

**Public Hospital District No. 4, King County
Board of Commissioners
Regular Meeting AGENDA
Thursday, August 13, 2020 - 6:30 pm**

DIAL IN - 800.434.5932 / Participant Code - 98477739#

CALL TO ORDER / ROLL CALL / APPROVAL OF AGENDA

COMMUNICATIONS

Emma Herron, President

Kim Witkop, M.D., Superintendent Report

Skip Houser, General Counsel

CONSENT AGENDA

1. Approval of Minutes:
 - a. Affiliation Work Study / Education Work Study – July 9, 2020
 - b. Regular Meeting – July 9, 2020
 - c. Work Study – July 22, 2020
2. Physician Credentialing

AUTHORIZATION – Action: Verbal authorization from President Herron and Secretary Hauglie for Dr. Kim Witkop to sign minutes and Physician Credentialing on their behalf.

COMMITTEE REPORTS – Action Requested as noted

1. Finance Committee
 - a. Approval of warrants, payroll and payroll taxes – June 2020 – **Action**
 - b. **Authorization - Action:** Verbal authorization from Finance Chair for Treasurer to sign on their behalf
2. Medical Committee
3. Facilities Committee
4. Ad Hoc Bylaws Committee

OLD BUSINESS – Introduction and Discussion - None

NEW BUSINESS – Introduction and Discussion

1. Resolution No. 664-0820 - King County Search & Rescue Lease Addendum [Recommendation via Facilities Committee]
2. Participation with other Collaborative hospitals to join Physicians of SW Washington, Next Generation ACO
3. Puget Sound Physicians Contract
4. Resolution No. 665-0820 – Surplus Equipment

PUBLIC COMMENT – (Please limit comments to 3 minutes)

EXECUTIVE SESSION – Pursuant to RCW 42.30.110(g) to review the performance of a public employee.

ACTION ITEMS – VOTE

1. Resolution No. 664-0820 - King County Search & Rescue Lease Addendum
2. Support for participation in PSW NG ACO if application accepted and final terms are favorable
3. Authorization for support to sign Puget Sound Physicians Contract
4. Resolution No. 665-0820 – Surplus Equipment

GOOD OF THE ORDER/COMMISSIONER COMMENT (Limited to 3 minutes)

NEXT SCHEDULED MEETINGS:

Work / Study: Wednesday, August 26, 2020, 6:30 pm (via teleconference)

Affiliation Work / Study – Thursday, September 10, 2020, 4:30-6:00 pm (location TBD)

Monthly Business Meeting – Thursday, September 10, 2020, 6:30 pm (location TBD)

ADJOURNMENT



DRAFT

PUBLIC HOSPITAL DISTRICT NO. 4, KING COUNTY
Board of Commissioners
July 9, 2020
MINUTES
AFFILIATION WORK/STUDY
4:30 p.m.
VIA Teleconference

COMMISSIONERS PRESENT:

Emma Herron, President
Dariel Norris, Vice President
David Speikers, Commissioner
Jen Carter, Commissioner

Excused: Kevin Hauglie, Secretary

ALSO PRESENT:

Kim Witkop, M.D., Interim Superintendent/CEO/CMO
Karyn Denton, COO/CNO
Patrick Ritter, Chief Financial Officer
Skip Houser, General Counsel
Valerie Huffman, Clerk

This meeting was held via teleconference only pursuant to Proclamation 20-28 issued by Governor Inslee regarding the Open Public Meeting Act and Public Records Act. All parties listed above were present. The dial-in information was provided on a Public Meeting Notice posted prior to the meeting.

The purpose of this meeting was to provide an update on affiliation.

CALL TO ORDER: The meeting was called to order by President Herron at 4:30 pm followed by roll call.

TOPICS OF DISCUSSION:

Update on Affiliation. The following areas of discussion were as follows:

1. Review of Affiliation;

- Efforts timeline and alignment around benefits of affiliation;
 - Financial Implications of Affiliation;
 - What the Interim Proposal accomplishes;
2. Management Services Agreement for Emergency Department only including EPIC install;
 - Extension of EPIC EHR – work is accelerating rapidly. Capital investment approved by OHMC last week (\$1m) – cost neutral for SVH via forgivable loan.
 - Contract discussions with Puget Sound Physicians – details discussed;
 - Contract with OHMC for ED Management – initial draft from OHMC for review/response expected in two weeks;
 - ROI Overview for ED Volume Increase (25%, 30%, 50% and 100% increase); Board requested 10% and 15% impacts which was provided post meeting.
 3. Extend specialty services to SVH either via tele-medicine or in-clinic presence;
 - Initial meeting with Overlake Medical Clinicians (OMC) leadership; awaiting followup;
 - A delayed start of work on this has been approved by Dr. Witkop;
 - Specialties requested:
 - Infectious diseases
 - Endocrine
 - Cardiology (on-demand via telemed)
 4. Formalize an inpatient transfer agreement to complement the current ED transfer agreement;
 - Meeting occurred with OHMC Hospitalist leadership and Nursing Shift Supervisor lead. Anticipate delivery of proposed process next week.
 5. Collaboration on Women's Health Clinic as an extension of SRMC;
 - Concept reviewed:
 - Extend SRMC RHC into space currently occupied by Finance
 - Will require some tenant improvements
 - OMC will employ GYN and lease services to SVH
 - Clinic operations and staffing by SVH
 - Opportunity to also locate an obstetrician in clinic
 - Second meeting with OHMC for further discussion
 - Applicant interviewed by them last week

Miscellaneous:

- Overlake will do advertising/marketing;
- Cost and changing the sign will be in the contract between PSP and OHMC; not yet decided;
- The Board was asked to think about having two commissioners review the contract before final decision and the Finance Committee was suggested.

PUBLIC COMMENT: None.

Minutes of this meeting, once approved, will be available on the District's website at www.snoqualmiehospital.org under the Governance page. Copies of any presentations and/or documents that are not work product are available upon request by contacting Administration at 425.831.2362.

UPCOMING MEETINGS: Location TBD

Work Study: Wednesday, July 22, 2020, 6:30 pm

Affiliation Work Study: Thursday, August 13, 2020, 4:30 pm

Regular Meeting: Thursday, August 13, 2020, 6:30 pm

The meeting adjourned at 5:55 pm.

Kim Witkop, M.D., for Emma Herron, President,
as authorized via August 13, 2020 teleconference meeting

Kim Witkop, M.D., for Dariel Norris, Vice President,
as authorized via August 13, 2020 teleconference meeting

DRAFT



PUBLIC HOSPITAL DISTRICT NO. 4, KING COUNTY

Board of Commissioners

July 9, 2020, 6:30 pm

MINUTES

Snoqualmie Valley Hospital

VIA Teleconference

PRESENT:

Emma Herron, President
Dariel Norris, Vice President
David Speikers, Commissioner
Jen Carter, Commissioner

EXCUSED: Kevin Hauglie, Secretary

ALSO PRESENT:

Kim Witkop, M.D., Interim Superintendent/CEO, CMO
Karyn Denton, COO/CNO
Patrick Ritter, CFO
Charles (Skip) Houser, General Counsel
Valerie Huffman, Clerk

CALL TO ORDER: The meeting was called to order by Pres. Herron at 6:30 pm, followed by roll call. This meeting was held via teleconference only pursuant to Proclamation 20-28-7 issued by Washington State Governor Inslee. The information to attend the meeting virtually was provided on a Public Meeting Notice posted prior to the meeting.

APPROVAL OF AGENDA

A motion was made and seconded to approve the agenda as written. M/Carter, S/Speikers

The motion passed by unanimous vote.

COMMUNICATIONS:

Pres. Herron offered comments centering around COVID.

Vice President Norris shared information regarding a visit she and Pres. Herron made to the Verdant Health Commission and reported on their function and programs.

Kim Witkop, M.D., Interim Superintendent/CEO her CEO verbally gave her report. Topics included:

- SVH is continuing to operate under the Federal 1135 waivers under emergency response which allows for more than 25 in-patients.
- Facilities Committee was updated on the construction projects. The first floor modifications will be finalized at the end of this week.
- Bid process ends next week for the remodel on MedSurg converting three inpatient rooms to negative pressure.
- Testing site remains open and is experiencing increased volumes. We are the only site on the far eastside. We have tested approximately 2300 patients at this point.
- Staffing changes announced - some departing for career advancement and a couple of retirements.

Skip Houser, General Counsel, provided an update on Proclamation 20-28-7 which again provides for extension to August 1, 2020 providing for board meetings to be remote until King County reaches Phase 3.

CONSENT AGENDA

A motion was made and seconded to approve the consent agenda as proposed, which includes approval of minutes and physician credentialing. M/Norris, S/Carter.

There was no further discussion and the motion unanimously passed.

COMMITTEE REPORTS

1. Finance Committee Report - Approval of warrants, payroll and payroll taxes – May 1 thru May 31, 2020. Commissioner Speikers, Finance Committee Chair, reported on the May 2020 finances that were reviewed at the Finance Committee meeting held on July 7, 2020 via teleconference.

Written minutes were also provided. The committee will next meet on July 28, 2020 to review June 2020 finances.

1(a). Approval of Warrants, Payroll and Payroll taxes – May 2020.

A motion was made and seconded to approve total disbursements that includes payroll warrants, hospital and clinic payroll, auto deposits, hospital and clinic payroll taxes, retirement and matching plans, as well as all accounts payable warrants in the total amount of \$2,860,865.65 for May 1 thru May 31, 2020, as recommended by the Finance Committee. M/Speikers, S/Herron

The motion carried by unanimous vote.

2. Medical Committee Report. Written minutes from the July 7, 2020 meeting were provided as part of the board packet and reported by Commissioner Norris, Committee Chair. Both Commissioners Norris and Herron attended the meeting via teleconference. The committee will next meet on August 4, 2020.

3. Facilities Committee Report. In Comm. Hauglie's absence, Commissioner Carter reported on items discussed in the Facilities Committee meeting held on June 22, 2020 via teleconference.

A more current update was given on the Certificate of Occupancy by Karyn Denton, COO, who reported that a meeting with the City and other parties was very positive and are very close to finalization.

The committee is scheduled to next meet on July 27, 2020. Written minutes were also provided.

4. Ad Hoc Bylaws Committee Report. No report at this time as there has been no activity.

NOTE: Any documents presented at this meeting are available upon request. Minutes are posted on the District Website at www.snoqualmiehospital.org under the Governance Page. For questions or further information, please contact Administration at 425.831.2362 or email valerieh@snoqualmiehospital.org.

OLD BUSINESS: None.

NEW BUSINESS:

1. **Resolution No. 663-0720 – Surplus Equipment.** This resolution was read in its entirety by Pres. Herron with very brief discussion afterwards.

PUBLIC COMMENT: None.

NEW BUSINESS – Action Items:

1. **Resolution No. 663-0720 – Surplus Equipment.**

A motion was made and seconded to adopt Resolution No. 663-0720 Surplus Equipment.
M/Speikers, S/Carter

The motion unanimously passed.

2. **More Strategic Assessment Planning.** This topic was inadvertently listed only under Action items on the agenda. Therefore, the Board was advised by General Counsel that they were under no obligation to take action and could hold discussion only, table the topic to a future meeting, or discuss and vote. Extensive discussion ensued and the following motion and amendments were made.

