577.95	778,450
Interest Income	16,413.22	675.30	458.33	13,904.74	468.31	484.06	10,406.53	586.59	577.80	16,281.98	578.13	641.27	61,476.26	17,547
Other non-operating Expense	208,981.60	167,242.89	190,305.02	72,125.79	174,712.05	307,741.20	87,124.98	198,364.51	237,984.88	163,175.98	107,336.30	179,439.36	2,094,534.56	566,530
Total Non-Operating Revenue	56,065.91	91,587.20	81,814.69	203,292.36	117,512.34	(10,979.46)	185,513.74	25,139.79	67,987.00	682,081.01	1,262,398.12	(2,893.05)	2,759,519.65	229,468
														0
Net Revenue over Expense	154,660.67	814,416.33	731,759.34	530,107.01	927,186.89	369,481.80	380,290.10	70,524.36	(965,544.42)	512,608.19	213,164.04	(2,553,498.71)	1,185,155.60	1,700,836
	-	-	-	-	-	-	-	-	0.00	-	-	-	-	-

MAYERS MEMORIAL HOSPITAL DISTRICT  
FINANCIAL SNAPSHOT

month ended

SEPTEMBER 2022

FISCAL 2023

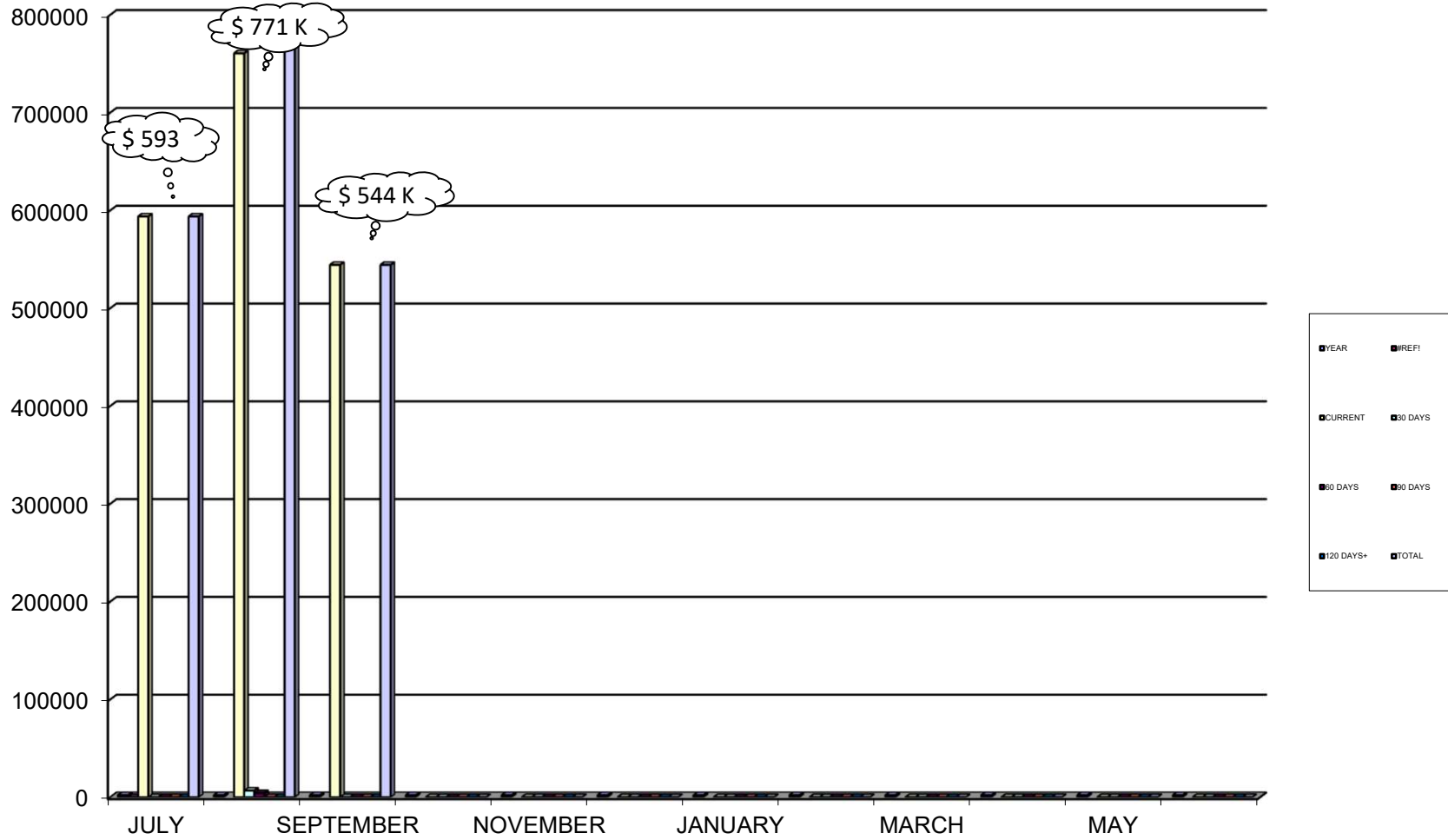
FINANCIAL DATA ACROSS ENTIRE ENTERPRISE  
ACTUAL YTD ACTUAL YTD

	SEPTEMBER 2022	SEPTEMBER 2021	Variance\$\$	Variance %
Inpatient Revenue				
Acute/OB/Swing	\$ 2,417,580	\$ 2,531,814	(114,234.24)	-5%
SNF	\$ 3,568,144	\$ 3,249,735	318,409.12	10%
Inpatient Ancillary Revenue				
Acute/OB/Swing	1,257,212	890,929	366,283.45	41%
SNF	(621)	1,716	(2,337.00)	-136%
Outpatient Revenue	8,084,822	6,985,582	1,099,240.34	16%
Total Gross Revenue	\$ 15,327,138	\$ 13,659,776	1,667,361.67	12%

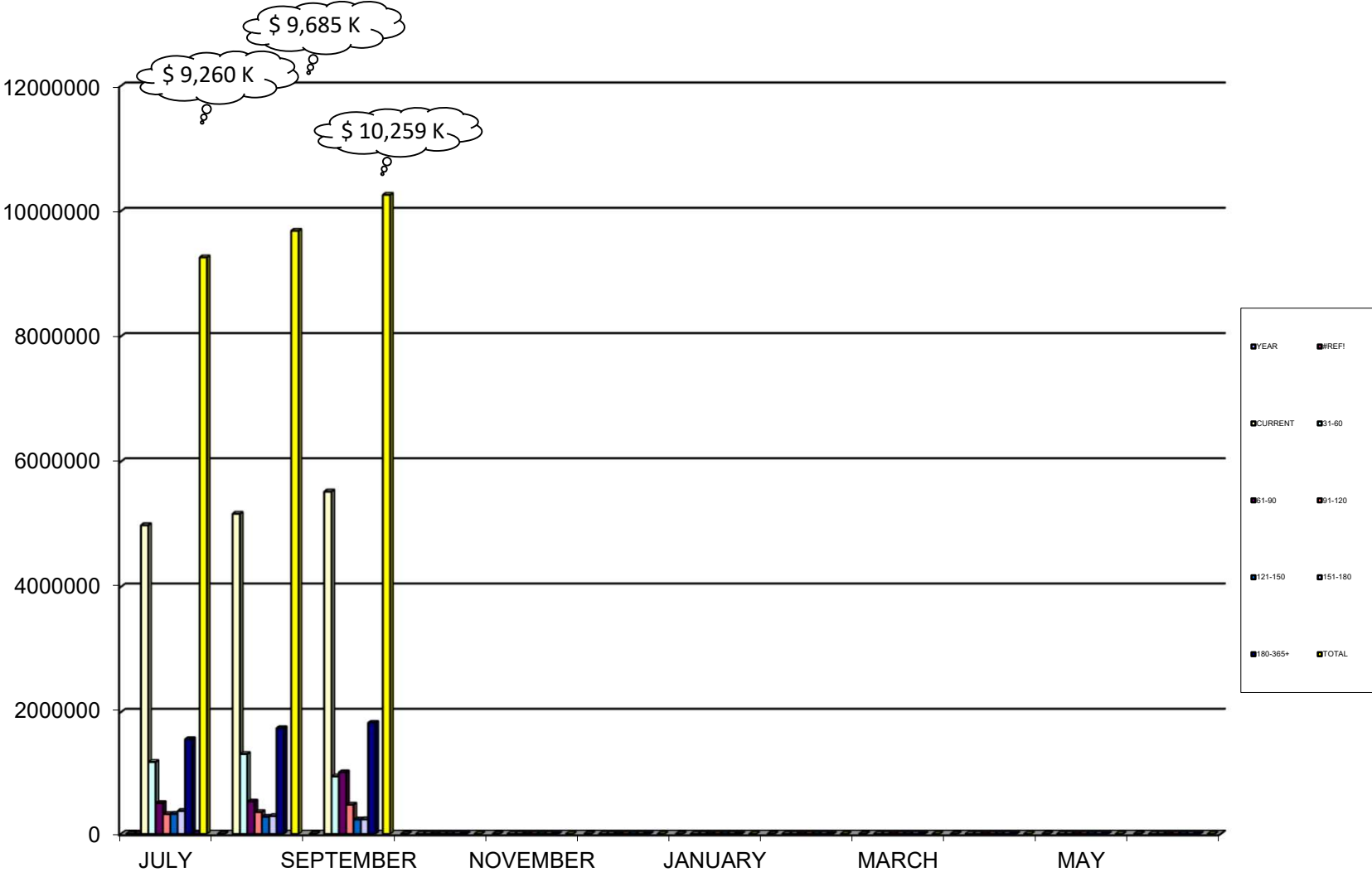
ACTUAL YTD ACTUAL YTD

Statistics	SEPTEMBER 2022	SEPTEMBER 2021	Variance	Variance %
Patient Days	7,834	7,782	52	0.7%
Outpatient Services	361	460	(99)	-22%
Labs	3,248	4,093	(845)	-21%
Imaging	1,514	1,301	213	16%
Hospice	595	459	136	30%
PT	677	651	26	4%

# ACCOUNTS PAYABLE



# ACCOUNTS RECEIVABLE



### ACCOUNTS RECEIVABLE

<u>MONTH</u>	<u>YEAR</u>	<u>CURRENT</u>	<u>31-60</u>	<u>61-90</u>	<u>91-120</u>	<u>121-150</u>	<u>151-180</u>	<u>180-365+</u>	<u>TOTAL</u>
JULY	2022	4,984,030.31	1,182,557.72	507,384.73	325,688.38	328,406.20	376,411.20	1,556,292.20	9,260,770.74
AUGUST	2022	5,167,319.16	1,313,357.69	532,729.03	358,813.88	282,863.62	292,657.11	1,737,998.31	9,685,738.80
SEPTEMBER	2022	5,520,575.07	944,806.86	1,011,785.45	479,949.66	238,481.51	239,114.31	1,824,572.71	10,259,285.57
OCTOBER	2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NOVEMBER	2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DECEMBER	2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
JANUARY	2023	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FEBRUARY	2023	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MARCH	2023	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
APRIL	2023	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MAY	2023	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
JUNE	2023	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

### ACCOUNTS PAYABLE (includes accrued payables)

<u>MONTH</u>	<u>YEAR</u>	<u>CURRENT</u>	<u>30 DAYS</u>	<u>60 DAYS</u>	<u>90 DAYS</u>	<u>120 DAYS+</u>	<u>TOTAL</u>
JULY	2022	593,668.11	0.00	0.00	0.00	0.00	593,668.11
AUGUST	2022	760,530.83	6,717.10	4,102.89	0.00	0.00	771,350.82
SEPTEMBER	2022	544,200.99	0.00	0.00	0.00	0.00	544,200.99
OCTOBER	2022	0.00	0.00	0.00	0.00	0.00	0.00
NOVEMBER	2022	0.00	0.00	0.00	0.00	0.00	0.00
DECEMBER	2022	0.00	0.00	0.00	0.00	0.00	0.00
JANUARY	2023	0.00	0.00	0.00	0.00	0.00	0.00
FEBRUARY	2023	0.00	0.00	0.00	0.00	0.00	0.00
MARCH	2023	0.00	0.00	0.00	0.00	0.00	0.00
APRIL	2023	0.00	0.00	0.00	0.00	0.00	0.00
MAY	2023	0.00	0.00	0.00	0.00	0.00	0.00
JUNE	2023	0.00	0.00	0.00	0.00	0.00	0.00





## RATING ACTION COMMENTARY

# Fitch Affirms Mayers Memorial Hospital District (CA)'s Bonds at 'BBB'; Outlook Stable

Thu 13 Oct, 2022 - 9:55 AM ET

Fitch Ratings - New York - 13 Oct 2022: Fitch Ratings has affirmed the 'BBB' rating on approximately \$466,000 of Mayers Memorial Hospital District's, CA (MMHD) general obligation bonds, 2010 election, 2011 series A. In addition, Fitch has affirmed the hospital's Issuer Default Rating at 'BBB'.

The Rating Outlook is Stable.

## SECURITY

The bonds are general obligations of the hospital, supported by an unlimited ad valorem tax pledge on all taxable property in the district. The bonds mature in August 2038.

## ANALYTICAL CONCLUSION

The affirmation of 'BBB' ratings reflects MMHD's historically strong operating performance, with a track record of generating double digit EBITDA margins. The hospital also benefits from tax revenues that Fitch includes as additional operating cash flow, which bolster's Fitch's calculations for profitability margins.

Fiscal 2022 unaudited results show softer operating performance, reflecting elevated expense pressures to labor and supply costs and a decline in Medi-Cal payments While

Fitch expects some pressure on operations going forward due to continued expense pressure and the volatility with Medi-Cal supplemental payments, margins should stabilize at levels consistent with a strong operating risk assessment, but likely with less flexibility when compared to prior results.

The rating is further supported by MMHD's weak revenue defensibility, which is characterized by its strong market position in a rural service area and weak payor mix, with self-pay and Medicaid reimbursement consistently accounting for more than 40% of gross revenues.

Additionally, the rating reflects the expected stability of MMHS's strong financial profile in Fitch's forward-looking scenario analysis in context of its weak revenue defensibility and strong operating risk assessments. Despite MMHD's strong financial profile, which does suggest a higher rating, Fitch believes that the district's very small size and reliance on governmental and supplemental funding, leave it more vulnerable operational performance swings, which keeps the rating in the 'BBB' category. Any sustained negative changes to either revenue source could put downward pressure on the rating.

## **KEY RATING DRIVERS**

### **Revenue Defensibility: 'bb'**

Strong Market Position; Weak Payor Mix

The 'bb' revenue defensibility reflects MMHD's weaker payor mix which is driven by the rural area in which the hospital resides; self-pay and Medicaid reimbursement consistently account for more than 40% of gross revenues going back to at least fiscal 2016 (which includes the skilled nursing facility).

However, MMHD maintains strong market share, as its nearest competitor is roughly 75 miles away. The district is geographically large but sparsely populated, with economic concentration in natural resources, including timber and energy production, food processing and other land-based enterprises.

MMHD benefits from its designation as a critical access hospital (CAH). CAH's are eligible rural hospitals that have 25 or fewer acute care inpatient beds, are located more than 35 miles from another hospital, maintain an average length of stay of 96 hours or less for acute care patients and provide 24/7 emergency care services. As a result of CAH's service

essentiality to the local community, MMHD receives more favorable Medicare reimbursement rates.

While the district receives a steady stream of property tax revenue it is not a material part of total revenue; moreover, the district does not have the ability to increase tax support and would need voter approval to make any significant changes to the amount of tax revenue it receives. As such, Fitch's revenue defensibility analysis is focused on other operating revenue sources and risks.

