CONFIDENTIALITY DESIGNATIONS **DATED 5/31/2024**
SUPPLEMENTATION DATED 2/6/2024 AND 3/1/2024

NO.	DESCRIPTION	CONFIDENTIAL?	REASON	BATES PREFIX	START2	END	TYPE
1224	2024.02.06 TP Supplemental Responses to RIAG Questions.pdf	No	Agreed redactions	-	-	-	pdf
1225	Minutes and Board Packets Privilege Log	No	Not confidential	-	-	-	pdf
1226	Barclays Centurion Privilege Log	No	Agreed redactions	-	-	-	pdf
1227	Email 2022	Yes	Commercial information	C-CNT-PMH	12096	12099	pdf
1228	QHR Deck 11/8/2022	Yes	Due diligence	C-CNT-PMH	12100	12122	pdf
1229	QHR Excel	Yes	Due diligence	C-CNT-PMH	12123	12123	xlsx
1230	Email 2023	Yes	Commercial information	C-CNT-PMH	12124	12130	pdf
1231	Valuation 2/14/2023	Yes	Due diligence	C-CNT-PMH	12131	12272	pdf
1232	Email 2023	Yes	Commercial information	C-CNT-PMH	12273	12277	pdf
1233	Email 2023	Yes	Commercial information	C-CNT-PMH	12278	12279	pdf
1234	Conflict of Interest Instructions and Form	No	Not confidential	C-CNT-PMH	12280	12284	pdf
1235	Email 2023	Yes	Commercial information	C-CNT-PMH	12285	12296	pdf
1236	Email 2023	Yes	Commercial information	C-CNT-PMH	12297	12306	pdf
1237	Email 2023	Yes	Commercial information	C-CNT-PMH	12307	12315	pdf
1238	Email 2023	Yes	Commercial information	C-CNT-PMH	12316	12324	pdf
1239	Sources and Uses of Funds	Yes	Commercial information	C-CNT-PMH	12325	12332	pdf
1240	Financial information	Yes	Commercial information	C-CNT-PMH	12333	12333	xlsx
1241	Email 2023	Yes	Commercial information	C-CNT-PMH	12334	12340	pdf
1242	Email 2023	Yes	Commercial information	C-CNT-PMH	12341	12346	pdf
1243	Email 2022	Yes	Commercial information	C-CNT-PMH	12347	12351	pdf
1244	Sources and Uses of Funds	Yes	Commercial information	C-CNT-PMH	12352	12352	xlsx
1245	Email 2023	Yes	Commercial information	C-CNT-PMH	12353	12362	pdf
1246	Email 2023	Yes	Commercial information	C-CNT-PMH	12363	12371	pdf
1247	Email 2023	Yes	Commercial information	C-CNT-PMH	12372	12378	pdf
1248	Email 2023	Yes	Commercial information	C-CNT-PMH	12379	12386	pdf
1249	Email 2023	Yes	Commercial information	C-CNT-PMH	12387	12397	pdf
1250	Debt and bond information	Yes	Commercial information	C-CNT-PMH	12398	12405	pdf
1251	Email 2023	Yes	Commercial information	C-CNT-PMH	12406	12415	pdf
1252	QHR Deck 11/8/2022	Yes	Due diligence	C-CNT-PMH	12416	12438	pdf
1253	Email 2023	Yes	Commercial information	C-CNT-PMH	12439	12449	pdf
1254	Email 2023	Yes	Commercial information	C-CNT-PMH	12450	12452	pdf
1255	Email 2023	Yes	Commercial information	C-CNT-PMH	12453	12458	pdf
1256	Email 2023	Yes	Commercial information	C-CNT-PMH	12459	12462	pdf
1257	Email 2023	Yes	Commercial information	C-CNT-PMH	12463	12468	pdf
1258	Email 2023	Yes	Commercial information	C-CNT-PMH	12469	12471	pdf
1259	Email 2023	Yes	Commercial information	C-CNT-PMH	12472	12478	pdf
1260	Email 2023	Yes	Commercial information	C-CNT-PMH	12479	12480	pdf
1261	Email 2023	Yes	Commercial information	C-CNT-PMH	12481	12487	pdf
1262	Email 2023	Yes	Commercial information	C-CNT-PMH	12488	12493	pdf
1263	Financial information	Yes	Commercial information	C-CNT-PMH	12494	12494	xlsx
1264	Financial information	Yes	Commercial information	C-CNT-PMH	12495	12495	xlsx
1265	Email 2023	Yes	Commercial information	C-CNT-PMH	12496	12502	pdf

NO.	DESCRIPTION	CONFIDENTIAL?	REASON	BATES PREFIX	START2	END	TYPE
1266	Email 2022	Yes	Commercial information	C-CNT-PMH	12503	12507	pdf
1267	Email 2022	Yes	Commercial information	C-CNT-PMH	12508	12511	pdf
1268	Email 2022	Yes	Commercial information	C-CNT-PMH	12512	12515	pdf
1269	Email 2022	Yes	Commercial information	C-CNT-PMH	12516	12517	pdf
1270	Email 2023	Yes	Commercial information	C-CNT-PMH	12518	12519	pdf
1271	Email 2022	Yes	Commercial information	C-CNT-PMH	12520	12522	pdf
1272	Email 2022	Yes	Commercial information	C-CNT-PMH	12523	12527	pdf
1273	Email 2023	Yes	Commercial information	C-CNT-PMH	12528	12538	pdf
1274	Email 2023	Yes	Commercial information	C-CNT-PMH	12539	12547	pdf
1275	Series 2023 Financing Assumptions	Yes	Commercial information	C-CNT-PMH	12548	12548	pdf
1276	Aggregate Debt Service	Yes	Commercial information	C-CNT-PMH	12549	12549	xlsx
1277	Email 2023	Yes	Commercial information	C-CNT-PMH	12550	12557	pdf
1278	Email 2023	Yes	Commercial information	C-CNT-PMH	12558	12563	pdf
1279	Email 2023	Yes	Commercial information	C-CNT-PMH	12564	12570	pdf
1280	Email 2023	Yes	Commercial information	C-CNT-PMH	12571	12575	pdf
1281	Series 2023 Financing Assumptions	Yes	Commercial information	C-CNT-PMH	12576	12576	pdf
1282	Debt and bond information	Yes	Commercial information	C-CNT-PMH	12577	12585	pdf
1283	Debt and bond information	Yes	Commercial information	C-CNT-PMH	12586	12601	pdf
1284	Financial information	Yes	Commercial information	C-CNT-PMH	12602	12602	xlsx
1285	Debt and bond information	Yes	Commercial information	C-CNT-PMH	12603	12603	xlsx
1286	Email 2023	Yes	Commercial information	C-CNT-PMH	12604	12606	pdf
1287	Email 2024	Yes	Commercial information	C-CNT-PMH	12607	12618	pdf
1288	Email 2023	Yes	Commercial information	C-CNT-PMH	12619	12626	pdf
1289	Email 2023	Yes	Commercial information	C-CNT-PMH	12627	12633	pdf
1290	Email 2023	Yes	Commercial information	C-CNT-PMH	12634	12638	pdf
1291	Email 2023	Yes	Commercial information	C-CNT-PMH	12639	12642	pdf
1292	Email 2023	Yes	Commercial information	C-CNT-PMH	12643	12652	pdf
1293	Sources and Uses of Funds	Yes	Commercial information	C-CNT-PMH	12653	12653	xlsx
1294	Email 2023	Yes	Commercial information	C-CNT-PMH	12654	12660	pdf
1295	Email 2023	Yes	Commercial information	C-CNT-PMH	12661	12669	pdf
1296	Series 2023 Financing Assumptions	Yes	Commercial information	C-CNT-PMH	12670	12670	pdf
1297	Aggregate Debt Service	Yes	Commercial information	C-CNT-PMH	12671	12671	xlsx
1298	Email 2023	Yes	Commercial information	C-CNT-PMH	12672	12680	pdf
1299	Email 2023	Yes	Commercial information	C-CNT-PMH	12681	12687	pdf
1300	Email 2023	Yes	Commercial information	C-CNT-PMH	12688	12696	pdf
1301	Email 2023	Yes	Commercial information	C-CNT-PMH	12697	12704	pdf
1302	Email 2023	Yes	Commercial information	C-CNT-PMH	12705	12713	pdf
1303	Email 2023	Yes	Commercial information	C-CNT-PMH	12714	12720	pdf
1304	Email 2023	Yes	Commercial information	C-CNT-PMH	12721	12729	pdf
1305	Email 2023	Yes	Commercial information	C-CNT-PMH	12730	12736	pdf
1306	Email 2023	Yes	Commercial information	C-CNT-PMH	12737	12741	pdf
1307	Email 2023	Yes	Commercial information	C-CNT-PMH	12742	12748	pdf

NO.	DESCRIPTION	CONFIDENTIAL?	REASON	BATES PREFIX	START2	END	TYPE
1308	Email 2023	Yes	Commercial information	C-CNT-PMH	12749	12754	pdf
1309	Email 2023	Yes	Commercial information	C-CNT-PMH	12755	12758	pdf
1310	Email 2023	Yes	Commercial information	C-CNT-PMH	12759	12764	pdf
1311	Aggregate Debt Service	Yes	Commercial information	C-CNT-PMH	12765	12765	xlsx
1312	Email 2023	Yes	Commercial information	C-CNT-PMH	12766	12770	pdf
1313	Series 2023 Financing Assumptions	Yes	Commercial information	C-CNT-PMH	12771	12771	pdf
1314	Debt and bond information	Yes	Commercial information	C-CNT-PMH	12772	12780	pdf
1315	Debt and bond information	Yes	Commercial information	C-CNT-PMH	12781	12796	pdf
1316	Financial information	Yes	Commercial information	C-CNT-PMH	12797	12797	xlsx
1317	Sources and Uses of Funds	Yes	Commercial information	C-CNT-PMH	12798	12798	xlsx
1318	Email 2023	Yes	Commercial information	C-CNT-PMH	12799	12804	pdf
1319	Email 2023	Yes	Commercial information	C-CNT-PMH	12805	12807	pdf
1320	Email 2023	Yes	Commercial information	C-CNT-PMH	12808	12813	pdf
1321	Aggregate Debt Service	Yes	Commercial information	C-CNT-PMH	12814	12814	xlsx
1322	Email 2023	Yes	Commercial information	C-CNT-PMH	12815	12821	pdf
1323	Email 2023	Yes	Commercial information	C-CNT-PMH	12822	12829	pdf
1324	Email 2023	Yes	Commercial information	C-CNT-PMH	12830	12835	pdf
1325	Email 2023	Yes	Commercial information	C-CNT-PMH	12836	12842	pdf
1326	Email 2023	Yes	Commercial information	C-CNT-PMH	12843	12845	pdf
1327	Email 2023	Yes	Commercial information	C-CNT-PMH	12846	12848	pdf
1328	Email 2023	Yes	Commercial information	C-CNT-PMH	12849	12853	pdf
1329	Email 2023	Yes	Commercial information	C-CNT-PMH	12854	12856	pdf
1330	Email 2023	Yes	Commercial information	C-CNT-PMH	12857	12859	pdf
1331	Email 2023	Yes	Commercial information	C-CNT-PMH	12860	12861	pdf
1332	Financial information	Yes	Commercial information	C-CNT-PMH	12862	12862	xlsx
1333	Email 2023	Yes	Commercial information	C-CNT-PMH	12863	12870	pdf
1334	Email 2023	Yes	Commercial information	C-CNT-PMH	12871	12879	pdf
1335	Email 2022	Yes	Commercial information	C-CNT-PMH	12880	12884	pdf
1336	Email 2022	Yes	Commercial information	C-CNT-PMH	12885	12888	pdf
1337	Email 2022	Yes	Commercial information	C-CNT-PMH	12889	12891	pdf
1338	Sources and Uses of Funds	Yes	Commercial information	C-CNT-PMH	12892	12892	pdf
1339	Email 2022	Yes	Commercial information	C-CNT-PMH	12893	12895	pdf
1340	Email 2022	Yes	Commercial information	C-CNT-PMH	12896	12897	pdf
1341	Debt Service Coverage Calculations DRAFT	Yes	Commercial information	C-CNT-PMH	12898	12898	xlsx
1342	Debt financing information	Yes	Commercial information	C-CNT-PMH	12899	12902	pdf
1343	Email 2022	Yes	Commercial information	C-CNT-PMH	12903	12905	pdf
1344	Sources and Uses of Funds	Yes	Commercial information	C-CNT-PMH	12906	12906	pdf
1345	Email 2022	Yes	Commercial information	C-CNT-PMH	12907	12910	pdf
1346	Email 2022	Yes	Commercial information	C-CNT-PMH	12911	12912	pdf
1347	Email 2022	Yes	Commercial information	C-CNT-PMH	12913	12915	pdf
1348	Email 2022	Yes	Commercial information	C-CNT-PMH	12916	12919	pdf
1349	Email 2023	Yes	Commercial information	C-CNT-PMH	12920	12921	pdf

NO.	DESCRIPTION	CONFIDENTIAL?	REASON	BATES PREFIX	START2	END	TYPE
1350	Email 2023	Yes	Commercial information	C-CNT-PMH	12922	12923	pdf
1351	Email 2022	Yes	Commercial information	C-CNT-PMH	12924	12927	pdf
1352	Email 2021	Yes	Commercial information	C-CNT-PMH	12928	12929	pdf
1353	Email 2022	Yes	Commercial information	C-CNT-PMH	12930	12933	pdf
1354	Email 2023	Yes	Commercial information	C-CNT-PMH	12934	12935	pdf
1355	Email 2022	Yes	Commercial information	C-CNT-PMH	12936	12937	pdf
1356	Email 2022	Yes	Commercial information	C-CNT-PMH	12938	12940	pdf
1357	Email 2023	Yes	Commercial information	C-CNT-PMH	12941	12945	pdf
1358	Finance-ability Letter 5/2/2023	Yes	Commercial information	C-CNT-PMH	12946	12949	pdf
1359	Finance-ability Letter 5/2/2023	Yes	Commercial information	C-CNT-PMH	12950	12953	pdf
1360	Email 2023	Yes	Commercial information	C-CNT-PMH	12954	12955	pdf
1361	Finance-ability Letter Redline	Yes	Commercial information	C-CNT-PMH	12956	12959	pdf
1362	Email 2022	Yes	Commercial information	C-CNT-PMH	12960	12960	pdf
1363	Valuation 8/28/2018	Yes	Due diligence	C-CNT-PMH	12961	13089	pdf
1364	Bucks County Industrial Development Authority Hospital Revenue Bonds	No	Not confidential	C-CNT-PMH	13090	13551	pdf
1365	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	13552	13557	pdf
1366	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	13558	13561	pdf
1367	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	13562	13566	pdf
1368	Hospital Conversion Act Conditions	No	Not confidential	C-CNT-PMH	13567	13580	pdf
1369	RIDOH Decision on Chamber-Prospect CEC Application 6/1/2021	No	Not confidential	C-CNT-PMH	13581	13598	pdf
1370	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	13599	13601	pdf
1371	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	13602	13607	pdf
1372	CCHP FY22 Capital Budget	Yes	Commercial information	C-CNT-PMH	13608	13608	pdf
1373	Meeting Agenda	Yes	Commercial information	C-CNT-PMH	13609	13610	pdf
1374	Meeting Agenda	Yes	Commercial information	C-CNT-PMH	13611	13613	pdf
1375	Prospect CharterCare LLC Board of Directors Deck 10/20/2021	Yes	Commercial information	C-CNT-PMH	13614	13692	pdf
1376	CharterCare FY2022 Budget	Yes	Commercial information	C-CNT-PMH	13693	13693	pdf
1377	CharterCare Hospital Partners Consolidated Summary	Yes	Commercial information	C-CNT-PMH	13694	13694	pdf
1378	Corporate Responsibility and Compliance Resource	No	Not confidential	C-CNT-PMH	13695	13704	pdf
1379	Corporate Responsibility and Health Care Quality Resource	No	Not confidential	C-CNT-PMH	13705	13715	pdf
1380	Prospect CharterCare LLC Amended & Restated LLC Operating Agreement 9/17/2021	Yes	Commercial information	C-CNT-PMH	13716	13732	pdf
1381	Practical Guidance for Health Care Governing Boards on Compliance Oversight	No	Not confidential	C-CNT-PMH	13733	13752	pdf
1382	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	13753	13758	pdf
1383	Prospect CharterCare LLC Board of Directors Deck 12/8/2021	Yes	Commercial information	C-CNT-PMH	13759	13803	pdf
1384	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	13804	13809	pdf
1385	Roger Williams and Our Lady of Fatima Hiring Event Advertisement	No	Not confidential	C-CNT-PMH	13810	13810	pdf
1386	Prospect CharterCare LLC Board of Directors Deck 2/10/2022	Yes	Commercial information	C-CNT-PMH	13811	13864	pdf
1387	Meeting Agenda	Yes	Commercial information	C-CNT-PMH	13865	13866	pdf
1388	CCHP FY22 Capital Budget Three Year Plan	Yes	Commercial information	C-CNT-PMH	13867	13868	pdf
1389	Prospect Medical Consolidated Financial Statements 2020 and 2021	No	Not confidential	C-CNT-PMH	13869	13930	pdf
1390	Quarterly RI AG Reporting Package	Yes	Commercial information	C-CNT-PMH	13931	13941	pdf
1391	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	13942	13947	pdf

NO.	DESCRIPTION	CONFIDENTIAL?	REASON	BATES PREFIX	START2	END	TYPE
1392	Prospect CharterCare LLC Board of Directors Deck 5/12/2022	Yes	Commercial information	C-CNT-PMH	13948	13984	pdf
1393	Meeting Agenda, Minutes, & Attachments	No	Agreed redactions	C-CNT-PMH	13985	14032	pdf
1394	Meeting Agenda	Yes	Commercial information	C-CNT-PMH	14033	14035	pdf
1395	Meeting Minutes & Attachments	Yes	Commercial information	C-CNT-PMH	14036	14075	pdf
1396	Prospect Q2 Only FY22 Financial Statements (Unaudited)	Yes	Commercial information	C-CNT-PMH	14076	14086	pdf
1397	Meeting Minutes & Attachments	Yes	Commercial information	C-CNT-PMH	14087	14128	pdf
1398	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	14129	14168	pdf
1399	Action Plan for Surveys on Patient Safety Culture	Yes	Commercial information	C-CNT-PMH	14169	14176	pdf
1400	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	14177	14183	pdf
1401	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	14184	14186	pdf
1402	FY22 Q3 CCHP Board Meeting Deck 8/17/2022	Yes	Commercial information	C-CNT-PMH	14187	14194	pdf
1403	Meeting Agenda	Yes	Commercial information	C-CNT-PMH	14195	14196	pdf
1404	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	14197	14293	pdf
1405	Prospect CharterCare LLC Board of Directors Deck 8/17/2022	Yes	Commercial information	C-CNT-PMH	14294	14356	pdf
1406	QHR Deck	Yes	Due diligence	C-CNT-PMH	14357	14372	pdf
1407	Quarterly RI AG Reporting Package	Yes	Commercial information	C-CNT-PMH	14373	14386	pdf
1408	CV DeAngelis	No	Not confidential	C-CNT-PMH	14387	14387	pdf
1409	CV Marsocci	No	Agreed redactions	C-CNT-PMH	14388	14390	pdf
1410	CV Dodge	No	Agreed redactions	C-CNT-PMH	14391	14396	pdf
1411	Hospital Safety Culture Survey	Yes	Commercial information	C-CNT-PMH	14397	14415	pdf
1412	Hospital Safety Culture Survey	Yes	Commercial information	C-CNT-PMH	14416	14434	pdf
1413	Meeting Agenda	Yes	Commercial information	C-CNT-PMH	14435	14436	pdf
1414	Meeting Agenda, Minutes, & Attachments	No	Agreed redactions	C-CNT-PMH	14437	14499	pdf
1415	Prospect CharterCare LLC Board of Directors Deck 11/10/2022	Yes	Commercial information	C-CNT-PMH	14500	14567	pdf
1416	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	14568	14569	pdf
1417	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	14570	14570	pdf
1418	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	14571	14579	pdf
1419	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	14580	14582	pdf
1420	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	14583	14584	pdf
1421	Roger Williams Advertisement	No	Not confidential	C-CNT-PMH	14585	14585	pdf
1422	Infection Prevention & Control Annual Risk Assessment & Plan 2022	Yes	Commercial information	C-CNT-PMH	14586	14600	pdf
1423	Infection Prevention & Control Annual Risk Assessment & Plan 2022	Yes	Commercial information	C-CNT-PMH	14601	14616	pdf
1424	Quality and Patient Safety Assessment and Performance Improvement Plan 2022-2027	Yes	Commercial information	C-CNT-PMH	14617	14660	pdf
1425	CharterCare Behavioral Health Events, Core Measures, and HCAHPS Dashboards	Yes	Commercial information	C-CNT-PMH	14661	14666	pdf
1426	CharterCare Home Health Presentation to Governing Body 11/10/2022	Yes	Commercial information	C-CNT-PMH	14667	14680	pdf
1427	Health Equity Education CMS Framework for Health Equity 2022-2032	No	Not confidential	C-CNT-PMH	14681	14691	pdf
1428	Health Equity Dashboard Draft 2023	Yes	Commercial information	C-CNT-PMH	14692	14693	pdf
1429	CharterCare Quality Dashboard	Yes	Commercial information	C-CNT-PMH	14694	14698	pdf
1430	Our Lady of Fatima Performance Measure Dashboard	Yes	Commercial information	C-CNT-PMH	14699	14699	xlsx
1431	Quarterly RI AG Reporting Package	Yes	Commercial information	C-CNT-PMH	14700	14714	pdf
1432	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	14715	14769	pdf
1433	Nursing Report Out 2022	Yes	Commercial information	C-CNT-PMH	14770	14773	pdf