Discussion points, things to accomplish, narrow topics

Comm. Speikers moved to table this item, not indefinitely, to allow Commissioners to submit written ideas for the planning retreat for discussion at a future meeting. Comm. Carter seconded.

Further discussion consisted of asking for a specific date for submission of the written ideas.

The above motion was amended to include the addition of a two week time frame, July 21, for submission of written ideas. M/Speikers, S/Norris

The motion was restated, with the amendment, as follows:

Move to table the request to vote on Strategic Planning Assessment for a later date, not indefinitely, and that commissioners draft written thoughts about what types of strategic planning they would like to see done, sent to the Clerk or Dr. Witkop, by July 21, 2020.

There was no further discussion and the amendment to the motion unanimously passed.

There was no further discussion and vote on the motion, as amended, was taken and unanimously passed.

GOOD OF THE ORDER/COMMISSIONER COMMENT: Comments made by commissioners can be heard on the audio of this meeting posted on the District website.

UPCOMING PUBLIC MEETINGS: Meeting locations TBD:

Education Work / Study – Wednesday, July 22, 2020, 6:30 pm

Affiliation Work / Study – Thursday, August 13, 2020, 4:30-6:00 pm

Monthly Business Meeting – Thursday, August 13, 2020, 6:30 pm

There being no further business the meeting was adjourned at 7:50 pm.

Kim Witkop, M.D., for Emma Herron, President,
as authorized via August 13, 2020 teleconference meeting

Kim Witkop, M.D., for Dariel Norris, Vice President,
as authorized via August 13, 2020 teleconference meeting



DRAFT

PUBLIC HOSPITAL DISTRICT NO. 4, KING COUNTY
Board of Commissioners
July 22, 2020
MINUTES
WORK/STUDY
6:30 p.m.
Via Teleconference

PRESENT:

Emma Herron, President
Dariel Norris, Vice President
Kevin Hauglie, Secretary
David Speikers, Commissioner
Jen Carter, Commissioner

ALSO PRESENT:

Kim Witkop, M.D., Interim Superintendent/CEO, CMO
Karyn Denton, COO/CNO
Patrick Ritter, CFO
Charles (Skip) Houser, General Counsel
Valerie Huffman, Clerk

CALL TO ORDER: The meeting was called to order by Pres. Herron at 6:36 pm followed by roll call. This meeting was held via conference call only pursuant to Proclamation 20-28 issued by Washington State Governor Inslee. All parties listed above were on the call. For public attendance the call-in number was provided on a posted Public Meeting Notice.

APPROVAL OF AGENDA:

A motion was made and seconded to approve the agenda as written. M/Speikers, S/Hauglie

The motion unanimously passed.

TOPIC OF DISCUSSION:

1. Interim Financial Strategy 2020-2021.

- Invest toward excellence in our current core competencies
- Discussed an interim financial strategy, the current situation, and approach to the remainder of 2020 and to 2021, ideas on increasing operations revenue and non-operations revenue, continue to control expenses

- Preparing to start conversations on the 2021 budget process
- Full financial impact of COVID-19 not yet felt so taking cautious approach
- Conservative revenue projections were provided with prediction for stimulus funds to provide coverage for gaps in operations revenues through June 2021

2. **Opportunity with other Collaborative hospitals to join established CMS ACO.**

- Participation is supported by staff
- Establish expectation of regular review of quarterly performance metrics
- Currently participate in several shared savings and incentive based Value Based Contracts but not in any risk sharing contracts
- Current contracts are through EHN or WRHC
- Mandate from CMS for participation or penalties for nonparticipation – 2020 is the transition year
- Current proposal is to continue in EHN Clinically Integrated Network and join PSW (Physicians of Southwest Washington). PSW is not associated with EHN
- An escrow payment is established for payment to CMS wherein lies the risk if improvement goals are not met
- Goals are percentage of improvements in quality measures and in cost of care. Success is measured on performance of the aggregate
- A preliminary 2021 Innovation Model Program Pro Forma was presented. This ACO only involves straight Medicare patients attributed to us
- Participation is by TIN, unaffected by affiliation work with OHMC since separate TINs are maintained
- Timeline:
 - Participation decision deadline: August 15
 - Contract signed by August 30

3. **King County Search and Rescue land use agreement – Extension of Leased space.**

- A resolution will be on the agenda for the regular meeting on August 13, 2020.
- The additional leased space will incorporate what was formerly identified as the asphalt tennis courts and playground area.
- There are no other changes to the lease.
- There is no cost to the District.

4. **Puget Sound Physicians Contract Review.** This item was tabled to the Affiliation Work Study scheduled for August 14, 2020. A copy of the draft contract will be sent to the Board for review. A reminder was given that this document is confidential and considered work product.

PUBLIC COMMENT: None.

Minutes of this meeting, once approved, are available on the District's website at www.snoqualmiehospital.org under the Governance page. Copies of any presentations and/or documents are available upon request by contacting Administration at 425.831.2362.

UPCOMING PUBLIC MEETINGS: Locations TBD

Affiliation Work / Study – Thursday, August 13, 2020, 4:30-6:00 pm

Monthly Business Meeting – Thursday, August 13, 2020, 6:30 pm

Work / Study: Wednesday, August 26, 2020, 6:30 pm

The meeting adjourned at 8:03 pm.

Emma Herron, President

Kevin Hauglie, Secretary

PUBLIC HOSPITAL DISTRICT NO. 4, KING COUNTY

Snoqualmie Valley Hospital

9801 Frontier Ave. S.E. Snoqualmie, WA 98065

Phone: 425-831-2300, FAX: 425-831-1994

Cash Disbursements for the period June 1 to June 30, 2020

Northwest Bank Accounts Payable Warrants

\$1,487,745.21	Accounts Payable Warrants Warrants # 72897 to # 73133
<u>\$1,487,745.21</u>	

Northwest Bank Payroll Warrants & EFT

\$4,121.85	Payroll Warrants # 14021 to # 14024
1,027,161.38	Hospital & Clinic Payroll Auto Deposits
385,962.47	Hospital & Clinic Payroll Tax
104,326.71	Hospital & Clinic Retirement 457, 403B, & 403B Match Plans
<u>\$1,521,572.41</u>	

GRAND TOTAL

<u>\$3,009,317.62</u>

I hereby certify that the described supplies have been received or services rendered in behalf of Public Hospital District No. 4 of King County.

Kim Witkop, M.D., Interim District Superintendent

Kevin Hauglie, Commissioner, Secretary

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein, and that the claim is a just, due and paid obligation against Public Hospital District #4, King County and that I am authorized to authenticate and certify to said claim.

Carolyn Marks
Carolyn Marks, Assistant Director Finance

I:\Carrie\Board Report & Monthly Reports\BOARD-Cash Disbursements\BOARD-Cash disbursements 2020.xlsJun20

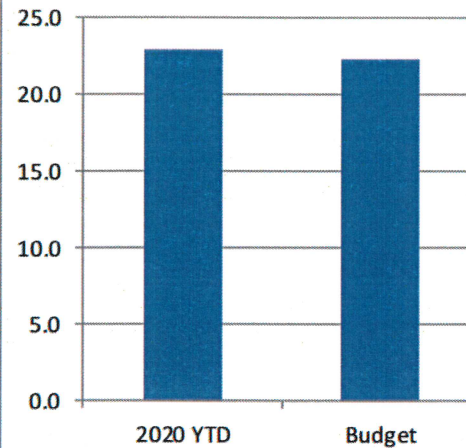
Snoqualmie Valley Hospital Statistics Summary Display



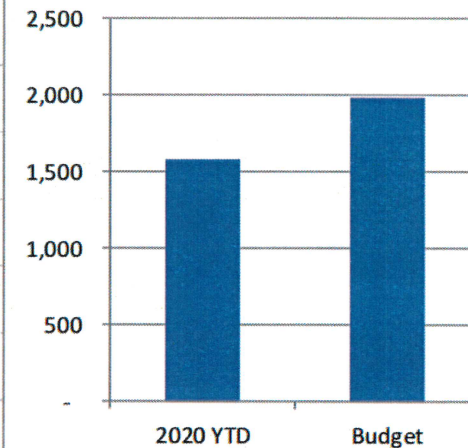
June YTD Statistics Summary

	2020 YTD	Budget	Var	%Var
Ave Daily Census	22.9	22.3	0.6	2.7%
Emergency	1,579	1,985	(406)	-20.5%
Laboratory	43,201	22,123	21,078	95.3%
Imaging	1,960	2,156	(196)	-9.1%
Clinics	7,966	9,136	(1,170)	-12.8%
OP Rehab	3,514	4,837	(1,323)	-27.4%