### **Operating Risk: 'a'**

#### **Strong Profitability Supported by External Revenue Streams; Manageable Capital Needs**

MMHD had consistently strong operating EBITDA margins, averaging 18.4%, from 2018 to 2021. However fiscal 2022 unaudited results show softer margins, including an approximate 8.3% operating EBITDA and 8.5% EBITDA margin. This is largely a result of increased expense pressure on travel labor and supply costs and an approximate \$3 million decline in Medi-Cal payments received in FY22 compared with FY21.

Management expects some continued pressure on operating results moving forward due continued expense pressure and the volatility of the Medi-Cal supplemental payments. However, management believes that results will rebound over the medium term to operating metrics overall more consistent with a strong operating risk assessment over the next couple of years.

MMHD benefits from tax revenues that in recent years has averaged roughly \$1.3 million per year and receives significant supplemental payments from the Medi-Cal program, which increased net patient revenues by approximately \$5.3 million in fiscal 2022. Given the somewhat heavy reliance on these revenues, management has looked for ways to diversify its revenue sources in recent years.

In April 2021, MMHD opened its first-ever clinic, a rural health center. The clinic includes several providers and includes services such as primary care, chronic care management, and women's health and family planning. The district has also recently increased its ability to provide more imaging and lab services with a new wing that opened in August 2020. Additionally, management reports MMHD plans to open a mobile clinic in early 2023.

Over the last few years MMHD had elevated capex and as a result the average age of plant of plant fell to about 17 years from 25 years as the new wing of the hospital was completed.

To remain compliant with California's seismic requirements, the hospital was required to construct a \$15 million hospital wing. Given the recent heavy investment in the hospital, management expects capital funding to remain low over the next couple of years, with no major capital needs expected.

### **Financial Profile: 'a'**

#### **Strong Financial Profile; Improving Liquidity**

Fitch assesses MMHD's financial profile as strong in the context of the weak revenue defensibility and strong operating risk assessments. MMHD ended fiscal 2022 with a strong cash-to-adjusted debt of approximately 101% based on unaudited results. Additionally, MMHD had approximately 228 days cash on hand, which is strong for the current rating.

Fitch's forward-looking scenario analysis shows MMHD maintaining key liquidity and leverage metrics that are consistent with a strong financial profile, with cash-to-adjusted debt of about 136% and net adjusted debt to adjusted EBITDA of negative 1.4x by year four of Fitch's scenario. The forward-look assumes routine capex and no additional debt. The forward-looking portfolio stress is minimal given MMHD's conservative investment allocation of all cash securities.

### **Asymmetric Additional Risk Considerations**

No asymmetric additional risk considerations were applied in the rating determination.

### **RATING SENSITIVITIES**

Factors that could, individually or collectively, lead to positive rating action/upgrade:

--Successful implementation of any new strategic plans that further grow and diversify MMHD's revenues, thereby decreasing its dependence on tax support and Medi-Cal supplemental payments;

--Continued growth in liquidity with cash to adjusted debt consistently and comfortably sustained above 120% while also maintaining operating EBITDA margins in excess of 10%.

Factors that could, individually or collectively, lead to negative rating action/downgrade:

--A material decline in core hospital operating profitability with EBITDA margins consistently sustained below 9%;

--While Fitch does not believe this is likely in the near-term, any material declines in Medi-Cal supplemental payments or weakening of the district's tax base and/or economy.

## **BEST/WORST CASE RATING SCENARIO**

International scale credit ratings of Sovereigns, Public Finance and Infrastructure issuers have a best-case rating upgrade scenario (defined as the 99th percentile of rating transitions, measured in a positive direction) of three notches over a three-year rating horizon; and a worst-case rating downgrade scenario (defined as the 99th percentile of rating transitions, measured in a negative direction) of three notches over three years. The complete span of best- and worst-case scenario credit ratings for all rating categories ranges from 'AAA' to 'D'. Best- and worst-case scenario credit ratings are based on historical performance. For more information about the methodology used to determine sector-specific best- and worst-case scenario credit ratings, visit <https://www.fitchratings.com/site/re/10111579>.

Mayers Memorial Hospital District spans the upper northeast corner of Shasta County, CA approximately 70 miles northeast of Redding, with portions in adjoining Modoc and Lassen Counties. The district has a population of approximately 14,000 and encompasses 8,000 square miles, an area larger than several states. The district operates a 16-bed CAH and long-term care facility with 99 skilled nursing beds.

In addition to the sources of information identified in Fitch's applicable criteria specified below, this action was informed by information from Lumesis.

## **REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING**

The principal sources of information used in the analysis are described in the Applicable Criteria.

## **ESG CONSIDERATIONS**

Unless otherwise disclosed in this section, the highest level of ESG credit relevance is a score of '3'. This means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. For more information on Fitch's ESG Relevance Scores, visit [www.fitchratings.com/esg](http://www.fitchratings.com/esg).

## RATING ACTIONS

ENTITY / DEBT	RATING	PRIOR
Mayers Memorial Hospital District (CA)	LT IDR    BBB Rating Outlook Stable  Affirmed	BBB Rating Outlook Stable
Mayers Memorial Hospital District (CA) /General Obligation - Unlimited Tax/1 LT	LT    BBB Rating Outlook Stable    Affirmed	BBB Rating Outlook Stable

[VIEW ADDITIONAL RATING DETAILS](#)

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Additional information is available on [www.fitchratings.com](http://www.fitchratings.com)**PARTICIPATION STATUS**

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**APPLICABLE CRITERIA**

[U.S. Not-For-Profit Hospitals and Health Systems Rating Criteria \(pub. 18 Nov 2020\)](#)  
(including rating assumption sensitivity)

[Public Sector, Revenue-Supported Entities Rating Criteria \(pub. 01 Sep 2021\)](#) (including rating assumption sensitivity)

**APPLICABLE MODELS**

Numbers in parentheses accompanying applicable model(s) contain hyperlinks to criteria providing description of model(s).

Portfolio Analysis Model (PAM), v2.0.0 ([1](#))

**ADDITIONAL DISCLOSURES**

[Dodd-Frank Rating Information Disclosure Form](#)

[Solicitation Status](#)

[Endorsement Policy](#)

**ENDORSEMENT STATUS**

Mayers Memorial Hospital District (CA)

EU Endorsed, UK Endorsed

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US Public Finance    Healthcare and Pharma    North America    United States

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Christopher R Bjornberg



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October 26, 2022

To All Interested Parties:

**RE: Notice of Availability/Offer to Sell Surplus Property**

As required by Government Code Section 54220 of the State of California, Mayers Memorial Healthcare District (District) is providing notification that the District intends to **sell** the surplus property listed in the accompanying table.

In accordance with Government Code Section 54222, you have sixty (60) days from the date this offer was sent via certified mail or electronic mail to notify the District of your interest in acquiring the property. However, this offer shall not obligate the District to sell the property to you. Instead, the District would enter into at least ninety (90) days of negotiations with you pursuant to Government Code Section 54223. If no agreement is reached on sales price and terms, or lease terms, the District may market the property to the general public.

As required by Government Code Section 54227, if the District receives more than one letter of interest during this 60 day period, it will give first priority to entities proposing to develop housing where at least 25 percent of the units will be affordable to lower income households. If more than one such proposal is received, priority will be given to the proposal with the greatest number of affordable units. If more than one proposal specifies the same number of affordable units, priority will be given to the proposal that has the lowest average affordability level.

In the event your agency or company is interested in purchasing the property, you must notify the District in writing within sixty (60) days of the date this notice was sent via certified mail or electronic mail. Notice of your interest in acquiring the property shall be delivered to Travis Lakey, CFO, at PO Box 459/43563 HWY 299, Fall River Mills, CA 96028. You may also direct your questions to [tlakey@mayersmemorial.com](mailto:tlakey@mayersmemorial.com) or by calling 530-336-5511.

Entities proposing to submit a letter of interest are advised to review the requirements set forth in the Surplus Land Act (Government Code Section 54220-54234).

Sincerely,

Jeanne Utterback, President  
Mayers Memorial Healthcare District Board of Directors

# MAYERS MEMORIAL HEALTHCARE DISTRICT IV INFUSION SYSTEM

Keith Earnest, CCO

Theresa Overton, CNO

Moriah Padilla, Acute Care Manager

Alexis Cureton, Emergency Department Manager

## OVERVIEW

Mayers Memorial Healthcare District Acute Care Settings are in need of a new IV Infusion System and through a reviewal committee process, we propose the Ivinex Infusion Solution as the top competitor and choice. This investment is projected to have a fiscal impact of \$216,820 at start-up, and \$13,504 annually thereafter.

### Statement of Need – Characteristics of Current System

- Over life expectancy, and no longer able to be replaced
- Many are broken and we are out of service contract
- Difficult and time consuming by pharmacist to update drug library
- Increased medication adverse events
- Increased patient safety concern
- JCAHO requires smart pump infusion system

### Process Used for Pump Evaluation

- Multidisciplinary team established a review committee for several infusion systems
- Compared Ivinex and B. Braun Systems in live events
- Established pump requirements, needs, and patient safety goals to create a scoring system
- Analyzed results of scoring system

### Analyzed Scoring System Results – Attachment A

- Recommendation: Ivinex Infusion 92.8%
- Alternate Option: B. Braun 29.3%

## RECOMMENDATION

The Ivinex Infusion System surpasses its competitors in several categories, increases patient safety, and meets the standards initiated by JCAHO. Moving forward with this pump is a step in the right direction and correlates with the strategic pillars of patient safety

### Rationale

- IV Infusion Pump Price Comparison 2022 – 2027 – Attachment B
- JCAHO Compliant – Attachment C
- Align with strategic pillar markers quality service, growth, and communication
  - Innovative technology, increased safety features, FDA approval, narrowed error margin, server dashboard for monitoring of high-risk infusions

### Contract

- Reviewed by Jack Hathaway with no concerns at this time
- Quote – Attachment D
- Contract – Attachment E

### Ivinex Features Not Seen in Current Market

- Programmed to use 5ml-60ml syringe for IV Push medications
- Designed so tubing will not free flow
- Alerts to duplicate or incompatible medication
- Accuracy not affected by IV bag height, etc.
- Distal occasion auto restart
- Offers option to review status of infusions remotely
- Does not require annual maintenance
- Can be cleaned with any spray or wipe disinfectant
- FDA Approval
- 5% margin of error (others on market is 10%)

### Important Facts

- Cerner requirement – Hospitals to be live with their IV Pump for 6 months prior to integration
- Signed Contract prior to September 30<sup>th</sup> – Additional \$20,240 savings (Based on 44 units purchased)

### Visual Aid



<b>B. Braun</b>				
Easy to use	10	6	6	6
Drug dose calculation is easy to use	10	6	7	4
hard and soft limits available while programming	2	5	6	7
hard and soft limits available while infusing	2	5	5	0
Is designed so the tubing wont free flow	10	10	7	10
Air can be removed from the line	0	5	6	0
Alerts you to incompatible drugs	0	0	0	0
Easy to adjust the dose or rate	0	7	7	4
Easy to program a boluse dose	0	6	8	0
Defaults into the drug library	0	5	5	0
alerts to a dujpicate medication	0	0	0	0
automatically adjusts to maintain accuracy	0	0	0	0
accuracy is not affected by IV bag height, etc	10	3	5	0
Has an "Infuse Until Empty"	0	0	0	0
easy to adjust alarm volume	0	0	0	0
easy to read the color dispaly screen at a distance	0	4	4	2
Wireless	0	8	8	0
supports smart pump programming	0	7	7	6
has distal occlusion auto restart	0	0	0	0
Offers an option to revie the status of your infusions remotely	0	5	0	0
Does not require annual maintenance	0	0	0	0
Can be cleaned with any spray or wipe disinfectant	10	0	5	0
Can be programmed to use 5ml-60ml syringe for IV push	0	0	0	0
	54	82	86	39
	23.5%	35.7%	37.4%	20.5%
				<b>29.3%</b>

Ivinex			
Easy to use	8	9	10
Drug dose calculation is easy to use	8	9	9
hard and soft limits available while programming	10	9	10
hard and soft limits available while infusing	10	9	10
Is designed so the tubing wont free flow	8	9	10
Air can be removed from the line	10	9	10
Alerts you to incompatible drugs	9	9	10
Easy to adjust the dose or rate	8	10	8
Easy to program a boluse dose	8	10	10
Defaults into the drug library	10	9	10
alerts to a dujplicate medication	10	9	10
automatically adjusts to maintain accuracy	10	9	10
accuracy is not affected by IV bag height, etc	10	9	10
Has an "Infuse Until Empty"	10	9	10
easy to adjust alarm volume	8	9	8
easy to read the color dispaly screen at a distance	8	0	10
Wireless	10	9	10
supports smart pump programming	10	9	8
has distal occlusion auto restart	10	9	10
Offers an option to revie the status of your infusions remotely	8	10	10
Does not require annual maintenance	10	10	10
Can be cleaned with any spray or wipe disinfectant	10	10	10
Can be programmed to use 5ml-60ml syringe for IV push	10	10	10
	213	204	223
	92.6%	88.7%	97.0%
			<b>92.8%</b>



**IV Infusion Pump Price Comparison 2022-2027**

<b>Ivenix</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	
<i>Basic System Quote</i>							
44 units (Pumps & Accessories)	\$111,320						
Management Software	\$75,020						
Implement/Training	\$16,976						
Maintenance/Support/Other		\$13,504	\$13,504	\$13,504	\$13,504	\$13,504	
2 Yr warranty	\$0						
<b>Total</b>	<b>\$203,316</b>	<b>\$13,504</b>	<b>\$13,504</b>	<b>\$13,504</b>	<b>\$13,504</b>	<b>\$13,504</b>	<b>5 Year Total \$270,836</b>

<b>B-Braun</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	
<i>Basic System Quote</i>							
44 units	\$99,220						
Software Kit	\$5,000						
Implementation/Training							
<i>Cerner Integration</i>							
Cerner Integration Start-Up		\$140,000					
Cerner Integration Annual Service Fee			\$40,000	\$40,000	\$40,000	\$40,000	
Technical Safety Check (every 2 years)			\$3,080		\$3,080		
Technical Service Agreement		\$3,300	\$3,300	\$3,300	\$3,300	\$3,300	
DoseGuard Subscription Renewal					\$6,500.00	\$6,500.00	
<b>Total</b>	<b>\$104,220</b>	<b>\$143,300</b>	<b>\$46,380</b>	<b>\$43,300</b>	<b>\$52,880</b>	<b>\$49,800</b>	<b>5 Year Total \$439,880</b>

## Achieving Compliance with The Joint Commission’s Sentinel Event Alert

August 10, 2021

### **Achieving compliance with The Joint Commission’s *Sentinel Event Alert* on optimizing smart infusion pump safety with DERS.**

*Ivy Ruth Andreica PharmD, BSN, FISMP, Clinical and Medication Safety Pharmacist, Ivenix, Inc.*

*Robert Canfield, Director of Marketing, Ivenix, Inc.*

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The Joint Commission recently issued a [Sentinel Event Alert](#) regarding optimizing smart infusion pump safety with dose error reduction software (DERS).<sup>1</sup> Currently, DERS is the standard of care for ensuring healthcare organizations safely administer IV infusions<sup>1</sup>. Best practices state that healthcare organizations should have Dose Error Reduction Software (DERS) compliance goals of at least 95% or better.<sup>2</sup> However, many healthcare organizations implementing infusion technology do not realize all of the benefits of smart infusion pumps.

We will examine each of the recommendations identified in “Sentinel Event Alert 63: Optimizing Smart Infusion Pump Safety with DERS” made by The Joint Commission. We will also share how the Ivenix Infusion System supports hospitals in improving patient safety by addressing the challenges presented by these recommendations.