NO.	DESCRIPTION	CONFIDENTIAL?	REASON	BATES PREFIX	START2	END	TYPE
1434	Nurse Year End Report 2022	Yes	Commercial information	C-CNT-PMH	14774	14775	pdf
1435	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	14776	14782	pdf
1436	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	14783	14790	pdf
1437	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	14791	14794	pdf
1438	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	14795	14797	pdf
1439	Quarterly Reports Pursuant to RIDOH Condition 31	Yes	Commercial information	C-CNT-PMH	14798	14802	pdf
1440	Meeting Agenda	Yes	Commercial information	C-CNT-PMH	14803	14805	pdf
1441	Prospect CharterCare LLC Board of Directors Deck 2/15/2023	Yes	Commercial information	C-CNT-PMH	14806	14872	pdf
1442	CharterCare Nurse Residency Program Brochure	No	Not confidential	C-CNT-PMH	14873	14875	pdf
1443	Patient Compliant and Grievances Policy	No	Agreed redactions	C-CNT-PMH	14876	14881	pdf
1444	Infection Prevent and Control Recommendations for Healthcare Personnel during SARS-CoV-2	No	Not confidential	C-CNT-PMH	14882	14892	pdf
1445	Infection Prevent and Control Recommendations for Healthcare Personnel during SARS-CoV-2	No	Not confidential	C-CNT-PMH	14893	14908	pdf
1446	Quarterly RI AG Reporting Package	Yes	Commercial information	C-CNT-PMH	14909	14922	pdf
1447	Patient Compliant and Grievances Policy	No	Agreed redactions	C-CNT-PMH	14923	14928	pdf
1448	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	14929	14932	pdf
1449	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	14933	14943	pdf
1450	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	14944	14965	pdf
1451	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	14966	14987	pdf
1452	Meeting Agenda	Yes	Commercial information	C-CNT-PMH	14988	14989	pdf
1453	Prospect CharterCare LLC Board of Directors Deck 5/17/2023	Yes	Commercial information	C-CNT-PMH	14990	15036	pdf
1454	CMS Conditions of Participation	No	Not confidential	C-CNT-PMH	15037	15037	pdf
1455	CMS Conditions of Participation	No	Not confidential	C-CNT-PMH	15038	15038	pdf
1456	Focused Professional Practice Evaluation Policy	Yes	Commercial information	C-CNT-PMH	15039	15042	pdf
1457	Resolutions of the Board of Directors of Prospect CharterCare, LLC 6/30/2023	Yes	Commercial information	C-CNT-PMH	15043	15046	pdf
1458	Meeting Agenda	Yes	Commercial information	C-CNT-PMH	15047	15048	pdf
1459	Annual RI AG Reporting Package	Yes	Commercial information	C-CNT-PMH	15049	15061	pdf
1460	Prospect Medical Consolidated Financial Statements 2021 and 2022	No	Not confidential	C-CNT-PMH	15062	15113	pdf
1461	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	15114	15118	pdf
1462	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	15119	15124	pdf
1463	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	15125	15134	pdf
1464	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	15135	15139	pdf
1465	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	15140	15163	pdf
1466	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	15164	15190	pdf
1467	Meeting Agenda	Yes	Commercial information	C-CNT-PMH	15191	15192	pdf
1468	Prospect CharterCare LLC Board of Directors Deck 10/11/2023	Yes	Commercial information	C-CNT-PMH	15193	15242	pdf
1469	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	15243	15247	pdf
1470	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	15248	15258	pdf
1471	CMS Letter and Form 11/7/2023	Yes	Commercial information	C-CNT-PMH	15259	15272	pdf
1472	CMS Letter and Form 11/7/2023	Yes	Commercial information	C-CNT-PMH	15273	15289	pdf
1473	CMS Letter and Form 11/7/2023	Yes	Commercial information	C-CNT-PMH	15290	15302	pdf
1474	Meeting Agenda	Yes	Commercial information	C-CNT-PMH	15303	15304	pdf
1475	Prospect CharterCare LLC Board of Directors Deck 11/15/2023	Yes	Commercial information	C-CNT-PMH	15305	15342	pdf

NO.	DESCRIPTION	CONFIDENTIAL?	REASON	BATES PREFIX	START2	END	TYPE
1476	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	15343	15362	pdf
1477	Proposed Escalation/Action Continuum	Yes	Commercial information	C-CNT-PMH	15363	15363	pdf
1478	Quarterly RI AG Reporting Package	Yes	Commercial information	C-CNT-PMH	15364	15387	pdf
1479	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	15388	15409	pdf
1480	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	15410	15411	pdf
1481	Our Lady of Fatima Advisory Board of Directors Deck 12/14/2021	Yes	Commercial information	C-CNT-PMH	15412	15464	pdf
1482	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	15465	15516	pdf
1483	Meeting Agenda	Yes	Commercial information	C-CNT-PMH	15517	15517	pdf
1484	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	15518	15519	pdf
1485	Meeting Agenda	Yes	Commercial information	C-CNT-PMH	15520	15520	pdf
1486	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	15521	15556	pdf
1487	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	15557	15628	pdf
1488	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	15629	15689	pdf
1489	Meeting Agenda, Minutes, & Attachments	No	Agreed redactions	C-CNT-PMH	15690	15819	pdf
1490	Our Lady of Fatima Advisory Board of Directors Deck 12/15/2022	Yes	Commercial information	C-CNT-PMH	15820	15867	pdf
1491	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	15868	15943	pdf
1492	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	15944	16019	pdf
1493	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	16020	16088	pdf
1494	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	16089	16090	pdf
1495	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	16091	16113	pdf
1496	Meeting Agenda	Yes	Commercial information	C-CNT-PMH	16114	16114	pdf
1497	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	16115	16118	pdf
1498	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	16119	16141	pdf
1499	Meeting Agenda	Yes	Commercial information	C-CNT-PMH	16142	16142	pdf
1500	Roger Williams Advisory Board of Directors Deck 12/15/2021	Yes	Commercial information	C-CNT-PMH	16143	16193	pdf
1501	Roger Williams Medical Staff Bylaws and Rules and Regulations	Yes	Commercial information	C-CNT-PMH	16194	16249	pdf
1502	Roger Williams Bylaws Meeting Summary of Changes 8/31/2021	Yes	Commercial information	C-CNT-PMH	16250	16251	pdf
1503	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	16252	16254	pdf
1504	Nurse Year End Report 2022	Yes	Commercial information	C-CNT-PMH	16255	16256	pdf
1505	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	16257	16315	pdf
1506	Meeting Agenda	Yes	Commercial information	C-CNT-PMH	16316	16316	pdf
1507	Patient Compliant and Grievances Policy	No	Agreed redactions	C-CNT-PMH	16317	16322	pdf
1508	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	16323	16351	pdf
1509	Meeting Agenda	Yes	Commercial information	C-CNT-PMH	16352	16352	pdf
1510	Roger Williams Advisory Board of Directors Deck 9/1/2022	Yes	Commercial information	C-CNT-PMH	16353	16388	pdf
1511	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	16389	16390	pdf
1512	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	16391	16417	pdf
1513	Meeting Agenda	Yes	Commercial information	C-CNT-PMH	16418	16418	pdf
1514	Roger Williams Advisory Board of Directors Deck 10/6/2022	Yes	Commercial information	C-CNT-PMH	16419	16446	pdf
1515	Infection Prevention & Control Annual Risk Assessment & Plan 2022	Yes	Commercial information	C-CNT-PMH	16447	16461	pdf
1516	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	16462	16465	pdf
1517	CharterCare HBIPS Core Measures Dashboard	Yes	Commercial information	C-CNT-PMH	16466	16466	pdf

NO.	DESCRIPTION	CONFIDENTIAL?	REASON	BATES PREFIX	START2	END	TYPE
1518	CharterCare Behavioral Health Events Dashboard	Yes	Commercial information	C-CNT-PMH	16467	16467	pdf
1519	Dashboard	Yes	Commercial information	C-CNT-PMH	16468	16469	pdf
1520	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	16470	16544	pdf
1521	Meeting Agenda	Yes	Commercial information	C-CNT-PMH	16545	16545	pdf
1522	Health Equity Dashboard Draft 2023	Yes	Commercial information	C-CNT-PMH	16546	16547	pdf
1523	Health Equity Education CMS Framework for Health Equity 2022-2032	No	Not confidential	C-CNT-PMH	16548	16558	pdf
1524	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	16559	16562	pdf
1525	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	16563	16585	pdf
1526	Meeting Agenda	Yes	Commercial information	C-CNT-PMH	16586	16586	pdf
1527	Roger Williams Advisory Board of Directors Deck 2/9/2023	Yes	Commercial information	C-CNT-PMH	16587	16637	pdf
1528	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	16638	16641	pdf
1529	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	16642	16663	pdf
1530	Meeting Agenda	Yes	Commercial information	C-CNT-PMH	16664	16664	pdf
1531	Roger Williams Advisory Board of Directors Deck 5/4/2023	Yes	Commercial information	C-CNT-PMH	16665	16702	pdf
1532	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	16703	16708	pdf
1533	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	16709	16734	pdf
1534	Meeting Agenda	Yes	Commercial information	C-CNT-PMH	16735	16735	pdf
1535	Roger Williams Advisory Board of Directors Deck 9/14/2023	Yes	Commercial information	C-CNT-PMH	16736	16773	pdf
1536	Roger Williams Advisory Board Directory 2023	No	Agreed redactions	C-CNT-PMH	16774	16775	pdf
1537	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	16776	16782	pdf
1538	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	16783	16804	pdf
1539	Meeting Agenda	Yes	Commercial information	C-CNT-PMH	16805	16805	pdf
1540	Proposed Escalation/Action Continuum	Yes	Commercial information	C-CNT-PMH	16806	16806	pdf
1541	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	16807	16899	pdf
1542	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	16900	16903	pdf
1543	Our Lady of Fatima Medical Executive Committee Vote and Attachments 5/18/2021	Yes	Commercial information	C-CNT-PMH	16904	17013	pdf
1544	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	17014	17045	pdf
1545	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	17046	17048	pdf
1546	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	17049	17113	pdf
1547	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	17114	17116	pdf
1548	Our Lady of Fatima Medical Executive Committee Vote 8/3/2021	Yes	Commercial information	C-CNT-PMH	17117	17117	pdf
1549	Our Lady of Fatima Medical Executive Committee Vote 8/11/2021	Yes	Commercial information	C-CNT-PMH	17118	17118	pdf
1550	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	17119	17121	pdf
1551	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	17122	17171	pdf
1552	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	17172	17174	pdf
1553	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	17175	17193	pdf
1554	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	17194	17196	pdf
1555	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	17197	17256	pdf
1556	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	17257	17258	pdf
1557	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	17259	17278	pdf
1558	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	17279	17306	pdf
1559	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	17307	17309	pdf

NO.	DESCRIPTION	CONFIDENTIAL?	REASON	BATES PREFIX	START2	END	TYPE
1560	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	17310	17326	pdf
1561	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	17327	17329	pdf
1562	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	17330	17372	pdf
1563	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	17373	17375	pdf
1564	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	17376	17422	pdf
1565	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	17423	17425	pdf
1566	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	17426	17488	pdf
1567	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	17489	17491	pdf
1568	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	17492	17598	pdf
1569	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	17599	17602	pdf
1570	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	17603	17645	pdf
1571	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	17646	17648	pdf
1572	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	17649	17691	pdf
1573	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	17692	17694	pdf
1574	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	17695	17736	pdf
1575	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	17737	17739	pdf
1576	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	17740	17765	pdf
1577	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	17766	17768	pdf
1578	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	17769	17832	pdf
1579	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	17833	17835	pdf
1580	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	17836	17838	pdf
1581	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	17839	17865	pdf
1582	Our Lady of Fatima Medical Executive Committee Vote 2/2/2023	Yes	Commercial information	C-CNT-PMH	17866	17866	pdf
1583	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	17867	17956	pdf
1584	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	17957	17959	pdf
1585	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	17960	18051	pdf
1586	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	18052	18197	pdf
1587	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	18198	18200	pdf
1588	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	18201	18246	pdf
1589	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	18247	18249	pdf
1590	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	18250	18287	pdf
1591	Our Lady of Fatima Medical Executive Committee Vote 6/8/2023	Yes	Commercial information	C-CNT-PMH	18288	18288	pdf
1592	Our Lady of Fatima Medical Executive Committee Vote 6/23/2023	Yes	Commercial information	C-CNT-PMH	18289	18289	pdf
1593	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	18290	18293	pdf
1594	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	18294	18409	pdf
1595	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	18410	18412	pdf
1596	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	18413	18483	pdf
1597	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	18484	18486	pdf
1598	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	18487	18535	pdf
1599	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	18536	18540	pdf
1600	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	18541	18625	pdf
1601	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	18626	18626	pdf

NO.	DESCRIPTION	CONFIDENTIAL?	REASON	BATES PREFIX	START2	END	TYPE
1602	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	18627	18630	pdf
1603	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	18631	18662	pdf
1604	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	18663	18665	pdf
1605	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	18666	18669	pdf
1606	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	18670	18742	pdf
1607	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	18743	18745	pdf
1608	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	18746	18818	pdf
1609	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	18819	18822	pdf
1610	Meeting Agenda, Minutes, & Attachments	No	Agreed redactions	C-CNT-PMH	18823	18873	pdf
1611	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	18874	18877	pdf
1612	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	18878	18935	pdf
1613	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	18936	18939	pdf
1614	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	18940	18979	pdf
1615	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	18980	18983	pdf
1616	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	18984	19032	pdf
1617	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	19033	19035	pdf
1618	Roger Williams Medical Executive Committee Vote 10/22/2021	Yes	Commercial information	C-CNT-PMH	19036	19036	pdf
1619	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	19037	19091	pdf
1620	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	19092	19095	pdf
1621	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	19096	19116	pdf
1622	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	19117	19119	pdf
1623	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	19120	19124	pdf
1624	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	19125	19151	pdf
1625	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	19152	19154	pdf
1626	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	19155	19209	pdf
1627	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	19210	19212	pdf
1628	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	19213	19231	pdf
1629	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	19232	19234	pdf
1630	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	19235	19274	pdf
1631	Roger Williams Medical Staff Vote 5/6/2022	No	Not confidential	C-CNT-PMH	19275	19275	pdf
1632	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	19276	19278	pdf
1633	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	19279	19396	pdf
1634	Roger Williams Medical Executive Committee Vote 6/1/2022	Yes	Commercial information	C-CNT-PMH	19397	19397	pdf
1635	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	19398	19400	pdf
1636	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	19401	19453	pdf
1637	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	19454	19456	pdf
1638	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	19457	19467	pdf
1639	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	19468	19470	pdf
1640	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	19471	19510	pdf
1641	Roger Williams Medical Executive Committee Vote 8/29/2022	Yes	Commercial information	C-CNT-PMH	19511	19524	pdf
1642	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	19525	19527	pdf
1643	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	19528	19598	pdf

NO.	DESCRIPTION	CONFIDENTIAL?	REASON	BATES PREFIX	START2	END	TYPE
1644	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	19599	19602	pdf
1645	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	19603	19683	pdf
1646	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	19684	19685	pdf
1647	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	19686	19724	pdf
1648	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	19725	19727	pdf
1649	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	19728	19767	pdf
1650	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	19768	19770	pdf
1651	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	19771	19863	pdf
1652	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	19864	19959	pdf
1653	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	19960	19962	pdf
1654	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	19963	19965	pdf
1655	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	19966	20026	pdf
1656	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	20027	20029	pdf
1657	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	20030	20139	pdf
1658	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	20140	20143	pdf
1659	Meeting Agenda, Minutes, & Attachments	No	Agreed redactions	C-CNT-PMH	20144	20197	pdf
1660	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	20198	20200	pdf
1661	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	20201	20348	pdf
1662	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	20349	20351	pdf
1663	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	20352	20403	pdf
1664	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	20404	20406	pdf
1665	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	20407	20421	pdf
1666	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	20422	20424	pdf
1667	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	20425	20461	pdf
1668	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	20462	20464	pdf
1669	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	20465	20544	pdf
1670	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	20545	20545	pdf
1671	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	20546	20548	pdf
1672	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	20549	20595	pdf
1673	Roger Williams Medical Executive Committee Vote 11/17/2023	Yes	Commercial information	C-CNT-PMH	20596	20596	pdf
1674	Meeting Agenda, Minutes, & Attachments	Yes	Commercial information	C-CNT-PMH	20597	20660	pdf
1675	Meeting Minutes	Yes	Commercial information	C-CNT-PMH	20661	20663 [sic]	pdf
1676	Staff information	Yes	Commercial information	C-CNT-PMH	20663	20663 [sic]	xlsx
1677	EBITA Bridge and Initiatives	Yes	Commercial information	C-CNT-PMH	20664	20664	xlsx
1678	CCHP ED Initiative	Yes	Commercial information	C-CNT-PMH	20665	20665	xlsx
1679	Financial information	Yes	Commercial information	C-CNT-PMH	20666	20666	xlsx
1680	Financial information	Yes	Commercial information	C-CNT-PMH	20667	20667	xlsx
1681	FY23 Reserves & Receivables	Yes	Commercial information	C-CNT-PMH	20668	20668	xlsx
1682	Preliminary Draft Updated Reserves Professional Liability 10/19/2022	Yes	Commercial information	C-CNT-PMH	20669	20774	pdf
1683	Email 2023	Yes	Commercial information	C-CNT-PMH	20775	20775	pdf
1684	Email 2023	Yes	Commercial information	C-CNT-PMH	20776	20776	pdf
1685	Email 2023	Yes	Commercial information	C-CNT-PMH	20777	20777	pdf

NO.	DESCRIPTION	CONFIDENTIAL?	REASON	BATES PREFIX	START2	END	TYPE
1686	FY2024 Hospital License Fee Proposal Overview	Yes	Commercial information	C-CNT-PMH	20778	20780	pdf
1687	Email 2023	Yes	Commercial information	C-CNT-PMH	20781	20782	pdf
1688	Email 2022	Yes	Commercial information	C-CNT-PMH	20783	20794 [sic]	pdf
1689	EBITDA Initiatives summary and related information	Yes	Commercial information	C-CNT-PMH	20784	20784 [sic]	xlsx
1690	EBITDA Initiatives summary and related information	Yes	Commercial information	C-CNT-PMH	20785	20785 [sic]	xlsx
1691	ED Initiative information	Yes	Commercial information	C-CNT-PMH	20786	20786 [sic]	xlsx
1692	AR Collections and CDI Improvement	Yes	Commercial information	C-CNT-PMH	20787	20787 [sic]	xlsx
1693	FY22 Reserves & Receivables	Yes	Commercial information	C-CNT-PMH	20788	20788 [sic]	xlsx
1694	Expense information	Yes	Commercial information	C-CNT-PMH	20789	20789 [sic]	xlsx
1695	FY23 Reserves & Receivables	Yes	Commercial information	C-CNT-PMH	20790	20790 [sic]	xlsx
1696	Email 2023	Yes	Commercial information	C-CNT-PMH	20795	20795	pdf
1697	Email 2022	Yes	Commercial information	C-CNT-PMH	20796	20809	pdf
1698	Email 2022	Yes	Commercial information	C-CNT-PMH	20810	20818	pdf
1699	Email 2022	Yes	Commercial information	C-CNT-PMH	20819	20826	pdf
1700	Email 2022	Yes	Commercial information	C-CNT-PMH	20827	20838	pdf
1701	Email 2023	Yes	Commercial information	C-CNT-PMH	20839	20840	pdf
1702	Email 2023	Yes	Commercial information	C-CNT-PMH	20841	20841	pdf
1703	Email 2022	Yes	Commercial information	C-CNT-PMH	20842	20843	pdf
1704	Email 2023	Yes	Commercial information	C-CNT-PMH	20844	20846	pdf
1705	Email 2023	Yes	Commercial information	C-CNT-PMH	20847	20848	pdf
1706	Email 2023	Yes	Commercial information	C-CNT-PMH	20849	20850	pdf
1707	Email 2023	Yes	Commercial information	C-CNT-PMH	20851	20853	pdf
1708	Email 2023	Yes	Commercial information	C-CNT-PMH	20854	20855	pdf
1709	Email 2023	Yes	Commercial information	C-CNT-PMH	20856	20857	pdf
1710	Email 2023	Yes	Commercial information	C-CNT-PMH	20858	20860	pdf
1711	Email 2023	Yes	Commercial information	C-CNT-PMH	20861	20862	pdf
1712	Email 2023	Yes	Commercial information	C-CNT-PMH	20863	20867	pdf
1713	Email 2022	Yes	Commercial information	C-CNT-PMH	20868	20871	pdf
1714	Email 2022	Yes	Commercial information	C-CNT-PMH	20872	20873	pdf
1715	Asset Purchase Agreement 11/18/2022	No	Agreed redactions	C-CNT-PMH	20874	21351	pdf
1716	Email 2022	Yes	Commercial information	C-CNT-PMH	21352	21354	pdf
1717	Email 2022	Yes	Commercial information	C-CNT-PMH	21355	21357	pdf
1718	Email 2023	Yes	Commercial information	C-CNT-PMH	21358	21362	pdf
1719	Email 2023	Yes	Commercial information	C-CNT-PMH	21363	21363	pdf
1720	Email 2023	Yes	Commercial information	C-CNT-PMH	21364	21364	pdf
1721	FY2024 Hospital License Fee Proposal Overview	Yes	Commercial information	C-CNT-PMH	21365	21367	pdf
1722	Email 2023	Yes	Commercial information	C-CNT-PMH	21368	21369	pdf
1723	MSO Agreement for Athena Services	Yes	Commercial information	C-CNT-PMH	21370	21431	pdf
1724	Email 2023	Yes	Commercial information	C-CNT-PMH	21432	21433	pdf
1725	Email 2023	Yes	Commercial information	C-CNT-PMH	21434	21434	pdf
1726	Email 2023	Yes	Commercial information	C-CNT-PMH	21435	21439	pdf
1727	Preliminary Draft Updated Reserves Professional Liability 10/19/2022	Yes	Commercial information	C-CNT-PMH	21440	21545	pdf