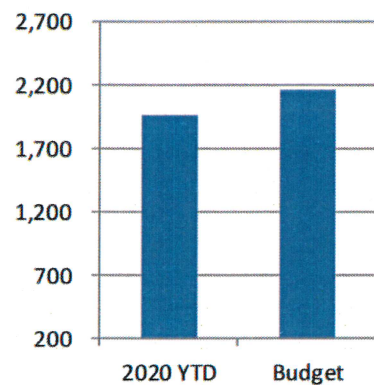
Ave Daily Census



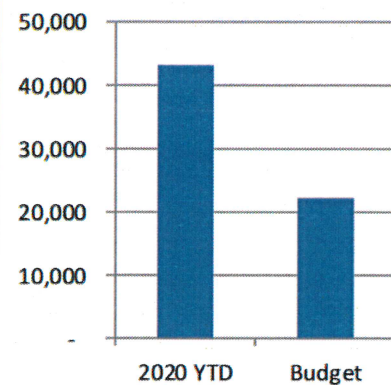
Emergency



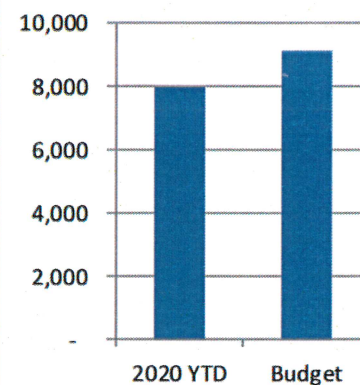
Imaging



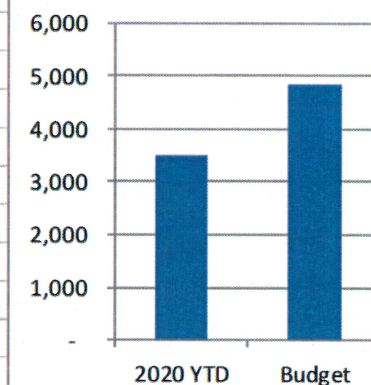
Laboratory



Clinics



OP Rehab



KING COUNTY HOSPITAL DISTRICT # 4
HOSPITAL & CLINICS COMBINED
STATEMENT OF OPERATIONS
ACTUAL vs BUDGET
JUNE 2020

CURRENT MONTH					YEAR TO DATE			
ACTUAL	BUDGET	VARIANCE	% VARIANCE		ACTUAL	BUDGET	VARIANCE	% VARIANCE
\$ 3,240,868	\$ 3,080,831	\$ 160,037	5%	NET PATIENT SERVICE REVENUE	\$ 16,935,180	\$ 18,701,881	\$ (1,766,701)	-9%
49,814	50,770	(956)	-2%	TAXATION FOR OPERATIONS	309,366	306,308	3,058	1%
36,782	33,155	3,627	11%	OTHER	263,862	200,830	63,032	31%
3,327,464	3,164,756	162,708	5%	TOTAL OPERATING REVENUE	17,508,408	19,209,019	(1,700,611)	-9%
				OPERATING EXPENSES				
1,490,996	1,623,577	132,581	8%	SALARIES	9,285,664	9,741,900	456,236	5%
365,635	362,571	(3,064)	-1%	EMPLOYEE BENEFITS	2,277,037	2,175,511	(101,526)	-5%
162,715	56,856	(105,859)	-186%	PROFESSIONAL FEES	744,781	341,826	(402,955)	-118%
256,207	241,714	(14,493)	-6%	SUPPLIES	1,434,879	1,450,284	15,405	1%
9,709	15,618	5,909	38%	REPAIRS AND MAINTENANCE	112,255	93,708	(18,547)	-20%
38,801	36,220	(2,581)	-7%	UTILITIES	239,006	217,320	(21,686)	-10%
350,967	209,692	(141,275)	-67%	PURCHASED SERVICES	1,733,949	1,253,352	(480,597)	-38%
13,819	10,431	(3,388)	-32%	INSURANCE	88,444	62,586	(25,858)	-41%
59,922	62,898	2,976	5%	LEASE AND RENTALS	379,665	377,388	(2,277)	-1%
331,171	356,990	25,819	7%	DEPRECIATION	2,027,755	2,141,940	114,185	5%
37,944	47,241	9,297	20%	OTHER	269,247	267,619	(1,628)	-1%
3,117,886	3,023,808	(94,078)	-3%	TOTAL OPERATING EXPENSES	18,592,682	18,123,434	(469,248)	-3%
209,579	140,948	68,631	49%	OPERATING INCOME	(1,084,275)	1,085,585	(2,169,860)	-200%
11,371	13,587	(2,216)	-16%	INVESTMENT INCOME, NET OF AMOUNT CAPITALIZED	68,804	81,975	(13,171)	-16%
279,471	276,502	2,969	1%	TAXATION FOR BOND PRINCIPAL & INTEREST	1,683,820	1,668,230	15,590	1%
(471,940)	(464,772)	(7,168)	-2%	INTEREST EXPENSE, NET OF AMOUNT CAPITALIZED	(2,822,308)	(2,788,995)	(33,313)	-1%
(9,096)	(9,096)	(0)	0%	BOND ISSUANCE AND FINANCING COSTS	(54,578)	(54,576)	(2)	0%
				NON OPERATING REV - STIMULUS	2,304,862			
39,156	10,249	28,907	282%	OTHER NET	58,142	61,834	(3,692)	-6%
(151,038)	(173,530)	22,492	13%	NON OPERATING, NET	1,238,742	(1,031,532)	(34,588)	-3%
58,540	(32,582)	91,122	280%	CHANGE IN NET POSITION	154,467	54,053	100,414	186%
-	-			NET POSITION BEGINNING OF YEAR	-	-	-	
\$ 58,540	\$ (32,582)	\$ 91,122	280%	NET POSITION	\$ 154,467	\$ 54,053	\$ 100,414	186%

07/29/20

BALANCE SHEET

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11:53

Snoqualmie Valley Hospital

Application Code : GL

User Login Name:carolynm

Consolidated Balance Sheet

JUNE 2020

DESCRIPTION	Current Year Actual	Prior Year Actual
ASSETS		
CURRENT ASSETS		
UNRESTRICTED CASH	13,948,510.99	5,659,792.66
RESERVE FUND LTGO 2011	3,093,128.50	2,418,858.28
RESERVE FUND LTGO	2,497,069.88	2,446,831.72
RESERVE FUND 2015 REVENUE BOND	3,675,187.50	3,675,187.50
CMS ADVANCED PAYMENT	11,001,273.01	0.00

RESTRICTED FUNDS	20,266,658.89	8,540,877.50
BOARD RESTRICTED FUNDS	102,276.62	102,276.62

TOTAL CASH	34,317,446.50	14,302,946.78
ACCOUNTS RECEIVABLE	9,671,217.69	8,168,270.14
LESS A/R ALLOWANCES	2,794,419.62	2,177,708.34
NET PATIENT A/R	6,876,798.07	5,990,561.80

COST REPORT RECEIVABLE	264,571.00	497,000.00
EMR MEANINGFUL USE RCVBL	197,176.84	197,176.84

TOTAL NET RECEIVABLE	7,338,545.91	6,684,738.64
TAX RECEIVABLE	1,998,628.42	1,896,730.76
INVENTORY	231,271.26	80,178.26
PREPAID EXPENSES	80,163.43	88,154.61
INTANGIBLE ASSETS	2,179,896.15	2,289,053.07
OTHER RECEIVABLES	40,282.88	15,950.24

TOTAL CURRENT ASSETS	46,186,234.55	25,357,752.36
FIXED ASSETS		
LAND AND IMPROVEMENTS	26,604,969.22	26,587,059.86
BUILDINGS	32,056,485.05	32,029,211.04
EQUIPMENT	12,421,630.29	12,394,359.83
RIGHT TO USE ASSET	1,681,943.13	0.00
ACCUMULATED DEPRECIATION	20,817,535.89	17,588,771.43

NET FIXED ASSETS	51,947,491.80	53,421,859.30

TOTAL ASSETS	98,133,726.35	78,779,611.66
	=====	

07/29/20

BALANCE SHEET

Page:2

11:53

Snoqualmie Valley Hospital

Application Code : GL

User Login Name:carolynm

Consolidated Balance Sheet

JUNE 2020

DESCRIPTION	Current Year	Prior Year
	Actual	Actual
<hr/>		
LIABILITIES AND FUND BALANCES		
CURRENT LIABILITIES		
NOTES PAYABLE	0.00	0.00
COST REPORT PAYABLE	0.00	0.00
ACCOUNTS PAYABLE	440,449.40	569,327.80
ACCRUED PAYROLL & TAXES	2,511,169.57	2,057,563.24
ACCRUED INTEREST	344,816.92	199,627.89
OTHER CURRENT LIABILITIES	-41,431.27	-3,459.48
CURRENT PORTION LONG TERM DEBT	1,172,083.31	1,611,250.00
CMS ADVANCED PAYMENT PAYABLE	11,001,273.01	0.00
DEFERRED STIMULUS REVENUE	6,984,201.34	0.00
DEFERRED TAX REVENUE	1,927,832.16	1,849,003.29
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TOTAL CURRENT LIABILITIES	24,340,394.44	6,283,312.74
LONG TERM LIABILITIES		
LTGO BONDS	45,600,000.00	45,805,000.00
REVENUE BONDS	46,333,321.10	47,163,321.10
LIABILITY RIGHT TO USE ASSET	1,705,114.05	0.00
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TOTAL LONG TERM LIABILITIES	93,638,435.15	92,968,321.10
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TOTAL LIABILITIES	117,978,829.59	99,251,633.84
NET INCOME/LOSS	154,467.30	-99,371.17
EQUITY FUND BALANCE	-19,999,143.65	-20,372,651.01
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TOTAL EQUITY AND FUND BALANCE	98,134,153.24	78,779,611.66
	=====	=====



**Public Hospital District No. 4, King County
Finance Committee Minutes
July 28, 2020
11:30 pm
Snoqualmie Valley Hospital,
Via Teleconference**

Present:

David Speikers, Commissioner, Chair
Emma Herron, Commissioner
Patrick Ritter, CFO
Kim Witkop, MD, Interim CEO/CMO
Karyn Denton, COO/CNO
Jim Baldauf, Director of Finance

June 2020 Finances:

Stats:

- Average Daily Census is 26.1 for June; 22.9 YTD
- ER down 20%
- Lab up 95%
- Inpatient down 9%
- Clinics down 13%
- Outpatient Rehab down 27%
- Total patient days above budget at 784; admissions for June total 26
- Outpatient increases are gradually increasing; Increases over May include:
 - 6 more ER visits
 - 80 more Rehab procedures
 - 30 more hospital clinic visits
 - 200 more Ridge Clinic visits

Income Statement:

Revenue:

- Net Position in June Gain of \$58540, YTD \$154467
 - Inpatient/Swing Revenue of 2.78million
 - Swing bed 15% June above budget

- ER revenues up \$30,000 over May
 - Clinic revenues up \$90,000
 - Outpatient 30% above budget
- Deferred COVID Stimulus funds for later use.

Expenses:

- Offsets
 - Salaries 8% under budget for June, 5% under YTD
 - Continue furlough departments Therapy, Clinic, Endo,
 - Repairs and maintenance down for June
- Additions
 - Pro Fees are above budget COVID Related
 - Purchased Services
 - Lab Revenues
 - COVID related expenses
 - Audit Expenses
 - Buyout of HRG Contract

Balance Sheet:

- Assets
 - Cash Decrease by 1.5 million
 - AR Increase with switch from HRG to TruBridge
 - Bond interest payment
- Liabilities
 - Short Term Liabilities Decrease
 - Current portion of Bond Interest

Cash Flow:

- Cash down \$1.5 million
 - Bond interest payment

AR Days:

- June AR days increased 8 days to 69
 - Delayed patient statements with TruBridge
 - Increased inpatient revenue
 - TruBridge ramping up follow-up

Bond Covenants: (Snapshot forecast)

- Debt Coverage 1.87 requirement 1.20
- Reserve Requirement is at \$3,675,188 as required
- Days cash is 155 bond requirement is 60

PAYOR Mix:

	May	YTD 2020	Budget
Medicare	63%	68%	73%
Medicare HMO	29%	14%	14%
TriWest / L&I	0%	2%	1%
Commercial	2%	10%	6%
Medicaid	5%	6%	5%
Self-Pay	1%	0%	1%

OTHER

- Inquiry made as to number of telemedicine visits. For June it around 50% of clinic visits are telemedicine. These are not shown separate in the stats as they are billed the same as in-person visits during the pandemic. There is legislation that may extend this equal payment for five years after the pandemic.
- FEMA grant application is being prepared. The amount is close to 1 million. The remodel of the hospital for updates for neutral air flow COVID compliance has been bid at \$199,000 and will be paid for out of FEMA grant.
- The July 22 Workshop included review of the Puget Sound Physicians contract. However, this was tabled due to time constraints. Discussion time was offered at the committee level but further review is needed.
- AR days are up, as expected with transition and should level out in 60 days. Patrick is working with TruBridge on the processes and will keep the committee informed on progress.