#### **Recommendation #1:**

**Leadership assigns responsibility by identifying a multidisciplinary project team or department (such as the pharmacy and therapeutic committee) responsible for smart infusion pump interoperability, including DERS, the oversight of drug library revisions or additions, infusion protocols, smart infusion pump maintenance, and related issues<sup>1</sup>.**

Smart pump infusion technology is more successful when multidisciplinary teams collaborate and work together. For example, during drug library creation, health systems with a group of pharmacists or smaller hospitals with only one pharmacist will gather a project team with representatives from each department or unit to gain consensus for infusion pump safety configurations. Because these settings may be different for each department, it is critical to ensure that respective departments contribute and approve the infusion pump safety configurations. This process is time-consuming and requires aligned coordination of each attendee’s time, participation from a representative from each department, and traditionally is done using paper worksheets. These printed worksheets are often distributed, completed, and collected during each meeting. Values like DERS limits, the audio volume level of alarms, the occlusion pressure setting, and air-in-line alarm thresholds are just a few examples of the customization a department representative is asked to decide.

The Ivenix Infusate Library Manager supports collaboration across hospital and health system infusion therapy committees in real-time via a secure browser-based data repository. Once the drug library editors add content, they can add notes viewable across the project team. In addition, drug library editors can transition infusates into a draft state for reviewers to evaluate and comment on the content.

Changes are made in the draft state, team reviewers can test the draft settings on a web-based pump simulator, and changes can be sent to the Ivenix Infusion System Large Volume Pumps (LVP) as they are approved.

Traditional processes require in-person or virtual meetings and a line-by-line discussion of the build of a drug library. Ivenix evaluated these processes and created new tools for multidisciplinary collaboration on interoperability, DERS, drug library oversight, infusion protocols, and the total cost of ownership associated with infusion technology. This evaluation revealed a strong need for a system of systems approach to problem-solving. As a result, Ivenix implemented a data-driven design and released to market the Ivenix Infusion System.

The nurses, doctors, pharmacists, and engineers at Ivenix built the Ivenix Infusion System to support nursing and patient safety collaboration between pharmacists, informaticists, and biomedical engineering. This software-based tool supports the rapid build and collaborative revision of the drug library and pump settings, rapid adoption tools for expediting smart pump auto-programming, and reduction of the total cost of ownership attributed to infusion pump maintenance. In addition, biomedical engineers experience advantages from predictive maintenance reporting, no device calibrations, and exceptional battery life.

**Read more about** [Analyzing the actual total cost of ownership \(TCO\) for a hospital infusion pump](#)

Related:

- [Infusion Insight: Small Volume Parenteral Shortages Shouldn't Mean Big Problems for Pharmacists and Nurses](#)
- [Ivenix Creates a Fundamentally Different Infusion Therapy Experience](#)

#### **Recommendation #2:**

##### **Define a process to create, test, regularly engage with, and maintain a drug library<sup>1</sup>.**

Hospitals we have spoken with have shared their concerns about being overburdened with the upkeep and maintenance of technology in their facilities. In many cases, drug libraries are not maintained when infusion pump technology is implemented because updating the drug library is too challenging to perform frequently. Traditional processes for updating drug libraries are often reliant on the power-off and power-on sequence of the infusion pump and the reset of the pump to a “New Patient” status. In nearly all cases, the clinician is expected to wait for the update process to execute. This update process is traditionally accomplished by wireless transmission of the drug library as a complete file. This file is then applied to the pump in a rip and replace fashion and requires the clinician to wait for the update to complete while viewing a “please standby” message.



At Ivenix, we view this rip and replace process as equivalent to asking an airline pilot to wait while a new map is loaded into the onboard navigation system. Delays like this are not practical. In a modern hospital environment, we consider this kind of delay unacceptable and a contributor to the underutilization of DERS.

[The Ivenix Infusion System](#) is built to meet hospital infusion therapy needs by eliminating pain points that often lead to clinicians underutilizing DERS. Recent studies identified drug library update delays of up to 6 months.<sup>3,4</sup> Over 30% of infusions were infused with outdated drug libraries.<sup>3,4</sup> And over 22% of alerts were unnecessary.<sup>3,4</sup> The clinician experience when using an outdated drug library can be negatively impacted by the alert fatigue resulting from avoidable alerts. The Ivenix pump workflow defaults the clinician prompts to the drug library. Automating this process ensures drug library compliance is high.

Wirelessly sending updates to the pumps is accomplished in near real-time to the entire fleet. Drug library updates are sent and applied to individual limit configuration items quickening the update process. The update of the pumps is immediate, taking only minutes to be applied. If an infusate with a change is running, the change is applied after the infusion is completed. This rapid drug library update capability minimizes the chances of a clinician infusing with the wrong DERS or without DERS protection at all. The drug updates sent to the pump are immediately available, do not interrupt actively running infusions, and do not require clinician acknowledgment or a pump power off. This lack of reliance on user interaction to trigger the drug library update allows nurses and pharmacists to focus on patient care.

Read more about the [Prevalence of wireless smart-pump drug library update delays](#).

Related:

- [Do Today's Smart Pump Drug Libraries Deserve a Passing Grade?](#)
- [Infusion Pump Drug Libraries: Part 1: Challenges](#)

- [Infusion Pump Drug Libraries: Part 2: Solutions](#)

### Joint Commission Recommendation #3:

**Train and assess competency of all clinical staff, including nurses and other clinicians who travel to various care settings<sup>1</sup>.**

[Ivenix](#) has a shared company vision of eliminating infusion-related patient harm. This vision includes a commitment to ensure clinicians fully understand how to use the infusion system, are well trained in a short time, and have a library of guidance resources at the pump display when programming an infusion order.



Figure 1: Ivenix Resource

### Library

Guidance and training resources are viewed as fundamental clinician needs. Ivenix meets this need with e-training modules compatible with hospital training software platforms and a unique instructional resource library built into the menus of the pump display. As shown in Figure 1 above, this Resource Library is accessible on the infusion pump to help clinicians with hospital policy, best practices documents, or supporting references.

Simplifying infusion pump programming workflows translates to an intuitive and simplified training experience. The user interface is designed from the ground up with a focus on task efficiency and safety. The infusion pump setup process identifies the clinician. It automatically selects the care profile of their assigned unit or department to simplify input options and limit the possibility of an incorrect care profile selection. The workflow simplicity reduces training time and IV setup steps.

**Joint Commission Recommendation #4:**

**Make the optimal use of DERS expected practice<sup>1</sup>.**

[The Ivenix Infusion System](#) defaults directly into DERS programming. Clinicians do not have to “opt in” to use the drug library. In addition, clinicians can readily see a graphical representation of the DERS limits with an obvious indication of when the infusion is operating outside DERS. This “Not in Library” indication is displayed on the pump when a clinician has chosen programming without DERS as shown in Figure 2 below.

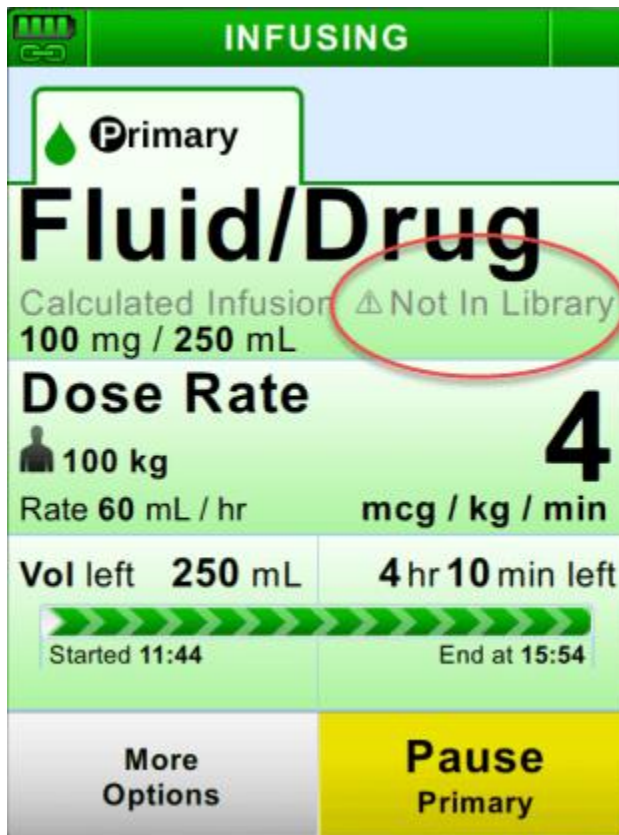


Figure 2: Infusion programmed “Not in Library” indicator (shown circled in red)

The Ivenix Infusion System also aligns drug library editor views with a unique visual display on the infusion pump. This “Visual DERS” is displayed as a red-yellow-green “rainbow” for both the drug library contributors and the clinician at the bedside to visualize limits. Figure 3 below shows the graphic presented to the drug library contributor within the editor software.



Figure 3: Visual DERS in drug library editor software

Figure 4 below shows examples of the three visual alerts displayed on the pump screen corresponding to infusion parameters programmed within range, out of the soft limit range, and out of the hard limit range.

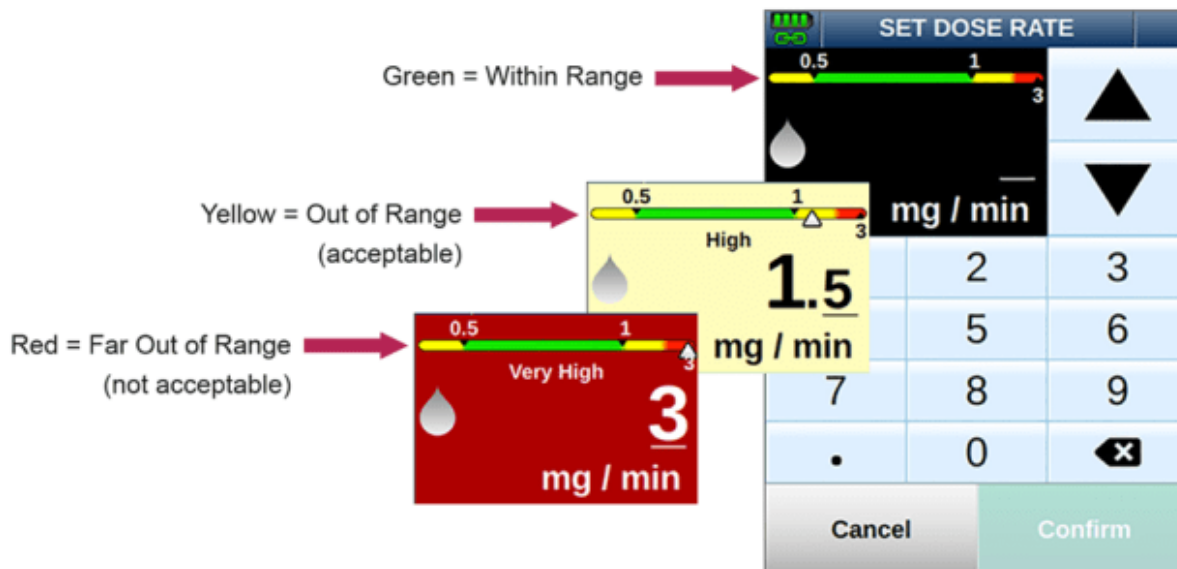


Figure 4: Visual DERS displayed by Ivenix large volume pump

The Ivenix Infusion System DERS updates are transferred wirelessly and take effect without interrupting clinical use. Real-time drug library build and revision collaboration software can reduce or replace in-person, and often challenging to coordinate, infusion committee meetings. This software-based collaboration tool supports the rapid creation and revision of the drug library and pump settings. By simplifying deployment and visualizing DERS within the infusion pump programming workflows, the Ivenix Infusion System encourages optimal use of DERS to achieve better compliance.

Read about how in 2019, the [Ivenix Infusion System won the Human Factors and Ergonomics Society \(HFES\) 18th Annual Stanley Caplan User-Centered Product Design Award](#)

**Related:**

- [Dose Error Reduction Systems: Features and Functions](#)– ECRI Evaluations and Guidance
- [Infusion Insight: Small Volume Parenteral Shortages Shouldn't Mean Big Problems for Pharmacists and Nurses](#)
- [Safety, Usability, And Security: A Look at Our Path To FDA Clearance](#)

**Joint Commission Recommendation #5:**

**Monitor alerts, overrides, equipment or software recalls, and adverse event and close call reports<sup>1</sup>.**

Traditional infusion technologies include a continuous quality improvement (CQI) process for monitoring alerts, overrides, DERS compliance, and infusion practice. These data analysis CQI report presentations address DERS alert frequency as a reactive means of adjusting a drug library configuration. This retrospective inquiry of infusion programming events is used to determine changes to the drug library or adjustments to hospital policies. There are three goals of this data harvesting exercise. The first goal is to reduce alerts triggered by the override of soft limits to reduce alert fatigue. The second goal is to identify the need to add a missing hard limit to improve patient safety. The third goal is to identify and adjust restrictive limits possibly interfering with safe clinical practice. Other investigations may uncover opportunities to quiet audio alarm events from the pump or focus on process improvement for specific medications. Unfortunately, the data source often lacks helpful elements like IV administration set tubing type, device location, patient identity, or medication name in many cases.

[The Ivenix Infusion System](#) provides a rich data analysis experience. Programming workflows can capture the pump's location and the patient's identity without the traditional need for infusion pump to EHR interoperability. The medication name is also identified by the system and is available in analysis reports.

During the programming of an infusion, the Ivenix System displays the dosing information on a rainbow-like colored scale to guide the clinician visually. This indicator helps avoid exceeding a limit and reduces the incidence of hard and soft limit alert events. Alert avoidance is accomplished by actively informing the user how the infusion dosing parameters align with hospital policy as the infusion is programmed.

[Ivenix is driving innovation of infusion management](#) and practice optimization using a series of advisories. These advisories inform the team in real time when the infusion is running outside of a drug library or infusing outside of recommended DERS limits. For example, when an infusion is programmed outside the normal range but within a hard limit, the pump and supporting software reports an advisory event to external systems like the Ivenix Infusions Dashboard or a third-party alarm notification platform. The status of this DERS override can be viewed by the patient's care team such as pharmacists on the dashboard or can be routed to mobile alerting solutions.