NO.	DESCRIPTION	CONFIDENTIAL?	REASON	BATES PREFIX	START2	END	TYPE
1728	Staff information	Yes	Commercial information	C-CNT-PMH	21546	21546	xlsx
1729	Email 2023	No	Agreed redactions	C-CNT-PMH	21547	21547	pdf
1730	Email 2022	No	Agreed redactions	C-CNT-PMH	21548	21548	pdf
1731	Email 2023	No	Agreed redactions	C-CNT-PMH	21549	21549	pdf
1732	Email 2023	No	Agreed redactions	C-CNT-PMH	21550	21550	pdf
1733	Email 2022	No	Agreed redactions	C-CNT-PMH	21551	21551	pdf
1734	Email 2023	No	Agreed redactions	C-CNT-PMH	21552	21552	pdf
1735	Email 2023	No	Agreed redactions	C-CNT-PMH	21553	21553	pdf
1736	Email 2023	Yes	Commercial information	C-CNT-PMH	21554	21554	pdf
1737	Email 2022	Yes	Commercial information	C-CNT-PMH	21555	21555	pdf
1738	Investment Banking Letter Agreement 10/19/2023	Yes	Commercial information	C-CNT-PMH	21556	21561	pdf
1739	Email 2023	No	Agreed redactions	C-CNT-PMH	21562	21563	pdf
1740	Email 2022	No	Agreed redactions	C-CNT-PMH	21564	21565	pdf
1741	Email 2023	Yes	Commercial information	C-CNT-PMH	21566	21567	pdf
1742	Debt and bond information	Yes	Commercial information	C-CNT-PMH	21568	21575	pdf
1743	Debt and bond information	Yes	Commercial information	C-CNT-PMH	21576	21576	xls
1744	Series 2023 Financing Assumptions	Yes	Commercial information	C-CNT-PMH	21577	21577	pdf
1745	Debt and bond information	Yes	Commercial information	C-CNT-PMH	21578	21591	pdf
1746	Sources and Uses of Funds	Yes	Commercial information	C-CNT-PMH	21592	21592	xls
1747	Email 2023	Yes	Commercial information	C-CNT-PMH	21593	21593	pdf
1748	Financial information	Yes	Commercial information	C-CNT-PMH	21594	21594	xlsx
1749	Email 2022	Yes	Commercial information	C-CNT-PMH	21595	21596	pdf
1750	Email 2022	Yes	Commercial information	C-CNT-PMH	21597	21597	pdf
1751	Centurion Request for Underwriter Proposal 3/7/2022	Yes	Commercial information	C-CNT-PMH	21598	21601	pdf
1752	CharterCare Projected Operating EBIDA Post Acquisition	Yes	Commercial information	C-CNT-PMH	21602	21603	pdf
1753	Prospect Consolidated Financial Statements	No	Not confidential	C-CNT-PMH	21604	21633	pdf
1754	Email 2022	Yes	Commercial information	C-CNT-PMH	21634	21634	pdf
1755	Finance-ability Letter 10/4/2022	Yes	Commercial information	C-CNT-PMH	21635	21635	pdf
1756	Email 2022	No	Agreed redactions	C-CNT-PMH	21636	21636	pdf
1757	Email 2022	Yes	Commercial information	C-CNT-PMH	21637	21637	pdf
1758	Email 2023	Yes	Commercial information	C-CNT-PMH	21638	21642	pdf
1759	Email 2021	Yes	Commercial information	C-CNT-PMH	21643	21643	pdf
1760	Non-Binding Letter of Intent Draft	Yes	Commercial information	C-CNT-PMH	21644	21652	pdf
1761	Non-Binding Letter of Intent Redline	Yes	Commercial information	C-CNT-PMH	21653	21664	pdf
1762	Email 2023	Yes	Commercial information	C-CNT-PMH	21665	21666	pdf
1763	Email 2023	Yes	Commercial information	C-CNT-PMH	21667	21668	pdf
1764	Email 2022	Yes	Commercial information	C-CNT-PMH	21669	21670	pdf
1765	Email 2022	Yes	Commercial information	C-CNT-PMH	21671	21673	pdf
1766	Email 2022	Yes	Commercial information	C-CNT-PMH	21674	21675	pdf
1767	Investment Banking Letter Agreement 10/19/2023	Yes	Commercial information	C-CNT-PMH	21676	21681	pdf
1768	Email 2022	Yes	Commercial information	C-CNT-PMH	21682	21683	pdf
1769	Email 2022	Yes	Commercial information	C-CNT-PMH	21684	21685	pdf

NO.	DESCRIPTION	CONFIDENTIAL?	REASON	BATES PREFIX	START2	END	TYPE
1770	Investment Banking Letter Agreement 10/19/2023	Yes	Commercial information	C-CNT-PMH	21686	21691	pdf
1771	Email 2022	Yes	Commercial information	C-CNT-PMH	21692	21693	pdf
1772	Email 2022	Yes	Commercial information	C-CNT-PMH	21694	21696	pdf
1773	Email 2023	Yes	Commercial information	C-CNT-PMH	21697	21699	pdf
1774	Email 2023	Yes	Commercial information	C-CNT-PMH	21700	21701	pdf
1775	Email 2023	Yes	Commercial information	C-CNT-PMH	21702	21704	pdf
1776	Email 2022	Yes	Commercial information	C-CNT-PMH	21705	21706	pdf
1777	Email 2022	Yes	Commercial information	C-CNT-PMH	21707	21709	pdf
1778	Email 2022	Yes	Commercial information	C-CNT-PMH	21710	21712	pdf
1779	Underwriting Proposal 3/15/2022	Yes	Commercial information	C-CNT-PMH	21713	21745	pdf
1780	Email 2022	Yes	Commercial information	C-CNT-PMH	21746	21747	pdf
1781	Email 2022	Yes	Commercial information	C-CNT-PMH	21748	21752	pdf
1782	Email 2022	Yes	Commercial information	C-CNT-PMH	21753	21754	pdf
1783	Email 2022	Yes	Commercial information	C-CNT-PMH	21755	21758	pdf
1784	Email 2021	Yes	Commercial information	C-CNT-PMH	21759	21760	pdf
1785	Email 2021	Yes	Commercial information	C-CNT-PMH	21761	21763	pdf
1786	Email 2021	Yes	Commercial information	C-CNT-PMH	21764	21766	pdf
1787	Email 2023	Yes	Commercial information	C-CNT-PMH	21767	21768	pdf
1788	Email 2021	Yes	Commercial information	C-CNT-PMH	21769	21769	pdf
1789	Pro Forma EBITDA	Yes	Commercial information	C-CNT-PMH	21770	21770	xlsx
1790	Email 2021	Yes	Commercial information	C-CNT-PMH	21771	21772	pdf
1791	Communications concerning Restoration of Services	Yes	Commercial information	C-CNT-PMH	21773	21774	pdf
1792	Prospect Consolidated Statement of Cash Flows FY2023 (Unaudited)	Yes	Commercial information	C-CNT-PMH	21775	21775	pdf
1793	Prospect Consolidated Balance Sheets FY2023 (Unaudited)	Yes	Commercial information	C-CNT-PMH	21776	21776	pdf
1794	Prospect Unaudited Consolidated Statement of Operations FY2023	Yes	Commercial information	C-CNT-PMH	21777	21777	pdf
1795	Government Payors, Medicare, Medicaid information	Yes	Commercial information	C-CNT-PMH	21778	21778	xlsx
1796	FY22 and FY23 FTE information	Yes	Commercial information	C-CNT-PMH	21779	21779	xlsx
1797	Centurion Strategy Discussion Document 9/1/2023	Yes	Commercial information	C-CNT-PMH	21780	21790	pdf
1798	A&M Draft Assessment Insights	Yes	Commercial information	C-CNT-PMH	21791	21819	pdf
1799	Citation Status	Yes	Commercial information	C-CNT-PMH	21820	21820	pdf
1800	CCHP Cash Lookback	Yes	Commercial information	C-CNT-PMH	21821	21821	xlsx
1801	2024.03.01 Ltr to J. Harvey re Responses to RIAG Supplemental Questions (Second Set).pdf	No	Not requested	-	-	-	pdf
1802	2024.03.01 Responses to RIAG Second Supp Questions.pdf	No	Agreed redactions	-	-	-	pdf
1803	C-CNT-PMH-021826.xlsx	Yes	Financial and commercial information	C-CNT-PMH	21826	21826 [sic]	xls
1804	C-CNT-PMH-021827.xlsx	Yes	Financial and commercial information	C-CNT-PMH	21827	21827	xls
1805	C-CNT-PMH-021828.xlsx	Yes	Financial and commercial information	C-CNT-PMH	21828	21828	xls
1806	C-CNT-PMH-021829.xlsx	Yes	Financial and commercial information	C-CNT-PMH	21829	21829	xls

1.A.	Strategy and Operations:	Reference	Transacting Parties Response(s)
I.A.37	Please provide any detailed workplans prepared by Alvarez & Marsal for either Prospect or Centurion with respect to the New CharterCARE System. Is Centurion planning on engaging Alvarez & Marsal to provide strategic advice? If so, please describe.	Q. 47	Supplemental Response: Please see C-CNT-PMH-021791 through C-CNT-PMH-021819. Centurion is confident that the local management team can lead the New CharterCARE System to operational success based on its experience with the team, their expertise, and the transition plan prepared by Centurion and the local management team. If a consultant is needed to support the local management team following closing, the New CharterCARE System will consider engaging Alvarez & Marsal ("A&M").
I.A.70	Please provide all information provided to VMG that was not otherwise provided in the application response materials. including but not limited to the detailed management projections on which the VMG valuations were based, such as the QHR Health/Centurion Operating Improvement Plan Initiatives and management EBITDA adjustments.	VMG Valuation	Please see C-CNT-PMH-010161. In addition, VMG interviewed the local management team (specifically Jeff Liebman and Dan Ison). Supplemental Response: Please see C-CNT-PMH-020783 through C-CNT-PMH-021546.
I.C.43	Please provide all materials provided to and by Barclays to Centurion, including but not limited communication with		Supplemental Response: Please see C-CNT-PMH-012096 through C-CNT-PMH-01355, C-CNT-PMH-021547

	Barclays following the May 2, 2023 finance-ability letter.		through C-CNT-PMH-021772, and the accompanying privilege log.
F.	**Information Technology/Electronic Health Records:**		
I.F.6	What proof does Centurion have that Prospect's addition of redacted will sufficiently protect against a cyber security breach? Specifically, has Centurion conducted a security risk assessment of the Prospect IT system and an evaluation of its effectiveness?		While Centurion has not conducted a security risk assessment, Prospect and Prospect CharterCARE, with the support of their numerous vendors, have confirmed that their IT systems are sufficiently secure. Please see C-CNT-PMH-021779 for further information.
A.	**Prospect Finances:**		**Transacting Parties Response(s)**
II.A.11	Please explain the reason behind why the Existing Hospitals sold their Prospect Medical Group receivables to Prospect Medical Holdings, Inc ("PMH") in 2020.		The Existing Hospitals did not sell their Prospect Medical Group receivables to Prospect.
II.A.14	Please list and explain the factors contributing to PMH's significant losses in March 2023.	Ex. 002	Prospect had an improvement in March 2023 fiscal-year-to-date performance compared to prior year March fiscal-year-to-date.
II.A.16	Please respond to the requests below with respect to PMH: a) Have lenders raised any concerns around potential financial risk or default? If yes, please provide any		a) redacted Please see the minutes of the Prospect Board of Directors at Confidential Exhibit 6 for more information. b) No c) Please see C-CNT-PMH-010472 through C-CNT-PMH-010472. redacted

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	related communications and/or documents. b) Has PMH been or is PMH currently in violation of any debt covenants? c) Please provide a description of, and data/reporting related to, the financial impact of the 2023 cyberattack. Please describe the overall financial impact for PMH, as well as the Rhode Island-specific impact. d)) Please provide Consolidated Statements of Cash Flows for the year-to-date period ending 9/30/23.		redacted d) Supplemental Response: Please see C-CNT-PMH-021775 through C-CNT-PMH-021775.
II.A.17	Please respond to the requests below with respect to the PMH Balance Sheet: a) Please provide a complete list of long-term assets held for sale for fiscal years 2019 through 2023. b) Where is the right of use asset related to MPT lease liabilities on the balance sheet? c) Please describe the MPT liabilities and how the liability is calculated/accounted for, including the initial transaction.		a) Please see the 2022 audited financials for Prospect at note 4. b) Supplemental Response: redacted c) Supplemental Response: redacted

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	d) Why was there a significant increase in capital leases in fiscal year 2022? e) Please provide detail on the refund liability for fiscal years 2019 through 2023, including how the liability is calculated. f) Please provide any reports, analyses, and similar documents related to new or existing debt across the past five fiscal years. g) Please provide Consolidated Balance Sheets as of 9/30/23.		d) Supplemental Response: Prospect does not see this in the FY22 audited financials. e) redacted f) Supplemental Response: Please see debt footnote in the audited financials detailing the debt amounts. g) Supplemental Response: Please see C-CNT-PMH-021776-C-CNT-PMH-021776.
II.A.18	Please respond to the requests below with respect to the PMH Income Statement: a) redacted b) redacted c) redacted d) redacted		a) Supplemental Response: Please clarify the PMH income statement that the question is referencing for FY23 given that the audited financial statements for FY23 are not yet available. b) redacted c) Supplemental Response: redacted d) Supplemental Response: Please see C-CNT-PMH-021777-C-CNT-PMH-021777.

	redacted		
II.A.19	Please respond to the requests below with respect to the Prospect CharterCARE Balance Sheet: a) Please provide an updated/current calculation of net working capital ("NWC"), including actual/reported and adjusted/definitional NWC "retained by buyer" under the Asset Purchase Agreement. a. What is included in Other Payables in the NWC schedule in the original Asset Purchase Agreement redacted ? b) redacted c) Please provide detail on the other long-term liabilities for fiscal years 2020 through 2023. d) Please provide any reports, analyses, and similar documents related to debt taken on in the past five years (at the Prospect level).		A) The NWC calculation that is attached as a schedule to the APA that includes actual/reported and adjusted/definitional NWC "retained by buyer" has not been updated at this point and time and will be updated closer to closing of the Proposed Transaction. a) Please see C-CNT-PMH-010473 and C-CNT-PMH-010474. B) See C-CNT-PMH-012080 through C-CNT-PMH-012081. C) See C-CNT-PMH-012082. D) Prospect CharterCARE has not taken on any debt level during the past 5 years. As a result, Prospect does not have any reports regarding such debt. E) See C-CNT-PMH-012083 through C-CNT-PMH-012086. F) See C-CNT-PMH-012087. G) See C-CNT-PMH-010473 and C-CNT-PMH-010474. Supplemental response: redacted

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	e) Please provide balance sheets as of 9/30/20, 9/30/21, 10/31/22, and 11/30/22 in the same format as Confidential Exhibit 24, A, 5, ix of the HCA Revised Application. f) Related to Appendix F7, please provide detail related to current financial liabilities as of September 30, 2023 and November 30, 2023. g) What is included in Intercompany Accounts – Receivables (1234) and redacted h) redacted		redacted H) See C-CNT-PMH-010473 and C-CNT-PMH-010474. Supplemental Response: please see C-CNT-PMH-021778.
B.	**Compliance & Liabilities:**		
II.B.4	Please provide Prospect's current gross claims liability as of October of 2023.		Supplemental Response: redacted

			redacted
II.B.7	Please provide copies of any CMS survey(s) with redacted for each of the Existing Hospitals for the previous five (5) years.	Tab. G1	Supplemental Response: Please see C-CNT-PMH-021820.
II.B.17	What safeguards or standard operating procedures have been put in place related to contingent liabilities such as cybersecurity attacks?		With respect to cybersecurity, Prospect has worked diligently with the support of numerous vendors to restore its systems and ensure adequate security. Supplemental Response: Please see C-CNT-PMH-021773-C-CNT-PMH-021774 for further information.
D.	**Miscellaneous:**		
II.D.7	Please provide staffing information broken out between RMWC, OLF, and all other entities relevant to the Proposed Transaction: staffing statistics for fiscal years 2022 and 2023, including employed FTEs, paid hours per adjusted patient day, FTEs per adjusted occupied bed, average hourly rate, and average salary per FTE (in Excel).		Please see Appendix A for FTE information. Please see C-CNT-PMH-021779 for the further requested information.

Exhibit 6- Privilege Log for Prospect Transacting Parties (Supplemental Questions)

A. Prospect CharterCARE LLC Board of Directors

Bates Number	Document	Date	To	From	Narrative
C-CNT-PMH-013555	Meeting Minutes of the Prospect CharterCARE SJHSRI, LLC Local Advisory Board	3/11/2021	Joseph Samartano, Jeffrey Liebman, Deeborah Giannini, Mariann Pari, Susan Beliveau, Donna Rubinate, Guen del Mundo, David Ragosta, Miriam Cauley, Dan Ison, Paul Roberge, Joyce Hackley, Paul Allen, Lynn Leahy	J. Liebman	Proprietary and confidential commercial and strategic information regarding an unrelated transaction.
C-CNT-PMH-013755	Prospect CharterCARE, LLC Board of Directors Meeting Minutes	10/20/2021	William Beliveau, M.D., Von Crockett, Deborah Giannini, Samuel Lee, Maria Leonard, Louis Mariorenzi, M.D., Joseph Samartano, D.D.S., David Topper, Susan Benefit Beliveau, Sheila Capobianco, Dan Ison, Laura LeCorte, Mitchell Lew, M.D., David Ragosta, Peter	J.	Reflecting attorney-client privileged information reflecting legal advice and strategy from counsel related to potential Certificate of Need challenge.

			Sabey, Jeffrey Liebman		
C-CNT-PMH-014025	Our Lady of Fatima Medical Executive Committee Minutes	12/1/2021	W. Beliveau, MD, A.R. Buonanno, R. Calikyan, S. Colagiovanni, F. D'Alessandro, P. Deblasio, Jr, D. Neumann, J. Prinscott, L. Leahey, D. Rubinate, J. Liebamn, K. Dixon.	J. Liebman	Proprietary and confidential commercial and strategic information regarding capital expenditures. `
C-CNT-PMH-013806	Prospect CharterCARE, LLC Board of Directors Meeting Minutes	12/8/2021	William Beliveau, M.D., Von Crockett, Deborah Giannini, Maria Leonard, Louis Mariorenzi, M.D., Mariann Pari, Joseph Samartano, D.D.S., David Topper, Susan Benfeito Beliveau, Sheila Capobiacno, David Ragosta, Peter Sabey, Jeffrey Liebman	Jeffrey Liebman	Reflecting attorney-client privileged information from counsel regarding legal strategy of potential legal action.
C-CNT-PMH-014027	Our Lady of Fatima Medical Executive Committee Minutes	1/6/2022	W. Beliveau, MD, A.R. Buonanno, R. Calikyan, S. Colagiovanni, F. D'Alessandro, P. Deblasio, Jr, D.	M. Stancu	Proprietary and confidential peer review.

			Neumann, J. Prinscott, W. Beliveau, Jr., J. Mazza, P. Pizzarello, M. Stancu, L. Leahey, D. Rubinate, J. Liebamn, K. Dixon, D. Rubinate, K. Dixon		
C-CNT-PMH-014027	Our Lady of Fatima Medical Executive Committee Minutes	1/6/2022	W. Beliveau, MD, A.R. Buonanno, R. Calikyan, S. Colagiovanni, F. D'Alessandro, P. Deblasio, Jr, D. Neumann, J. Prinscott, W. Beliveau, Jr., J. Mazza, P. Pizzarello, M. Stancu, L. Leahey, D. Rubinate, J. Liebamn, K. Dixon, D. Rubinate, K. Dixon	J. Liebman	Proprietary and confidential commercial and strategic information regarding staffing.
C-CNT-PMH-013826-C-CNT-PMH-013827	Prospect CharterCARE, LLC Board of Directors PowerPoint	2/10/2022	Von Crockett, William Beliveau, MD, Deborah Giannini, Sam Lee, Maria Leonard, Louis Mariorenzi, Mariann Pari, Josheph Samartano, D.D.S., David	Natalie Cook	Reflecting attorney-client privileged information reflecting legal advice and strategy from counsel related to union activities.

			Topper, Jeff Liebman, Susan Believeau, Dan Ison, Paul Allen MD, Eric Samuels		
C-CNT-PMH-014138	Roger Williams Medical Center CharterCARE Board of Directors Consent Agenda – RWMC Medical Executive Committee Minutes	May 2022	G. Allen, V. Armenlo, A. Bloomenthal, A. Bonnet, R. Brown, N. Doobay, NJ Espat, J. Koness, D. Neumann, B. Rathore, P. Somasundar, J. Liebman, P. Allen, G. Del mUndo, K. Dixon	J. Liebman	Proprietary and confidential commercial and strategic information regarding unrelated business action.
C-CNT-PMH-014139	Roger Williams Medical Center CharterCARE Board of Directors Consent Agenda – RWMC Medical Executive Committee Minutes	May 2022	G. Allen, V. Armenlo, A. Bloomenthal, A. Bonnet, R. Brown, N. Doobay, NJ Espat, J. Koness, D. Neumann, B. Rathore, P. Somasundar, J. Liebman, P. Allen, G. Del mUndo, K. Dixon	P. Somasundar	Proprietary and confidential commercial and strategic information regarding bylaws.
C-CNT-PMH-014142	Roger Williams Medical Center CharterCARE Board of Directors	May 2022	G. Allen, V. Armenlo, A. Bloomenthal, A. Bonnet, R. Brown,	M. Stancu	Proprietary and confidential peer review.