NEXT MEETING: Tuesday, September 9, 2020 – 2:30 pm – Location TBD

Approved: July 29, 2020

MEDICAL COMMITTEE OF THE BOARD

[by teleconference]

Date: August 4, 2020 4:00 – 5:00 pm



PARTICIPANTS: Commissioner Dariel Norris-chair; Commissioner Emma Herron, Kim Witkop, MD, CEO-int/CMO; Karyn Denton, COO/CNO; Patrick Ritter, CFO

ABSENT:

Community	<ul style="list-style-type: none">COVID drive-thru testing site remains busy—over 3,500 tests performed this yearTrail Youth mobile coffee cart will come on-site weekly for staff to purchase drinks and support the mission of Trail Youth						
Hospital	System-wide <ul style="list-style-type: none">Staff Self-care:<ul style="list-style-type: none">Pie Picnic held August 5th to celebrate staff, offer a brief diversion from the work day, distribute logo-wear masksNo COVID HAI to date among patients or staff—acknowledgement by Seattle/King County Public Health DepartmentCorona Virus External Triage Emergency Incidence Response team remains activated with weekly meetings: N-95 conservation, surge planning, staff safetyContinue in readiness for anticipated DOH and CMS Certification surveys this summerReadying for start of flu immunizations season next month						
	Inpatient/ Swing <ul style="list-style-type: none">Average Daily Census:<table><tr><th>2020 Budget (pts/day and % Occup)</th><th>July 2020 (pts/day and % Occup)</th><th>July 2020 YTD (pts/day and % Occup)</th></tr><tr><td>22.8 (91%)</td><td>23.0 (92%)</td><td>22.9 (92%)</td></tr></table>Construction on MedSurg for additional negative pressure rooms underway—safety and infection control prep work this week with contractorNew Rehab Director has transitioned following retirement of Jim Scussel.Window visitation policy implemented for family visits in addition to visits from the deck.	2020 Budget (pts/day and % Occup)	July 2020 (pts/day and % Occup)	July 2020 YTD (pts/day and % Occup)	22.8 (91%)	23.0 (92%)	22.9 (92%)
	2020 Budget (pts/day and % Occup)	July 2020 (pts/day and % Occup)	July 2020 YTD (pts/day and % Occup)				
	22.8 (91%)	23.0 (92%)	22.9 (92%)				
Emergency <ul style="list-style-type: none">Visit Volumes for month: volumes steadily returning<table><tr><th>2020 Budget (visits/day)</th><th>July 2020 (visits/day)</th><th>July 2020 YTD (visits/day)</th></tr><tr><td>10.8</td><td>9.2</td><td>8.7</td></tr></table>EPIC planning sessions in full swing to accommodate current workflows into the designTrauma re-certification application in process	2020 Budget (visits/day)	July 2020 (visits/day)	July 2020 YTD (visits/day)	10.8	9.2	8.7	
2020 Budget (visits/day)	July 2020 (visits/day)	July 2020 YTD (visits/day)					
10.8	9.2	8.7					
Lab <ul style="list-style-type: none">COVID testing: volumes have positioned us for preference for testing of our samples in Seattle; still awaiting arrival of in-house option; current TAT 3-4 daysAddition of 8 new analytes to in-house menu—verification work continues ahead of go-liveReplacement hematology analyzer installed—former will be held for backup until transition complete.Clinical Lab Assistant role developed to leverage the growing scope of knowledge and skills among some of our phlebotomists; will partially off-load the Medical Technologists’ work load.							

Approved: _08/_06/_2020_

	Imaging	<ul style="list-style-type: none"> • Body Composition Analysis new service offering in process—currently working through alignment with nutritionists before going live • Stroke Quality measure refinement work on-going to further trim minutes from door-to-CT time
	Off-line Services	<ul style="list-style-type: none"> • Endo: [return to service after inpatient room upgrades completed] •
Clinics		<ul style="list-style-type: none"> • Clinic volumes back to 90% of budget (low of 47% in April) • Still providing tele-medicine and car visits as well as in-office visits; schedules modified to better support social distancing • Sleep lab open at only 50% volume (one bed non-accessible due to COVID unit) • COVID testing site moving under Occupational Medicine
Medical Staff	MEC & Med Cmmte Recommendations:	<ul style="list-style-type: none"> • <u>Initial Privileging to Provisional Status:</u> <ul style="list-style-type: none"> ○ Yasmin Akbari, MD – Teleradiology ○ Benjamin Iles, MD – Teleradiology ○ Mitchell Kok, MD - Teleradiology ○ Xi Zhang, MD – Teleradiology • <u>Extend Provisional Status 6 months :</u> • <u>Transition from Provisional to Active:</u> • <u>Transition from Provisional to Courtesy:</u> • <u>Transition from Provisional to Telemedicine:</u> • <u>Transition from Provisional to Affiliate:</u> • <u>Renewal to Active Staff:</u> <ul style="list-style-type: none"> ○ Gabrielle Coulon, MD – Emergency Medicine ○ Robert Hook, MD – Emergency Medicine ○ Brenda Taylor, RD – Dietitian ○ Kimberly Waterhouse, RD – Dietitian • <u>Renewal to Courtesy Staff:</u> • <u>Renewal to Telemedicine:</u> <ul style="list-style-type: none"> ○ David Atkins, MD - Teleradiology ○ Benis Babusis, MD- Teleradiology ○ Alan Chan, MD – Teleradiology ○ Germaine Johnson, MD – Teleradiology • <u>Renewal to Affiliate Staff:</u>
Other/ Education		<ul style="list-style-type: none"> • None
Next Meeting		<ul style="list-style-type: none"> • Sept 1st by Teleconference



FACILITIES COMMITTEE MEETING MINUTES

July 27, 2020

Noon – 1:00 pm

Snoqualmie Valley Hospital

Via Teleconference

DIAL IN - 800.434.5932 | Participant Code: 98477739#

Committee Members:

Commissioner Kevin Hauglie, Chair

Commissioner Jen Carter

Karyn Denton, COO/CNO, Executive Chair

Kim Witkop, MD, Interim CEO/CMO

Patrick Ritter, CFO

Scott Nohavec, Facilities Director

Old Business: None

New Business:

1. **King County Search and Rescue-extension of leased space.** This item was discussed at the July Work Study and will be on the August Regular Business meeting agenda for action. It was briefly reviewed and the Committee will be recommending for approval. This lease extension is only to include the tennis courts. The District only benefits from whatever development and maintenance is done to the site.
2. **Maintenance Issues** – The window repair in the South Conference room has been completed.
3. **Facility Usage**
 - a. Due to COVID-19 all external uses of the community room are cancelled until further notice
4. **Environment of Care:** Agenda format reflects categories covered in the EOC Management Plan

Emergency Management – Continuing in external triage due to pandemic. The COVID Response Team has been focusing on completion of fit testing staff for appropriate mask sizing.

Fire Safety Management – Updated the electrical outlet test report for impending DOH inspection.

Hazardous Materials Waste Management: No report.

Medical Equipment Management – PPE supplies remain at an adequate level; mask conservation strategies remain in place. Mandatory masking of staff when outside of individual work environment in addition to patient care and shared work areas. Preparing to purchase a 3rd papper for use in RCU (Respiratory Care Unit) and PUI (Patient Under Investigation). The cost is approximately \$1500.

Physical Plant – COVID testing center volumes remain steady. We are evaluating moving the site to the rear of the building and relocating the helipad in order to provide more appropriate workspace for staff and efficiencies. This will be getting winter ready and will include a handwashing station. Estimated move would be by the end of August. The helipad relocation has been approved by Airlift NW.

MedSurg Remodel: We have completed the competitive bid process for the new remodel on MS. The bid was awarded on July 21, to SeaBay Construction. The contractor walk thru was on July 27. Estimated completion date is end of September.

Safe Patient Handling Looking to add membership from ER staff, and possibly Imaging, to improve manager/staff ratios.

Safety Management - Adherence to CDC and DOH guidelines regarding visitors, staff and patients. Universal masking guidelines in effect in all hospital areas where workspace cannot be 6 ft. apart (shared workspaces, dietary) and where there is possible patient encounter. We continue to look for creative ways for family visits to happen. We currently are utilizing digital devices for visits via zoom and/or FaceTime. We are implementing window visits utilizing the large windows in the North/South conference rooms. This is easy access from the patient floor. Our visitor policy does provide for family to be present if patient is within the last couple hours of passing.

Security Management – Security camera software in need of upgrade. Reviewing options with current and alternate vendors for service and pricing.

Utilities management – No report.

East Campus: Seasonal and routine maintenance underway on building and adjacent property. In the process of obtaining quotes on new carpet and deck floor material.

OTHER:

1. **Certificate of Occupancy update-** The lift station project is completed and inspection signed off by the city. The pond work was completed on 7-23 and is awaiting final inspection. The final project involving the ADA ramps, has been reviewed and determined by Perteet, that 3 of the 5 ramps meet standards, leaving 1 full replacement and 1 partial replacement. It was sent to the city on Friday, July 24th for approval to proceed with construction. Cost of ADA ramps will not be the responsibility of the District.

2. **Body Composition Analysis.** In followup, as suggested at the last Facilities meeting, we are working up some reports using staff for testing. It may include a dietitian review as part of the analysis.

Next meeting: August 24, 2020 – Noon – 1:00 pm – Location TBD

Approved: July 28, 2020



LEASE ADDENDUM

THIS ADDENDUM to the lease agreement is made and effective this ____ day of August, 2020, by and between the KING COUNTY PUBLIC HOSPITAL DISTRICT #4, a governmental municipal corporation of the State of Washington and doing business as Snoqualmie Valley Hospital, and hereinafter referred to as "Lessor" or "Landlord" and KING COUNTY SEARCH AND RESCUE ASSOCIATION, a non-profit and charitable corporation registered with the State of Washington under Unified Business Number (UBI) 601 016 212 and Registration Number 2485, and hereinafter referred to as "Lessee," and collectively referred to as the "Parties."

WITNESSETH:

The parties have previously entered into a lease agreement dated January 9, 2018, which was amended by a Board of Commissioners Resolution dated, December 19, 2019, and which the parties now desire to further amend and modify upon the following terms and conditions.

NOW THEREFORE in consideration of the mutual covenants contained herein the parties hereto agree as follows:

1. All provisions and addendums of the lease shall remain valid and enforceable except as expressly modified in this addendum.

2. Article 1.1 - PREMISES.

This Addendum modifies the premises and description of such and increases the amount of property leased to the Lessee by Lessor. The Lessor grants and conveys to the Lessee for the continued use and purposes set forth in the Lease Agreement of January 9, 2018 as to the buildings, improvements, personal property and parcel of real property commonly located at 34500 SE 90th St. Snoqualmie, King County Washington and more particularly and specifically now described in Exhibit "A", dated June 30, 2020, which is attached and incorporated here as fully set forth, (the "Premises".) The Premises now includes approximately 53,130 square feet as depicted in Exhibit "A" and incorporates what was formerly identified as the asphalt tennis courts and playground area.

STATE OF WASHINGTON)
)
COUNTY OF THURSTON) ss.

This is to certify that on this ____ day of _____, 2020, before me, the undersigned Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared GLEN WALLACE, to me known to be the President of KING COUNTY SEARCH AND RESCUE ASSOCIATION, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned and on oath stated that they were duly authorized to execute the same.

WITNESS my hand and official seal hereto the day and year first above written.