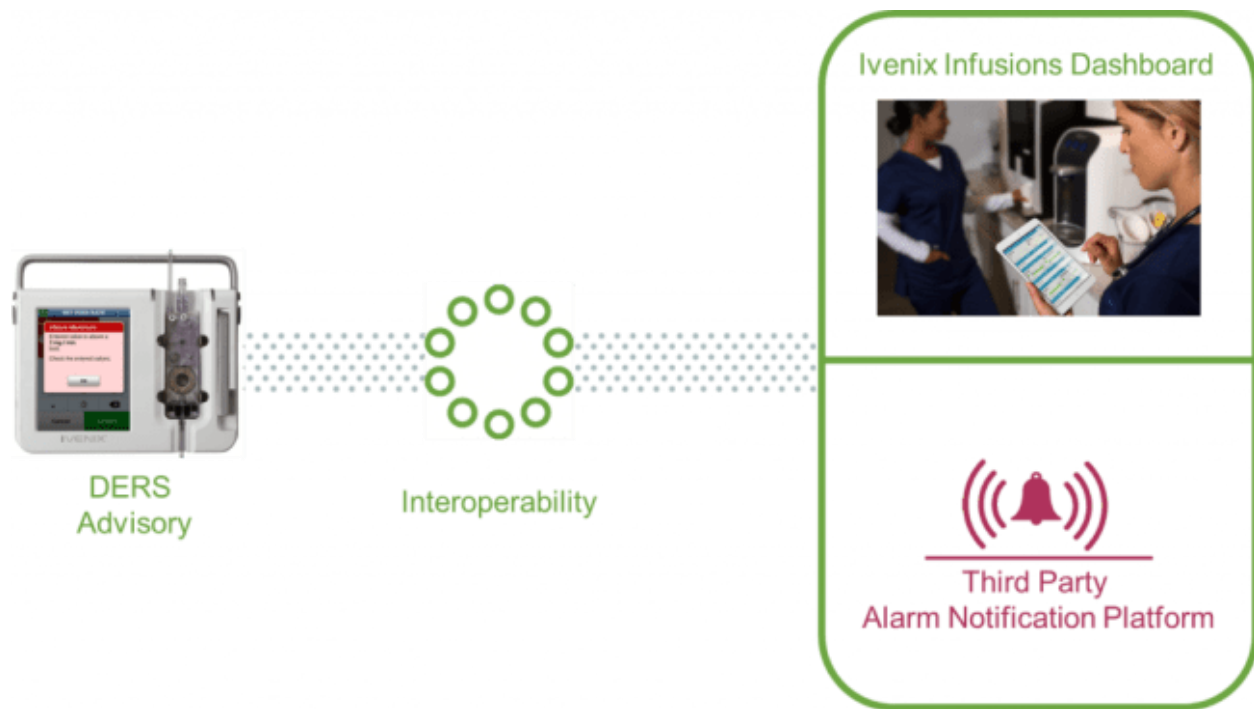


Figure 1: DERS Advisory Messages can be sent to connected systems

This quick analysis and evaluation may help hospitals reduce medication errors in near real-time. Infusion monitoring and CQI analytics with the Ivenix Infusion System provide a broad picture of when the IV programming occurred, where medication administration occurred, to whom infusions were administered, and details on the supplies used for the infusion setup. The software automatically calculates the thresholds for triggering these out of guidance events to simplify drug library compliance monitoring and near real time interventions to minimize adverse events. Hospitals focusing on drug library compliance and reduction of medication error events now have a new tool in their arsenal for improving practice.

Read more about [Using Real-Time Data to Improve Patient Care](#).

**Joint Commission Recommendation #6:**

**If your organization has the capability, connect your smart infusion pump fleet with your EHR system<sup>1</sup>.**

According to a 2012 ECRI article, 75% of reported infusion-related medication errors could have been averted by successful pump integration (interoperability).<sup>3</sup> The percentage of hospitals estimated to have implemented interoperability is less than 15%. This adoption rate is extremely low considering that implementation of auto-programming of infusion orders from the EHR has been shown to be the most robust means of eliminating programming errors.

[The Ivenix Infusion System](#) is designed with the key tenet of keeping technology out of the clinician’s way while leveraging information systems to support simplified clinical workflows. The pump is built to be interoperable and supports the bi-directional exchange of information between the pump and the electronic health record (EHR) through connectivity with the Infusion Management System (IMS). IMS

has built-in tools that ensure the interoperability is seamless with various EHR companies such as Epic, Cerner, and Meditech via iatric and alert notification platforms. The rapid adoption of auto-programming of orders is achieved through tools that automate the manual testing of medication scans.



This manual scanning of every medication traditionally prolongs an infusion pump EHR interoperability implementation making the project a heavy lift for a multi-disciplinary team. However, the automated processes available with the Ivenix Infusion Solution reduces the overall testing time from months to weeks or even days.

Another critical task in the infusion pump to EHR interoperability workflow is scanning the infusion pump identifier (barcode).

Traditionally accomplished by the time-consuming application of a sticker or tag physically applied to the pump by hospital staff, this process can sometimes lead to human error caused by the mismatch of pump identifiers. As discussed in a recent [ISMP article](#), duplicating the same barcode identity on two different infusion channels has occurred leading to incorrect EHR documentation of a continuous insulin infusion. ISMP recommends an independent double-check of the accuracy of pump serial number barcodes when these adhesive stickers are affixed to a pump.

**At Ivenix, we think differently...**

To improve the accuracy of the scan of the infusion pump, the Ivenix Infusion System displays the barcode on-screen. The value of the barcode is controlled and checked by software in the pump.



*Figure 2: Ivenix LVP barcode displayed on screen*

The Ivenix Infusion System is also interoperable with other healthcare IT systems through Admission, Discharge & Transfer (ADT) interfaces. This simplified workflow allows clinicians to make a patient-to-pump association without relying on an EHR interoperability interface or additional scanning. In addition, the patient-to-pump association enables interfacing to alarm notification software solutions, enhances the quality of reports, and can assist with error investigation. ADT integration and patient-to-pump association can also help outpatient infusion services billing automation, a charge capture and cost recovery source for many institutions.

This patient identifier workflow, the barcode on display, and the rapid adoption capability allow hospitals to implement bridge solutions to full EHR Interoperability, making auto-programming and auto-documentation more easily implemented when the hospital is ready.

**Read more about** [How Interoperable Smart Pumps Support Patient Safety](#)

**Related:**

- [Using Real-Time Data to Improve Patient Care](#)
- [Human Factors and Ergonomics Society \(HFES\) 18<sup>th</sup> Annual Stanley Caplan User-Centered Product Design Award](#)

- [Implementing Barcode Medication Administration and Smart Infusion Pumps Is Just the Beginning of the Safety Journey to Prevent Administration Errors](#)

**Joint Commission Recommendation #7:**

**Identify and address human and environmental factors — such as understaffing, variation in pumps that can create confusion in controls, workflow distractions, and low lighting or glare — that contribute to smart infusion pump programming errors in your hospital<sup>1</sup>.**

Industry watch groups and the FDA have identified design shortcomings of traditional infusion technologies. Some examples of infusion pump problems [reported to the FDA](#) are:

- Confusion of controls like key bounce causing extra digits to be entered
- Ambiguous trouble codes making problem isolation a challenge
- Infusion pump fails to generate an audible alarm for a critical problem, such as an occlusion<sup>3</sup>

**At Ivenix, we think differently...**

[The Ivenix Infusion System](#) design focuses on infusion therapy challenges with modern human factors and simplicity as core requirements. This approach resulted in a fundamentally different way of pumping fluid, interacting with clinicians, and simplifying workflows. Reducing cognitive load is achieved by utilizing one-step intuitive processes. Ivenix removes technology distractions from the workflow by minimizing reliance on product tip sheets and redundant steps. This simplification is achieved by keeping the clinical user on a single data entry path wherever possible. Workarounds are deterred by providing clinicians a simple user interface with minimal steps and consistent workflows. The usability of the Ivenix Infusion System has received industry recognition as demonstrated by the Human Factors and Ergonomics Society (HFES) 18<sup>th</sup> [Annual Stanley Caplan User-Centered Product Design Award](#).



*Figure 7: Programming screen of the Ivenix Infusion System*

Key bounce is not possible with the Ivenix Infusion System large volume pump (LVP) because a cellphone-like touch screen has replaced touchpad keys. Trouble codes displayed include a complete yet concise text-based explanation of the issue in plain language to make resolving the cause quick and straightforward. Because the pump has an automated secondary IV management system, it actively pumps the secondary medication while sensing occlusions often caused by a forgotten closed roller clamp and alarms to notify the clinician. Also, with the automatic occlusion recovery, patients can straighten their arm, and the clinician does not have to go into the room to clear an occlusion alarm.

Low lighting and glare should be considered in the design of any modern infusion system. Screen visibility is optimized by backlight and brightness configurations, a high-resolution display, clear text-based screens, and configurable intelligence supporting the timed dimming of the screen to reduce glare and support a restful patient sleep period. This unique configuration can be customized in different units or departments as preferred by the hospital.



**Ivenix Infusion System Quotation for:  
Mayers Memorial Hospital**

Quote Date: 10/19/2022  
Quote Expiration: 12/31/2022  
Ivenix Quote Number: 0

Three Corporate Drive, Lake Zurich, IL 60047  
Contact: Jeffrey Cutter  
Phone: 916-940-8939  
Email: jeffrey.cutter@fresenius-kabi.com



**Large Volume Infusion Pump**



Quantity	Catalog Number	Description	List Price	Discount	Unit Price	Amount
44	LVP-0004	Large Volume Pump (LVP) + LVP Charging Bracket	\$ 4,600	45%	\$ 2,530	\$ 111,320
-	BKT-0004	LVP Charging Bracket (additional)	\$ 525	35%	-	\$ -
1	LVP-SW-0004	Large Volume Pump (LVP) Software, version 5.0.0, license fee per LVP	\$ -	0%	\$ -	\$ -
Total LVP						\$ 111,320

**Infusion Management Software**



Quantity	Catalog Number	Description	List Price	Discount	Unit Price	Amount
1	IMS-0700	Infusion Management System (IMS), version 4.0.0, license fee per LVP	\$ 1,560	45%	\$ 858	\$ 37,752
1	IMS-0701	System Dashboard, license fee per LVP	\$ 125	45%	\$ 69	\$ 3,025
1	IMS-0702	Analytics and CQI Reports, license fee per LVP	\$ 375	45%	\$ 206	\$ 9,075
1	IMS-0704	Patient Awareness, license fee per LVP	\$ 100	45%	\$ 55	\$ 2,420
1	IMS-0706	Auto-Programming and Documentation, license fee per LVP	\$ 940	45%	\$ 517	\$ 22,748
Total Software						\$ 75,020

**Implementation and Training Services**

Catalog Number	Description	Amount
EXT-IMP	IIS Implementation and Training	\$ 16,976
Total Implementation and Training Services		\$ 16,976

**Total Price of Hardware, Software, and Services** \$ 203,316

**Annual Administration Sets**

Box Qty	Catalog Number	Description	Box List Price	Discount	Box Net Price	Amount
132	SET-0013-25	LVP Primary Administration Set, Dual-Inlet, Low-Sorbing, Needle-Free Port, Y-Site (Qty 25)	\$ 117.50	15%	\$ 99.75	\$ 13,166
17	SET-0014-20	LVP Blood Products Administration Set, Dual-Inlet, Low-Sorbing, Y-Site, Mesh Filter (Qty 20)	\$ 188.00	15%	\$ 159.80	\$ 2,717
9	SET-0016-25	LVP Epidural Administration Set, Single-Inlet, Low-Sorbing, Microbore, Luer Connector (Qty 25)	\$ 235.00	15%	\$ 199.75	\$ 1,798
44	SET-0019-25	LVP Primary Administration Set, Dual-Inlet, Low-Sorbing, Needle-Free Port, Y-Site, Microbore (Qty 25)	\$ 117.50	15%	\$ 99.75	\$ 4,389
22	SET-0021-25	LVP Primary Administration Set, Single-Inlet, Low-Sorbing (Qty 25)	\$ 117.50	15%	\$ 99.75	\$ 2,194
Total Annual Administration Sets						\$ 24,264

**Maintenance, Support and Other**

Quantity	Catalog Number	Description	List Price	Discount	Unit Price	Amount
1	EXT-SW-MAINT	Software Maintenance Agreement (Annually assessed, Software updates, Installation support)	18%	0%	\$ 13,504	\$ 13,504
44	EXT-WARRANT	Extended two year warranty	\$ 100.00	100%	\$ -	\$ -
Total Maintenance, Support and Other						\$ 13,504

**Notes**

Maintenance fees are not paid for the first year in which the software license is activated. Annual maintenance fees begin in year two.  
Quotes excludes any applicable taxes/fees.  
Contract supersedes any notes on this quote.  
Underlying server, configuration and software requirements are the responsibility of the customer

Improving outcomes by bringing the power of intuitive usability, adaptive fluid delivery, and infusion intelligence to the bedside.



This Infusion Purchase Agreement (“Agreement”) is made and entered this 31st day of October 2022 (“Effective Date”) by and between Fresenius Kabi, LLC (“Fresenius Kabi”) and Mayers Memorial Hospital District (“Customer”).

## RECITALS

**WHEREAS**, Fresenius Kabi desires to sell and Customer wishes to purchase equipment, infusion management system software, and disposable sets (together the “Products”) in accordance with the terms and conditions set forth within this Agreement.

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

- 1. Pump Purchases; Pricing.** Customer will purchase from Fresenius Kabi the infusion management system as described by the serial numbers listed in Attachment A (hereinafter, “Equipment”) for use at the Customer location(s) described in Attachment B at the price set forth in Attachment C. The parties agree that if the serial numbers are not available at the time of execution of this Agreement, Fresenius Kabi shall update Attachment A to include such serial numbers as soon as practicable after they determined. Customer will pay two thousand five hundred thirty dollars (\$2,530.00) per unit of Equipment (the “Purchase Price”) in accordance with Section 4 below.
- 2. Disposable Purchases; Pricing.** Customer will purchase directly from Fresenius Kabi the disposable sets (hereinafter “Disposable Sets”) at the prices set forth on Attachment C, attached hereto, for use at the Customer location(s) described in Attachment B. Additionally, Customer may purchase Disposable Sets through the Fresenius Kabi-designated wholesale distributors that are listed in Attachment D, which is attached hereto and incorporated by reference (“Designated Wholesale Distributors”).
- 3. Price Modifications.** Upon this Agreement’s annual anniversary date, Fresenius Kabi may increase the Disposable Sets and infusion management system software fees (hereinafter “Infusion Management System Software Fees”) pricing, as applicable, in whole or in part, by an amount equal to the greater of three percent (3%) or the most recent increase in the Consumer Price Index (for Medical Care) (Not Seasonally Adjusted), as published by the U.S. Bureau of Labor Statistics, and based on a July to July time frame (the “CPI-M Increase”); provided, however, that price increases shall not exceed five percent (5%) in any given year. In addition, in the event that Fresenius Kabi incurs cost increases greater than twenty percent (20%) in the costs of raw materials, components, labor or other costs that are related to the production of any Product(s), Fresenius Kabi may increase all Product pricings by an amount equal to such increased costs.
- 4. Payment Terms; Taxes and Other Charges.** Customer shall pay all invoices in advance of shipment, except if Fresenius Kabi extends credit, Customer will subsequently be invoiced upon shipment with payment due within thirty (30) days of the date on such invoice. Fresenius Kabi reserves the right to charge Customer interest on all past due invoices, one point five percent (1.5%) per month or the highest rate allowed by law, whichever is less. In the event of payment default, Customer will be responsible for Fresenius Kabi’s reasonable costs of collection, including court costs, filing fees and attorney’s fees. Customer may not deduct or offset any disputed amounts from Fresenius Kabi’s invoice. Customer agrees to pay all required federal, state, and local sales taxes, license and registration fees and all similar costs based on Customer’s purchase of the Products unless Customer is exempt from any or all taxes, in which case Customer must provide Fresenius Kabi with the proper exemption certificates upon request.