	Consent Agenda – RWMC Medical Executive Committee Minutes		N. Doobay, NJ Espat, J. Koness, D. Neumann, B. Rathore, P. Somasundar, J. Liebman, P. Allen, G. Del mUndo, K. Dixon, P. Allen, M. Stancu		
C-CNT-PMH-014142-C-CNT-PMH-014143	Roger Williams Medical Center CharterCARE Board of Directors Consent Agenda	May 2022	W. Beliveau, A.R. Buonanno, R. Calikyan, S. Colagiovanni, F. D'Alessandro, J. Prinscott, W. Beliveau Jr., P. Pizzarello, J. Liebam, L. Leahy, D. Rubinate, S. Benefito, R. Carter, K. Noveau, K. Kahroff	Credential Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-014091	Roger Williams Medical Center CharterCARE Board of Directors Consent Agenda	May 2022	G. Allen, R. Brown, NJ Espat, J. Koness, J. Liebman, D. Neumann, M Stancu, V. Sudheendra, J. Stoukides, A. Bloomenthal, J. Koness, A. Bonnet, J. Miskovsky, A. Peter-Faherty, G. del Mundo, P. Allen, K.	J. Liebman	Proprietary and confidential commercial and strategic information regarding actions regarding Certificate of Need by of unrelated hospital system.

			Karhoff, L. Lahey, S. Benfieto		
C-CNT-PMH-014093-C-CNT-PMH-014094	Roger Williams Medical Center CharterCARE Board of Directors Consent Agenda	May 2022	G. Allen, R. Brown, NJ Espat, J. Koness, J. Liebman, D. Neumann, M Stancu, V. Sudheendra, J. Stoukides, A. Bloomenthal, J. Koness, A. Bonnet, J. Miskovsky, A. Peter-Faherty, G. del Mundo, P. Allen, K. Karhoff, L. Lahey, S. Benfieto	Board Discussion	Proprietary and confidential commercial and strategic information regarding Medical Executive Committee compensation.
C-CNT-PMH-014096	Roger Williams Medical Center CharterCARE Board of Directors Consent Agenda	May 2022	G. Allen, R. Brown, NJ Espat, J. Koness, J. Liebman, D. Neumann, M Stancu, V. Sudheendra, J. Stoukides, A. Bloomenthal, J. Miskovsky, R. Hudson, G. del Mundo, P. Allen	J. Liebman	Proprietary and confidential commercial and strategic information regarding hospital operation and unrelated transactions.
C-CNT-PMH-014096	Roger Williams Medical Center CharterCARE Board of Directors Consent Agenda	May 2022	G. Allen, R. Brown , J. Koness, M. Stancu, J. Liebman, M Stancu, V. Sudheendra, J. Stoukides, A. Bloomenthal, J. Miskovsky, R.	J. Liebman	Proprietary and confidential peer review.

			Hudson, G. del Mundo		
C-CNT-PMH-014102-C-CNT-PMH-014126	Roger Williams Medical Center CharterCARE Board of Directors Consent Agenda	May 2022	G. Allen, R. Brown , J. Koness, M. Stancu, J. Liebman, M Stancu, V. Sudheendra, J. Stoukides, A. Bloomenthal, J. Miskovsky, R. Hudson, G. del Mundo	Board Review	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-014185	Prospect CharterCARE, LLC Special Meeting of the Board of Directors	6/15/2022	William Beliveau, MD, Von Crockett, Deborah Giannini, Maria Leonard, Louis Mariorenzi, MD, Mariann Pari, Joseph Samartano DDS, Sheil Capobianco, Jeff Liebman..	George Pillari	Reflecting attorney-client privileged information from counsel regarding regulatory implications of QHR/Prospect CharterCARE agreement.
C-CNT-PMH-014439	Our Lady of Fatima Hospital CharterCare Board of Directors Consent Agenda	November 2022	W. Beliveau, AR Buonanno, R. Calikyan, S. Colagiovanni, F. D'Alessandro, J. Prinscott, P. Pizzarello, J. Mazza, P. DeBlasio, M. Stancu, J. Liebman, L. Leahey, D. Rubinate, S.	W. Beliveau	Proprietary and confidential peer review.

			Benfeito, R. Carter, K. Dizon		
C-CNT-PMH-014464	Our Lady of Fatima Hospital CharterCare Board of Directors Consent Agenda	November 2022	W. Beliveau, AR Buonanno, R. Calikyan, S., W. Beliveau Jr., F. D'Alessandro, J. Prinscott, P. Pizzarello, D. Neumann, P. DeBlasio, L. Olsson, J. Liebman, L. Leahey, S. Benfeito, R. Carter, K. Dizon	J. Liebman	Proprietary and confidential commercial strategic information regarding status of proposed transaction.
C-CNT-PMH-014467	Our Lady of Fatima Hospital CharterCare Board of Directors Consent Agenda	November 2022	W. Beliveau, A.R. Buonanno, S. Colgiovanni, W. Beliveau Jr., F. D'Alessandro, M. Stancu, J. Prinscott, P. Pizzarello, D. Neumann, L. Leahey, S. Benfeito, D. Rubinate, K. Kahroff	A.R. Buoanno	Proprietary and confidential commercia information regarding tax services.
C-CNT-PMH-014468	Our Lady of Fatima Hospital CharterCare Board of Directors Consent Agenda	November 2022	W. Beliveau, A.R. Buonanno, S. Colgiovanni, W. Beliveau Jr., F. D'Alessandro, M. Stancu, J. Prinscott, P. Pizzarello, D. Neumann, L. Leahey,	S. Benefito	Proprietary and confidential commercia information regarding tax services.

			S. Benfeito, D. Rubinate, K. Kahroff		
C-CNT-PMH-014496	Our Lady of Fatima Hospital CharterCare Board of Directors Consent Agenda	November 2022	W. Beliveau, A.R. Buonanno, S. Colgiovanni, W. Beliveau Jr., F. D'Alessandro, M. Stancu, J. Prinscott, P. Pizzarello, D. Neumann, L. Leahey, S. Benfeito, D. Rubinate, K. Kahroff	Board Review	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-014748-C-CNT-PMH-014767	Roger Williams Medical Center CharterCare Board of Directors Consent Agenda	November 2022	V. Crockett, W. Beliveau, D. Giannini, S. Lee, M. Leonard, L. Mariorenzi, M. Pari, J. Samartano, D. Topper, J. Liebmann, S. Beliveau, D. Ison	Board Review	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-014776-C-CNT-PMH-014777	Prospect CharterCARE, LLC Special Meeting of the Board of Directors	11/7/2022	W. Beliveau, M.D., V. Crockett, M. Leonard, L. Mariorenzi, M.D., M. Pari, J. Samartano, D.D.S., D. Topper, J. Liebman, B. Mingle, D. Gunter, B. Eavenson, P. Rocha, Esq., L. Parker, Esq., B. Hanlon, J. Lenning, R. Beretta,	P. Rocha, Esq.	Attorney-Client/Common Interest privileged legal advice regarding duties of board of directors.

			Esq. C. Hoinacki, Esq.		
C-CNT-PMH-014781	Prospect CharterCARE, LLC Special Meeting of the Board of Directors	11/7/2022	W. Beliveau, M.D., V. Crockett, M. Leonard, L. Mariorenzi, M.D., M. Pari, J. Samartano, D.D.S., D. Topper, J. Liebman, B. Mingle, D. Gunter, B. Eavenson, P. Rocha, Esq., L. Parker, Esq., B. Hanlon, J. Lenning, R. Beretta, Esq. C. Hoinacki, Esq.	C. Hoinacki, Esq.	Attorney-Client/Common Interest privileged legal advice regarding the regulatory review process of the proposed transaction.
C-CNT-PMH-014776-C-CNT-PMH-014777	Prospect CharterCARE, LLC Special Meeting of the Board of Directors	11/7/2022	W. Beliveau, M.D., V. Crockett, M. Leonard, L. Mariorenzi, M.D., M. Pari, J. Samartano, D.D.S., D. Topper, J. Liebman, B. Mingle, D. Gunter, B. Eavenson, P. Rocha, Esq., L. Parker, Esq., B. Hanlon, J. Lenning, R. Beretta, Esq. C. Hoinacki, Esq.	P. Rocha, Esq.	Attorney-Client/Common Interest privileged legal advice regarding duties of board of directors.
C-CNT-PMH-014953	Our Lady of Fatima Hospital CharterCare Board	May 2023	V. Crockett, W. Beliveau, MD, D. Giannini, S. Lee, M.	J. Liebman	Proprietary and confidential commercial and strategic information regarding status of

	of Directors Consent Agenda – Medical Executive Committee Minutes		Leonard, L. Mariorenzi, MD, M. Parri, J. Samartano, DDS, D. Topper, J. Liebman, S. Beliveau, D. Ison, L. Leahey.		the proposed transaction and ongoing hospital operations.
C-CNT-PMH-014955-C-CNT-PMH-014964	Our Lady of Fatima Hospital CharterCare Board of Directors Consent Agenda – Medical Executive Committee Minutes	May 2023	V. Crockett, W. Beliveau, MD, D. Giannini, S. Lee, M. Leonard, L. Mariorenzi, MD, M. Parri, J. Samartano, DDS, D. Topper, J. Liebman, S. Beliveau, D. Ison, L. Leahey.	Board Review	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-015146	Our Lady of Fatima Hospital CharterCare Board of Directors Consent Agenda – Medical Executive Committee Minutes	October 2023	V. Crockett, W. Beliveau, MD, D. Giannini, S. Lee, M. Leonard, L. Mariorenzi, MD, M. Parri, J. Samartano, DDS, D. Topper, J. Liebman, S. Beliveau, C. Arriera, G. Babson	J. Liebman	Proprietary and confidential commercial strategic information regarding status of the Proposed Transaction.
C-CNT-PMH-015149	Our Lady of Fatima Hospital CharterCare Board of Directors Consent Agenda –	October 2023	V. Crockett, W. Beliveau, MD, D. Giannini, S. Lee, M. Leonard, L. Mariorenzi, MD, M. Parri, J. Samartano,	D. Rubinate	Proprietary and confidential commercial strategic information regarding status of the Proposed Transaction.

	Medical Executive Committee Minutes		DDS, D. Topper, J. Liebman, S. Beliveau, C. Arriera, G. Babson		
C-CNT-PMH-015149	Our Lady of Fatima Hospital CharterCare Board of Directors Consent Agenda – Medical Executive Committee Minutes	October 2023	V. Crockett, W. Beliveau, MD, D. Giannini, S. Lee, M. Leonard, L. Mariorenzi, MD, M. Parri, J. Samartano, DDS, D. Topper, J. Liebman, S. Beliveau, C. Arriera, G. Babson	L. Leahey	Proprietary and confidential peer review.
C-CNT-PMH-015158	Our Lady of Fatima Hospital CharterCare Board of Directors Consent Agenda	October 2023	V. Crockett, W. Beliveau, MD, D. Giannini, S. Lee, M. Leonard, L. Mariorenzi, MD, M. Parri, J. Samartano, DDS, D. Topper, J. Liebman, S. Beliveau, C. Arriera, G. Babson	Board Review	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-015158	Our Lady of Fatima Hospital CharterCare Board of Directors Consent Agenda – Quarterly Medical Staff Meeting Minutes	October 2023	V. Crockett, W. Beliveau, MD, D. Giannini, S. Lee, M. Leonard, L. Mariorenzi, MD, M. Parri, J. Samartano, DDS, D. Topper, J. Liebman, S.	J. Liebamn	Proprietary and confidential commercial strategic information regarding status of the Proposed Transaction.

			Beliveau, C. Arriera, G. Babson		
C-CNT-PMH-015176-C-CNT-PMH-015185	Roger Williams Medical Center CharterCare Board of Directors Consent Agenda	October 2023	V. Crockett, W. Beliveau, MD, D. Giannini, S. Lee, M. Leonard, L. Mariorenzi, MD, M. Parri, J. Samartano, DDS, D. Topper, J. Liebman, S. Beliveau, C. Arriera, G. Babson	Board Review	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-015176-C-CNT-PMH-015185	Roger Williams Medical Center CharterCare Board of Directors Consent Agenda – Quarterly Medical Staff Meeting Minutes	October 2023	V. Crockett, W. Beliveau, MD, D. Giannini, S. Lee, M. Leonard, L. Mariorenzi, MD, M. Parri, J. Samartano, DDS, D. Topper, J. Liebman, S. Beliveau, C. Arriera, G. Babson	J. Liebmann	Proprietary and confidential commercial strategic information regarding status of the Proposed Transaction.
N/A	Prospect CharterCARE Annual Board Continuing Education presentation	November 2023		W. Kane, Esq., Esq. Klein, Esq., Nioura Ghazni, Esq.	Attorney-Client privileged legal advice and Attorney work product regarding Board fiduciary duties.
C-CNT-PMH-015346	Our Lady of Fatima Hospital CharterCare Board of Directors Consent Agenda –	November 2023	V. Crockett, W. Beliveau, MD, D. Giannini, S. Lee, M. Leonard, L. Mariorenzi, MD, M.	J. Liebman	Proprietary and confidential commercial strategic information regarding status of the Proposed Transaction.

	Medical Executive Committee Minutes		Parri, J. Samartano, DDS, D. Topper, J. Liebman, D. Ison, S. Beliveau, C. Arriera, G. Babson, B. Kane, Esq., A. Sabillo.		
C-CNT-PMH-015349	Our Lady of Fatima Hospital CharterCare Board of Directors Consent Agenda – Medical Executive Committee Minutes	November 2023	V. Crockett, W. Beliveau, MD, D. Giannini, S. Lee, M. Leonard, L. Mariorenzi, MD, M. Parri, J. Samartano, DDS, D. Topper, J. Liebman, D. Ison, S. Beliveau, C. Arriera, G. Babson, B. Kane, Esq., A. Sabillo.	J. Liebman	Attorney-Client privileged advice and discussion regarding cyber-attack event.
C-CNT-PMH-015351-C-CNT-PMH-015360	Our Lady of Fatima Hospital CharterCare Board of Directors Consent Agenda – Medical Executive Committee Minutes	November 2023	V. Crockett, W. Beliveau, MD, D. Giannini, S. Lee, M. Leonard, L. Mariorenzi, MD, M. Parri, J. Samartano, DDS, D. Topper, J. Liebman, D. Ison, S. Beliveau, C. Arriera, G. Babson, B. Kane, Esq., A. Sabillo.	Board Review	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-015361	Our Lady of Fatima Hospital CharterCare Board of Directors Consent Agenda –	November 2023	V. Crockett, W. Beliveau, MD, D. Giannini, S. Lee, M. Leonard, L. Mariorenzi, MD, M.	J. Liebman	Proprietary and confidential commercial strategic information regarding status of the Proposed Transaction.

	Quarterly Medical Staff Meeting Minutes		Parri, J. Samartano, DDS, D. Topper, J. Liebman, D. Ison, S. Beliveau, C. Arriera, G. Babson, B. Kane, Esq., A. Sabillo.		
C-CNT-PMH-015390	Roger Williams Medical Center CharterCare Board of Directors Consent Agenda – Medical Executive Committee	November 2023	V. Crockett, W. Beliveau, MD, D. Giannini, S. Lee, M. Leonard, L. Mariorenzi, MD, M. Parri, J. Samartano, DDS, D. Topper, J. Liebman, D. Ison, S. Beliveau, C. Arriera, G. Babson, B. Kane, Esq., A. Sabillo.	D. Espat	Proprietary and confidential peer review.
C-CNT-PMH-015396	Roger Williams Medical Center CharterCare Board of Directors Consent Agenda – Medical Executive Committee	November 2023	V. Crockett, W. Beliveau, MD, D. Giannini, S. Lee, M. Leonard, L. Mariorenzi, MD, M. Parri, J. Samartano, DDS, D. Topper, J. Liebman, D. Ison, S. Beliveau, C. Arriera, G. Babson, B. Kane, Esq., A. Sabillo.	J. Liebman	Proprietary and confidential commercial strategic information regarding status of the Proposed Transaction.
C-CNT-PMH-015398-C-CNT-PMH-015409	Roger Williams Medical Center CharterCare Board of Directors Consent Agenda –	November 2023	V. Crockett, W. Beliveau, MD, D. Giannini, S. Lee, M. Leonard, L. Mariorenzi, MD, M.	J. Liebman	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.

	Medical Executive Committee		Parri, J. Samartano, DDS, D. Topper, J. Liebman, D. Ison, S. Beliveau, C. Arriera, G. Babson, B. Kane, Esq., A. Sabillo.		

B. Prospect CharterCARE SJHSRI LLC Advisory Board

Bates Number	Document	Date	To	From	Narrative
C-CNT-PMH-015504- C-CNT-PMH-015514	Our Lady of Fatima Hospital Board of Directors Consent Agenda	December 2021	Board Members	Board Review	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-015522	Our Lady of Fatima Hospital Board of Directors Consent Agenda – Medical Executive Committee Meeting Minutes	May 2022	Board Members	J. Liebman	Proprietary and confidential commercial and strategic information regarding capital expenditures.
C-CNT-PMH-015524	Our Lady of Fatima Hospital Board of Directors Consent Agenda – Medical Executive Committee Meeting Minutes	May 2022	Board Members	M. Stancu	Proprietary and confidential peer review.
C-CNT-PMH-015524	Our Lady of Fatima Hospital Board of Directors	May 2022	Board Members	J. Liebman	Proprietary and confidential commercial and strategic

	Consent Agenda – Medical Executive Committee Meeting Minutes				information regarding staffing.
C-CNT-PMH-015529	Our Lady of Fatima Hospital Board of Directors Consent Agenda – Medical Executive Committee Meeting Minutes	May 2022	Board Members	J. Liebman	Proprietary and confidential commercial and strategic information regarding unrelated business action.
C-CNT-PMH-015543-C-CNT-PMH-015556	Our Lady of Fatima Hospital Board of Directors Consent Agenda – Medical Executive Committee Meeting Minutes	May 2022	Board Members	Board Review	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-015585	Our Lady of Fatima Advisory Board of Directors Consent Agenda – Medical Executive Committee Meeting Minutes	August 2022	Board Members	W. Beliveau	Proprietary and confidential peer review
C-CNT-PMH-015610	Our Lady of Fatima Advisory Board of Directors Consent Agenda – Medical Executive Committee Meeting Minutes	August 2022	Board Members	J. Liebamn	Proprietary and confidential commercial strategic information regarding status of the Proposed Transaction.

C-CNT-PMH-015613	Our Lady of Fatima Advisory Board of Directors Consent Agenda – Medical Executive Committee Meeting Minutes	August 2022	Board Members	A.R. Buoanno	Proprietary and confidential commercia information regarding tax services.
C-CNT-PMH-015614	Our Lady of Fatima Advisory Board of Directors Consent Agenda – Medical Executive Committee Meeting Minutes	August 2022	Board Members	S. Benefito	Proprietary and confidential commercia information regarding tax services.
C-CNT-PMH-015616-C-CNT-PMH-015626	Our Lady of Fatima Advisory Board of Directors Consent Agenda – Medical Executive Committee Meeting Minutes	August 2022	Board Members	Board Review	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-015641-C-CNT-PMH-015642	Our Lady of Fatima Advisory Board of Directors Consent Agenda – Medical Executive Committee Meeting Minutes	October 2022	Board Members	Board Review	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-015644-C-CNT-PMH-015645	Our Lady of Fatima Advisory Board of Directors Consent Agenda – Medical Executive	October 2022	Board Members	Board Review	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.

	Committee Meeting Minutes				
C-CNT-PMH-015647-C-CNT-PMH-015649	Our Lady of Fatima Advisory Board of Directors Consent Agenda – Medical Executive Committee Meeting Minutes	October 2022	Board Members	Board Review	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-015772	Our Lady of Fatima Advisory Board of Directors Consent Agenda – Medical Executive Committee Meeting Minutes	December 2022	Board Members	AR Buonanno	Proprietary and confidential peer review
C-CNT-PMH-015810-C-CNT-PMH-015811	Our Lady of Fatima Advisory Board of Directors Consent Agenda – Medical Executive Committee Meeting Minutes	December 2022	Board Members	Board Review	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-015813-C-CNT-PMH-015814	Our Lady of Fatima Advisory Board of Directors Consent Agenda – Medical Executive Committee Meeting Minutes	December 2022	Board Members	Board Review	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-015816-C-CNT-PMH-015818	Our Lady of Fatima Advisory Board of Directors	December 2022	Board Members	Board Review	Proprietary and confidential commercial and strategic information and personally

	Consent Agenda – Medical Executive Committee Meeting Minutes				recognizable information regarding credentialing.
C-CNT-PMH-015926	Our Lady of Fatima Advisory Board of Directors Consent Agenda – Medical Executive Committee Meeting Minutes	May 2023	Board Members	J. Liebman	Proprietary and confidential commercial strategic information regarding status of the Proposed Transaction.
C-CNT-PMH-015928-C-CNT-PMH-015937	Our Lady of Fatima Advisory Board of Directors Consent Agenda – Medical Executive Committee Meeting Minutes	May 2023	Board Members	Board Review	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-015946-C-CNT-PMH-015947	Prospect CharterCARE SJHSRI, LLC Advisory Board Directory	August 2, 2023	Board Members		Confidential and personal Board member telephone numbers.
C-CNT-PMH-015964	Our Lady of Fatima Advisory Board of Directors Consent Agenda – Medical Executive Committee Meeting Minutes	August 2023	Board Members	J. Liebman	Proprietary and confidential commercial strategic information regarding status of the Proposed Transaction.
C-CNT-PMH-015967	Our Lady of Fatima Advisory Board of Directors	August 2023	Board Members	D. Rubinate	Proprietary and confidential commercial strategic

	Consent Agenda – Medical Executive Committee Meeting Minutes				information regarding status of the Proposed Transaction.
C-CNT-PMH-015967	Our Lady of Fatima Advisory Board of Directors Consent Agenda – Medical Executive Committee Meeting Minutes	August 2023	Board Members	L. Leahey	Proprietary and confidential peer review.
C-CNT-PMH-015969-C-CNT-PMH-015976	Our Lady of Fatima Advisory Board of Directors Consent Agenda – Medical Executive Committee Meeting Minutes	August 2023	Board Members	Board Review	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-015979	Our Lady of Fatima Advisory Board of Directors Consent Agenda – Quarterly Medical Staff Meeting Minutes	August 2023	Board Members	J. Liebman	Proprietary and confidential commercial strategic information regarding status of the Proposed Transaction
C-CNT-PMH-016031	Our Lady of Fatima Advisory Board of Directors Consent Agenda – Medical Executive Committee Meeting Minutes	November 2023	Board Members	J. Liebman	Proprietary and confidential commercial strategic information regarding status of the Proposed Transaction

C-CNT-PMH-016034	Our Lady of Fatima Advisory Board of Directors Consent Agenda – Medical Executive Committee Meeting Minutes	November 2023	Board Members	J. Liebman	Attorney-Client privileged advice and discussion regarding cyber-attack event.
C-CNT-PMH-016036- C-CNT-PMH-016045	Our Lady of Fatima Advisory Board of Directors Consent Agenda – Medical Executive Committee Meeting Minutes	November 2023	Board Members	Board Review	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.