Notary Public in and for the State of Washington
Print Name: _____
Residing At: _____
My Commission Expires: _____

Exhibit A dated June 30, 2020
Description of the Premises and Lease Area

SNOQUALMIE PARKWAY

PROPERTY LINE

EXST. WD. FENCE

CHAIN LINK FENCE

LIGHT POLE

SEWAGE HOLDING TANK

COMMERCIAL COACH OFFICE

DECK

ADA PAVED STALL

LIGHT POLES

ENTRY GATE

EXST. GRAVEL LOT

KING CO. SEARCH & RESCUE LEASE AREA

EXST. GRAVEL PARKING AREA

ENTRY GATE

EXST. ENTRY GATE

CHAIN LINK FENCE

SE 99TH ST.

PROPERTY LINE

KING CO. SEARCH & RESCUE LEASE AREA

SCALE: 1" = 30'-0"

34600 SE 98TH STREET

DATE: JUNE 30, 2020

EXST. CELL TOWER

EXST. WELL

ELEC. SUPPLY FROM EXST. RV HOOK-UP

WELL SUPPLY LINE

CHAIN LINK FENCE

EXST. CELL ACCESS DRIVE

DASHED LINE EXTENT OF LEASE AREA

EXST. GRAVEL /RAILROAD TIE STAIR

EXST. GRAVEL WALK

EXST. ASPHALT TENNIS COURT

5 STORAGE CONTAINERS

TRAILER STORAGE

DASHED LINE EXTENT OF LEASE AREA APPROX. 53,130 SQ. FT.

LEGEND

EXISTING ASPHALT (UNLESS NOTED OTHERWISE)

EXISTING GRAVEL DRIVE/PARKING/WALK

Public Hospital District No. 4

KING COUNTY, WA

RESOLUTION NO. 664-0820

A RESOLUTION of the Board of Commissioners of Public Hospital District No. 4, King County, Washington, approving an amendment to the lease with the King County Search and Rescue Association.

WHEREAS, Public Hospital District No. 4, King County, Washington (the "District") is a public hospital district and municipal corporation duly organized and existing under the laws of the State of Washington; and

WHEREAS, King County Search and Rescue is a non-profit and charitable corporation, registered with the State of Washington under Unified Business Number (UBI) 601016212 and Registration Number 2485; and

WHEREAS, King County Search and Rescue Association desires to amend the lease with the District dated January 9th, 2018; and

WHEREAS, the District desires to amend this lease for the property of which is commonly located at 34500 SE 99th Street, Snoqualmie, King County, Washington; and

WHEREAS, the lease of such property shall continue to be used to operate the King County Search and Rescue Association and utilized for administrative purposes to include conducting meetings and training on site; and

WHEREAS, the Commission, having reviewed the addendum to the lease agreement attached hereto, and based on such review the Commissioners have determined that such lease is in the best interest of the District and those served by the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Public Hospital District No. 4, King County, as follows:

SECTION 1: The Commissioners have reviewed the addendum to the lease agreement, attached hereto as Exhibit A.

SECTION 2: Upon such review, the Commission has determined that approval of the lease addendum is in the best interest of the District.

SECTION 3: Accordingly, the lease addendum is hereby approved. The Superintendent of Public Hospital District No. 4, King County, is authorized to sign and execute the lease addendum between the District and King County Search and Rescue Association.

ADOPTED by the Board of Commissioners of Public Hospital District No. 4, King County, at a duly and properly noticed regular meeting thereof, on the 13th day of August 2020.

President

Secretary

Commissioner

Commissioner

Commissioner

CERTIFICATION

I, the undersigned, Secretary of the Commission (the "Commission") of Public Hospital District No. 4, King County, Washington (the "District"), hereby certifies as follows:

1. The attached copy of Resolution No. 20-____ (the "Resolution") is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Commission of the District, as that resolution appears on the minute book of the District; and

2. A quorum of the members of the Commission was present throughout the meeting and a majority of the Commission members voted in the proper manner for the adoption of the Resolution.

IN WITNESS WHEREOF, I have hereunto set my hand this 13th day of August 2020.

PUBLIC HOSPITAL DISTRICT NO. 4,
KING COUNTY, WASHINGTON

Kevin Hauglie
Secretary of the Commission

Emergency Department Physician Services Agreement

This Emergency Department Physician Services Agreement ("Agreement") is entered into this ____ day of _____, 2020, by and between Snoqualmie Valley Hospital ("Hospital"), which is owned and operated by King County Public Hospital District No. 4, a Washington municipal corporation ("District"), and Puget Sound Physicians, PLLC, a Washington professional limited liability company ("PSP").

BACKGROUND RECITALS

- A. Hospital is a critical access hospital located in Snoqualmie, Washington, which maintains a dedicated emergency department that provides emergency care services on a 24-hours a day basis ("Emergency Department").
- B. Hospital requires full-time continuous (24-hours per day, 7-days per week) on-site physician staffing of its Emergency Department, and has determined that the best way to attain such coverage is to contract with a physician group that employs or contracts with physicians that primarily provide professional emergency medicine services.
- C. Hospital has determined that contracting with such a physician group will assure stable staffing of the Hospital's Emergency Department, and the prompt delivery of consistent professional emergency medicine services.
- D. PSP is a physician group that employs or otherwise contractually engages (a) physicians who: (i) possess unlimited licenses to practice medicine in the State of Washington, (ii) are board certified or eligible for board certification in an applicable specialty, and (iii) are qualified and experienced in providing professional emergency medicine services and procedures (the "Physicians"); and (b) advanced practice providers who: (i) possess unlimited licenses to practice in the State of Washington, and (ii) are qualified and experienced in providing emergency medicine and procedures (the "APPs"). The Physicians and APPs are referred to herein collectively as the "Providers."
- E. Hospital desires to engage PSP to provide full-time continuous physician staffing of its Emergency Department, and Hospital and PSP desire to enter into this Agreement in order to provide a full statement of their respective rights, duties, and obligations during the term of this Agreement.

NOW, THEREFORE, in consideration of the mutual and respective covenants and agreements contained in this Agreement, and intending to be legally bound, the parties agree as follows:

1. **Engagement And Services.** Hospital hereby engages PSP, pursuant to the terms of this Agreement, to provide Physicians who will provide full-time continuous (24-hours per day, 7-days per week) on-site physician staffing of its Emergency Department, and PSP hereby accepts such engagement to provide such services.
 - 1.1. **Scope of PSP Services.** PSP, by and through Physicians and APPs acceptable to the Hospital, shall provide prompt, complete, and continuous professional on-site staffing of the Emergency Department.
 - 1.1.1. PSP shall provide all Physicians necessary to ensure that the Hospital's Emergency Department is staffed at all times by at least one (1) Physician. Such Physicians shall provide at the Hospital all

those professional emergency medicine services and procedures that they are qualified by training, experience, and privileges to provide. Such services and procedures shall be provided to all persons who come to the Hospital and request an examination or treatment of an emergency medical condition, or who come to the Emergency Department for any other diagnosis, intervention, care, or treatment.

- 1.1.2. Services shall include all professional physician services in the specialty of emergency medicine required by the Hospital's patients including, but not limited to, all diagnostic and therapeutic emergency medicine, urgent care, observation and related clinical services necessary to meet the needs of the Hospital's patients, in both the inpatient and outpatient setting in the Emergency Department. The Services shall include comprehensive patient diagnosis and treatment in a professional manner consistent with similarly situated emergency medicine physicians.
- 1.1.3. The Providers shall also respond to and provide assistance with all emergency codes and other emergency situations involving Hospital inpatients, or Hospital outpatients located on the Hospital campus.
- 1.1.4. If necessary to ensure mutually acceptable staffing levels during periods of increased volume in the Emergency Department, PSP shall provide an APP or additional Physician to maintain adequate staffing during such surge period.
- 1.1.5. If necessary to ensure that the Hospital may be reimbursed for Medicare's share of administrative services, including "standby time," Providers shall complete periodic time studies, as requested by the Hospital, identifying the time allocated to Part A and Part B services.
- 1.1.6. PSP and the Providers shall assist the Hospital to responsibly reduce the costs of providing emergency medicine services through efficient utilization of the equipment and resources of the Hospital. PSP and the Providers will use all reasonable efforts to assist the Emergency Department to achieve cost containment, including supporting the standardization of procedures and supplies. The obligations of PSP and the Providers under this section are at all times subject to the Providers' professional medical judgment.
- 1.1.7. PSP shall require that Providers promptly record appropriate patient and clinical information into the Emergency Department's medical records system, and complete such other reports and forms as may be required by applicable law, the policies and rules of the Hospital and its medical staff, or the requirements of third-party payors. PSP agrees that all records and reports created pursuant to this Agreement shall be the exclusive personal property of the Hospital and that the Hospital shall at all times maintain such records and reports at its sole cost and expense. Notwithstanding the foregoing, PSP shall be entitled, upon request by PSP, subject to applicable state and federal law, to copies of such records as may be necessary for the defense of legal actions.
- 1.1.8. All Physicians and APPs performing Services pursuant to this Agreement are expected to maintain proper working relationships with the Hospital, its Emergency Department staff, and its medical staff, as well as to operate with professional decorum, respect and courtesy toward patients, visitors, family, staff and other individuals providing services in the Emergency Department.
- 1.1.9. As used in this Agreement, the term "Services" shall include all the staffing, and emergency medicine services and procedures described in this Section 1.1, as well as any other services described elsewhere in this Agreement.

1.2. ***Qualifications of PSP Providers.*** PSP shall not at any time schedule any Physician or APP to provide Services in the Emergency Department unless such Provider satisfies all the applicable qualifications of this Section 1.2.

1.2.1. Each Physician shall possess an unlimited license to practice medicine in the state of Washington, and shall comply with those regulations and standards of professional conduct adopted by the Washington Medical Commission. Each APP shall possess an unlimited license to provide Emergency Medicine Services in the state of Washington and shall comply with those regulations and standards of professional conduct adopted by the applicable Washington licensing commission. Each Provider shall also be a participating provider under the Medicare and Medicaid programs, and shall possess an unrestricted right to prescribe and dispense controlled substances as required for Provider's practice. PSP will provide current proof of such licensure and participation upon Hospital's request.

1.2.2. Each Physician and APP shall continuously maintain Hospital medical staff membership, and those clinical privileges necessary to provided emergency medical services and procedures at the Hospital.

1.2.3. Each Physician shall be board certified, or eligible for board certification, in an applicable specialty. If the Physician is not board certified, the Physician shall obtain board certification within one (1) year of first providing Services in the Emergency Department under the terms of this Agreement.

1.2.4. All Physicians and APPs providing Services under this Agreement are subject to the prior and continuous approval of the Hospital. If the Hospital withdraws such approval, PSP shall promptly provide a replacement Physician, or APP, as the case may be, that is acceptable to the Hospital.

1.2.5. All Physicians and APPs providing Services under this Agreement shall provide such Services in accordance with the recognized and accepted standards of professional competence and capability applicable to the specialty of emergency medicine. All such Services shall be provided in a manner which complies with: (i) all applicable federal, state, and local laws, rules and regulations; (ii) all applicable requirements of the Trauma Care Grant and Trauma Care Grant program; (iii) the applicable policies and requirements of third-party payors; (iv) the Hospital's medical staff bylaws and rules; and (v) the applicable policies and practices of the Hospital.