5. **Initial Order.** Upon execution of this Agreement, Customer hereby orders the Products and Services listed in Attachment E (the "Initial Order"), at the prices listed therein, and Fresenius Kabi hereby accepts the Initial Order.
6. **Addition and Removal of Products.** Fresenius Kabi may add additional products under this Agreement upon written notice to Customer. Each additional product shall be deemed a "Product" under this Agreement. Fresenius Kabi, in its sole discretion, shall have the right, upon thirty (30) days prior written notice to Customer to change any or all of Products under this Agreement. In the event of an anticipated Product removal, and to the extent Fresenius Kabi has sufficient inventory to do so, Fresenius Kabi shall satisfy all purchase orders made by Customer during the thirty (30) day notice period so long as such purchase orders do not exceed the purchasing entity's orders for such Product in the forty-five (45) days prior to Customer's receipt of such notice of price change.
7. **Software License.** Fresenius Kabi hereby grants to Customer a limited non-exclusive, non-transferable, license to install and use the software in accordance with the terms of the License Agreement attached hereto as Attachment F.
8. **Software Maintenance.** Fresenius Kabi will provide software maintenance, (hereinafter "Software Maintenance") attached hereto as Attachment G at the prices set forth on Attachment C.
9. **Implementation Services.** Fresenius Kabi will provide implementation services (hereinafter "Services") to Customer in accordance with the Statement of Work (Attachment H) at the prices set forth on Attachment C.
10. **Standard Forms; Terms and Conditions.** In ordering and delivering the Products, Fresenius Kabi or Customer may employ their standard forms, but nothing in those forms shall be construed to modify, amend or supplement the terms of this Agreement and, in the case of any conflict, the terms of this Agreement shall control. To the extent they are not inconsistent with the terms of this Agreement, the standard Fresenius Kabi terms and conditions, available at <https://www.fresenius-kabi.com/us/pharmaceutical-product-policies> as amended from time to time in Fresenius Kabi's sole discretion, shall apply to Product purchases under this Agreement.
11. **Returned Goods.** Products may be returned solely in accordance with Fresenius Kabi's current Standard End User Returned Goods Policy, available on-line at <https://www.fresenius-kabi.com/us/pharmaceutical-product-policies>, as revised by Fresenius Kabi from time to time. In returning the Products, Fresenius Kabi or Customer may employ their standard forms, but nothing in those forms shall be construed to modify, amend or supplement the terms of this Agreement and, in the case of any conflict, the terms of this Agreement shall control. To the extent applicable, any credits or refunded amounts for returned Product shall be based on the actual purchase price for such Product, as amended by any rebates or other post-invoice adjustments.
12. **Term and Termination.** This Agreement shall commence on the Effective Date and continue for a period of five (5) years ("Term"), unless terminated earlier as provided in this Agreement. For the purposes of this Agreement, an "Agreement Year" shall be the twelve (12) month period of time from October 31 to October 30.
  - a) In the event this Agreement is terminated due to Customer's material breach of Section 7 or any payment obligation hereunder, then all licenses granted to Customer hereunder regarding the infusion management system software will automatically and immediately terminate and Customer will at Fresenius Kabi's option either return or destroy all copies of the infusion management system software in its possession, and will provide written certification of the same upon request. If this Agreement is terminated for any reason other as described above, then the licenses regarding infusion management system software granted to Customer prior to termination shall survive termination of this Agreement subject to all the restrictions and limitations set forth herein.



**13. Warranty Coverage for Equipment.** For three (3) years from the date of Customer's receipt of the Equipment (the "Warranty Period"), warranty coverage for the Equipment including parts and labor, will be provided by Fresenius Kabi. After the Warranty Period, maintaining and repairing the Equipment will be the responsibility of Customer. Service on the Equipment shall be performed only by Fresenius Kabi's authorized personnel or Customer's certified self-service personnel.

**14. Records; Audit.** Customer agrees that Fresenius Kabi and/or its agent will have the right at any time during the Term of this Agreement and for six (6) years thereafter, upon five (5) business days written notice, to review Customer's books, records, systems and processes related to this Agreement and any Product purchased hereunder ("Records") for the purpose of determining Customer's compliance with Section 22 of this Agreement. Customer shall maintain all Records during such time and longer if required by applicable law. If, through the results of any audit or otherwise, Fresenius Kabi reasonably suspects or confirms that Customer has engaged in Product diversion, fraud, theft, or accounting improprieties or failed to maintain adequate Records or otherwise comply with the terms of this Agreement, Fresenius Kabi reserves the right not to sell any further Products to such entity, permanently or temporarily pending further investigation.

**15. Allocation.** In the event of a Fresenius Kabi or industry-wide shortage of Products, or in the event that Fresenius Kabi, in its sole discretion, expects that demand for any Products will exceed Fresenius Kabi's available supply, Fresenius Kabi shall have the right to allocate the affected Products to all of its customers, including Customer (i) in accordance with Fresenius Kabi's Limited Distribution Policy, as may be amended from time to time, or (ii) as may be required by any applicable laws and regulations.

**16. Limited Warranty.**

a) Limited Equipment Warranty.

- (i) Warranty. Fresenius Kabi warrants that upon delivery of the Equipment to Customer: (i) the Equipment shall conform to their specifications; and (ii) such Equipment will not be adulterated or misbranded within the meaning of the United States Federal Food, Drug and Cosmetic Act, as amended from time to time, at the time of delivery to Customer.
- (ii) Exclusions. This Equipment warranty does not apply to defects resulting from: improper or inadequate maintenance by Customer; Customer or third party supplied software, interfacing or accessories; unauthorized modification; improper use or operation outside of the uses specified in the documentation; abuse, negligence, accident, loss or damage in transit; improper site preparation; or unauthorized maintenance or repair. This warranty does not apply to Equipment that has had its original serial number or other identification marks altered or removed. Any repaired or replaced Equipment shall be warranted for the remainder of the original Warranty Period or thirty (30) days, whichever is longer. Some newly manufactured Products may contain, and warranty service may use, remanufactured parts, which are equivalent to new in performance.

b) Limited Disposable Sets Warranty.

- (i) Warranty. Fresenius Kabi warrants that upon delivery of the Disposable Sets to Customer: (i) the Disposable Sets shall conform to their specifications; and (ii) such Disposable Sets will not be adulterated or misbranded within the meaning of the United States Federal Food, Drug and Cosmetic Act, as amended from time to time, at the time of delivery to Customer.

- (ii) Exclusions. This Fresenius Kabi Disposable Sets warranty does not apply to defects resulting from: improper or inadequate maintenance by Customer; unauthorized modification; improper use or operation outside of the uses specified in the documentation; abuse, negligence, accident, loss or damage in transit; improper site preparation; or unauthorized maintenance or repair
- c) Limited Services Warranty. At the time of performance, Fresenius Kabi warrants to Customer that the Services will be performed in a professional and workmanlike manner using appropriately trained and qualified personnel; provided, Customer (not Fresenius Kabi) shall be solely responsible and liable for verifying the accuracy and completeness of all drug libraries and configuration settings related to the Products that may be provided by Fresenius Kabi at Customer's request. Any warranty claim under this Section 16(c) must be made by Customer in writing within the applicable Warranty Period.
- d) EXCEPT FOR THOSE WARRANTIES EXPRESSLY STATED IN THIS AGREEMENT, FRESENIUS KABI MAKES NO OTHER WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT.

**17. Indemnification; Limitation of Liability**. Fresenius Kabi shall indemnify, defend and hold Customer harmless from and against any and all third-party liabilities, costs, and expenses, including reasonable attorneys' fees, arising out of or related to the failure of the Products ordered hereunder to conform, at the time of delivery to Customer, to the warranty described in Section 16 above. Customer shall indemnify, defend, and hold Fresenius Kabi, its agents, employees, and/or representatives harmless from and against any and all claims, damages, liabilities and/or expenses, including reasonable attorneys' fees, asserted by any third party arising out of or related to the negligence or willful acts or omissions of Customer, its agents, employees and/or representatives in connection with the use and/or possession of the Products provided by Fresenius Kabi to Customer.

- a. Limitation of Liability. NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR ANY SPECIAL, CONSEQUENTIAL, PUNITIVE OR OTHER INDIRECT DAMAGES INCURRED BY THE OTHER PARTY, INCLUDING, BUT NOT LIMITED TO, LOST REVENUES OR PROFITS, ARISING IN ANY WAY OUT OF OR UNDER THIS AGREEMENT WHETHER IN CONTRACT, TORT OR OTHERWISE, AND WHETHER OR NOT A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. EXCEPT TO THE EXTENT THAT ANY EXCLUSION OF DAMAGES OR LIMITATION OF LIABILITY IS VOID, PROHIBITED OR UNENFORCEABLE BY APPLICABLE LAW, AND EXCEPT FOR ANY BREACH OF SECTION 19 (CONFIDENTIAL INFORMATION), AND EXCEPT FOR LIABILITIES TO THIRD PARTIES PURSUANT TO SECTION 17 (INDEMNIFICATION), IN NO EVENT SHALL FRESNIUS KABI (OR ITS LICENSORS) BE LIABLE CONCERNING THE SUBJECT MATTER OF THIS AGREEMENT, REGARDLESS OF THE FORM OF ANY CLAIM OR ACTION (WHETHER IN CONTRACT, NEGLIGENCE, STRICT LIABILITY OR OTHERWISE), FOR ANY (A) LOSS OF DATA, LOSS OR INTERRUPTION OF USE, OR COST TO PROCURE SUBSTITUTE TECHNOLOGIES, GOODS OR SERVICES, (B) INDIRECT, PUNITIVE, INCIDENTAL, RELIANCE, SPECIAL, EXEMPLARY OR CONSEQUENTIAL DAMAGES, INCLUDING WITHOUT LIMITATION, LOSS OF BUSINESS, REVENUES, PROFITS OR GOODWILL, OR (C) AGGREGATE DAMAGES IN EXCESS OF THE FEES PAID TO FRESENIUS KABI FOR THE PRODUCT OR SERVICE THAT GIVES RISE TO SUCH DAMAGES, EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH

DAMAGES. THESE LIMITATIONS ARE INDEPENDENT FROM ALL OTHER PROVISIONS OF THIS AGREEMENT AND SHALL APPLY NOTWITHSTANDING THE FAILURE OF ANY REMEDY PROVIDED HEREIN.

- b. **Exclusions.** IN NO EVENT SHALL FRESENIUS KABI (OR ITS LICENSORS) BE LIABLE FOR ANY LOSS, DAMAGE, LIABILITY, COST OR EXPENSE RESULTING FROM, ARISING OUT OF OR OTHERWISE RELATED TO (A) CUSTOMER'S FAILURE TO INSTALL OR DELAY IN INSTALLING ANY SAFETY-RELATED SERVICE PACK, (B) THE PRACTICE OF MEDICINE OR OTHER HEALTHCARE SERVICES BY CUSTOMER'S PERSONNEL, OR (C) DRUG LIBRARIES AND/OR CONFIGURATION SETTINGS PROVIDED BY FRESENIUS KABI AT CUSTOMER'S REQUEST, AND CUSTOMER HEREBY ACCEPTS AND ASSUMES ALL RESPONSIBILITY AND LIABILITY THEREFOR.

**18. FDA Communications.** Customer agrees to promptly notify Fresenius Kabi of any product complaints related to the Products that have been reported to the U.S. Food and Drug Administration ("FDA") and to copy Fresenius Kabi on all subsequent communications with the FDA on such matters.

**19. Confidentiality.** The parties agree that in connection with the transactions contemplated by this Agreement, each Party will have access to Confidential Information of the other. "Confidential Information" means non-public scientific, technical, financial or business information, or data disclosed to a party, whether marked as "confidential" or not and whether disclosed orally, visually, in writing, or in any other manner by one party (the "Discloser") to the other (the "Recipient"). Fresenius Kabi's Confidential Information includes the Products and Documentation, including without limitation, all related specifications and manuals and all training and other similar materials. Recipient agrees to: (i) hold all Confidential Information in the strictest confidence, including taking all reasonable precautions to prevent any misuse or violative disclosure of any of such Confidential Information to any third party, (ii) use Discloser's Confidential Information solely to carry out Recipient's rights or obligations under this Agreement, and (iii) not at any time without Discloser's express written consent, reproduce, display, transmit, distribute, modify, translate, communicate, combine with other information or materials, create derivative works based on, exploit commercially, or otherwise use any such Confidential Information except as permitted hereunder.

- a) **Notification.** Recipient will: (i) notify Discloser immediately (by email and in writing) upon discovery of any loss, misuse, misappropriation, or unauthorized disclosure of any Confidential Information and (ii) cooperate with Discloser in every way to help Discloser regain possession of any Confidential Information that is lost, misused, or misappropriated by the Recipient and to prevent any further unauthorized use, misuse, or disclosure by Recipient of any such Confidential Information.
- b) **Return or Destruction of Confidential Information.** The Recipient shall not take or retain any Confidential Information that is in written, computerized, model, sample, or any other form capable of physical delivery, upon or after the expiration of this Agreement or the earlier termination of this Agreement for any reason without the prior written consent of Discloser, which consent may be withheld by Discloser in its sole and absolute discretion. Upon the expiration or termination of this Agreement or upon the request of Discloser at any time, the Recipient shall promptly return to Discloser or destroy all Confidential Information in its possession and materials, written or otherwise, containing or reflecting any information contained in the Confidential Information (including all copies); provided, to the extent expressly specified herein, Customer may retain the Products and Documentation for which full payment was made. Notwithstanding the return of the Confidential Information by the Recipient to Discloser or the destruction of the Confidential Information by the Recipient, the Recipient will continue to abide by its obligations of confidentiality with respect to the Confidential Information as set forth herein.

- c) **Disclosures of Confidential Information Required by Law.** In the event that the Recipient is required by law or any governmental authority, including any court of competent jurisdiction, to disclose any Confidential Information, Recipient will give Discloser prompt written notice of such requirement or order and Recipient will take all reasonable and lawful actions to avoid or minimize the degree of such disclosure. Recipient will cooperate reasonably with Discloser in any efforts to seek a protective order; provided for clarity that a party may disclose information as required by The Physician Payments Sunshine Act without providing such notification or cooperation.
- d) **Protected Health Information.** In performing under this Agreement, Fresenius Kabi may have access to protected health information as a Business Associate of Customer (as that term is defined by the Health Insurance Portability and Accountability Act of 1996, as amended). In such event, Fresenius Kabi and Customer will execute a Business Associate Agreement. Fresenius Kabi shall, and shall ensure that its agents and employees, safeguard and use protected health information only in accordance with the Business Associate Agreement and all applicable laws and regulations.

**20. Compliance with Laws.** Each party shall comply with all federal, state, and local laws, rules, and regulations applicable to its operations and/or its obligations under this Agreement, including, without limitation, the federal Anti-Kickback Statute.

**21. Discounts.** The parties acknowledge and agree that for purposes of 42 U.S.C. § 1320a-7b(b)(3)(A) and 42 C.F.R. § 1001.952(h), any reduction in the amount Fresenius Kabi charges Customer for the Products pursuant to this Agreement will constitute a “discount or other reduction in price” to Customer on those Products. With respect to such discounts or other reductions in price, Customer will comply with the “safe harbor” regulation regarding discounts or other reductions in price set forth at 42 C.F.R. § 1001.952(h) and/or the requirements of the discount statutory exception at 42 U.S.C. § 1320a-7b(b)(3)(A), including: (i) fully and accurately reporting the specified dollar value of such discounts or reductions in price on the Products in the applicable cost report submitted to any state or federal program, and (ii) providing to the Secretary of the Department of Health and Human Services or a State agency, upon request, certain information and documentation required to be provided relative to the discounts on the Products. If the value of any discount or reduction in price is unknown at the time of sale, Fresenius Kabi will provide such documentation of the discount when it is known which identifies the items purchased to which it applies.

**22. No Resale; Own Use.** Customer represents and warrants that all purchases of Products under this Agreement are for Customer’s use in administering or dispensing Products directly to patients. Customer will not sell, distribute, or otherwise transfer any Products; provided, however, that Customer may conduct internal transfers of Products between Customer’s related entities so long as the receiving entity will also use Products.

To the extent Customer are non-profit entities subject to §15 U.S.C. § 13c (the Non-Profit Institutions Act), such as but not limited to non-profit hospitals, Customer further represents and warrants that all purchases of Products under this Agreement will be for such entities’ “own use” as that term has been interpreted by the United States Supreme Court in *Abbott Laboratories, et al v. Portland Retail Druggist Association, Inc.*, 425 U.S. 1 (1976), subsequent case law, and the Federal Trade Commission. If Customer fails to observe the terms of this section, Fresenius Kabi may, at its option, terminate Customer’s privileges under this Agreement or take such other action as Fresenius Kabi deems appropriate. Customer agrees to indemnify Fresenius Kabi and hold Fresenius Kabi harmless from and against any loss, damage, cost and expense, including attorneys’ fees, with respect to any claim or demand arising from the breach of this section by Customer.