C. Prospect CharterCARE RWMC LLC Advisory Board

Bates Number	Document	Date	To	From	Narrative
C-CNT-PMH-016099	Roger Williams Medical Center Delegated Governing Body Consent Agenda – Medical Executive Committee Meeting Minutes	September 2021	Board Members	J. Liebman	Proprietary and confidential commercial strategic information regarding unrelated transaction and business activity.
C-CNT-PMH-016100	Roger Williams Medical Center Delegated Governing Body Consent Agenda – Medical Executive	September 2021	Board Members	P. Somasundar	Proprietary and confidential commercial and strategic information regarding bylaws.

	Committee Meeting Minutes				
C-CNT-PMH-016103 C-CNT-PMH-016111	Roger Williams Medical Center Delegated Governing Body Consent Agenda – Medical Executive Committee Meeting Minutes	September 2021	Board Members	Board Review	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-016127	Roger Williams Medical Center Advisory Board of Directors Consent Agenda-Medical Executive Committee Meeting Minutes	December 2021	Board Members	J. Liebman	Proprietary and confidential commercial strategic information regarding unrelated transaction and business activity.
C-CNT-PMH-016128	Roger Williams Medical Center Advisory Board of Directors Consent Agenda-Medical Executive Committee Meeting Minutes	December 2021	Board Members	P. Somasundar	Proprietary and confidential commercial and strategic information regarding bylaws.
C-CNT-PMH-016131 C-CNT-PMH-016138	Roger Williams Medical Center Advisory Board of Directors Consent Agenda-Medical Executive	December 2021	Board Members	Board Review	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.

	Committee Meeting Minutes				
C-CNT-PMH-016253	Minutes of Prospect CharterCARE RWMC, LLC, Local Advisory Board	December 15, 2021	M. Leonard, G. Allen, DO, C. Alves, J. Liebman, L. Mariorenzi, MD, Ponnandai Somasundar, MD	J. Liebman	Attorney-client legal strategy regarding potential action unrelated to Proposed Transaction.
C-CNT-PMH-016258	Roger Williams Medical Center Advisory Board of Directors Consent Agenda-Medical Executive Committee Meeting Minutes	May 2022	Board Members	M. Stancu, J. Liebman	Proprietary and confidential peer review regarding provider cooperation.
C-CNT-PMH-016259	Roger Williams Medical Center Advisory Board of Directors Consent Agenda-Medical Executive Committee Meeting Minutes	May 2022	Board Members	P. Allen	Proprietary and confidential peer review regarding staffing.
C-CNT-PMH-016289	Roger Williams Medical Center Advisory Board of Directors Consent Agenda-Medical Executive Committee Meeting Minutes	May 2022	Board Members	J. Liebman	Proprietary and confidential commercial strategic information regarding unrelated Certificate of Need.

C-CNT-PMH-016291- C-CNT-PMH-016292	Roger Williams Medical Center Advisory Board of Directors Consent Agenda-Medical Executive Committee Meeting Minutes	May 2022	Board Members	Board Discussion	Proprietary and confidential commercial and strategic information regarding Medical Executive Committee compensation.
C-CNT-PMH-016294	Roger Williams Medical Center Advisory Board of Directors Consent Agenda-Medical Executive Committee Meeting Minutes	May 2022	Board Members	J. Liebman	Proprietary and confidential commercial and strategic information regarding hospital operation and unrelated transactions.
C-CNT-PMH-016297	Roger Williams Medical Center Advisory Board of Directors Consent Agenda-Medical Executive Committee Meeting Minutes	May 2022	Board Members	J. Liebman	Proprietary and confidential peer review.
C-CNT-PMH-016300- C-CNT-PMH-016315	Roger Williams Medical Center Advisory Board of Directors Consent Agenda-Medical Executive Committee Meeting Minutes	May 2022	Board Members	Board Review	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.

C-CNT-PMH-016324	Roger Williams Medical Center Advisory Board of Directors Consent Agenda-Medical Executive Committee Meeting Minutes	September 2022	Board Members	J. Liebman	Attorney-Client privileged legal advice regarding physician contracts.
C-CNT-PMH-016331	Roger Williams Medical Center Advisory Board of Directors Consent Agenda-Medical Executive Committee Meeting Minutes	September 2022	Board Members	G. Allen	Proprietary and confidential peer review.
C-CNT-PMH-016334	Roger Williams Medical Center Advisory Board of Directors Consent Agenda-Medical Executive Committee Meeting Minutes	September 2022	Board Members	D. Rubinate	Proprietary and confidential peer review.
C-CNT-PMH-016336 - C-CNT-PMH-016349	Roger Williams Medical Center Advisory Board of Directors Consent Agenda-Medical Executive Committee Meeting Minutes	September 2022	Board Members	Board Review	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.

C-CNT-PMH-016336 - C-CNT-PMH-016348	Roger Williams Medical Center Advisory Board of Directors Consent Agenda-Medical Executive Committee Meeting Minutes	September 2022	Board Members	J. Liebman	Proprietary and confidential commercial strategic information regarding unrelated transaction and status of Proposed Transaction.
C-CNT-PMH-016393	Roger Williams Medical Center Advisory Board of Directors Consent Agenda-Medical Executive Committee Meeting Minutes	October 2022	Board Members	J. Liebman	Proprietary and confidential commercial strategic information regarding unrelated transaction.
C-CNT-PMH-016412 - C-CNT-PMH-016417	Roger Williams Medical Center Advisory Board of Directors Consent Agenda-Medical Executive Committee Meeting Minutes	October 2022	Board Members	Board Review	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-016536 - C-CNT-PMH-016542	Roger Williams Medical Center Advisory Board of Directors Consent Agenda-Medical Executive Committee Meeting Minutes	December 2022	Board Members	Board Review	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.

C-CNT-PMH-016571	Roger Williams Medical Center Advisory Board of Directors Consent Agenda-Medical Executive Committee Meeting Minutes	February 2023	Board Members	Board Review	Proprietary and confidential commercial information regarding insurance premium.
C-CNT-PMH-016578 - C-CNT-PMH-016585	Roger Williams Medical Center Advisory Board of Directors Consent Agenda-Medical Executive Committee Meeting Minutes	February 2023	Board Members	Board Review	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-016652 - C-CNT-PMH-016661	Roger Williams Medical Center Advisory Board of Directors Consent Agenda-Medical Executive Committee Meeting Minutes	May 2023	Board Members	Board Review	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-016720 - C-CNT-PMH-016729	Roger Williams Medical Center Advisory Board of Directors Consent Agenda-Medical Executive Committee Meeting Minutes	September 2023			Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.

C-CNT-PMH-016731	Roger Williams Medical Center Advisory Board of Directors Consent Agenda-Quarterly Medical Staff Meeting Minutes	September 2023	Board Members	J. Liebman	Proprietary and confidential commercial strategic information regarding Proposed Transaction.
C-CNT-PMH-016774 - C-CNT-PMH-016775	Prospect CharterCARE Roger Williams Medical Center, LLC Advisory Board Directory	September 2023	Board Members	Board Review	Confidential and personal Board member telephone numbers.
C-CNT-PMH-016785	Roger Williams Medical Center Advisory Board of Directors Consent Agenda-Medical Executive Committee Meeting Minutes	November 2023	Board Members	J. Espat	Proprietary and confidential peer review.
C-CNT-PMH-016791	Roger Williams Medical Center Advisory Board of Directors Consent Agenda-Medical Executive Committee Meeting Minutes	November 2023	Board Members	J. Liebman	Proprietary and confidential commercial strategic information regarding Proposed Transaction.
C-CNT-PMH-016793 - C-CNT-PMH-016804	Roger Williams Medical Center Advisory Board of Directors Consent	November 2023	Board Members	Board Review	Proprietary and confidential commercial and strategic information and personally

	Agenda-Medical Executive Committee Meeting Minutes				recognizable information regarding credentialing.

D. Prospect CharterCARE SJHSRI LLC Medial Executive Committee

Bates Number	Document	Date	To	From	Narrative
C-CNT-PMH-016813 - C-CNT-PMH-016819	Medical Executive Committee Packet - Credentials Committee Meeting Minutes	4/1/2021	Credential Committee	Committee discussion	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-016882	Medical Executive Committee Packet - Pharmacy & Therapeutics Committee Meeting Minutes	5/6/2021	Pharmacy & Therapeutics Committee	Committee discussion	Proprietary and confidential peer review.
C-CNT-PMH-016883	Medical Executive Committee Packet - Pharmacy & Therapeutics Committee Meeting Minutes	5/6/2021	Pharmacy & Therapeutics Committee	Committee discussion	Proprietary and confidential peer review.
C-CNT-PMH-016901	Medical Executive Committee Minutes	5/6/2021	W. Beliveau, A. Bigelli, A. R. Buonanno, R. Calikyan, F. B. D'Alessandro, P. DeBlasio, D.	J. Liebman	Confidential commercial and strategic information regarding 2021 HCA application process

			Neumann, J. Prinscott, M. Stancu, S. Beliveau, L. Leahey, J. Liebman, D. Rubinate, K Polu, K. Dixon		
C-CNT-PMH-017047	Medical Executive Committee Minutes	6/3/21	W. Beliveau, A. Bigelli, A. R. Buonanno, R. Calikyan, F. B. D'Alessandro, P. DeBlasio, D. Neumann, J. Prinscott, M. Stancu, S. Beliveau, L. Leahey, J. Liebman, D. Rubinate, K Polu, K. Dixon	J. Liebman	Confidential commercial and strategic information regarding Federal approval of an unrelated transaction.
C-CNT-PMH-017016	Medical Executive Committee Minutes and packet	6/3/21	Medical Executive Committee	J. Liebman	Confidential commercial and strategic information regarding 2021 HCA application process
C-CNT-PMH-017021 - C-CNT-PMH-017030	Medical Executive Committee Packet - Credentials Committee Meeting Minutes	6/3/21	Medical Executive Committee	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.

C-CNT-PMH-017040 - C-CNT-PMH-017044	Medical Executive Committee Packet - Critical Care Committee Meeting	6/3/21	Medical Executive Committee	Critical Care Committee	Proprietary and confidential peer review.
C-CNT-PMH-017047	Medical Executive Committee Minutes and Packet	7/22/2021	Committee members	J. Liebman	Confidential commercial and strategic information regarding Federal approval of an unrelated transaction.
C-CNT-PMH-017056	Medical Executive Committee Minutes and Packet	7/22/2021	Committee members	Pharmacy & Therapeutics Committee	Proprietary and confidential peer review.
C-CNT-PMH-017057	Medical Executive Committee Minutes and Packet	7/22/2021	Committee members	Pharmacy & Therapeutics Committee	Proprietary and confidential peer review.
C-CNT-PMH-017084 - C-CNT-PMH-017086	Medical Executive Committee Minutes and Packet	7/22/21	Committee members	Critical Care Committee	Proprietary and confidential peer review.
C-CNT-PMH-017094 - C-CNT-PMH-017095	Medical Executive Committee Minutes and Packet	7/22/21	Committee members	Code Blue Committee	Proprietary and confidential peer review.
C-CNT-PMH-017096 - C-CNT-PMH-017113	Medical Executive Committee Minutes and Packet	7/22/21	Committee members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.

C-CNT-PMH-017115	Medical Executive Committee Minutes	7/22/2021	R. Calikyan ,W. Beliveau, W. Beliveau Jr., P. Deblasio Jr., P. Pizzarello Jr., M. Stancu Guests: L. Leahey, J. Liebman, K. Dixon	A. R. Buonanno	Proprietary and confidential peer review.
C-CNT-PMH-017124	Medical Executive Committee Minutes and Packet	9/2/2021	R. Calikyan ,W. Beliveau, W. Beliveau Jr., P. Deblasio Jr., P. Pizzarello Jr., M. Stancu, L. Leahey, J. Liebman, K. Dixon	A. R. Buonanno	Proprietary and confidential peer review.
C-CNT-PMH-017132 - C-CNT-PMH-017139	Medical Executive Committee Minutes and Packet	9/2/21	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-017143	Medical Executive Committee Minutes and Packet	9/2/21	Committee Members	Pharmacy & Therapeutics Committee	Proprietary and confidential peer review.
C-CNT-PMH-017148	Medical Executive Committee Minutes and Packet	9/2/21	Committee Members	Pharmacy & Therapeutics Committee	Proprietary and confidential peer review.
C-CNT-PMH-017181 -	Medical Executive Committee	10/7/2021	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic

C-CNT-PMH-017185	Minutes and Packet				information and personally recognizable information regarding credentialing.
C-CNT-PMH-017190 - C-CNT-PMH-017191	Medical Executive Committee Minutes and Packet	10/7/2021	Committee Members	Pharmacy & Therapeutics Committee	Proprietary and confidential peer review.
C-CNT-PMH-017226 - C-CNT-PMH-017227	Medical Executive Committee Minutes and Packet	11/4/2021	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-017226 - C-CNT-PMH-017227	Medical Executive Committee Minutes and Packet	11/4/2021	Committee Members	Pharmacy & Therapeutics Committee	Proprietary and confidential peer review.
C-CNT-PMH-017229 - C-CNT-PMH-017230	Medical Executive Committee Minutes and Packet	11/4/2021	Committee Members	Quality & Patient Safety Council	Proprietary and confidential peer review.
C-CNT-PMH-017233	Medical Executive Committee Minutes and Packet	11/4/2021	Committee Members	Quality & Patient Safety Council	Proprietary and confidential peer review.
C-CNT-PMH-017234	Medical Executive Committee Minutes and Packet	11/4/2021	Committee Members	Quality & Patient Safety Council	Proprietary and confidential peer review.
C-CNT-PMH-017236 - C-CNT-PMH-017238	Medical Executive Committee Minutes and Packet	11/4/2021	Committee Members	Medical Records Committee	Proprietary and confidential peer review.

C-CNT-PMH-017257	Medical Executive Committee Meeting Minutes	12/1/2021	W. Beliveau, A.R. Buonanno, R. Calikyan, S. Colagiovanni, F. D'Alessandro, P. Deblasio Jr., D. Neumann, J. Prinscott, L. Leahey, D. Rubinate, J. Liebman, K. Dixon	J. Liebman	Proprietary and confidential commercial strategic information regarding capital expenditure.
C-CNT-PMH-017264 - C-CNT-PMH-017274	Medical Executive Committee Meeting Minutes and Packet	12/1/2021	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-017283 - C-CNT-PMH-017288	Medical Executive Committee Meeting Minutes and Packet	1/6/2022	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-017302 - C-CNT-PMH-017305	Medical Executive Committee Meeting Minutes and Packet	1/6/2022	Committee Members	Quality & Patient Safety Council	Proprietary and confidential peer review.
C-CNT-PMH-017307	Medical Executive Committee Minutes	1/6/2022	W. Beliveau, A.R. Buonanno, R. Calikyan, S. Colagiovanni, F. D'Alesssandro, P. Deblasio Jr., D. Neumann, J. Prinscott, W.	M. Stancu	Proprietary and confidential peer review.

			Beliveau Jr., J. Mazza, P. Pizzarello, M. Stancu, J. Liebman, L. Leahey, D. Rubinate, S. Benfeito, K. Dixon		
C-CNT-PMH-017307	Medical Executive Committee Minutes	1/6/2022	W. Beliveau, A.R. Buonanno, R. Calikyan, S. Colagiovanni, F. D'Alesssandro, P. Deblasio Jr., D. Neumann, J. Prinscott, W. Beliveau Jr., J. Mazza, P. Pizzarello, M. Stancu, J. Liebman, L. Leahey, D. Rubinate, S. Benfeito, K. Dixon	J. Liebman	Proprietary and confidential commercial information regarding staffing.
C-CNT-PMH-017311	Medical Executive Committee Minutes and Packet	2/3/2022	Committee Members	M. Stancu	Proprietary and confidential peer review.
C-CNT-PMH-017311	Medical Executive Committee Minutes and Packet	2/3/2022	Committee Members	J. Liebman	Proprietary and confidential commercial information regarding staffing.
C-CNT-PMH-017314 - C-CNT-PMH-017319	Medical Executive Committee	2/3/2022	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally

	Minutes and Packet				recognizable information regarding credentialing.
C-CNT-PMH-017314 - C-CNT-PMH-017320	Medical Executive Committee Minutes and Packet	2/3/2022	Committee Members	Quality & Patient Safety Council	Proprietary and confidential peer review.
C-CNT-PMH-017373	Medical Executive Committee Minutes	3/3/2022	R. Calikyan W. Beliveau, A. R. Buonanno, R. Calikyan, S. Colagiovanni F. D'Alessandro, J. Prinscott, W. Beliveau Jr., P., Pizzarello, L. Leahey, D. Rubinate, S. Benfeito, R. Carter, K. Noveau, K. Kahrhoff	J. Liebman	Confidential strategic information regarding Proposed Transaction.
C-CNT-PMH-017331	Medical Executive Committee Minutes and Packet	3/3/2023	Committee Members	W. Beliveau	Proprietary and confidential peer review.
C-CNT-PMH-017335 - C-CNT-PMH-017340	Medical Executive Committee Minutes and Packet	3/3/2023	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-017358 - C-CNT-PMH-017359	Medical Executive Committee	3/3/2023	Committee Members	Medical Records Committee	Proprietary and confidential peer review.

	Minutes and Packet				
C-CNT-PMH-017377	Medical Executive Committee Minutes and Packet	4/7/2022	Committee Members	J. Liebman	Confidential strategic information regarding Proposed Transaction.
C-CNT-PMH-017380	Medical Executive Committee Minutes and Packet	4/7/2022	Committee Members	O'Connor Davies Accountants and Advisors	Confidential banking information.
C-CNT-PMH-017382 - C-CNT-PMH-017387	Medical Executive Committee Minutes and Packet	4/7/2022	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-017389 - C-CNT-PMH-017391	Medical Executive Committee Minutes and Packet	4/7/2022	Committee Members	Patient & Safety Council	Proprietary and confidential peer review.
C-CNT-PMH-017393 - C-CNT-PMH-017394	Medical Executive Committee Minutes and Packet	4/7/2022	Committee Members	Patient & Safety Council	Proprietary and confidential peer review.
C-CNT-PMH-017424	Medical Executive Committee Minutes	4/7/2022	R. Calikyan, A. R. Buonanno, R. Calikyan, S. Colagiovanni F. D'Alessandro, J. Prinscott, P. Pizzarello, J. Mazza, P.	W. Beliveau	Confidential information regarding meeting with attorney to discuss corporate compliance.

			DeBlasio, M. Stancu, J. Liebman, L. Leahey, D. Rubinate, S. Benfeito, R. Carter, K. Dixon		
C-CNT-PMH-017427	Medical Executive Committee Minutes and Packet	5/5/2022	Committee Members	M. Stancu	Proprietary and confidential peer review.
C-CNT-PMH-017428	Medical Executive Committee Minutes and Packet	5/5/2022	Committee Members	W. Beliveau	Proprietary and confidential peer review.
C-CNT-PMH-017446 - C-CNT-PMH-017449	Medical Executive Committee Minutes and Packet	5/5/2022	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-017471	Medical Executive Committee Minutes and Packet	5/5/2022	Committee Members	Quality & Patient Safety Council	Proprietary and confidential peer review.
C-CNT-PMH-017482	Medical Executive Committee Minutes and Packet	5/5/2022	Committee Members	Quality & Patient Safety Council	Proprietary and confidential peer review.
C-CNT-PMH-017486 - C-CNT-PMH-017487	Medical Executive Committee Minutes and Packet	5/5/2022	Committee Members	Quality & Patient Safety Council	Proprietary and confidential peer review.

C-CNT-PMH-017490	Medical Executive Committee Minutes	5/5/2022	R. Calikyan W. Beliveau, A. R. Buonanno, R. Calikyan, S. Colagiovanni, W. Beliveau Jr., F. D'Alessandro, J. Prinscott, P. Pizzarello, D. Neumann, P. DeBlasio, L. Olsson, L. Leahey, S. Benfeito, R. Carter, K. Dixon	J. Liebman	Confidential and sensitive information regarding Proposed Transaction.
C-CNT-PMH-017494	Medical Executive Committee Minutes and Packet	6/2/2022	Committee Members	J. Liebman	Confidential and sensitive information regarding Proposed Transaction.
C-CNT-PMH-017500	Medical Executive Committee Minutes and Packet	6/2/2022	Committee Members	O'Connor Davies Accountants and Advisors	Confidential banking information.
C-CNT-PMH-017507 - C-CNT-PMH-017514	Medical Executive Committee Minutes and Packet	6/2/2022	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-017515 - C-CNT-PMH-017516	Medical Executive Committee Minutes and Packet	6/2/2022	Committee Members	Medical Records Committee	Proprietary and confidential peer review.