1.2.6. PSP shall contractually require each Provider to: (i) provide the staffing and emergency medicine Services describe in sections 1.1.1-1.1.9; (ii) at all times maintain and satisfy all the qualifications listed in section 1.2 and (iii) comply with all applicable terms, representations, and obligations of this Agreement. PSP shall also contractually require the Providers to assign to the Hospital all the Providers' interest in any patient payment, or third-party payor compensation or reimbursement, that may be due or paid for the professional services that the Provider provides under the terms of the Agreement, and to execute any documents necessary to effectuate such assignment.

1.2.7. PSP and the Providers shall participate in the educational programs conducted by the Hospital or medical staff necessary to assure the Hospital's overall compliance with regulatory and accreditation requirements, and shall perform any other reasonable teaching functions within the Hospital relating to the Emergency Department and Services as Hospital may reasonably request.

1.3. ***Scheduling of PSP Services.*** At least twenty (20) business days prior to the beginning of each month, PSP shall provide Hospital with a monthly schedule indicating, by day and shift, the name of each

Provider who will provide Services during such month. The schedule must be mutually acceptable to PSP and the Hospital. PSP shall also be responsible, at its cost, for replacing any Physician or APP who is unable or fails to provide Services during her/his scheduled shift. The replacement Physician or APP must be a qualified Physician or APP.

1.4. ***Medical Director Services.*** PSP shall appoint one (1) Physician to serve as the medical director of the Hospital's Emergency Department ("Medical Director"). Appointment of the Medical Director shall be subject to prior and continuing approval of the Hospital, or its designee, which approval shall not be unreasonably withheld. The Medical Director shall be responsible for providing physician leadership and physician management duties for the benefit of the Hospital and the Emergency Department. The Medical Director shall generally supervise all Providers performing Services in the Emergency Department, shall assure full-time coverage of the Emergency Department pursuant to the terms of this Agreement, and shall provide those Medical Director services described in the Hospital's job description for the Medical Director, as amended from time to time. Notwithstanding the foregoing, the Hospital will have ultimate authority over the Emergency Department and shall be responsible for the day-to-day operation and management of the Emergency Department. The Medical Director shall be under the direction of, and accountable to, the Hospital or its designated Chief Medical Officer. Hospital and PSP anticipate that the appointed Medical Director will provide approximately twenty (20) hours of Medical Director Services per month (twenty-five (25) hours per month during the two months prior and one month following the Hospital's activation of the installation of Epic in the Emergency Department) for the benefit of the Hospital and the Emergency Department.

1.5. ***Performance Improvement, Quality Review, and Regulatory Compliance.***

1.5.1. As a part of the Hospital's overall and Emergency Department performance improvement programs, PSP and the Medical Director shall assist in developing and establishing procedures to assure the consistency and quality for all Services provided in the Emergency Department.

1.5.2. As a part of the Hospital's overall quality review and utilization management program, the Medical Director shall assist in establishing, and PSP and Providers shall comply with, procedures established by the Hospital to assure consistency, quality, timeliness, and appropriateness of all Hospital services. PSP and Providers shall also participate in the Hospital's: (i) quality review program(s), (ii) utilization management program, (iii) care coordination program, and (iv) and any other program that may be required by any federal regulatory agency, the Washington Department of Health, or any accrediting agency.

1.5.3. PSP, the Medical Director, and the Providers shall work with the Hospital to ensure that the Hospital and the Emergency Department are in compliance with all state and federal regulatory requirements (including the requirements of the Emergency Treatment and Active Labor Act), and with applicable standards of accrediting bodies. Both parties shall work collaboratively to ensure compliance with applicable licensing requirements and conditions of participation.

2. **Compensation and Financial Matters.** As compensation for the Services provided by PSP and the Providers under the terms of this Agreement, Hospital will pay PSP: (i) base compensation for the base staffing of full-time continuous (24-hours per day, 7-days per week) on-site physician staffing of its Emergency Department by one (1) Physician, and for surge staffing when PSP provides an additional Physician or an APP during periods of increased volume in the Emergency Department; and (ii) performance bonus compensation. The Hospital shall bill for all professional services provided by PSP and the Providers, and shall retain such reimbursement. PSP and the Providers shall assign all their interest in such reimbursement to the Hospital.

2.1. **Base Compensation.** As compensation for: (i) the base staffing of the Emergency Department by PSP (that is PSP providing all Physicians necessary to ensure that the Hospital's Emergency Department is staffed on a full-time continuous (24-hours per day, 7-days per week) basis by at least one (1) on-site Physician), and for (ii) the additional Provider provided by PSP during periods of increased volume in the Emergency Department, and for (iii) all professional medical services and procedures provided by the Physicians and APPs while staffing the Emergency Department, the Hospital will pay PSP the amount of two hundred seventy dollars (\$270.00) per hour for each hour of base and surge staffing provided by a Physician, and the amount of one hundred fifty five dollars (\$155.00) per hour for each hour of base and surge staffing provided by an APP (collectively "Base Compensation"). Payment of Base Compensation for any partial hour worked shall be prorated on a quarter hour basis. If a shift is designated as a "high needs" shift by the Medical Director, due to the shift becoming unexpectedly vacated and hard to fill, then the Hospital will pay an additional three (3) hours of hourly Base Compensation for the "high needs" shift. PSP will invoice the Hospital each month for base staffing, and surge staffing (if any), provided in the previous month.

2.1.1. On the first anniversary of the commencement date, and annually thereafter (the "Adjustment Date"), the Base Compensation will be adjusted annually for cost of living increases as provided herein. The adjustment will be as follows: the Seattle/Tacoma/Bellevue Index Figure for the Consumer Price Index for All Urban Consumers (CPI-U for the Seattle/Tacoma/Bellevue Metropolitan area) by the United States Department of Labor ("Index") which is published nearest but preceding the commencement date (the "Beginning Index") shall be compared with the Index which is published nearest, but preceding, each Adjustment Date (the "Adjustment Index"). If the Adjustment Index has increased over the Beginning Index, then the Base Compensation for the following year (until the next Adjustment Date) shall be set by multiplying the amounts, as applicable, by a fraction, the numerator of which shall be the Adjustment Index and the denominator of which shall be the Beginning Index. The amount so calculated shall constitute the new Base Compensation, but in no event shall such new amounts be less than the Base Compensation applicable for the month immediately preceding such Adjustment Date.

2.2. **Performance Bonus Compensation.** As performance based bonus compensation, the Hospital will pay PSP each month an amount equal to: ninety percent (90%) of the compensation that the Hospital received in the previous month for professional billable work worked by the Providers when staffing the Emergency Department under the terms of this Agreement, less the Base Compensation paid by Hospital for such month ("Performance Bonus Compensation"). For the purpose of calculating the Performance Bonus Compensation, compensation received by the Hospital for professional billable work worked by the Providers *shall not* include any compensation the Hospital receives for "standby time" or other administrative services provided by a Provider, including the Medical Director. No Performance Bonus Compensation will be paid for any month in which the Base Compensation exceeded the total compensation that the Hospital received in such month for professional billable work worked by the Providers.

2.3. **Medical Director Compensation.** As compensation for the administrative duties performed by the Medical Director, the Hospital will pay PSP the amount of four thousand sixty dollars (\$4,060.00) per month during the three (3) months that Epic is being installed in the Emergency Department (2 months before go live and 1 month after). Thereafter, the Hospital will pay PSP the amount of three thousand two hundred fifty dollars (\$3,250.00) per month ("Medical Director Compensation"). Upon the request of the Hospital, the Medical Director will document the Medical Director services provided (type, nature, date, and duration) using a form or report that is acceptable to the Hospital.

2.4. PSP Costs and Expenses. All costs and expenses incurred by PSP in providing Services under this Agreement are the sole responsibility of PSP, and the Hospital's payment obligations are limited to the compensation described in sections 2.1-2.3 above. No cost or expense incurred by PSP in performing its obligations under this Agreement may be passed on to the Hospital without a written amendment to this Agreement. PSP acknowledges and agrees that it is solely responsible for all employment and compensation-related obligations with respect to the Providers, including compensation, employee benefits, payroll taxes and withholdings, unemployment and workers' compensation benefits/charges/premiums, and professional liability coverage.

2.5. Billing for Professional Medical Services and Procedures. Hospital shall have the sole right to bill patients and third-party payors for the professional Services provided by Providers under the terms of this Agreement. Hospital's exclusive right to bill and collect for the Services shall extend to all inpatients and outpatients of the Hospital, regardless of insurance carrier or coverage status. PSP and the Providers hereby designate Hospital as their agent for billing and collection for all Services, and hereby assign to the Hospital all their right, title and interest in and to any amounts collected or collectible for Services. PSP and the Providers shall promptly complete any documentation necessary to effectuate such reassignment. PSP and the Providers shall also comply with all Hospital policies and processes for the prompt and accurate billing of patients and third-party payors for Services. All amounts collected by the Hospital are the sole property of the Hospital. Neither PSP, nor any Provider, will bill any patient or third-party payor for any Services. Anything to the contrary notwithstanding, PSP agrees to indemnify and hold the Hospital harmless for any loss or damage, including all associated costs, fees and expenses (including legal fees), arising out of its failure to comply with the terms of this Section 2.6. To the extent required by law, the party billing for the Services and the Provider who performed the Services are jointly and severally liable for any Medicare overpayments. Hospital shall also have the sole right to bill for all Hospital services provided in the Emergency Department. All patient and non-patient revenues derived from the Emergency Department shall be the sole property of the Hospital. PSP and the Providers will participate in all third-party payor contracts and arrangements, and all managed care arrangements and programs, in which the Hospital elects to participate. PSP retains the right to request an audit of the Hospital's billing of professional Services once a year. The parties agree to split the cost of such audit.

3. Term and Termination. The term of this Agreement shall be for a period of three (3) years, beginning on the date that PSP and the Providers begin providing Services in the Emergency Department. Thereafter, this Agreement shall automatically renew for an additional three (3) year term unless either party provides at least one-hundred-eighty (180) days' prior written notice of nonrenewal to the other party. The Agreement may be terminated prior to its expiration as provided for in Exhibit A (General Terms), or elsewhere in this Agreement.

3.1. Effective Date and Commencement Date. This Agreement shall become effective and binding on the parties once it is signed by both parties. However, the initial term shall commence on the date that PSP and the Providers begin providing Services. The parties shall confirm in a written agreement the date that PSP begins providing Services. In the absence of such agreement, the initial term shall be deemed to have begun on _____ 1, 202__.

3.1.1. It is understood and agreed by the parties that PSP will not begin to provide Services (except Medical Director services) until an extension of the Epic health information system ("Epic") is installed and operational in the Emergency Department. If Epic is not operational in the Emergency Department by December 31, 2020, then either party may terminate this Agreement by giving written notice to the other party.

3.1.2. It is understood and agreed by the parties that the Medical Director will provide Medical Director services, related to the installation and operationalization of Epic, during the month preceding PSP's initiation of full staffing Services and the commencement of the initial term.

3.2. **Termination and Removal of Providers.** The grounds and process for terminating this Agreement prior to its expiration, and for the removal of Providers, are described in Exhibit A (General Terms).