**23. Assignment.** Fresenius Kabi may assign its rights and obligations under this Agreement to any successor, affiliate, or unrelated third party without the consent of Customer.

**24. Notice.** All notices to Fresenius Kabi must be sent via registered mail to: Fresenius Kabi, Inc., Attention General Counsel, Three Corporate Drive, Lake Zurich, Illinois 60047.

- 25. Insurance.** Each Party shall purchase, and maintain, at its sole cost and expense, product liability insurance covering the Products with limits of not less than \$1,000,000 per occurrence and \$5,000,000 in aggregate. Upon the request, a Party shall provide the other with a certificate of insurance; provided, however, that a Party's failure to make such a request shall in no way be construed to relieve the other Party from its obligation to procure such insurance coverage.
- 26. Miscellaneous.** This Agreement contains the entire understanding between the parties concerning the subject matter of this Agreement, and no modification, amendment, or waiver of any of the provisions of this Agreement shall be effective unless in writing and signed by both parties. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware. If any provision of this Agreement is or becomes invalid, illegal or unenforceable in any respect, it shall be ineffective to the extent of such invalidity, illegality or unenforceability and the remaining provisions of this Agreement shall remain in effect. In the event of any conflict between the specific terms set forth above and the terms of any exhibit attached hereto, the specific terms set forth above will control. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all counterparts put together shall constitute one and the same agreement.
- 27. Medical Devices.** Customer acknowledges that it is familiar with the Safe Medical Devices Act of 1990 (the "Devices Act") and the reporting obligations imposed on device users thereunder. In this regard, Customer agrees to notify Fresenius Kabi as soon as possible, but in no event later than 10 days after its first day of awareness of the occurrence of any event identified in the Medical Devices Act imposing a reporting obligation.

**[Signature page follows]**

**IN WITNESS WHEREOF**, the parties have executed this Infusion Purchase Agreement as of the Effective Date.

**MAYERS MEMORIAL HOSPITAL DISTRICT**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**FRESENIUS KABI, LLC**

By: \_\_\_\_\_

Name: Kathleen Lanahan

Title: Director, Contract Marketing

**FRESENIUS KABI, LLC**

By: \_\_\_\_\_

Name: Kristin Vollen

Title: Sr. Vice President, Commercial Operations

**ATTACHMENT A**  
**Description of Equipment**

<b>Product Code</b>	<b>Serial Number</b>
LVP0004	TBD

**ATTACHMENT B**  
**Customer Locations**

<b>Fresenius Kabi Account Number</b>	<b>Facility</b>	<b>Address</b>
601847	Mayers Memorial Hospital Pharmacy	43563 HWY 299 EAST FALL RIVER MILLS, CA 96028



**ATTACHMENT C**

**Products and Pricing**

**Table 1 – Equipment**

<b>Product Code</b>	<b>Description</b>	<b>2022 List Price (Each)</b>	<b>Customer Price (Each)</b>
LVP0004	Ivenix Large Volume Pump (LVP)	\$4,600.00	<b>\$2,530.00</b>

Fresenius Kabi will provide one (1) LVP charging bracket (Item #BKT0004) to Customer with each LVP purchase. Additional charging brackets may be purchased at the price listed in Table 2 below.

**Table 2 - Pump Accessories**

<b>Product Code</b>	<b>Description</b>	<b>2022 List Price (Each)</b>	<b>Customer Price (Each)</b>
BKT0004	LVP Pump Charging Bracket	<b>\$525.00</b>	<b>\$525.00</b>

**Table 3 – Disposable Sets**

<b>Product Code</b>	<b>Description</b>	<b>2022 List Price (Case/Box)</b>	<b>Customer Price (Case/Box)</b>
SET001325	LVP Primary Administration Set, Dual-Inlet, Low-Sorbing, Needle-Free Port, Y-Site (Qty 25)	\$117.50	<b>\$99.75</b>
SET001420	LVP Blood Products Administration Set, Dual-Inlet, Low-Sorbing, Y-Site, Mesh Filter (Qty 20)	\$188.00	<b>\$159.80</b>
SET001625	LVP Epidural Administration Set, Single-Inlet, Low-Sorbing, Microbore, Luer Connector (Qty 25)	\$235.00	<b>\$199.75</b>
SET001925	LVP Primary Administration Set, Dual-Inlet, Low-Sorbing, Needle-Free Port, Y-Site, Microbore (Qty 25)	\$117.50	<b>\$99.75</b>
SET002125	LVP Primary Administration Set, Single-Inlet, Low-Sorbing (Qty 25)	\$117.50	<b>\$99.75</b>

**Table 4 – Implementation Services**

<b>Product Code</b>	<b>Description</b>	<b>Customer Price</b>
EXTIMP	IIS Implementation and Training	<b>\$16,976.00</b>

Fresenius Kabi will provide Services for 44 pumps at the price set forth in Table 4 above which includes the Services defined in the Statement of Work Attachment H attached hereto. Implementation pricing includes standard implementation activities. Additional services are available for implementation and training at an additional charge. Fresenius Kabi shall invoice Customer for the Services upon completion.

**Table 5 – Infusion Management System Software Fees**

<b>Product Code</b>	<b>Description</b>	<b>Customer Price (Each)</b>
IMS0700	Infusion Management System (IMS), version 4.0.0, license fee per LVP	<b>\$858.00</b>
IMS0701	System Dashboard, license fee per LVP	<b>\$68.75</b>
IMS0702	Analytics and CQI Reports, license fee per LVP	<b>\$206.25</b>
IMS0704	Patient Awareness, license fee per LVP	<b>\$55.00</b>
IMS0706	Auto-Programming and Documentation, license fee per LVP	<b>\$517.00</b>

Customer agrees to pay Fresenius Kabi a nonrefundable fee for the products specified in Table 5.

**Table 6 – Software Maintenance**

<b>Product Code</b>	<b>Description</b>	<b># of Pumps</b>	<b>Total Customer Price</b>
EXTSWMAINT	Software Maintenance Agreement (Annually Assessed, Software updates, Installment support)	44	<b>\$13,504.00</b>

Customer agrees to pay Fresenius Kabi an annual maintenance fee for the products specified in Table 6, in accordance with the terms set forth in Attachment G.

**ATTACHMENT D**

**Designated Wholesale Distributors**

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**ATTACHMENT E**

**Initial Order**

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## ATTACHMENT F

### Software License Agreement

#### PLEASE READ THIS DOCUMENT CAREFULLY

THIS SOFTWARE LICENSE AGREEMENT (“LICENSE AGREEMENT”) IS MADE AND ENTERED THIS 31ST DAY OF OCTOBER 2022 (“EFFECTIVE DATE”) AND IS A LEGAL AGREEMENT BETWEEN MAYERS MEMORIAL HOSPITAL DISTRICT (“CUSTOMER”) AND FRESENIUS KABI, LLC (“FRESENIUS KABI”) GOVERNING CUSTOMER’S USE OF FRESENIUS KABI’S PROPRIETARY COMPUTER SOFTWARE APPLICATION KNOWN AS IVENIX INFUSION MANAGEMENT SYSTEM (“THE SOFTWARE”) AND ITS ASSOCIATED USER DOCUMENTATION (“DOCUMENTATION”) (SUCH SOFTWARE AND DOCUMENTATION IS COLLECTIVELY REFERRED TO HEREIN AS THE “SOFTWARE”). THIS LICENSE AGREEMENT IS ENFORCEABLE AGAINST CUSTOMER AND ITS EMPLOYEES. **BY INSTALLING, ACTIVATING, COPYING, OR USING ANY PORTION OF THE SOFTWARE, CUSTOMER ACCEPTS THIS LICENSE AGREEMENT IN ITS ENTIRETY. IF CUSTOMER DOES NOT AGREE TO ALL OF THE TERMS OF THIS LICENSE AGREEMENT WITHOUT MODIFICATION, DO NOT INSTALL, ACTIVATE, COPY OR USE THE SOFTWARE.**

For good and valuable consideration, the receipt of which is hereby acknowledged, Customer and Fresenius Kabi agree as follows:

#### 1. OVERVIEW.

- 1.1 Orders.** Customer and Fresenius Kabi may from time to time execute order forms for Software and/or related Equipment such as Fresenius Kabi’s Ivenix and other infusion pump technology (each, an “Order”). Each Order shall, as applicable to purchases of licenses to the Software, set forth applicable commercial terms with respect to quantity, pricing, payment, and the types and numbers of permitted users, sites, machines, user logins or IDs, and/or other applicable usage parameters (collectively, “Usage Parameters”). Each Order shall incorporate and be subject to this License Agreement as it relates to the Software.
- 1.2 License Key.** Use of the Software may require that Customer enter a product activation code (“License Key”) into the Software. License Keys may not be copied, modified, distributed, published, transferred or disclosed outside Licensee, nor may any License Key be used on any copy of the Software or on any other machine other than the copy or machine for which it has been supplied by Fresenius Kabi. License Keys shall be deemed part of the Software for all purposes of this License Agreement.

#### 2. SCOPE OF LICENSE; RESTRICTIONS.

- 2.1 License.** Subject to all terms and conditions of this Agreement, Fresenius Kabi grants Customer a license (without right to sublicense) under the applicable infusion management system software (i.e., the features for which Customer has ordered and paid for) to: (i) install and operate one operating installation (at any point in time) of the purchased or downloaded version of the infusion management system software on one infusion management system (the “Production System”), and (ii) operate, and/or display the Software on Customer’s workstation computers or Equipment that is connected to such Production System through Customer’s internal network. The license so granted is perpetual (except as terminable under Section 7), non-exclusive, non-transferable, revocable. In each case, Customer will use the Software only in unmodified form and solely: (a) in accordance with the Documentation and only for operation of Fresenius Kabi Product(s), (b) for Customer’s internal business purposes, and (c) in accordance with the limits on the number of Fresenius Kabi Equipment with which it is used as set forth below. The Software is licensed for use in connection with the specified number of Fresenius Kabi Equipment set forth in the applicable purchase order(s) for the

relevant infusion management system software features. The rights granted herein are limited to the use of Fresenius Kabi's intellectual property rights in the Software and does not include any other patents or intellectual property rights. The license granted herein allows Customer to use the Software only in connection with the Equipment and not for any other purpose, and is non-exclusive and non-transferable. Customer may make a single copy of the Software solely for backup and archival purposes.

- 2.2 Restrictions.** Customer acknowledges and agrees that Customer will not: (a) rent, lease, lend, sublicense, sell, encumber or provide commercial services based upon use of the Software; (b) modify, distribute, publish, adapt, translate, prepare derivative works from, decompile, reverse engineer, disassemble or otherwise attempt to derive source code from the Software, except to the extent expressly permitted by applicable law notwithstanding this limitation; (c) attempt to circumvent or disable any security or usage limitation features of the Software by any means or in any manner; (d) remove, obscure, or alter any copyright, trademark or other proprietary rights notices or legends affixed to or contained within the Software; or (g) use the Software in any manner in violation of applicable law. Customer may not transfer or assign this License Agreement, any license rights granted herein, nor the Software or any component thereof, except as expressly permitted herein. The Software is licensed as a single product. Customer may not separate its component parts for distribution or any other use.
- 3. OWNERSHIP.** The Software is licensed, not sold, and are protected by copyright and other intellectual property laws and treaties. Fresenius Kabi and/or its licensors own all rights, title, and interest in the Software, including all copyrights, trade secrets, trademarks, patent rights, ideas, concepts, know-how, techniques, inventions, discoveries, improvements and other intellectual property and proprietary rights therein. Except for the limited license rights granted hereunder, Customer has no rights in or to the Software or Documentation or any copies thereof, except to possess and use them in accordance with this License Agreement. To the extent Customer is permitted to make copies hereunder, Customer shall include Fresenius Kabi's copyright, trademark or other proprietary rights notices or legends on any complete or partial copies of the Software in the same form and location as the notice appears on the original work. Fresenius Kabi reserves all rights not expressly granted to Customer in this License Agreement and Customer agrees not to take any action that interferes, in any manner, with Fresenius Kabi's or its licensors' rights with respect to the Software.
- 4. CONFIDENTIALITY.** The Software contains and constitutes valuable confidential and trade secret information of Fresenius Kabi, including without limitation, data processing algorithms, innovations and concepts ("Confidential Information"). Customer agrees not to disclose nor permit access to the Software (including, for the avoidance of doubt, the Documentation) to any third parties not under an obligation of confidentiality to Customer to protect the confidentiality of information Customer discloses to them, including the Software, nor to utilize for Customer's own benefit any such Confidential Information except in connection with Customer's permitted use thereof. This obligation shall survive the termination of this License Agreement and the Agreement.
- 5. SOFTWARE UPDATES AND UPGRADES.**
- Fresenius Kabi may, at its option, periodically make available updates, corrections, patches or fixes addressing operational or other issues related to the Software such as software error corrections which are necessary for maintaining compliance software specifications, and incidental software enhancements (collectively, "Updates"). Updates shall be deemed part of the Software and shall be available for the Term of the agreement. If available during the Term, Fresenius Kabi will offer significant software upgrade versions that add new functionality to the Equipment at an additional charge to Customer.
- 6. LIMITED WARRANTIES.**
- 6.1 Warranty.** Fresenius Kabi warrants, for Customer's benefit alone, that for a period of one (1) year from delivery of the Software initially supplied to Customer: (a) the media on which the Software is

furnished will be free from defects in materials and workmanship under normal use, and (b) the Software's performance will substantially conform to descriptions thereof contained in Fresenius Kabi's Documentation. This Software warranty is void if failure of the Software has resulted from accident, abuse, failure to install any service pack, or use in a manner or for a purpose not described in the Documentation, or to the extent that Customer makes any modifications to the infusion management system software or to the configuration of Customer's computer system without the prior written approval of Fresenius Kabi. Any replacement infusion management system software shall be warranted for the remainder of the original warranty period.