C-CNT-PMH-017522 - C-CNT-PMH-017523	Medical Executive Committee Minutes and Packet	6/2/2022	Committee Members	Quality & Patient Safety Council	Proprietary and confidential peer review.
C-CNT-PMH-017600	Medical Executive Committee Minutes	6/2/2022	W. Beliveau, A. R. Buonanno, S. Colagiovanni, W. Beliveau Jr., F. D'Alessadnro, M. Stancu, J. Prinscott, P. Pizzarello, D. Neumann, L. Leahey, S. Benefito, D. Rubinate, K. Kahrhoff.	A.R. Buonanno	Proprietary commercial information regarding tax services.
C-CNT-PMH-017600	Medical Executive Committee Minutes	6/2/2022	W. Beliveau, A. R. Buonanno, S. Colagiovanni, W. Beliveau Jr., F. D'Alessadnro, M. Stancu, J. Prinscott, P. Pizzarello, D. Neumann, L. Leahey, S. Benefito, D. Rubinate, K. Kahrhoff.	S. Benefito	Proprietary and confidential peer review and strategic commercial information.
C-CNT-PMH-017605	Medical Executive Committee Minutes and Packet	7/28/2022	Committee Members	W. Beliveau	Proprietary and confidential information regarding MEC operation.

C-CNT-PMH-017605	Medical Executive Committee Minutes and Packet	7/28/2022	Committee Members	A.R. Buonanno	Proprietary and confidential information regarding tax services.
C-CNT-PMH-017606	Medical Executive Committee Minutes and Packet	7/28/2022	Committee Members	S. Benefito	Proprietary and confidential peer review and strategic commercial information.
C-CNT-PMH-017635 - C-CNT-PMH-017638	Medical Executive Committee Minutes and Packet	7/28/2022	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-017641 - C-CNT-PMH-017645	Medical Executive Committee Minutes and Packet	7/28/2022	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-017693	Medical Executive Committee Minutes	9/1/2022	W. Beliveau, W. Beliveau, Jr., A.R. Buonanno, F. D'Alessandro, P. Pizzarello, D. Neumann, L. Olsonn, M. Stancu.	A.R. Buonanno	Proprietary and confidential peer review.
C-CNT-PMH-017656 - C-CNT-PMH-017660	Medical Executive Committee Minutes and Packet	9/1/2022	Committee Members	Medical Records Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-017661 - C-CNT-PMH-017662	Medical Executive Committee	9/1/2022	Committee Members	Medical Records Committee	Proprietary and confidential peer review.

	Minutes and Packet				
C-CNT-PMH-017668	Medical Executive Committee Minutes and Packet	9/1/2022	Committee Members	Quality & Patient Safety Council	Proprietary and confidential peer review.
C-CNT-PMH-017698	Medical Executive Committee Minutes and Packet	2022.10.06	Committee Members	A.R. Buonanno	Proprietary and confidential peer review.
C-CNT-PMH-017698	Medical Executive Committee Minutes and Packet	2022.10.06	Committee Members	J. Liebmann	Proprietary and confidential commercial and strategic information regarding Proposed Transaction and current staffing.
C-CNT-PMH-017703 - C-CNT-PMH-017706	Medical Executive Committee Minutes and Packet	2022.10.06	Committee Members	Credential Committees	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-017707 - C-CNT-PMH-017712	Medical Executive Committee Minutes and Packet	2022.10.06	Committee Members	Quality & Patient Safety Council	Proprietary and confidential peer review.
C-CNT-PMH-017742	Medical Executive Committee Minutes and Packet	2022.11.03	Committee Members	A.R. Buonanno	Proprietary and confidential peer review.
C-CNT-PMH-017745 - C-CNT-PMH-017753	Medical Executive Committee Minutes and Packet	2022.11.03	Committee Members	Credential Committees	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.

C-CNT-PMH-017766	Medical Executive Committee Minutes	11/3/2022	W. Beliveau, W. Beliveau, Jr., R Buonanno, F. D'Alessandro, D. Neumann, L. Olsson, J. PRinscott, S. Benfeito, P. Pizzarello, S. Colagiovanni, P. DeBlasio, J. Mazza, D. Rubinate, L. Leahey, J. Liebman, R. Carter, K. Dixon	S. Colagiovanni	Proprietary and confidential peer review.
C-CNT-PMH-017767	Medical Executive Committee Minutes	11/3/2022	W. Beliveau, W. Beliveau, Jr., R Buonanno, F. D'Alessandro, D. Neumann, L. Olsson, J. PRinscott, S. Benfeito, P. Pizzarello, S. Colagiovanni, P. DeBlasio, J. Mazza, D. Rubinate, L. Leahey, J. Liebman, R. Carter, K. Dixon	J. Liebman	Proprietary and confidential commercial and strategic information regarding union negotiations and hospital operations.

C-CNT-PMH-017767	Medical Executive Committee Minutes	11/3/2022	W. Beliveau, W. Beliveau, Jr., R Buonanno, F. D'Alessandro, D. Neumann, L. Olsson, J. PRinscott, S. Benfeito, P. Pizzarello, S. Colagiovanni, P. DeBlasio, J. Mazza, D. Rubinate, L. Leahey, J. Liebman, R. Carter, K. Dixon	L. Lahey	Proprietary and confidential commercial and strategic information regarding union negotiations.
C-CNT-PMH-017767	Medical Executive Committee Minutes	11/03/2022	R. Calikyan W. Beliveau, W. Beliveau Jr., R. Buonanno, F. D'Alessandro, D. Neumann, L. Olsson, J. Prinscott, S. Benfeito, P. Pizzarello, S. Colagiovanni, P. DeBlasio, J. Mazza, S. Benfeito, D. Rubinate, L. Leahey, R. Carter, K. Dixon	J. Liebman,	Confidential strategic information regarding union negotiations (3/64)

C-CNT-PMH-017767	Medical Executive Committee Minutes	11/03/2022	R. Calikyan W. Beliveau, W. Beliveau Jr., R. Buonanno, F. D'Alessandro, D. Neumann, L. Olsson, J. Prinscott, S. Benfeito, P. Pizzarello, S. Colagiovanni, P. DeBlasio, J. Mazza, S. Benfeito, D. Rubinate, J. Liebman, R. Carter, K. Dixon	L. Leahey	Confidential strategic information regarding union negotiations.
C-CNT-PMH-017833 - C-CNT-PMH-017834	Medical Executive Committee Minutes	12/1/2022	R. Calikyan, W. Beliveau Jr., R. Buonanno, F. D'Alessandro, D. Neumann, L. Olsson, J. Prinscott, S. Benfeito, P. Pizzarello, P. DeBlasio, S. Benfeito, L. Leahey, J. Liebman, K. Dixon	W. Beliveau	Proprietary and confidential commercial information regarding staffing.
C-CNT-PMH-017834	Medical Executive Committee Minutes	12/1/2022	R. Calikyan, W. Beliveau Jr., W. Beliveau, R.	Committee Discussion	Confidential strategic information regarding union

			Buonanno, F. D'Alessandro, D. Neumann, L. Olsson, J. Prinscott, S. Benfeito, P. Pizzarello, P. DeBlasio, S. Benfeito, L. Leahey, J. Liebman, K. Dixon		negotiations and status of Proposed Transaction.
C-CNT-PMH-017770	Medical Executive Committee Minutes and Packet	12/1/2022	Committee Members	S. Colagiovanni	Proprietary and confidential peer review.
C-CNT-PMH-017771	Medical Executive Committee Minutes and Packet	12/1/2022	Committee Members	J. Liebman	Confidential strategic information regarding union negotiations
C-CNT-PMH-017771	Medical Executive Committee Minutes and Packet	12/1/2022	Committee Members	L. Leahey	Confidential strategic information regarding union negotiations.
C-CNT-PMH-017773	Medical Executive Committee Minutes and Packet	12/1/2022	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information regarding union negotiations and hospital operations.
C-CNT-PMH-017779 - C-CNT-PMH-017780	Medical Executive Committee Minutes and Packet	12/1/2022	Committee Members	Medical Records Committee	Proprietary and confidential peer review.

C-CNT-PMH-017836 - C-CNT-PMH-017837	Medical Executive Committee Minutes	1/5/2023	W. Beliveau, W. Beliveau Jr., R. Buonanno, F. D'Alessandro, D. Neumann, L. Olsson, J. Prinscott, S. Benfeito, P. Pizzarello, P. DeBlasio,	J. Liebman	Confidential commercial and strategic information regarding status of Proposed Transaction.
C-CNT-PMH-017840 - C-CNT-PMH-017841	Medical Executive Committee Minutes and Packet	1/5/2023	Committee Members	W. Beliveau	Proprietary and confidential peer review.
C-CNT-PMH-017841	Medical Executive Committee Minutes and Packet	1/5/2023	Committee Members	J. Liebman	Confidential commercial and strategic information regarding status of Proposed Transaction and union negotiation.
C-CNT-PMH-017845 - C-CNT-PMH-017850	Medical Executive Committee Minutes and Packet	1/5/2023	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-017854	Medical Executive Committee Minutes and Packet	1/5/2023	Committee Members	Infection Control Committee	Proprietary and confidential peer review.
C-CNT-PMH-017856 - C-CNT-PMH-017864	Medical Executive Committee Minutes and Packet	1/5/2023	Committee Members	Quality & Safety Council	Proprietary and confidential peer review.

C-CNT-PMH-017868 - C-CNT-PMH-017869	Medical Executive Committee Minutes and Packet	2/2/2023	Committee Members	J. Liebman	Confidential commercial and strategic information regarding status of Proposed Transaction.
C-CNT-PMH-017888 - C-CNT-PMH-017893	Medical Executive Committee Minutes and Packet	3/2/2023	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-017958	Medical Executive Committee Minutes	3/2/2023	R. Calikyan W. Beliveau, W. Beliveau Jr., R. Buonanno, J. Prinscott, P. Pizzarello, P. DeBlasio, S. Colagiovanni, D. Neumann, L. Olsson, F. D'Alessandro S. Benfeito, K. Dixon, J. Liebman	J. Liebman	Confidential commercial and strategic information regarding status of Proposed Transaction.
C-CNT-PMH-018055	Medical Executive Committee Minutes and Packet	4/6/2023	Committee Members	J. Liebman	Confidential commercial and strategic information regarding status of Proposed Transaction.
C-CNT-PMH-018110 - C-CNT-PMH-018114	Medical Executive Committee Minutes and Packet	4/6/2023	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.

C-CNT-PMH-018110	Medical Executive Committee Minutes and Packet	4/6/2023	Committee Members	Quality & Patient Safety Council	Proprietary and confidential peer review.
C-CNT-PMH-018130	Medical Executive Committee Minutes and Packet	4/6/2023	Committee Members	Pharmacy & Therapeutics Committee	Proprietary and confidential peer review.
C-CNT-PMH-018162 - C-CNT-PMH-018164	Medical Executive Committee Minutes and Packet	4/6/2023	Committee Members	Pharmacy & Therapeutics Committee	Proprietary and confidential peer review.
C-CNT-PMH-018199	Medical Executive Committee Minutes	5/4/2023	R. Calikyan, W. Beliveau, W. Beliveau Jr., P. Pizzarello, D. Neumann, L. Olsson, F. D'Alessandro, S. Benfeito, L. Leahey, K. Dixon, K. Fiore	J. Liebman	Confidential strategic information regarding status of Proposed Transaction.
C-CNT-PMH-018228 - C-CNT-PMH-018232	Medical Executive Committee Minutes and Packet	5/4/2023	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-018233	Medical Executive Committee Minutes and Packet	5/4/2023	Committee Members	Quality & Patient Safety Council	Proprietary and confidential peer review.

C-CNT-PMH-018236 - C-CNT-PMH-018238	Medical Executive Committee Minutes and Packet	5/4/2023	Committee Members	Quality & Patient Safety Council	Proprietary and confidential peer review.
C-CNT-PMH-018242 - C-CNT-PMH-018246	Medical Executive Committee Minutes and Packet	5/4/2023	Committee Members	Quality & Patient Safety Council	Proprietary and confidential peer review.
C-CNT-PMH-018248	Medical Executive Committee Minutes	6/1/2023	R. Calikyan, W. Beliveau Jr., R. Buonanno, P. Pizzarello, J. Mazza, S. Colagiovanni, D. Neumann, M. Stancu, D. Rubinate, L. Leahey, K. Dixon	D. Rubinate	Confidential strategic information regarding status of Proposed Transaction.
C-CNT-PMH-018248	Medical Executive Committee Minutes	6/1/2023	R. Calikyan, W. Beliveau Jr., R. Buonanno, P. Pizzarello, J. Mazza, S. Colagiovanni, D. Neumann, M. Stancu, D. Rubinate, L. Leahey, K. Dixon	L. Leahey	Confidential commercial information regarding hospital responding to staffing.
C-CNT-PMH-018253	Medical Executive Committee	6/1/2023	Committee Members	J. Liebman	Proprietary and confidential commercial and strategic

	Minutes and Packet				information regarding union negotiations and status of Proposed Transaction.
C-CNT-PMH-018254	Medical Executive Committee Minutes and Packet	6/1/2023	Committee Members	L. Leahey	Proprietary commercial information staffing and training.
C-CNT-PMH-018268 - C-CNT-PMH-018271	Medical Executive Committee Minutes and Packet	6/1/2023	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-018292	Medical Executive Committee Minutes	7/27/2023	W. Beliveau, W. Beliveau Jr., S. Colagiovanni, D. Neumann, L. Olsson, J. Prinscott, M. Stancu, R. Calikyan, G. Saliba, S. Benfeito, L. Leahey, D. Rubinate, J. Liebman, K. Dixon	J. Liebman	Confidential strategic information regarding status of Proposed Transaction.
C-CNT-PMH-018297	Medical Executive Committee Minutes and Packet	7/27/2023	Committee Members	L. Leahey	Proprietary and confidential peer review.
C-CNT-PMH-018297	Medical Executive Committee	7/27/2023	Committee Members	J. Liebmann	Confidential strategic information regarding status of Proposed Transaction.

	Minutes and Packet				
C-CNT-PMH-018334	Medical Executive Committee Minutes and Packet	7/27/2023	Committee Members	N/A	Confidential personal contact information.
C-CNT-PMH-018339	Medical Executive Committee Minutes and Packet	7/27/2023	Committee Members	O'Connor Davies	Confidential banking information.
C-CNT-PMH-018362	Medical Executive Committee Minutes and Packet	7/27/2023	Committee Members	Quality & Patient Safety Council Meeting	Proprietary and confidential peer review.
C-CNT-PMH-018366	Medical Executive Committee Minutes and Packet	7/27/2023	Committee Members	Quality & Patient Safety Council Meeting	Proprietary and confidential peer review.
C-CNT-PMH-018370	Medical Executive Committee Minutes and Packet	7/27/2023	Committee Members	Quality & Patient Safety Council Meeting	Proprietary and confidential peer review.
C-CNT-PMH-018373 - C-CNT-PMH-018374	Medical Executive Committee Minutes and Packet	7/27/2023	Committee Members	Quality & Patient Safety Council Meeting	Proprietary and confidential peer review.
C-CNT-PMH-018382	Medical Executive Committee Minutes and Packet	7/27/2023	Committee Members	Medical Records Committee	Proprietary and confidential peer review.
C-CNT-PMH-018390 -	Medical Executive Committee	7/27/2023	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally

C-CNT-PMH-018403	Minutes and Packet				recognizable information regarding credentialing.
C-CNT-PMH-018411	Medical Executive Committee Minutes	9/7/2023	P. Pizzarello, W. Beliveau, W. Beliveau Jr., R. Buonanno, S. Colagiovanni, A. Scappaticci, L. Olsson, G. Saliba, T. Blood, R. Calikyan, F. D'Alessandro, S. Benfeito, L. Leahey, K. Dixon	J. Liebman	Reflecting attorney-client privileged information reflecting legal advice related to cyber event.
C-CNT-PMH-018478 - C-CNT-PMH-018483	Medical Executive Committee Minutes and Packet	9/7/2023	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-018485	Medical Executive Committee Minutes	10/5/2023	P. Pizzarello, W. Beliveau., R. Buonanno, S. Colagiovanni, T. Blood, R. Calikyan, S. Benfeito, J. Liebman, Lindsey Samartano, Kassandra Fiore	S. Beliveau	Proprietary and confidential commercial and strategic information regarding cyber attack response.
C-CNT-PMH-018489	Medical Executive Committee	10/5/2023	Committee Members	J. Liebman	Reflecting attorney-client privileged information

	Minutes and Packet				reflecting legal advice related to cyber event.
C-CNT-PMH-018506 - C-CNT-PMH-018521	Medical Executive Committee Minutes and Packet	10/5/2023	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-018525	Medical Executive Committee Minutes and Packet	10/5/2023	Committee Members	Pharmacy & Therapeutics Committee	Proprietary and confidential peer review.
C-CNT-PMH-018536	Medical Executive Committee Minutes	11/2/2023	S. Colagiovanni, L. Olsson, F. D'Alessandro, T. Blood, R. Calikyan, J. Prinscott, G. Saliba, S. Benfeito, L. Leahey, J. Liebman, K. Dixon	P. Pizzarello	Proprietary and confidential peer review.
C-CNT-PMH-018538	Medical Executive Committee Minutes	11/2/2023	P. Pizzarello, L. Olsson, F. D'Alessandro, T. Blood, R. Calikyan, J. Prinscott, G. Saliba S. Benfeito, L. Leahey, J. Liebman, K. Dixon	S. Colagiovanni	Proprietary and confidential peer review.
C-CNT-PMH-018539	Medical Executive Committee Minutes	11/2/2023	P. Pizzarello, L. Olsson, F. D'Alessandro, T.	J. Liebman	Confidential strategic information regarding status of Proposed Transaction.

			Blood, R. Calikyan, J. Prinscott, G. Saliba S. Benfeito, L. Leahey, J. Liebman, K. Dixon		
C-CNT-PMH-018543	Medical Executive Committee Minutes and Packet	11/2/2023	Committee Members	S. Beliveau	Proprietary and confidential commercial and strategic information regarding cyber attack response.
C-CNT-PMH-018567 - C-CNT-PMH-018571	Medical Executive Committee Minutes and Packet	11/2/2023	Committee Members	Committee Review	Proprietary and confidential commercial personally recognizable information regarding providers.
C-CNT-PMH-018580 - C-CNT-PMH-018592	Medical Executive Committee Minutes and Packet	11/2/2023	Committee Members	Committee Review	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-018628	Medical Executive Committee Minutes	12/7/2023	P. Pizzarello, W. Beliveau, W. Beliveau Jr., R. Buonanno, M. Stancu, S. Colagiovanni, L. Olsson, F. D'Alessandro, T. Blood, R. Calikyan, J. Prinscott, G. Saliba,	Committee Discussion	Proprietary and confidential peer review.

			S. Benfeito, L. Leahey, J. Liebman, N. Noel, K. Dixon		
C-CNT-PMH-018629	Medical Executive Committee Minutes	12/7/2023	P. Pizzarello, W. Beliveau, W. Beliveau Jr., R. Buonanno, M. Stancu, S. Colagiovanni, L. Olsson, F. D'Alessandro, T. Blood, R. Calikyan, J. Prinscott, G. Saliba, S. Benfeito, L. Leahey, N. Noel, Amanda Cox, K. Dixon	J. Liebman	Proprietary and confidential commercial and strategic information regarding cyber attack response and status of Proposed Transaction.
C-CNT-PMH-018632	Medical Executive Committee Minutes and Packet	12/7/2023	Committee Members	P. Pizzarello	Proprietary and confidential peer review.
C-CNT-PMH-018633	Medical Executive Committee Minutes and Packet	12/7/2023	Committee Members	S. Colagiovanni	Proprietary and confidential peer review.
C-CNT-PMH-018634	Medical Executive Committee Minutes and Packet	12/7/2023	Committee Members	J. Liebman	Confidential strategic information regarding status of Proposed Transaction.

C-CNT-PMH-018648 - C-CNT-PMH-018654	Medical Executive Committee Minutes and Packet	12/7/2023	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.

E. Prospect CharterCARE LLC RWMC Medical Executive Committee

Bates Number	Document	Date	To	From	Narrative
C-CNT-PMH-018674	Medical Executive Committee Minutes and Packet	5/20/2021	Committee Members	D. Neumann	Proprietary confidential commercial information regarding hospital operations.
C-CNT-PMH-018681 – C-CNT-PMH-018685	Medical Executive Committee Minutes and Packet	5/20/2021	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-018687 - C-CNT-PMH-018693	Medical Executive Committee Minutes and Packet	5/20/2021	Committee Members	Quality & Patient Safety Council	Proprietary and confidential peer review.
C-CNT-PMH-018773 – C-CNT-PMH-018778	Medical Executive Committee Minutes and Packet	6/17/2021	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-018819 – C-CNT-PMH-018820	Medical Executive Committee Minutes	6/17/2021	G. Allen, V. Armenio, R. Brown, N.J. Espat, J. Koness, P. Somasundar, B. Rathore, V. Sudheendra, M. Stancu Guests: D. Rubinate, G. del Mundo, P. Allen,	P. Allen	Proprietary and confidential peer review.