4. **General Terms and Conditions.** The remaining terms of this Agreement, including, without limitation, Confidentiality, Insurance, Termination, Regulatory Compliance, and General Terms are set forth and contained in Exhibit A, which is attached hereto, and by this reference is incorporated herein.

IN WITNESS WHEREOF, the parties have caused their respective duly authorized representatives to execute this agreement as of the date set forth below

Puget Sound Physicians, PLLC

Snoqualmie Valley Hospital

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

Address: _____

Address: _____

EXHIBIT A

GENERAL TERMS

1. **Liability Insurance.** Hospital will maintain general liability insurance, and professional liability insurance under the terms of an insurance policy or plan maintained by the Hospital, in amounts of not less than \$1,000,000 per occurrence and \$3,000,000 aggregate, to provide insurance coverage for Services. The coverage is limited to Services provided by the Physicians and APPs, as described by, and provided pursuant to, the terms of this Agreement. PSP shall maintain general liability insurance, and professional liability insurance covering the acts and omissions of the Physicians and APPs that are outside the scope of Services provided by the Physicians and APPs pursuant to the terms of this Agreement. Such professional liability insurance provided by PSP shall be pursuant to the terms of a commercial insurance policy acquired by, or provided for, the Physicians and APPs from time to time. Such insurance coverage shall have limits of coverage of \$1,000,000 per occurrence and \$3,000,000 in the aggregate. Upon request, Hospital and PSP shall each provide the other with a copy of the policy or policies it is required to maintain under this Agreement. PSP and Hospital shall each provide the other with not less than fifteen (15) days advance written notice of any cancellations, reduction or material change in the insurance provided for herein.
2. **Hospital Facilities and Personnel.**
 - 2.1. **Hospital Facilities.** Hospital shall provide adequate facilities, equipment, and supplies as are reasonable and necessary for the efficient operation of the Emergency Department. The Emergency Department shall be located on the Hospital's main campus at 9801 Frontier Avenue SE, Snoqualmie, WA. Hospital agrees to maintain its equipment and supplies utilized in the Emergency Department in good operating condition and repair and shall conduct such routine inspections, preventive maintenance, and repairs as necessary to maintain its equipment and supplies in a good operating condition. In addition, Hospital shall provide such diagnostic services (including, but not limited to, laboratory, EKG and radiology services), utilities, housekeeping, laundry and other support services as are reasonable and necessary for the operation of the Emergency Department. Ownership of all facilities, equipment, furnishings and supplies remains with the Hospital.
 - 2.2. **Hospital Personnel.** Hospital shall furnish such non-Physician/non-APP personnel as Hospital determines are necessary for the efficient operation of the Emergency Department. Such personnel shall be employees or contractors of Hospital, and not employees or contractors of PSP. Ultimate and overall responsibility for the selection, retention or dismissal of the Emergency Department's employees and contractors shall rest with the Hospital.
 - 2.3. **Patient Satisfaction Scores.** PSP and the Hospital agree to mutually strive to achieve patient satisfaction results that are as high as possible. In the event either PSP or the Hospital reasonably believe that patient satisfaction levels are unacceptable, the concerned party shall detail the scope and nature of the concern in a sufficiently detailed writing provided to the other party ("Issue Description"). Based on this Issue Description, the parties shall work together in good faith to determine the cause of the concerns raised. Once the cause, or causes, of the concerns raised in the Issue Description has been identified to the reasonable satisfaction of both parties, the parties shall further work together to prepare and implement a mutually acceptable plan whereby these cause(s) are addressed as quickly and efficiently as possible.
3. **Termination.** This Agreement may be terminated prior to its expiration upon the occurrence of any of the following events.

3.1. **Termination By Hospital.** Hospital may terminate this Agreement immediately upon written notice to PSP if:

3.1.1. Patient health or safety has been placed in imminent and serious danger from the actions of PSP or a Provider, as reasonably determined by Hospital;

3.1.2. PSP breaches any term of this Agreement and fails to cure that breach, to the reasonable satisfaction of the Hospital, within thirty (30) days of the date PSP receives written notification of the breach from the Hospital (for the purposes of this section, PSP's failure to provide Services at the required staffing levels on more than three (3) occasions during a rolling six month period shall be deemed to be a breach that PSP has failed to cure within thirty days); or

3.1.3. PSP's fails to promptly remove any Provider from performing Services under this Agreement after learning or after written notice from the Hospital that the Provider: (i) has engaged in conduct that (a) jeopardizes the health, safety, or welfare of any person, or (b) jeopardizes or interferes with the regular operations of the Hospital or the Emergency Department; (ii) has had her/his medical staff membership or clinical privileges at any hospital suspended, limited, or terminated; (iii) has had her/his license to practice medicine in the State of Washington limited, restricted, suspended or revoked; (iv) has been convicted or plead guilty or no contest to a felony or any crime involving moral turpitude; or, (v) does not meet the qualifications required by this Agreement.

3.2. **Termination by PSP.** PSP may terminate this agreement immediately upon written notice to Hospital if Hospital breaches any term of this Agreement and fails to cure that breach, to the reasonable satisfaction of the PSP, within thirty (30) days of the date Hospital receives written notification of the breach from PSP.

3.3. **Termination Without Cause.** Either party may terminate this Agreement without cause upon one hundred eighty (180) days' written notice to the other party.

3.4. **Change of Law.** If on the advice of legal counsel: (i) a party determines that this Agreement may be interpreted to violate any present or future law; (ii) the Hospital determines that a Law precludes it (as a result of this Agreement) from billing Medicare or another Federal Health Care Program (as defined in 42 U.S.C. § 1320a-7b(f)) for Hospital or Provider services; or (iii) the Hospital determines that this Agreement jeopardizes its tax-exempt status or the tax-exempt status of any of its bonds (or any of its bond covenants); the party making such determination may terminate this Agreement upon thirty (30) days' advance written notice to the other party. The parties shall use good faith efforts during such thirty (30) day period to avoid termination by amending this Agreement in such a manner so that it complies with applicable law, does not preclude the Hospital from billing a Federal Health Care Program or does not jeopardize the Hospital's tax-exempt status or the tax-exempt status of its bonds, as applicable.

3.5. **Removal of Providers.** If the Hospital withdraws its approval of a Provider, PSP shall promptly provide a replacement Physician, or APP, as the case may be, that is acceptable to the Hospital. Hospital may request the immediate removal of a Provider for the following reasons:

3.5.1. Limitation, suspension or termination of Provider's medical staff privileges at Hospital for any reason;

3.5.2. Limitation, suspension or revocation of Provider's license to practice in the State of Washington;

- 3.5.3. Limitation, suspension or revocation of Provider's federal or State of Washington registration to prescribe or dispense controlled substances;
- 3.5.4. Cancellation of her/his professional liability insurance coverage;
- 3.5.5. Failure by Provider to comply with all applicable Federal, state, and local laws and regulations;
- 3.5.6. Credible accusation or conviction of Provider for the commission of civil fraud related to health care, or a felony or other crime involving fraud or dishonesty;
- 3.5.7. Engagement of Provider in any conduct that jeopardizes or threatens to jeopardize the health, safety, or welfare of any person, or that jeopardizes or interferes with the regular operations of the Hospital or the Emergency Department;
- 3.5.8. Engagement of Provider in any grave misconduct, gross incompetence or gross malfeasance, or a material violation of the Hospital's medical staff bylaws; or
- 3.5.9. Failure to meet all the qualifications required by this Agreement.

3.6. ***Effect of Expiration or Termination.*** Upon the expiration or termination of this Agreement, neither party shall have any further obligation under this Agreement, except for obligations accruing prior to the date of termination, including, without limitation, obligations regarding medical records, insurance, compensation, and confidentiality. PSP acknowledges and agrees that the final payment of compensation will not be made until the Providers have completed all medical records and reports for patients that were seen in the Emergency Department before the expiration or effective date of termination.

4. **General Provisions.** The following general terms and conditions apply to and govern the parties' rights, duties, obligations, and responsibilities under this Agreement, the relationship of the parties as parties to this Agreement, and the performance of Services.

4.1. ***Independent Contractor Status of PSP.*** The parties acknowledge and agree that in the performance of their duties and obligations hereunder, the Physicians and APPs are employees or independent contractors of PSP, and not employees of Hospital. PSP, Physicians and APPs are independent contractors as to the Hospital. Neither the Physicians nor the APPs are eligible for, entitled to, or will receive any benefit or compensation provided by Hospital to its employees. Except to the extent that practice and professional conduct of all Hospital medical staff members are regulated by Hospital, neither the Physicians or APPs are under any direction or supervision of Hospital in the performance of their duties hereunder. Hospital shall neither have nor exercise any control or direction over the Physicians' or APPs' professional judgment or the methods by which the Physicians or APPs provide Services pursuant hereto. In an administrative context, PSP, the Physicians, and the APPs shall report and be administratively responsible to the President and CEO of Hospital.

4.2. ***Exclusion From Government Programs.*** PSP, the Physicians, and APPs represent and warrant to the Hospital that she/he/it is not: excluded from participation in any Federal Health Care Program; debarred, suspended or otherwise excluded from participating in any other federal or state procurement or non-procurement program or activity; or, designated a Specially Designated National or Blocked Person by the Office of Foreign Asset Control of the U.S. Department of Treasury. PSP, the Physicians and the APPs further represent and warrant to the Hospital, that to its/their knowledge, there are no pending or threatened governmental investigations that may lead to such exclusion. PSP shall notify Hospital in writing of the commencement of any such exclusion or investigation of PSP, a Physician or an APP,

within seven (7) business days of first receiving notice of such exclusion or investigation. Hospital shall have the right to terminate this Agreement immediately upon learning of any such exclusion of PSP or, in the case of a Physician or APP, if PSP does not terminate such Physician or APP, provided that Hospital shall not have the right to terminate this Agreement if PSP removes such Physician or APP. PSP shall keep the Hospital informed of the status of any such investigation.