- 6.2 Exclusive Remedy.** Fresenius Kabi's entire liability and Customer's sole and exclusive remedy for a breach of the foregoing warranties shall be: (a) in the case of defects in media in breach of the warranty set forth in Section 6.1(a), the replacement of such media by Fresenius Kabi, and (b) in the case of defects in the Software in breach of the warranty set forth in Section 6.1(b), Fresenius Kabi shall use commercially reasonable efforts to correct any such defect or, at Fresenius Kabi's option, replace the defective Software or terminate this Agreement and refund the applicable license fees paid upon receipt of all copies of the Software in Customer's possession and Customer's written certification that no additional copies are in Customer's possession or (at Fresenius Kabi's election) that you have deleted all such copies. To receive the foregoing remedies, Customer must report any alleged breach of warranty to Fresenius Kabi in writing and in reasonable detail within the warranty period. The warranties set forth in Section 6.1 do not cover any copy of the Software which has been altered, misused or damaged in any way by Customer or any third party, nor is Fresenius Kabi responsible for problems caused by changes in, or modifications to, any computer hardware or operating system for which the Software has been procured or which occur as a result of use of the Software in conjunction with software of third parties or with hardware which is incompatible with the Software or the operating system for which the Software has been procured.
- 6.3 Warranty Limitations.** OTHER THAN AS EXPRESSLY SET FORTH IN SECTION 6.1, ABOVE, NEITHER FRESENIUS KABI NOR ITS AFFILIATES OR THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, SUBSIDIARIES, CONTRACTORS, SUBCONTRACTORS, SUPPLIERS, LICENSORS, AGENTS, PARTNERS, RESELLERS OR DISTRIBUTORS, MAKE ANY EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS TO CUSTOMER, ANY OF CUSTOMER'S AFFILIATES, OR TO ANY OTHER PARTY WITH RESPECT TO THE SOFTWARE, THE DOCUMENTATION, ANY EQUIPMENT OR SERVICES RELATED TO THE SOFTWARE OR OTHERWISE REGARDING THIS AGREEMENT, WHETHER ORAL OR WRITTEN, EXPRESS, IMPLIED, OR STATUTORY. WITHOUT LIMITING THE FOREGOING, ANY IMPLIED WARRANTY OR CONDITION OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE IS EXPRESSLY EXCLUDED AND DISCLAIMED. FRESENIUS KABI DOES NOT WARRANT THAT THE SOFTWARE WILL MEET YOUR REQUIREMENTS, THAT THE SOFTWARE IS WITHOUT DEFECT OR ERROR OR THAT THE SOFTWARE WILL OPERATE WITH ANY HARDWARE OR SOFTWARE NOT SPECIFIED IN THE DOCUMENTATION.
- 7. TERM AND TERMINATION.** This License Agreement shall remain in effect for the time period the Customer has the equipment. Upon termination, Customer shall immediately cease use of and, within thirty (30) days, return to Fresenius Kabi all copies of the Software in Customer's possession or control or, at Fresenius Kabi's election, destroy all such copies.
- 8. INDEMNIFICATION.** Customer agrees to hold harmless, defend, and indemnify Fresenius Kabi, its affiliates and their respective officers, directors, employees, subsidiaries, contractors, subcontractors, suppliers, licensors, agents, partners, successors and assigns from all liabilities, claims, demands and expenses, including attorneys' fees, to the extent due to or arising from Customer's breach of this License Agreement, Customer's misuse of the Software, Customer's infringement or violation of any intellectual property rights or any other right of any third party, Customer's negligent or intentional acts and/or Customer's violation of applicable law. Fresenius Kabi may assume exclusive control of any defense of any matter subject to indemnification by Customer, and Customer agrees to cooperate with us in such event.

**9. LIMITATION OF LIABILITY; DISCLAIMER OF DAMAGES.**

**9.1 Limitation.** EXCEPT AS SET FORTH IN THE AGREEMENT, THE TOTAL AGGREGATE LIABILITY OF FRESENIUS KABI AND ITS AFFILIATES AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, SUBSIDIARIES, CONTRACTORS, SUBCONTRACTORS, SUPPLIERS, LICENSORS, AGENTS, PARTNERS, RESELLERS, DISTRIBUTORS, SUCCESSORS AND ASSIGNS UNDER ANY PROVISION OF THIS LICENSE AGREEMENT OR OTHERWISE RELATED TO THIS AGREEMENT SHALL, FOR ANY AND ALL CLAIMS, BASED ON ANY THEORY OF LIABILITY, WHETHER CONTRACT, TORT, STRICT LIABILITY, NEGLIGENCE, OR OTHERWISE, WHETHER RELATING TO THE SOFTWARE, DOCUMENTATION, ANY SERVICES, OR OTHERWISE, SHALL NOT EXCEED THE TOTAL AMOUNT OF ANY DAMAGES THAT CUSTOMER MIGHT INCUR FOR ANY REASON WHATSOEVER, UP TO THE AMOUNT ACTUALLY PAID BY CUSTOMER UNDER THE AGREEMENT.

**9.2 Disclaimer.** EXCEPT AS SET FORTH IN THE AGREEMENT, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW AND REGARDLESS OF THEORY OF LIABILITY, WHETHER CONTRACT, TORT, STRICT LIABILITY, NEGLIGENCE, OR OTHERWISE, IN NO EVENT SHALL FRESENIUS KABI OR ITS AFFILIATES OR THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, SUBSIDIARIES, CONTRACTORS, SUBCONTRACTORS, SUPPLIERS, LICENSORS, AGENTS, PARTNERS, RESELLERS, DISTRIBUTORS, SUCCESSORS AND ASSIGNS BE LIABLE FOR ANY SPECIAL, INCIDENTAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES WHATSOEVER (INCLUDING, BUT NOT LIMITED TO, DAMAGES FOR LOSS OF PROFITS OR LOSS OR DAMAGE TO CONFIDENTIAL OR OTHER INFORMATION OR DATA, FOR BUSINESS INTERRUPTION, FOR PERSONAL OR BODILY INJURY, FOR LOSS OF PRIVACY, FOR FAILURE TO MEET ANY DUTY INCLUDING OF GOOD FAITH OR OF REASONABLE CARE, FOR NEGLIGENCE, NOR FOR ANY OTHER PECUNIARY OR OTHER LOSS WHATSOEVER) ARISING OUT OF OR IN ANY WAY RELATED TO THE USE OF OR INABILITY TO USE THE SOFTWARE, THE PROVISION OF OR FAILURE TO PROVIDE SUPPORT OR OTHER SERVICES, OR OTHERWISE ARISING OUT OF THE USE OF THE SOFTWARE OR IN CONNECTION WITH ANY PROVISION OF THIS AGREEMENT OR OTHERWISE, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

**9.3 Basis of Agreement.** THE FOREGOING LIMITATIONS, EXCLUSIONS AND DISCLAIMERS SHALL APPLY TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, EVEN IF A STATED REMEDY FAILS ITS ESSENTIAL PURPOSE, AND CONSTITUTE A FUNDAMENTAL ELEMENT OF THE BASIS OF THE BARGAIN OF THE PARTIES AND, BUT FOR SUCH LIMITATIONS, EXCLUSIONS AND DISCLAIMERS, FRESENIUS KABI WOULD NOT BE WILLING TO ENTER INTO THIS LICENSE AGREEMENT.

**10. FOREIGN EXPORT.** Customer may not export the Software, directly or indirectly, into any country in violation of any applicable laws or regulations of the United States.

**11. DATA.** Customer authorizes Fresenius Kabi to access and collect data for Customer consisting of such information as may be stored in the data files of the Software or created using the Software, including data related to use of Fresenius Kabi's Equipment or other infusion pump technology (collectively, "Data"). Customer authorizes Fresenius Kabi, and Fresenius Kabi agrees, to de-identify all Data so accessed and collected by it, and otherwise constituting Protected Health Information (as that term is defined in 45 CFR §164.501). Fresenius Kabi may use and distribute in any manner not prohibited by law any documents, reports, analyses and/or other materials containing Data and/or information derived from Data and otherwise prepared and/or created by Fresenius Kabi or the Software which either does not constitute Protected Health Information or which has first been de-identified in accordance with the procedures set forth in 45 CFR §164.514. Under any circumstances, Customer is solely responsible for creating, validating and loading into the Software the specific Data Customer intends to use with the Software. Customer agrees that Customer will use best practices and protocols in the creation of such Data and will provide to Customer's personnel reasonable and



proper supervision, control and management of the use of the Software and Data. Customer agrees to implement commercially reasonable data security, disaster recovery, data backup and related procedures and practices for the protection of Protected Health Information and other information consistent with best practices and protocols applicable to the management of information technology and data in a healthcare environment.

**12. U.S. GOVERNMENT RESTRICTED RIGHTS.** The Software and Documentation are “Commercial Items”, as that term is defined in 48 C.F.R. §2.101, consisting of “Commercial Computer Software” and “Commercial Computer Software Documentation”, as such terms are used in 48 C.F.R. §12.212 or 48 C.F.R. §227.7202, as applicable, and are licensed with restricted rights. Consistent with 48 C.F.R. §12.212 or 48 C.F.R. §227.7202-1 through 227.7202-4, as applicable, the Commercial Computer Software and Commercial Computer Software Documentation, if licensed to the U.S. Government, shall be licensed to U.S. Government end users (a) only as Commercial Items and (b) with only those rights as are granted to all other end users pursuant to the terms and conditions herein. *Unpublished – rights are reserved under the copyright laws of the United States.* Manufacturer is: Fresenius Kabi AG, Else-Kröner-Straße 1, 61352 Bad Homburg, Germany.

**13. GENERAL PROVISIONS.**

**13.1 Assignment.** Customer may not assign, sublicense, or otherwise transfer this License Agreement or the license rights granted to Customer herein, or any of Customer’s rights or obligations under this License Agreement, to any party without the prior written consent of Fresenius Kabi; provided, however, that Customer may assign this Agreement without Fresenius Kabi’s consent in the event of a sale of all or substantially all of Customer’s assets or in the event of a merger, corporate reorganization or business consolidation of Customer’s entity. This License Agreement shall be binding upon and inure to the benefits of the parties, their legal representatives and permitted transferees, successors and assigns as permitted by this License Agreement.

**13.2 License Compliance.** To ensure that Customer’s installation and deployment of the Software is consistent with the Software license rights granted hereunder and complies with the terms of this License Agreement, Fresenius Kabi or its representatives may conduct an audit of Customer’s Software installation/deployment not more than once per year on thirty (30) days prior written notice. Such audit will require Customer to provide an unedited accurate report of all Software installed by Customer and all valid purchase documentation for all Software within thirty (30) days of request. If the audit findings demonstrate non-compliance with the Software license rights granted hereunder, Customer shall purchase the necessary licenses within fifteen (15) days of being so notified. If underpaid fees are in excess of ten percent (10%) of the value of the fees paid under this Agreement, then Customer shall pay such underpaid fees and Fresenius Kabi’s reasonable costs of conducting the audit. This section 13.2 shall survive termination or expiration of the Agreement for a period of two (2) years. The foregoing shall not in any way be construed to limit any other rights and/or remedies that Fresenius Kabi may have under law or equity.

**13.3 No Waiver.** No delay or failure in exercising any right hereunder and no partial or single exercise thereof shall be deemed to constitute a waiver of such right or any other rights hereunder. No consent to a breach of any express or implied term of this Agreement shall constitute a consent to any prior or subsequent breach.

**13.4 Notices.** With the exception of routine administrative communications between the parties which may be sent via e-mail, all notices under this Agreement shall be in writing to each party at their respective addresses set forth in the Order, to the attention of any individuals identified therein, with a copy to each party’s respective “Legal Department.” Notices shall be given personally or sent by traceable postal service mail, e.g., certified or registered mail, or private overnight courier (e.g., FedEx, UPS or DHL) and shall be deemed given upon delivery, if given personally, or when deposited with the overnight courier or national postal service with the proper postage affixed, if sent by mail, in accordance with this provision. Facsimile (faxed) notices are not effective unless the originals are sent (in the manner stated above) within one (1) business day after the facsimile transmission or they

are acknowledged in writing by an authorized representative of the receiving party. The parties may change the address for notice by compliance with this Section.

- 13.5 Survival.** The following provisions shall survive any termination or expiration of this License Agreement: 2.2, 3, 4, 6.3, 7, 8, 9, 10, 11, 12 and 13.
- 13.6 Severability.** If any provision hereof is declared invalid by a court of competent jurisdiction, such provision shall be ineffective only to the extent of such invalidity, so that the remainder of that provision and all remaining provisions of this License Agreement shall be valid and enforceable to the fullest extent permitted by applicable law.
- 13.7 Third Party Software.** Third party materials, e.g., software, and services included in or accessed through the Software may be subject to other terms and conditions typically found in a separate license agreement, terms of use or read me file located within or near such materials and services or included within the Software.
- 13.8 Force Majeure.** Notwithstanding anything in this License Agreement to the contrary, neither party will be liable for any delay or failure with respect to any obligation hereunder, nor for any damages or loss of any kind, resulting from causes beyond its reasonable control, including without limitation, acts of God, earthquake, storms or other elements of nature, labor disputes, blockages, embargoes, riots or other industrial disturbances, electrical, telecommunications, Internet or other third party supplier delay or failure, acts or orders of government, criminal acts, war or terrorism, including cyberattack or other malicious intrusion into or breach of computer systems.
- 13.9 No Third-Party Benefit.** The provisions of this License Agreement are for the sole benefit of the parties hereto. Except as expressly provided herein, this License Agreement neither confers any rights, benefits, or claims upon any person or entity not a party hereto nor precludes any actions against, or rights of recovery from, any persons or entities not parties hereto.
- 13.10 Conflicts.** In the event of any conflict between the terms and conditions of this License Agreement and the Agreement, the terms and conditions of this License Agreement shall prevail and control as such term relates to the Software.

**IN WITNESS WHEREOF**, the parties have executed this Software License Agreement as of the Effective Date.

**MAYERS MEMORIAL HOSPITAL DISTRICT**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**FRESENIUS KABI, LLC**

By: \_\_\_\_\_

Name: Kathleen Lanahan

Title: Director, Contract Marketing

**FRESENIUS KABI, LLC**

By: \_\_\_\_\_

Name: Kristin Vollen

Title: Sr. Vice President, Commercial Operations

## ATTACHMENT G

### Software Maintenance

#### 1 ADDITIONAL DEFINITIONS

1.1 “Maintenance Year” Means the 12-month period for which Software Maintenance is purchased. The first Maintenance Year is provided at no additional charge with the acquisition of the applicable infusion management system software by Customer.

1.2 “Supported Software” means the infusion management system software acquired by Customer for which Software Maintenance has been ordered and paid for pursuant to an accepted Purchase Order, and includes any Service Packs, and other software, if any provided pursuant to Software Maintenance provided hereunder.

#### 2 SOFTWARE MAINTENANCE

2.1 Software Maintenance. During the Maintenance Year, Fresenius Kabi will respond to technical questions/issues regarding the Supported Software to provide diagnostic and corrective assistance (“Technical Support”). The Maintenance Year shall automatically renew for an additional 12-month period at the end of the then current (initial or renewal) Maintenance Year unless either party provides written notice to the other party of its intent to terminate software maintenance given at least thirty (30) days prior to the end of the then current Maintenance Year.

2.2 Technical Support Times. Unless otherwise expressly agreed to, Fresenius Kabi will provide Technical Support for the Supported Software during the following hours, and at the following contact addresses. Contact addresses may be changed upon notice to Customer.

Support Coverage:	Monday to Friday 8:00am to 5:00pm EST, excluding holidays
Telephone Number:	(888) 386-1300 Option 6
E-mail Address:	<a href="mailto:ivenix_support@fresenius-kabi.com">ivenix_support@fresenius-kabi.com</a>

2.3 Designated Contacts. Customer must notify Fresenius Kabi in writing of the names of between one and two Customer employees who will be the only persons authorized to contact Fresenius Kabi for Technical Support (the “Designated Contacts”). Customer may change the identity of the Designated Contacts by written notice. Each Designated Contact must have received training on all of the Supported Software and be qualified to maintain the integrity of the Supported Software on Customer’s system.

2.4 New Versions. During the Term, Fresenius Kabi will notify Customer when new versions become available, and will install such versions at a mutually scheduled time. Customer agrees that any new Version and any other software provided in connection with software maintenance to Customer, is owned by Fresenius Kabi and its suppliers, and is licensed to Customer under the license terms of the Agreement applicable to the Supported Software for which such new Version or other software is provided.

#### 3 FEES AND PAYMENT

3.1 Expenses. In addition to payment of the price specified in Attachment C and the applicable purchase order(s) Customer will reimburse Fresenius Kabi for all travel expenses, if any, incurred by Fresenius Kabi in performing software maintenance at Customer's facility, provided that where time permits Fresenius Kabi will have requested and Customer will have first approved such expenses, which approval shall not be unreasonably withheld. Expenses are invoiced monthly and are due and payable in accordance

with and subject to the terms of the Agreement.

#### **4 CUSTOMER RESPONSIBILITIES.**

4.1 Customer will maintain the Production System at the installation site in accordance with the Documentation's requirements, and will back up all data associated with the Supported Software in a reasonable manner.

4.2 If necessary, Customer will allow Fresenius Kabi remote access via a Virtual Private Network ("VPN") to the Supported Software in accordance with the description set forth below. Customer shall ensure that its employees and other representatives authorized to use the Supported Software shall, to the best of their abilities, read and follow operating instructions and procedures specified in Documentation.