			Susan Beliveau, Recorder: K. Dixon		
C-CNT-PMH-018824 – C-CNT-PMH-018825	Medical Executive Committee Minutes and Packet	7/15/2021	Committee Members	P. Allen	Proprietary and confidential peer review.
C-CNT-PMH-018838 – C-CNT-PMH-018839	Medical Executive Committee Minutes and Packet	7/15/2021	Committee Members		Proprietary and confidential peer review.
C-CNT-PMH-018840 – C-CNT-PMH-018847	Medical Executive Committee Minutes and Packet	7/15/2021	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-018851	Medical Executive Committee Minutes and Packet	7/15/2021	Committee Members	Quality & Patient Safety Council	Proprietary and confidential peer review.
C-CNT-PMH-018854	Medical Executive Committee Minutes and Packet	7/15/2021	Committee Members	Quality & Patient Safety Council	Proprietary and confidential peer review.
C-CNT-PMH-018860 – C-CNT-PMH-018862	Medical Executive Committee Minutes and Packet	7/15/2021	Committee Members	Pharmacy & Therapeutics Committee	Proprietary and confidential peer review.
C-CNT-PMH-018874	Medical Executive Committee Minutes	7/15/2021	G. Allen, V. Armenio, R. Brown, N. Doobay, N.J. Espat, J. Koness, D. Neumann, P. Somasundar, B. Rathore, V. Sudheendra, J. Stoukides, Guests: J. Liebman, D. Rubinate, P. Allen, Amanda Cox, Recorder: K. Dixon	J. Liebman	Proprietary and confidential commercial strategic information regarding staffing.

C-CNT-PMH-018874	Medical Executive Committee Minutes	7/15/2021	G. Allen, V. Armenio, R. Brown, N. Doobay, N.J. Espat, J. Koness, D. Neumann, P. Somasundar, B. Rathore, V. Sudheendra, J. Stoukides, Guests: J. Liebman, D. Rubinate, P. Allen, Amanda Cox, Recorder: K. Dixon	Committee Discussion	Proprietary and confidential peer review.
C-CNT-PMH-018879	Medical Executive Committee Minutes and Packet	8/19/2021	Committee Members	J. Liebman	Proprietary and confidential commercial strategic information regarding staffing.
C-CNT-PMH-018879	Medical Executive Committee Minutes and Packet	8/19/2021	Committee Members	Committee Discussion	Proprietary and confidential peer review.
C-CNT-PMH-018920 – C-CNT-PMH-018927	Medical Executive Committee Minutes and Packet	8/19/2021	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-018935	Medical Executive Committee Minutes and Packet	8/19/2021	Committee Members	Pharmacy & Therapeutics Committee	Proprietary and confidential peer review.
C-CNT-PMH-018970 – C-CNT-PMH-018975	Medical Executive Committee Minutes and Packet	9/16/2021	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-018979	Medical Executive Committee Minutes and Packet	9/16/2021	Committee Members	Quality & Patient Safety Council	Confidential commercial and legal information

					regarding workers compensation claims.
C-CNT-PMH-018989	Medical Executive Committee Minutes and Packet	10/21/2021	Committee Members	J. Espat	Confidential commercial information regarding use of medical staff fees.
C-CNT-PMH-019005 – C-CNT-PMH-019010	Medical Executive Committee Minutes and Packet	10/21/2021	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-019031 – C-CNT-PMH-019032	Medical Executive Committee Minutes and Packet	10/21/2021	Committee Members	Quality & Patient Safety Council	Proprietary and confidential peer review.
C-CNT-PMH-019033	Medical Executive Committee Minutes	10/21/2021	G. Allen, V. Armenio, A. Bloomenthal, A. Bonnet, R. Brown, N. Doobay, N.J. Espat, J. Koness, D. Neumann, B. Rathore, P. Somasundar Guests: J. Liebman, P. Allen, G. del Mundo Recorder: K. Dixon	Jeff Liebman	Proprietary and confidential commercial and strategic information related to unrelated transactions.
C-CNT-PMH-019034	Medical Executive Committee Minutes	10/21/2021	G. Allen, V. Armenio, A. Bloomenthal, A. Bonnet, R. Brown, N. Doobay, N.J. Espat, J. Koness, D. Neumann, B. Rathore, P. Somasundar Guests: J. Liebman, P. Allen, G. del Mundo Recorder: K. Dixon	P. Somasundar	Proprietary and confidential commercial information regarding hospital bylaws.

C-CNT-PMH-019039	Medical Executive Committee Minutes and Packet	11/18/2021	Committee Members	Jeff Liebman	Proprietary and confidential commercial and strategic information related to unrelated transactions.
C-CNT-PMH-019039	Medical Executive Committee Minutes and Packet	11/18/2021	Committee Members	P. Allen	Proprietary and confidential peer review.
C-CNT-PMH-019040	Medical Executive Committee Minutes and Packet	11/18/2021	Committee Members	P. Somasundar	Proprietary and confidential commercial information regarding hospital bylaws.
C-CNT-PMH-019063 – C-CNT-PMH-019065	Medical Executive Committee Minutes and Packet	11/18/2021	Committee Members	Medical Records Committee	Proprietary and confidential peer review.
C-CNT-PMH-019076 – C-CNT-PMH-019081	Medical Executive Committee Minutes and Packet	11/18/2021	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-019083	Medical Executive Committee Minutes and Packet	11/18/2021	Committee Members	Critical Care Committee	Proprietary and confidential peer review.
C-CNT-PMH-019085 – C-CNT-PMH-019087	Medical Executive Committee Minutes and Packet	11/18/2021	Committee Members	Quality & Patient Safety Council	Proprietary and confidential peer review.
C-CNT-PMH-019090	Medical Executive Committee Minutes and Packet	11/18/2021	Committee Members	Pharmacy & Therapeutics Committee	Proprietary and confidential peer review.
C-CNT-PMH-019092	Medical Executive Committee Minutes	11/18/2021	G. Allen, V. Armenio, A. Bloomenthal, A. Bonnet, R. Brown, N. Doobay, N.J. Espat, J. Koness, D. Neumann, B.	M. Stancu	Proprietary and confidential peer review.

			Rathore, P. Somasundar M. Stancu, V. Sudheendra Guests: J. Liebman, P. Allen, G. del Mundo Recorder: K. Dixon		
C-CNT-PMH-019093	Medical Executive Committee Minutes	11/18/2021	G. Allen, V. Armenio, A. Bloomenthal, A. Bonnet, R. Brown, N. Doobay, N.J. Espat, J. Koness, D. Neumann, B. Rathore, P. Somasundar M. Stancu, V. Sudheendra Guests: J. Liebman, P. Allen, G. del Mundo Recorder: K. Dixon	P. Allen	Proprietary and confidential peer review.
C-CNT-PMH-019097	Medical Executive Committee Minutes and Packet	12/16/2021	Committee Members	M. Stancu	Proprietary and confidential peer review.
C-CNT-PMH-019098	Medical Executive Committee Minutes and Packet	12/16/2021	Committee Members	P. Allen	Proprietary and confidential peer review.
C-CNT-PMH-019104 – C-CNT-PMH-019108	Medical Executive Committee Minutes and Packet	12/16/2021	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-019110 – C-CNT-PMH-019116	Medical Executive Committee Minutes and Packet	12/16/2021	Committee Members	Quality & Patient Safety Council	Proprietary and confidential peer review.

C-CNT-PMH-019131 – C-CNT-PMH-019134	Medical Executive Committee Minutes and Packet	1/20/2022	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-019139	Medical Executive Committee Minutes and Packet	1/20/2022	Committee Members	Pharmacy & Therapeutics Committee	Proprietary and confidential peer review.
C-CNT-PMH-019120	Medical Executive Committee Minutes	1/20/2022	G. Allen, R. Brown, N.J. Espat, J. Koness, J. Liebman, D. Neumann, M. Stancu,V. Sudheendra, J. Stoukides, A. Bloomenthal, J. Koness, A. Bonnet, J. Miskovsky, A. Peter-Faherty Guests: G. del Mundo, P. Allen, K. Kahrhoff, L. Lahey, S. Benfieto	J. Liebman	Proprietary and confidential commercial and strategic information regarding unrelated transaction.
C-CNT-PMH-019122 – C-CNT-PMH-019123	Medical Executive Committee Minutes	1/20/2022	G. Allen, R. Brown, N.J. Espat, J. Koness, J. Liebman, D. Neumann, M. Stancu,V. Sudheendra, J. Stoukides, A. Bloomenthal, J. Koness, A. Bonnet, J. Miskovsky, A. Peter-Faherty Guests: G. del	M. Espat	Proprietary and confidential commercial regarding committee compensation.

			Mundo, P. Allen, K. Kahrhoff, L. Lahey, S. Benfieto		
C-CNT-PMH-019152	Medical Executive Committee Minutes	2/17/2022	G. Allen, R. Brown, N.J. Espat, J. Koness, J. Liebman, D. Neumann, M. Stancu,V. Sudheendra, J. Stoukides, A. Bloomenthal, J. Miskovsky, R. Hudson Guests: J. Liebman, G. del Mundo, P. Allen, K. Dixon	J. Liebman	Proprietary and confidential commercial and strategic information regarding unrelated transaction and update on Proposed Transaction.
C-CNT-PMH-019157	Medical Executive Committee Minutes and Packet	2/17/2022	Committee Members	J. Liebman	Proprietary and confidential commercial and strategic information regarding unrelated transaction.
C-CNT-PMH-019159 – C-CNT-PMH-019160	Medical Executive Committee Minutes and Packet	2/17/2022	Committee Members	M. Espat	Proprietary and confidential commercial regarding committee compensation.
C-CNT-PMH-019178 – C-CNT-PMH-019181	Medical Executive Committee Minutes and Packet	2/17/2022	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-019202 – C-CNT-PMH-019209	Medical Executive Committee Minutes and Packet	2/17/2022	Committee Members	Credentials Committee	Proprietary and confidential peer review.
C-CNT-PMH-019210	Medical Executive Committee Minutes	3/17/2022	G. Allen, R. Brown, P. Somasundar, J. Koness, M. Stancu,V.	J. Liebman	Proprietary and confidential peer review.

			Sudheendra, J. Stoukides, A. Bloomenthal, J. Miskovsky Guests: J. Liebman, G. del Mundo, K. Dixon		
C-CNT-PMH-019214	Medical Executive Committee Minutes and Packet	3/17/2022	Committee Members	J. Liebman	Proprietary and confidential commercial information regarding unrelated transaction.
C-CNT-PMH-019217 – C-CNT-PMH-019222	Medical Executive Committee Minutes and Packet	3/17/2022	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-019223 – C-CNT-PMH-019225	Medical Executive Committee Minutes and Packet	3/17/2022	Committee Members	Critical Care Committee	Proprietary and confidential peer review.
C-CNT-PMH-019226 – C-CNT-PMH-019231	Medical Executive Committee Minutes and Packet	3/17/2022	Committee Members	Quality & Patient Safety Council	Proprietary and confidential peer review.
C-CNT-PMH-019232	Medical Executive Committee Minutes	4/21/2022	G. Allen, R. Brown, J. Espat, J. Koness, M. Stancu, J. Stoukides, A. Bloomentahl, J. Kiskovsky, D. Neumann, A. Peter Faherty, R. Hudson, J. Liebman, G. del Mundo, K. Dixon.	J. Liebman	Attorney-Client privileged legal advice regarding physician contracts.

C-CNT-PMH-019240	Medical Executive Committee Minutes and Packet	4/21/2022	Committee Members	O'Connor Davies	Confidential banking information.
C-CNT-PMH-019252 – C-CNT-PMH-019255	Medical Executive Committee Minutes and Packet	4/21/2022	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-019257	Medical Executive Committee Minutes and Packet	4/21/2022	Committee Members	Pharmacy & Therapeutics Committee	Proprietary and confidential peer review.
C-CNT-PMH-019272 – C-CNT-PMH-019274	Medical Executive Committee Minutes and Packet	4/21/2022	Committee Members	Quality & Patient Safety Council	Proprietary and confidential peer review.
C-CNT-PMH-019280	Medical Executive Committee Minutes and Packet	5/19/2022	Committee Members	J. Liebman	Attorney-Client privileged legal advice regarding physician contracts.
C-CNT-PMH-019284	Medical Executive Committee Minutes and Packet	5/19/2022	Committee Members	O'Connor Davies	Confidential banking information.
C-CNT-PMH-019285	Medical Executive Committee Minutes and Packet	5/19/2022	Committee Members	Anesthesiology Department	Proprietary and confidential peer review.
C-CNT-PMH-019287 – C-CNT-PMH-019289	Medical Executive Committee Minutes and Packet	5/19/2022	Committee Members		Proprietary and confidential peer review.
C-CNT-PMH-0192979	Medical Executive Committee Minutes and Packet	5/19/2022	Committee Members	Department of Radiology	Proprietary and confidential peer review.
C-CNT-PMH-019299 – C-CNT-PMH-019302	Medical Executive Committee Minutes and Packet	5/19/2022	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally

					recognizable information regarding credentialing.
C-CNT-PMH-019303 – C-CNT-PMH-019304	Medical Executive Committee Minutes and Packet	5/19/2022	Committee Members	Medical Records Committee	Proprietary and confidential peer review.
C-CNT-PMH-019310	Medical Executive Committee Minutes and Packet	5/19/2022	Committee Members	Critical Care Committee	Proprietary and confidential peer review.
C-CNT-PMH-019312 – C-CNT-PMH-019313	Medical Executive Committee Minutes and Packet	5/19/2022	Committee Members	Code Committee	Proprietary and confidential peer review.
C-CNT-PMH-019320	Medical Executive Committee Minutes and Packet	5/19/2022	Committee Members	Pharmacy & Therapeutics Committee	Proprietary and confidential peer review.
C-CNT-PMH-019398	Medical Executive Committee Minutes	6/16/2022	J. Koness, M. Stancu, J. Stoukides, A. Bloomenthal, J. Miskovsky, D. Neumann, A. Peter Faherty, R. Hudson, V. Sudheendra, J. Liebman, P. Somasundar, K. Dixon	P. Allen	Proprietary and confidential peer review.
C-CNT-PMH-019406 – C-CNT-PMH-019413	Medical Executive Committee Minutes and Packet	6/16/2022	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.

C-CNT-PMH-019417 – C-CNT-PMH-019422	Medical Executive Committee Minutes and Packet	6/16/2022	Committee Members	Quality & Patient Safety Council	Proprietary and confidential peer review.
C-CNT-PMH-019431 – C-CNT-PMH-019432	Medical Executive Committee Minutes and Packet	6/16/2022	Committee Members	Pharmacy & Therapeutics Committee	Proprietary and confidential peer review.
C-CNT-PMH-019443	Medical Executive Committee Minutes and Packet	6/16/2022	Committee Members	Anti-Microbial Stewardship Committee	Proprietary and confidential peer review.
C-CNT-PMH-019455	Medical Executive Committee Minutes	7/21/2022	R. Brown, J. Stoukides, A. Bloomenthal, J. Miskovsky, D. Neumann, A. Peter Faherty, R. Hudson, G. Allen, J. Espat, D. Rubinate, P. Allen, P. Saomasundar, K. Dixon	D. Rubinate	Proprietary and confidential regarding ongoing investigation.
C-CNT-PMH-019458	Medical Executive Committee Minutes and Packet	7/21/2022	Committee Members	P. Allen	Proprietary and confidential peer review.
C-CNT-PMH-019462 – C-CNT-PMH-019465	Medical Executive Committee Minutes and Packet	7/21/2022	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-019469	Medical Executive Committee Minutes	8/18/2022	R. Brown, J. Stoukides, A. Bloomenthal, J. Miskovsky , D. Neumann, A. Peter Faherty, R. Hudson, G. Allen, J. Espat Guests: J. Liebman, D. Rubinate,	J. Liebman	Proprietary and confidential commercial strategic information regarding status of Proposed Transaction and unrelated transaction.

			P. Allen, , S. Benfeito, K.Dixon		
C-CNT-PMH-019473	Medical Executive Committee Minutes and Packet	8/18/2022	Committee Members	D. Rubinate	Proprietary and confidential regarding ongoing investigation.
C-CNT-PMH-019481 – C-CNT-PMH-019486	Medical Executive Committee Minutes and Packet	8/18/2022	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-019487 – C-CNT-PMH-019488	Medical Executive Committee Minutes and Packet	8/18/2022	Committee Members	Medical Record Committee	Proprietary and confidential peer review.
C-CNT-PMH-019489 – C-CNT-PMH-019493	Medical Executive Committee Minutes and Packet	8/18/2022	Committee Members	Performance Improvement Committee	Proprietary and confidential peer review.
C-CNT-PMH-019494 – C-CNT-PMH-019498	Medical Executive Committee Minutes and Packet	8/18/2022	Committee Members	Quality & Patient Safety Council	Proprietary and confidential peer review.
C-CNT-PMH-019530	Medical Executive Committee Minutes and Packet	9/15/2022	Committee Members	J. Liebman	Proprietary and confidential commercial strategic information regarding status of Proposed Transaction and unrelated transaction.
C-CNT-PMH-019572 – C-CNT-PMH-019576	Medical Executive Committee Minutes and Packet	9/15/2022	Committee Members	J. Liebman	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-019617 – C-CNT-PMH-019620	Medical Executive Committee Minutes and Packet	10/20/2022	Committee Members		Confidential banking information.

C-CNT-PMH-019628 – C-CNT-PMH-019630	Medical Executive Committee Minutes and Packet	10/20/2022	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-019631 – C-CNT-PMH-019638	Medical Executive Committee Minutes and Packet	10/20/2022	Committee Members	Quality & Patient Safety Council	Proprietary and confidential peer review.
C-CNT-PMH-019643 – C-CNT-PMH-019645	Medical Executive Committee Minutes and Packet	10/20/2022	Committee Members	Quality & Patient Safety Council	Proprietary and confidential peer review.
C-CNT-PMH-019699 – C-CNT-PMH-019700	Medical Executive Committee Minutes and Packet	11/17/2022	Committee Members		Proprietary and confidential peer review.
C-CNT-PMH-019703 – C-CNT-PMH-019708	Medical Executive Committee Minutes and Packet	11/17/2022	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-019714 – C-CNT-PMH-019715	Medical Executive Committee Minutes and Packet	11/17/2022	Committee Members	Pharmacy & Therapeutics Committee	Proprietary and confidential peer review.
C-CNT-PMH-019722 – C-CNT-PMH-019733	Medical Executive Committee Minutes and Packet	11/17/2022	Committee Members	Medical Record Committee	Proprietary and confidential peer review.
C-CNT-PMH-019732	Medical Executive Committee Minutes and Packet	12/15/2022	Committee Members		Confidential insurance premium information.
C-CNT-PMH-019744 – C-CNT-PMH-019748	Medical Executive Committee Minutes and Packet	12/15/2022	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally

					recognizable information regarding credentialing.
C-CNT-PMH-019749 – C-CNT-PMH-019751	Medical Executive Committee Minutes and Packet	12/15/2022	Committee Members	Quality & Patient Safety Council	Proprietary and confidential peer review.
C-CNT-PMH-019786 – C-CNT-PMH-019789	Medical Executive Committee Minutes and Packet	1/19/2023	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-019799 – C-CNT-PMH-019801	Medical Executive Committee Minutes and Packet	1/19/2023	Committee Members	Pharmacy & Therapeutics Committee	Proprietary and confidential peer review.
C-CNT-PMH-019895 – C-CNT-PMH-019897	Medical Executive Committee Minutes and Packet	2/16/2023	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-019899	Medical Executive Committee Minutes and Packet	2/16/2023	Committee Members	Quality & Patient Safety Council	Proprietary and confidential peer review.
C-CNT-PMH-019901 – C-CNT-PMH-019905	Medical Executive Committee Minutes and Packet	2/16/2023	Committee Members	Quality & Patient Safety Council	Proprietary and confidential peer review.
C-CNT-PMH-020004 – C-CNT-PMH-020009	Medical Executive Committee Minutes and Packet	3/16/2023	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-020072 – C-CNT-PMH-020073	Medical Executive Committee Minutes and Packet	4/20/2023	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally

					recognizable information regarding credentialing.
C-CNT-PMH-020076 – C-CNT-PMH-020077	Medical Executive Committee Minutes and Packet	4/20/2023	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-020078 – C-CNT-PMH-020079	Medical Executive Committee Minutes and Packet	4/20/2023	Committee Members	Medical Records Committee	Proprietary and confidential peer review.
C-CNT-PMH-020081	Medical Executive Committee Minutes and Packet	4/20/2023	Committee Members	Quality & Patient Safety Council Meeting	Proprietary and confidential peer review.
C-CNT-PMH-020169 – C-CNT-PMH-020173	Medical Executive Committee Minutes and Packet	5/18/2023	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-020276 – C-CNT-PMH-020277	Medical Executive Committee Minutes and Packet	6/15/2023	Committee Members		Proprietary and confidential peer review.
C-CNT-PMH-020282 – C-CNT-PMH-020289	Medical Executive Committee Minutes and Packet	6/15/2023	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-020350	Medical Executive Committee Minutes	7/20/2023	R. Brown, J. Stoukides, B. Shambaugh, D. Scappaticii, M. Stancu, V. Sudheendra, J. Espat, A. Bloomenthal, R. Peter-Faherty, R. Hudson, J. Liebman, D.	M. Espat	Proprietary and confidential peer review.

			Robey, K. Foster, S. Angelino		
C-CNT-PMH-020366	Medical Executive Committee Minutes and Packet	7/20/2023	K. Dixon, R. Brown, J. Liebman	J. Espat	Proprietary and confidential peer review.
C-CNT-PMH-020368 – C-CNT-PMH-020373	Medical Executive Committee Minutes and Packet	7/20/2023	Committee Members		Confidential banking information.
C-CNT-PMH-020374 – C-CNT-PMH-020379	Medical Executive Committee Minutes and Packet	7/20/2023	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-020380 – C-CNT-PMH-020381	Medical Executive Committee Minutes and Packet	7/20/2023	Committee Members	Medical Records Committee	Proprietary and confidential peer review.
C-CNT-PMH-020385	Medical Executive Committee Minutes and Packet	7/20/2023	Committee Members	Quality & Patient Safety Council	Proprietary and confidential peer review.
C-CNT-PMH-020409	Medical Executive Committee Minutes and Packet	8/17/2023	Committee Members	M. Espat	Proprietary and confidential peer review.
C-CNT-PMH-020415 – C-CNT-PMH-020421	Medical Executive Committee Minutes and Packet	8/17/2023	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-020423	Medical Executive Committee Minutes	9/21/2023	R. Brown, J. Stoukides, J. Miskovsky, D. Scappaticci, M. Stancu, V. Sudheendra, A. Bloomenthal, R. Peter-	J. Liebman	Proprietary and confidential commercial and strategic information regarding status of Proposed Transaction.