- 4.3. **Notices.** Any notice required to be provided to any party pursuant to this Agreement shall be given to such party by registered or certified mail, return receipt requested; by overnight courier service (e.g., FedEx, UPS); or by hand delivery, at the address listed under the party's signature to this Agreement, unless either party shall designate a new address by written notice. The notice shall be deemed to be given as follows: (i) in the case of certified or registered mail, upon documented receipt; (ii) in the case of overnight courier service, on the next business day following mailing with documentation of delivery to the party; and (iii) in the case of hand delivery, on the date of its receipt by the party to whom it is directed.
- 4.4. **Confidentiality.** Each party, and its officers, directors, members, employees, contractors, agents, and representatives, shall maintain in confidence all business and financial information of the other party not generally known to the public (the "Confidential Information"), including, the terms of this Agreement, and all information a party discloses to the other party pursuant to the terms of this Agreement. Confidential Information shall not include information that the receiving party can demonstrate (i) is, as of the time of its disclosure, or thereafter becomes part of the public domain through a source other than the receiving party and through no fault of receiving party, (ii) was already known to the receiving party at the time of its disclosure to the receiving party by the providing party, (c) is independently developed by the receiving party without using information to which receiving party has access, or which is derived from information to which the receiving party has access, solely as a result of providing Services hereunder, or (d) is subsequently learned from a third party not under a confidentiality obligation to the providing party. Each party may use and disclose the Confidential Information of the other party only (a) as expressly permitted by this Agreement; (b) with the prior written consent of the party that owns the Confidential Information; (c) as necessary to fulfill the purposes of this Agreement; or (d) as required by law. To the extent that the parties exchange Confidential Information, the parties expressly agree that any such information is the property of the party by whom it was disclosed. The provisions of this section shall survive the expiration or termination of this Agreement.
- 4.5. **HIPAA Compliance.** Each party agrees that it will comply in all material respects with all federal and state mandated regulations, rules or orders applicable to privacy, security and electronic transactions, including without limitation, regulations promulgated under Title II Subtitle F of the Health Insurance Portability and Accountability Act (Public Law 104-191) and the Health Information Technology for Economic and Clinical Health Act of 2009. Furthermore, the parties shall promptly amend the Agreement to conform with any new or revised legislation, rules and regulations to which the Hospital is subject now or in the future including, without limitation, the Standards for Privacy of Individually Identifiable Health Information or similar legislation (collectively, "Privacy Laws") in order to ensure that the Hospital is at all times in conformance with all Privacy Laws.
- 4.6. **OSHA Compliance.** Each party shall comply with all applicable Occupational Safety and Health Administration regulations and standards, including, but not limited to, rules pertaining to blood borne pathogens, and will fully cooperate with one another in enforcing such standards and regulations for all services performed on the Hospital's property. The parties acknowledge independent responsibility for training and vaccinating their respective employees and contractors and shall ensure that their employees, contractors, and all nursing and ancillary staff and temporary personnel performing services in the Emergency Department use appropriate personal protective equipment and comply with the engineering and work practice controls and post-exposure evaluation and follow-up procedures established by the

Hospital and PSP that relate to the occupational exposure to blood or other potentially infectious materials.

- 4.7. **Regulatory Compliance.** The parties agree that no purpose of this Agreement is to induce or reward referrals or generate business between the parties, but instead agree that the purpose of this Agreement is to engage in a fair market value, commercially reasonable, and legitimate arrangement in furtherance of quality care in the communities served by the Hospital. The parties agree that this Agreement is intended to comply with all applicable state and federal laws, rules, regulations and accreditation standards including, but not limited to, the federal Anti-Kickback statute, the federal physician self-referral law, the civil monetary penalty statute, and related regulations, the standards of accrediting bodies, and all regulations governing use of facilities financed with tax-exempt bonds. If at any time this Agreement is found to violate any applicable provision of these laws, or if either party has a reasonable belief that this Agreement creates a material risk of violating the laws, either party may provide written notice of its concerns to the other party, and the parties shall in good faith renegotiate the portion of this Agreement that may implicate or violate any such laws. If the parties fail to reach agreement within thirty (30) days following said written notice, either party may terminate this Agreement upon thirty (30) days' advance written notice to the other party.
- 4.8. **Access To Books And Records.** PSP agrees that, until the expiration of four (4) years after the furnishing of any goods and services pursuant to this Agreement, it will make available, upon written request of the Secretary of Health and Human Services or the Comptroller General of the United States or any of their duly authorized representatives, copies of this Agreement and any books, documents, records and other data that are necessary to certify the nature and extent of the costs incurred by Hospital in purchasing such goods and services. If PSP carries out any of its duties under this Agreement through a subcontract involving a value or cost of Ten Thousand and 00/100 Dollars (\$10,000.00) or more over a twelve (12) month period, the PSP will cause such subcontract to contain a clause to the effect that, until the expiration of four (4) years after the furnishing of any good or service pursuant to said contract, the individual or entity will make available upon written request of the Secretary of Health and Human Services or the Comptroller General of the United States or any of their duly authorized representatives, copies of the subcontract and any books, documents, records and other data of the individual or entity that are necessary to certify the nature and extent of costs incurred by the PSP for such goods or services. PSP shall give Hospital notice immediately upon receipt of any request from the Secretary of Health and Human Services or the Comptroller General of the United States or any of their duly authorized representatives for disclosure of such information. In addition, PSP agrees that it will cooperate with the Hospital and the District in responding to audits and/or reviews by regulators or governmental agencies (e.g.: the State Auditor, CMS), including providing access to applicable PSP books and records.
- 4.9. **Binding Effect.** The only parties to this Agreement are the Hospital and PSP. The terms of this Agreement shall be binding upon, inure to the benefit of, and be enforceable by and against the Hospital and PSP, and their successors and permitted assigns. This Agreement is self-effectuating, but the parties agree to execute any other documents or agreements that either party may request to implement and effectuate the terms of this Agreement.
- 4.10. **Severability.** If any term or provision of this Agreement is illegal, or the application thereof to any party or in any circumstance shall to any extent be invalid or unenforceable, the remainder of this Agreement, and the application of such term or provision to persons or circumstances other than those with respect to which it was held invalid or unenforceable, shall not be affected thereby, and each term, covenant, condition, and provision of this Agreement shall be valid and enforceable to the fullest extent provided by law.

- 4.11. **Controlling Law.** This Agreement shall be governed by and construed in accordance with the laws of the state of Washington.
- 4.12. **Entire Agreement.** This Agreement, including any and all exhibits, schedules, attachments and addenda, represents the entire agreement and understanding between the parties with respect to the subject matter hereof, and supersedes, terminates and replaces all prior agreements and understandings with respect to the subject matter hereof, whether oral or written.
- 4.13. **Amendments.** This Agreement may be amended by the parties at any time by a written agreement signed by the parties. This Agreement may only be amended by a written agreement signed by the parties.
- 4.14. **Assignment.** The parties agree that the duties to be performed by PSP, the Physicians, and the APPs hereunder are personal in nature. This Agreement may not be assigned by PSP, nor may any of the Physicians' or APPs' duties be delegated to others, without the prior written consent of Hospital.
- 4.15. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be treated as an original but all of which, collectively, shall constitute a single document.
- 4.16. **Rights and Remedies Cumulative.** All rights, remedies, and benefits provided to the parties hereunder shall be cumulative, and shall not be exclusive of any such rights, remedies, and benefits provided by law.
- 4.17. **No Third-Party Beneficiaries.** This Agreement is entered into by and for the benefit of the Hospital and PSP, and their successors in interest by virtue of an assignment which is not prohibited hereunder. This Agreement is not entered into the benefit of any other person or entity whatsoever, including, without limitation, the Physicians and the APPS. Without limiting the generality of the foregoing, this Agreement shall not be construed as establishing any obligation or duty to any person not a party to this Agreement.
- 4.18. **Construction/Interpretation.** The parties specifically agree that the terms of this Agreement have been fully and fairly bargained over by the parties. The parties specifically agree that this Agreement is not to be construed against one party or another by reason of the fact that this Agreement was drafted by one party or its legal counsel. Whenever necessary in this Agreement, and where the context requires, the gender of words shall include the masculine, feminine and/or neuter, and the number of all words shall include the singular and the plural. The words "include," "including," or a variant thereof shall be deemed to be without limitation, and the word "or" is not exclusive.
- 4.19. **Captions.** The captions and headings appearing in this Agreement are inserted only as a matter of convenience, and in no way explain, interpret, define, limit or describe the scope or meaning of any of the provisions of this Agreement.
- 4.20. **Other Agreements And Cross-Reference to Master List of Contracts.** This Agreement covers all of the Services furnished by the PSP and the Physicians to the Hospital. PSP or the Physicians may currently be providing, or may from time to time in the future provide, other services to the Hospital pursuant to a separate agreement or agreements. Record of this Agreement, and any such current or subsequent agreements, are kept in a master list of contracts that is maintained and updated centrally by the Hospital, and which is available for review by the Secretary of Health and Human Services. This master list of contracts is maintained by the Hospital in a manner that preserves the historical record of the Hospital's agreements with PSP and the Physicians. Any subsequent agreement between the Hospital and PSP, or any of the Physicians, will also cross-reference this master list of contracts.

4.21. **Execution.** The parties specifically represent and agree that this Agreement is signed on behalf of PSP and the Hospital by individuals who are authorized to bind the PSP and the Hospital, respectively.

CONFIDENTIAL

**PUBLIC HOSPITAL DISTRICT NO. 4
KING COUNTY, WASHINGTON
665-0820**

A RESOLUTION of the Commission of Public Hospital District No. 4, King County, Washington, determining certain personal property to be surplus and no longer required for public hospital district purposes of the District and authorizing the Superintendent or his designee to dispose of, or sell, all or any part of such property on a negotiated basis.

WHEREAS, certain personal property of the District is no longer required for District purposes and the Commission wishes to dispose of such property in a lawful manner as promptly as reasonably possible;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Public Hospital District No. 4, King County, as follows:

SECTION 1: It is hereby found, determined and declared that all of the personal property identified on Exhibit A attached hereto (the "Surplus Property") is no longer required for public hospital district purposes. It is further found and declared to be in the best interest of the District that the Surplus Property be disposed of promptly as hereinafter provided.

SECTION 2: The Superintendent or his designee is hereby authorized and directed to dispose of or sell the Surplus Property on a negotiated basis or the most favorable terms and conditions he deems obtainable.

APPROVED AND ADOPTED by the Board of Commissioners of Public Hospital District
No. 4, King County, at a duly and properly noticed regular meeting thereof, on the 13th day of
August, 2020.

President

Secretary

Vice President

Commissioner

Commissioner

CERTIFICATION

I, the undersigned, Secretary of the Commission (the "Commission") of Public Hospital District No. 4, King County, Washington (the "District"), hereby certify as follows:

1. The attached copy of Resolution No. 665-0820 (the "Resolution") is a full, true and correct copy of a resolution duly adopted at a special meeting of the Commission of the District held at the regular meeting place thereof on August 13, 2020, as that resolution appears on the minute book of the District; and

2. A quorum of the members of the Commission was present throughout the meeting and a majority of the Commission members voted in the proper manner for the adoption of the Resolution.

IN WITNESS WHEREOF, I have hereunto set my hand this 13th day of August, 2020.

PUBLIC HOSPITAL DISTRICT NO. 4,
KING COUNTY, WASHINGTON

Kevin Hauglie
Secretary of the Commission

RESOLUTION NO. 665-0820

EXHIBIT A

MODEL	SERIAL	REASON/DISPOSITON
Continental Chest Freezer: Model #CE64701	NZ24138158F12842	Freezer no longer needed as it does not meet requirements. Used and for sale for \$100.

EXECUTIVE SESSION

The Board of Commissioners is authorized to meet in executive session under RCW 42.30.110(g) to evaluate the qualifications of an applicant for public employment or to review the performance of a public employee. However, subject to, discussion by a governing body of salaries, wages, and other conditions of employment to be generally applied within the agency shall occur in a meeting open to the public, and when a governing body elects to take final action hiring, setting the salary of an individual employee or class of employees, or discharging or disciplining an employee, that action shall be taken in a meeting open to the public;

Pursuant to this authority, the Board will now go into executive session to discuss these matters. It is anticipated that the executive session will be concluded in approximately 30 minutes with no final action having been taken.