4.3 Reporting of Defects. Customer's Designated Contacts will report Defects via telephone, facsimile, electronic mail or as otherwise agreed to by the parties. Designated Contacts will cooperate with Fresenius Kabi and provide sufficient information and access to permit Fresenius Kabi to provide timely Technical Support. Customer will implement reasonable corrective action as directed by Fresenius Kabi Technical Support personnel.

4.4 VPN Access. Customer agrees to provide Fresenius Kabi, during the duration of the Term, VPN access to the Customer's network, including the server or servers on which any infusion management system software reside, or in the absence of VPN capabilities, a modem and associated dial-in telephone line. Customer will pay for installation, maintenance and use of the VPN and/or modem and any associated telephone line use charges. Such access by Fresenius Kabi will be solely used by Fresenius Kabi (a) in connection with trouble shooting, error correction, and in general for evaluating the use and efficiency of its products, (b) to aggregate information relating to use of the infusion management system software for statistical analysis and business measures of the performance of the infusion management system software, (c) to monitor use of the infusion management system software for security purposes, and (d) enforce the terms of the Agreement, and any other agreements between the parties. Such access shall not entail access to patients' or individuals' names, or to any personal health information or personally identifiable information which, in connection with other information that Fresenius Kabi has access to, or which is publicly available, would allow Fresenius Kabi to determine the identity of any natural person.

#### **5 EXCEPTIONS**

5.1 Prior Versions. Fresenius Kabi will provide software maintenance for the following versions of the Supported Software: (i) the then current Major Version and (ii) one Major Version prior to the then current Major Version. "Major Version" means a new version of the software which contains major architectural, functional or technological changes.

5.2 No Obligation. Fresenius Kabi shall have no obligation to provide software maintenance for: (a) Supported Software altered or modified by Customer or a third party, if such alterations or modifications have not been approved in writing by Fresenius Kabi; (b) Errors arising from any combination of the Supported Software with other software, which has not been approved in writing by Fresenius Kabi; (c) Errors created through Customer's negligence, abuse or misapplication or use of the Supported Software for purposes other than those specified in the documentation; (d) Errors resulting from third party hardware malfunction or Customer's failure to back up data; (e) Supported Software used on non-qualified computer systems or hardware that has not been approved in writing by Fresenius Kabi; or (f) Customer's failure to maintain software maintenance in effect throughout the Term.

5.3 Additional Services. Software maintenance does not include services which are not expressly described herein. Upon Customer's request, Fresenius Kabi agrees to use commercially reasonable efforts to solve the problems and/or answer the questions described in (i)-(iii) below, and shall charge therefore at Fresenius Kabi's standard rates: (i) problems with the Supported Software resulting from any events described in Sections 5.2(b) to (f) above, (ii) corrections to the Supported Software made by Fresenius Kabi for difficulties traceable to Customer errors or system changes not previously approved by

Fresenius Kabi, and (iii) Customer's questions concerning or requesting the adaptation or modification of the Supported Software.

5.4 Exclusions. Customer may contact Fresenius Kabi for quotations for any integration of any update with third party hardware/software; Customer-specific modifications, user support, training, and like services related to any updates.

**ATTACHMENT H**  
**Implementation and Training Services**  
**Statement of Work**

**Introduction:**

The purpose of this Statement of Work (“SOW”) is to detail the tasks and responsibilities of both Fresenius Kabi and Mayers Memorial Hospital District (“Customer”) for the delivery, development and installation of Fresenius Kabi Ivenix Infusion System. Both Fresenius Kabi and Customer agree that failure to accomplish the tasks outlined in the SOW within the allocated timelines may jeopardize accomplishment of the pump conversion on the schedule contained herein. This SOW is incorporated into the Infusion Purchase Agreement dated October 31, 2022, by and between Customer and Fresenius Kabi (for the purposes of this SOW, the “Agreement”).

1. The SOW will cover the following areas:
2. Project Scope
3. Project Management
4. Drug Library
5. Technical Implementation
6. Clinical Training
7. Go Live and Post-Go Live
8. Delivery Schedules
9. Biomedical Support

**1. Project Scope**

Fresenius Kabi shall perform the services outlined herein to help Customer install the Ivenix pump and software system (“Ivenix Infusion System”) as outlined in the Agreement at the Customer sites(s) specified in the Agreement.

**2. Project Management**

Each Party shall designate a project manager (each a “PM”), experienced in managing project tasks and deliverables for large multi-disciplined projects and implementations, to serve as its point of contact during performance of the Services. The Parties shall jointly develop an implementation project plan (“Plan”). Customer shall cooperate with Fresenius Kabi in developing and implementing the Plan.

Fresenius Kabi shall:

- a) Appoint a designated PM who will act as the primary point of contact for all Plan-related activities. Other Fresenius Kabi resources may lead various parts of the process, but the designated project manager will have overall responsibility for implementation of the Plan.
- b) Host a project kick-off meeting to give an overview of the Plan to a multi-functional team
- c) Facilitate the implementation process, as described in this SOW and the Plan
- d) Provide routine updates to Customer.

Customer shall:

- a) Appoint a PM who is responsible for all activities of Customer under the Plan and to who the Fresenius Kabi PM can contact with issues.
- b) Identify and resolve any issues around Customer's policies and practices that will be affected by the Project.
- c) Facilitate the Plan implementation process, as described in this SOW.

### 3. Drug Library

Tasks in this Section shall be completed prior to Go Live.

#### Fresenius Kabi shall:

- a) Provide concurrent training for the Customer Drug Library (DL) (as defined below) and its staff, up to twenty-five (25) Customer representatives.
- b) Assist customer with review and deployment of the DL
- c) Assist the Customer DL by suggesting changes to the library to improve compliance and viability.
- d) Assist Customer in development of a process for on-going management of the DL in the software and pump fleet.

#### Customer shall:

- a) Appoint a Drug Library Administrator ("Customer DLA") who serves as the point person for all DL-related issues.
- b) Designate the Customer staff requiring the training on the DL.
- c) Customize the DL specific to the needs of Customer, utilizing collaborative comprehensive feedback from clinical care areas.
- d) Build a complete and accurate Drug Library to align with appropriate pharmacy protocols, including: all care areas that use large volume pumps, all drug/concentrations, blood products and maintenance fluids.
- e) Review and deploy the DL prior to the start of nurse education
- f) Customer understands and agrees that this is a material obligation of its DLA and that if the DL is not loaded onto the pumps within this timeframe, Go Live will be delayed.
- g) Update and manage the DL after Go Live.

### 4. Technical Implementation

Tasks in this Section shall be completed as quickly as possible following the Kick Off Meeting.

#### Fresenius Kabi shall:

- a) Conduct walkthrough and onsite assessment of Customer site to evaluate suitability for wireless Ivenix Infusion System implementation.
- b) Provide Customer with server hardware specifications based upon the number of purchased pumps.
- c) Install IMS Application via Virtual Private Network ("VPN") access.
- d) Test and confirm pump connectivity to Customer's wireless network and server at least one (1) week prior to the start of nurse education. Report results to Customer once complete.
- e) Test and confirm that the DL loads wirelessly on a sampling of the fleet of pumps prior to the start of nurse education. Report results to Customer.

- f) Train Customer pharmacy/biomedical/nursing/IT staff members on how to retrieve standard reports.

Customer shall:

- a) Assign IT administrator
- b) Host Fresenius Kabi onsite walk through and assessment, providing qualified IT representative to tour key Customer areas.
- c) Specify intention for server or virtual service installation.
- d) If Customer elects a virtual server installation, Customer shall provide professional services to configure server and network based on requirements
- e) Provision and install required server hardware as quickly as possible after the kick off meeting Go Live.
- f) Provide VPN access to Fresenius Kabi immediately following completion of the server configuration.
- g) Ensure network ports are configured for bi-directional communication between pumps and servers(s).
- h) Provide initial services to triage and troubleshoot any issues. Report any server, network, wireless or connectivity issues to Fresenius Kabi within 24 hours to ensure resolution prior to Go Live.

## **5. Clinical Training**

Tasks in this Section shall be completed prior to Go Live, unless otherwise noted.

Fresenius Kabi shall:

- a) Work with Customer PM to develop clinical training plan and schedule.
- b) Conduct a clinical design session following the kickoff meeting to agree to the pump settings
- c) Conduct, with the customer a clinical walk through and workflow assessment of each hospital unit following the kick-off meeting.
- d) Determine the number of hours of training required to meet Customers' needs based on the number of pumps and clinicians requiring training at each facility, assuming centralized format and location. Class size not to exceed 10 clinicians per session.
- e) Provide Super User training sessions for up to 10% of Customer clinicians designated as "Super Users".
- f) Provide qualified Fresenius Kabi staff and contractors to conduct all training. Fresenius Kabi staff may include sales representatives as well as nurses.
- g) Conduct product training per a standard mutually agreed upon format.
- h) Provide education materials for ongoing use by Customer.
- i) Provide training outcomes to Customer nursing education throughout the training period.

Customer shall:

- a) Schedule and coordinate attendees for the clinical design session following the kick-off meeting.
- b) Coordinate visits to each unit and participate in the clinical walkthrough and workflow assessment following the kick-off meeting.
- c) Require all pump users scheduled to work during the implementation period to complete online training and attend one of the training sessions provided by



- Fresenius Kabi. Any user that does not receive training during the implementation period, must be trained by a hospital Super User prior to using the pump.
- d) Require proper documentation and retention of training records for all clinicians trained, both during the implementation period and afterward.
  - e) Create and implement policy that all users must be properly in-serviced prior to using the Product on a patient.
  - f) Work with Fresenius Kabi to arrange a training schedule that meets Customer's needs.
  - g) Provide Fresenius Kabi with a unit-based staff roster and shift schedules.
  - h) Schedule staff to attend a Fresenius Kabi training session and make every reasonable effort to ensure that all staff participates in training.
  - i) Identify Super Users/resource clinicians to complete Super User training.
  - j) Require Super Users/resource clinicians, train clinicians that did not attend the training provided by Fresenius Kabi, assist with equipment conversion and support Customer's on-going training needs.
  - k) Ensure that Super Users/Resource Clinicians conduct the training once Fresenius Kabi's implementation staff leaves the Customer's site.
  - l) Secure meeting space large enough to conduct the training for the designated class sizes.
  - m) Ensure and confirm with Fresenius Kabi at least five (5) business days prior to Go Live that a minimum of 90% of its applicable staff are scheduled for training prior to Go Live. Customer understands and agrees that this is a material obligation under this SOW and that if Customer is unable to confirm that 90% of its applicable staff are scheduled for training prior to Go Live, that Go Live will be rescheduled.

#### **6. Go Live and Post-Go Live**

Tasks in this Section shall be completed on the day of the Go Live, unless otherwise noted. For the purposes of this SOW "Go Live" shall mean the first date on which Fresenius Kabi's obligations under each of the Sections II, III, IV, V and VI (if applicable) have been satisfied. Go Live day for each of Customer's facilities shall be set forth in the most current version of the Plan.

##### Fresenius Kabi shall:

- a) Fresenius Kabi shall deliver the Ivenix equipment components to each nursing unit from the staging area.
- b) Clinical support personnel shall provide guidance and assistance in using the pump during the swap out process.
- c) Beginning immediately following the Go Live, provide live in-hospital clinical support. After completion of in-hospital support, typically within 4-48 hours based on size of implementation, Fresenius Kabi shall provide walking rounds as necessary.
- d) Walking rounds include onsite support during peak times such as after shift changes, hanging medications, case kickoff in the OR, and /or as requested. Typically walking rounds are conducted within 4-72 hours after Go Live, based on mutually agreeable timelines.
- e) After completion of walking rounds, the pump conversion is deemed to be complete.
- f) Immediately following the Fresenius Kabi clinical representatives' departure from Customer's site on the final onsite support day, Fresenius Kabi's responsibilities under this SOW will have been deemed to be met.

##### Customer shall:

- a) Customer PM and appropriate colleagues will accompany the Fresenius Kabi implementation team as they distribute the Ivenix LVP components to each nursing

unit. Customer PM's role includes helping manage the implementation schedule, is the liaison with each unit manager, address clinical policy issues, etc.

- b) Customer PM will determine the correct LVP's for each unit no later than 48 hours prior to Go Live. If no unit levels are provided the PM will assist Fresenius Kabi with walking rounds to count pumps prior to Go Live.
- c) Collect the old pumps and move them to a storage location as determined by facility.
- d) Swap out the IV pumps on patients.
- e) Customer will provide carts to help facilitate the distribution of Ivenix LVP components to appropriate nursing units.

## **7. Delivery Schedules**

Tasks in this Section shall be completed prior to Go Live.

### Fresenius Kabi shall:

- a) Prior to the Kick Off Meeting, confirm a Customer-requested Go Live date.
- b) Schedule shipment dates on a mutually agreeable timeline with Customer.
- c) Confirm delivery date within 24 hours after scheduled delivery.

### Customer shall:

- a) Approve shipping schedule within 24 hours after receipt.
- b) Arrange safe and secure space for storage and/or check in of equipment.
- c) Confirm receipt of equipment with Fresenius Kabi sales representative within 24 hours of delivery.

## **8. Biomedical support**

Tasks in this Section shall be completed prior to Go Live.

### Fresenius Kabi shall:

- a) Provide onsite familiarization training to Customer biomedical staff in PM procedures, technical non-repair and usage aspects of the Ivenix LVP.
- b) Review Ivenix LVP repair procedures and contact list with Customer biomedical staff.
- c) Review Ivenix LVP warranty documents with Customer biomedical staff.

### Customer shall:

- a) Designate a biomedical engineer to work with Fresenius Kabi technical implementation specialist on the check-in and testing of the Ivenix LVP.
- b) Provide a staging area large enough to accommodate the quantity of LVP's. This area must meet facility required guidelines, must be secure and include workstations with sufficient A/C power to power and charge all LVPs, appropriate server access and access to waste disposal.

[Signature page follows]

**IN WITNESS WHEREOF**, the parties have executed this SOW as of the SOW Effective Date.

**MAYERS MEMORIAL HOSPITAL DISTRICT**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**FRESENIUS KABI, LLC**

By: \_\_\_\_\_

Name: Kathleen Lanahan

Title: Director, Contract Marketing

**FRESENIUS KABI, LLC**

By: \_\_\_\_\_

Name: Kristin Vollen

Title: Sr. Vice President, Commercial Operations



**RESOLUTION NO. 2022-12**

**A RESOLUTION OF THE BOARD OF TRUSTEES  
OF MAYERS MEMORIAL HEALTHCARE DISTRICT**

**Awarding Master Planning Services**

**WHEREAS**, Mayers Memorial Healthcare District (MMHD) issued RFP-RFQ for the Master Planning services, and two qualifying responses were received; and

**WHEREAS**, MMHD Chief Executive Officer and staff recommended to the Board of Trustees the award of contract for Master Planning Services to Aspen Street Architects, Inc. of Angels Camp, California in the amount of \$177,870.00, with an option to include an add alternate for Criteria Documents for future development in the amount of \$309,941.00;

**NOW, THEREFORE BE IT RESOLVED** that the MMHD Board of Trustees authorizes award of Master Planning Services to Aspen Street Architects, Inc. of Angels Camp, California in the amount of \$177,870.00, with an option to include an add alternate for Criteria Documents for future development in the amount of \$309,941.00.

**PRESENTED, ADOPTED, APPROVED, AND RECORDED** this 26<sup>th</sup> day of October, 2022.

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

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Jeanne Utterback, President  
Board of Trustees, Mayers Memorial Healthcare District

ATTEST:

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Jessica DeCoito  
Clerk of the Board of Directors