			Faherty, R. Hudson, G. Allen, J. Liebman, P. Somasundar, S. Benfeito, K. Dixon		
C-CNT-PMH-020443 – C-CNT-PMH-020444	Medical Executive Committee Minutes and Packet	9/21/2023	Committee Members		Confidential commercial information regarding physician staffing.
C-CNT-PMH-020454 – C-CNT-PMH-020461	Medical Executive Committee Minutes and Packet	9/21/2023	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-020472	Medical Executive Committee Minutes and Packet	10/19/2023	Committee Members		Confidential insurance premium information.
C-CNT-PMH-020502	Medical Executive Committee Minutes and Packet	10/19/2023	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information.
C-CNT-PMH-020502 – C-CNT-PMH-020512	Medical Executive Committee Minutes and Packet	10/19/2023	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-020546	Medical Executive Committee Minutes	11/16/2023	R. Brown, J. Stoukides, J. Espat, J. Miskovsky, A. Bloomenthal, R. Peter-Faherty, G. Allen, B. Shambaugh	R. Brown	Proprietary and confidential commercial and strategic information.
C-CNT-PMH-020545	Medical Executive Committee Minutes	11/16/2023	R. Brown, J. Stoukides, J. Espat, J. Miskovsky, A. Bloomenthal, R.	J. Liebman	Proprietary and confidential commercial and strategic information.

			Peter-Faherty, G. Allen, B. Shambaugh		
C-CNT-PMH-020547	Medical Executive Committee Minutes	11/16/2023	J. Stoukides, J. Espat, A. Bloomenthal, R. Peter-Faherty, G. Allen, M. Stancu, R. Hudson, V. Sudheendra, J. Liebman, S. Benfeito, K.Dixon	Committee Discussion	Proprietary and confidential commercial and strategic information.
C-CNT-PMH-020550	Medical Executive Committee Minutes and Packet	11/16/2023	Committee Members	J. Liebman	Proprietary and confidential commercial and strategic information regarding the Proposed Transaction.
C-CNT-PMH-020557	Medical Executive Committee Minutes and Packet	11/16/2023	Committee Members		Proprietary and confidential peer review.
C-CNT-PMH-020558	Medical Executive Committee Minutes and Packet	11/16/2023	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information.
C-CNT-PMH-020558 – C-CNT-PMH-020569	Medical Executive Committee Minutes and Packet	11/16/2023	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-020574	Medical Executive Committee Minutes and Packet	11/16/2023	Committee Members	Pharmacy & Therapeutics Committee	Proprietary and confidential peer review.
C-CNT-PMH-020593 – C-CNT-PMH-020594	Medical Executive Committee Minutes and Packet	11/16/2023	Committee Members	Quality & Patient Safety Council	Proprietary and confidential peer review.
C-CNT-PMH-020598	Medical Executive Committee Minutes and Packet	12/21/2023	Committee Members	R. Brown	Proprietary and confidential commercial and strategic information.

C-CNT-PMH-020599	Medical Executive Committee Minutes and Packet	12/21/2023	Committee Members	J. Liebman	Proprietary and confidential commercial and strategic information regarding the Proposed Transaction.
C-CNT-PMH-020625 – C-CNT-PMH-020626	Medical Executive Committee Minutes and Packet	12/21/2023	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-020628 – C-CNT-PMH-020629	Medical Executive Committee Minutes and Packet	12/21/2023	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-020628 – C-CNT-PMH-020629	Medical Executive Committee Minutes and Packet	12/21/2023	Committee Members	Credentials Committee	Proprietary and confidential commercial and strategic information and personally recognizable information regarding credentialing.
C-CNT-PMH-020679	Medical Executive Committee Minutes and Packet	12/21/2023	Committee Members	Pharmacy & Therapeutics Committee	Proprietary and confidential peer review.

Privilege Log – Barclays/Centurion Communications

Bates Number	Subject	Date	From	To	cc:	Narrative
C-CNT-PMH-012273		February 24, 2023, 9:35 p.m.	Josh Neaman	John Renken, Esq.		Attorney-client privileged/common interest request for legal advice regarding purchase price.
C-CNT-PMH-012273	redacted	February 24, 2023, 8:48 p.m.	John Renken, Esq.	Josh Neaman		Providing attorney-client privileged/common interest legal advice regarding purchase price.
C-CNT-PMH-012273		February 24, 2023, 10:24 p.m.	Josh Neaman	Ben Mingle, Steve Lovoy		Reflecting attorney-client privileged/common interest legal advice regarding purchase price.
C-CNT-PMH-012278		October 17, 2023, 9:30 a.m.	Kelci Laster, Esq.	Joseph Hegner		Providing attorney-client privileged/common interest legal advice regarding conflict of interest form.
C-CNT-PMH-012289		February 24, 2023, 9:35 p.m.	Josh Neaman	John Renken, Esq.		Attorney-client privileged/common interest request for legal advice regarding purchase price.
C-CNT-PMH-012289		February 24, 2023, 8:48 p.m.	John Renken, Esq.	Josh Neaman		Providing attorney-client privileged/common interest legal advice regarding purchase price.
C-CNT-PMH-012288		February 27, 2023, 9:05 a.m.	Josh Neaman	John Renken, Esq.	Ben Mingle, Steve Lovoy	Attorney-client privileged/common interest request for legal advice regarding valuation amount and bond issuance.
C-CNT-PMH-012288		March 1, 2023, 11:26 a.m.	John Renken, Esq.	Josh Neaman	Ben Mingle, Steve Lovoy, Russ Miller, Esq.	Providing attorney-client privileged/common interest legal advice regarding valuation amount and bond issuance.
C-CNT-PMH-012451		April 20, 2023, 10:23 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Joseph Hegner, Kristin		Providing attorney-client privileged/common interest legal advice regarding HCA application preparation.

				Kendigelen, Lisa Rogers, Ben Mingle, Steve Lovoy		
C-CNT-PMH-012456	redacted	April 20, 2023, 10:23 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Joseph Hegner, Kristin Kendigelen, Lisa Rogers, Ben Mingle, Steve Lovoy		Providing attorney-client privileged/common interest legal advice regarding HCA application preparation.
C-CNT-PMH-012461		April 20, 2023, 10:23 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Joseph Hegner, Kristin Kendigelen, Lisa Rogers, Ben Mingle, Steve Lovoy		Providing attorney-client privileged/common interest legal advice regarding HCA application preparation.
C-CNT-PMH-012466		April 20, 2023, 10:23 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Joseph Hegner, Kristin Kendigelen, Lisa Rogers, Ben Mingle, Steve Lovoy		Providing attorney-client privileged/common interest legal advice regarding HCA application preparation.
C-CNT-PMH-012470		April 20, 2023, 10:23 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Joseph Hegner, Kristin Kendigelen, Lisa Rogers, Ben Mingle, Steve Lovoy		Providing attorney-client privileged/common interest legal advice regarding HCA application preparation.

C-CNT-PMH-012475	redacted	April 20, 2023, 10:23 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Joseph Hegner, Kristin Kendigelen, Lisa Rogers, Ben Mingle, Steve Lovoy		Providing attorney-client privileged/common interest legal advice regarding HCA application preparation.
C-CNT-PMH-012472		April 25, 2023, 2:30 p.m.	Jerimi Ullom, Esq.	Carson Chircop, Joseph Hegner, Kristin Kendigelen, Lisa Rogers, Ben Mingle, Steve Lovoy		Providing attorney-client privileged/common interest legal advice regarding sources and uses and IRS ordering rules.
C-CNT-PMH-012479		April 20, 2023, 10:23 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Joseph Hegner, Kristin Kendigelen, Lisa Rogers, Ben Mingle, Steve Lovoy		Providing attorney-client privileged/common interest legal advice regarding HCA application preparation.
C-CNT-PMH-012484		April 20, 2023, 10:23 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Joseph Hegner, Kristin Kendigelen, Lisa Rogers, Ben Mingle, Steve Lovoy		Providing attorney-client privileged/common interest legal advice regarding HCA application preparation.
C-CNT-PMH-012491		April 20, 2023, 10:23 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Joseph Hegner, Kristin Kendigelen, Lisa Rogers, Ben		Providing attorney-client privileged/common interest legal advice regarding HCA application preparation.

				Mingle, Steve Lovoy		
C-CNT-PMH-012499	redacted	April 20, 2023, 10:23 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Joseph Hegner, Kristin Kendigelen, Lisa Rogers, Ben Mingle, Steve Lovoy		Providing attorney-client privileged/common interest legal advice regarding HCA application preparation.
C-CNT-PMH-012496		April 25, 2023, 2:30 p.m.	Jerimi Ullom, Esq.	Carson Chircop, Joseph Hegner, Kristin Kendigelen, Lisa Rogers, Ben Mingle, Steve Lovoy		Providing attorney-client privileged/common interest legal advice regarding sources and uses and IRS ordering rules.
C-CNT-PMH-012504		September 14, 2022, 2:45 p.m.	Jerimi Ullom, Esq.	Ben Mingle, Josh Neaman, Carson Chircop, Joseph Hegner, Steve Lovoy, Gregory Grove		Providing attorney-client privileged/common interest legal advice regarding PACE financing agreement.
C-CNT-PMH-012504		September 14, 2022, 3:54 p.m.	Josh Neaman	Ben Mingle, Jerimi Ullom, Esq., Carson Chircop, Joseph Hegner, Steve Lovoy, Gregory Grove		Attorney-client privileged/common interest request for legal advice regarding PACE financing agreement.
C-CNT-PMH-012503		September 15, 2022, 2:57 p.m.	Jerimi Ullom, Esq.	Ben Mingle, Josh Neaman, Carson Chircop, Joseph Hegner,		Reflecting attorney-client privileged/common interest legal advice regarding drafting of APA terms.

				Steve Lovoy, Gregory Grove		
C-CNT-PMH-012508	redacted	September 14, 2022, 2:45 p.m.	Jerimi Ullom, Esq.	Ben Mingle, Josh Neaman, Carson Chircop, Joseph Hegner, Steve Lovoy, Gregory Grove		Providing attorney-client privileged/common interest legal advice regarding PACE financing agreement.
C-CNT-PMH-012508		September 14, 2022, 3:54 p.m.	Josh Neaman	Ben Mingle, Jerimi Ullom, Esq., Carson Chircop, Joseph Hegner, Steve Lovoy, Gregory Grove		Attorney-client privileged/common interest request for legal advice regarding PACE financing agreement.
C-CNT-PMH-012512		September 14, 2022, 2:45 p.m.	Jerimi Ullom, Esq.	Ben Mingle, Josh Neaman, Carson Chircop, Joseph Hegner, Steve Lovoy, Gregory Grove		Providing attorney-client privileged/common interest legal advice regarding PACE financing agreement.
C-CNT-PMH-012512		September 14, 2022, 3:54 p.m.	Josh Neaman	Ben Mingle, Jerimi Ullom, Esq., Carson Chircop, Joseph Hegner, Steve Lovoy, Gregory Grove		Attorney-client privileged/common interest request for legal advice regarding PACE financing agreement.
C-CNT-PMH-012518		April 17, 2023, 10:56 a.m.	Jerimi Ullom, Esq.	Joseph Hegner	Ben Mingle, Steve Lovoy	Reflecting attorney-client privileged/common interest legal advice regarding HCA Application preparation.
C-CNT-PMH-012521		December 12, 2022,	Jerimi Ullom, Esq.	Josh Neaman, Joseph Hegner	Ben Mingle, Steve Lovoy	Reflecting attorney-client privileged/common interest legal advice regarding HCA Application preparation.

		12:06 p.m.				
C-CNT-PMH-012524	redacted	September 14, 2022, 2:45 p.m.	Jerimi Ullom, Esq.	Ben Mingle, Josh Neaman, Carson Chircop, Joseph Hegner, Steve Lovoy, Gregory Grove		Providing attorney-client privileged/common interest legal advice regarding PACE financing agreement.
C-CNT-PMH-012524		September 14, 2022, 3:54 p.m.	Josh Neaman	Ben Mingle, Jerimi Ullom, Esq., Carson Chircop, Joseph Hegner, Steve Lovoy, Gregory Grove		Attorney-client privileged/common interest request for legal advice regarding PACE financing agreement.
C-CNT-PMH-012523		September 15, 2022, 2:57 p.m.	Jerimi Ullom, Esq.	Ben Mingle, Josh Neaman, Carson Chircop, Joseph Hegner, Steve Lovoy, Gregory Grove		Reflecting attorney-client privileged/common interest legal advice regarding drafting of APA terms.
C-CNT-PMH-012533		April 28, 2023, 9:50 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Ben Mingle, Joseph Hegner, Lisa Rogers, Kristin Kendigelen		Providing attorney-client privileged/common interest legal advice regarding taxable net proceeds.
C-CNT-PMH-012528		November 2, 2023, 8:43 p.m.	Steve Lovoy	Carson Chircop		Reflecting attorney-client privileged/common interest legal advice regarding HCA review process.
C-CNT-PMH-012543		April 28, 2023, 9:50 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Ben Mingle, Joseph Hegner,		Providing attorney-client privileged/common interest legal advice regarding taxable net proceeds.

				Lisa Rogers, Kristin Kendigelen		
C-CNT-PMH-012554	redacted	April 28, 2023, 9:50 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Ben Mingle, Joseph Hegner, Lisa Rogers, Kristin Kendigelen		Providing attorney-client privileged/common interest legal advice regarding taxable net proceeds.
C-CNT-PMH-012560		April 28, 2023, 9:50 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Ben Mingle, Joseph Hegner, Lisa Rogers, Kristin Kendigelen		Providing attorney-client privileged/common interest legal advice regarding taxable net proceeds.
C-CNT-PMH-012559		April 30, 2023, 3:55 p.m.	Ben Mingle	Carson Chircop, Jerimi Ullom, Esq., Joseph Hegner, Lisa Rogers, Kristin Kendigelen		Seeking attorney-client privileged/common interest legal advice regarding tax exempt bond financing.
C-CNT-PMH-012567		April 28, 2023, 9:50 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Ben Mingle, Joseph Hegner, Lisa Rogers, Kristin Kendigelen		Providing attorney-client privileged/common interest legal advice regarding taxable net proceeds.
C-CNT-PMH-012573		April 28, 2023, 9:50 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Ben Mingle, Joseph Hegner, Lisa Rogers, Kristin Kendigelen		Providing attorney-client privileged/common interest legal advice regarding taxable net proceeds.

C-CNT-PMH-012605	redacted	April 28, 2023, 9:50 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Ben Mingle, Joseph Hegner, Lisa Rogers, Kristin Kendigelen		Providing attorney-client privileged/common interest legal advice regarding taxable net proceeds.
C-CNT-PMH-012613		April 28, 2023, 9:50 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Ben Mingle, Joseph Hegner, Lisa Rogers, Kristin Kendigelen		Providing attorney-client privileged/common interest legal advice regarding taxable net proceeds.
C-CNT-PMH-012608		November 2, 2023, 8:43 p.m.	Steve Lovoy	Carson Chircop		Reflecting attorney-client privileged/common interest legal advice regarding HCA review process.
C-CNT-PMH-012622		April 28, 2023, 9:50 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Ben Mingle, Joseph Hegner, Lisa Rogers, Kristin Kendigelen		Providing attorney-client privileged/common interest legal advice regarding taxable net proceeds.
C-CNT-PMH-012630		April 28, 2023, 9:50 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Ben Mingle, Joseph Hegner, Lisa Rogers, Kristin Kendigelen		Providing attorney-client privileged/common interest legal advice regarding taxable net proceeds.
C-CNT-PMH-012636		April 28, 2023, 9:50 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Ben Mingle, Joseph Hegner, Lisa Rogers, Kristin Kendigelen		Providing attorney-client privileged/common interest legal advice regarding taxable net proceeds.

C-CNT-PMH-012634	redacted	April 30, 2023, 3:55 p.m.	Ben Mingle	Carson Chircop, Jerimi Ullom, Esq., Joseph Hegner, Lisa Rogers, Kristin Kendigelen		Seeking attorney-client privileged/common interest legal advice regarding tax exempt bond financing.
C-CNT-PMH-012639		April 28, 2023, 9:50 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Ben Mingle, Joseph Hegner, Lisa Rogers, Kristin Kendigelen		Providing attorney-client privileged/common interest legal advice regarding taxable net proceeds.
C-CNT-PMH-012640		April 30, 2023, 3:55 p.m.	Ben Mingle	Carson Chircop, Jerimi Ullom, Esq., Joseph Hegner, Lisa Rogers, Kristin Kendigelen		Seeking attorney-client privileged/common interest legal advice regarding tax exempt bond financing.
C-CNT-PMH-012648		April 28, 2023, 9:50 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Ben Mingle, Joseph Hegner, Lisa Rogers, Kristin Kendigelen		Providing attorney-client privileged/common interest legal advice regarding taxable net proceeds.
C-CNT-PMH-012657		April 28, 2023, 9:50 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Ben Mingle, Joseph Hegner, Lisa Rogers, Kristin Kendigelen		Providing attorney-client privileged/common interest legal advice regarding taxable net proceeds.
C-CNT-PMH-012665		April 28, 2023, 9:50 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Ben Mingle, Joseph Hegner,		Providing attorney-client privileged/common interest legal advice regarding taxable net proceeds.

				Lisa Rogers, Kristin Kendigelen		
C-CNT-PMH-012676	redacted	April 28, 2023, 9:50 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Ben Mingle, Joseph Hegner, Lisa Rogers, Kristin Kendigelen		Providing attorney-client privileged/common interest legal advice regarding taxable net proceeds.
C-CNT-PMH-012684		April 28, 2023, 9:50 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Ben Mingle, Joseph Hegner, Lisa Rogers, Kristin Kendigelen		Providing attorney-client privileged/common interest legal advice regarding taxable net proceeds.
C-CNT-PMH-012692		April 28, 2023, 9:50 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Ben Mingle, Joseph Hegner, Lisa Rogers, Kristin Kendigelen		Providing attorney-client privileged/common interest legal advice regarding taxable net proceeds.
C-CNT-PMH-012700		April 28, 2023, 9:50 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Ben Mingle, Joseph Hegner, Lisa Rogers, Kristin Kendigelen		Providing attorney-client privileged/common interest legal advice regarding taxable net proceeds.
C-CNT-PMH-012709		April 28, 2023, 9:50 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Ben Mingle, Joseph Hegner, Lisa Rogers, Kristin Kendigelen		Providing attorney-client privileged/common interest legal advice regarding taxable net proceeds.

C-CNT-PMH-012717	redacted	April 28, 2023, 9:50 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Ben Mingle, Joseph Hegner, Lisa Rogers, Kristin Kendigelen		Providing attorney-client privileged/common interest legal advice regarding taxable net proceeds.
C-CNT-PMH-012725		April 28, 2023, 9:50 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Ben Mingle, Joseph Hegner, Lisa Rogers, Kristin Kendigelen		Providing attorney-client privileged/common interest legal advice regarding taxable net proceeds.
C-CNT-PMH-012733		April 28, 2023, 9:50 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Ben Mingle, Joseph Hegner, Lisa Rogers, Kristin Kendigelen		Providing attorney-client privileged/common interest legal advice regarding taxable net proceeds.
C-CNT-PMH-012739		April 28, 2023, 9:50 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Ben Mingle, Joseph Hegner, Lisa Rogers, Kristin Kendigelen		Providing attorney-client privileged/common interest legal advice regarding taxable net proceeds.
C-CNT-PMH-012737		April 30, 2023, 3:55 p.m.	Ben Mingle	Carson Chircop, Jerimi Ullom, Esq., Joseph Hegner, Lisa Rogers, Kristin Kendigelen		Seeking attorney-client privileged/common interest legal advice regarding tax exempt bond financing.
C-CNT-PMH-012745		April 28, 2023, 9:50 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Ben Mingle, Joseph Hegner,		Providing attorney-client privileged/common interest legal advice regarding taxable net proceeds.

				Lisa Rogers, Kristin Kendigelen		
C-CNT-PMH-012751	redacted	April 28, 2023, 9:50 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Ben Mingle, Joseph Hegner, Lisa Rogers, Kristin Kendigelen		Providing attorney-client privileged/common interest legal advice regarding taxable net proceeds.
C-CNT-PMH-012750		April 30, 2023, 3:55 p.m.	Ben Mingle	Carson Chircop, Jerimi Ullom, Esq., Joseph Hegner, Lisa Rogers, Kristin Kendigelen		Seeking attorney-client privileged/common interest legal advice regarding tax exempt bond financing.
C-CNT-PMH-012756		April 28, 2023, 9:50 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Ben Mingle, Joseph Hegner, Lisa Rogers, Kristin Kendigelen		Providing attorney-client privileged/common interest legal advice regarding taxable net proceeds.
C-CNT-PMH-012755		April 30, 2023, 3:55 p.m.	Ben Mingle	Carson Chircop, Jerimi Ullom, Esq., Joseph Hegner, Lisa Rogers, Kristin Kendigelen		Seeking attorney-client privileged/common interest legal advice regarding tax exempt bond financing.
C-CNT-PMH-012761		April 28, 2023, 9:50 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Ben Mingle, Joseph Hegner, Lisa Rogers, Kristin Kendigelen		Providing attorney-client privileged/common interest legal advice regarding taxable net proceeds.

C-CNT-PMH-012768	redacted	April 28, 2023, 9:50 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Ben Mingle, Joseph Hegner, Lisa Rogers, Kristin Kendigelen		Providing attorney-client privileged/common interest legal advice regarding taxable net proceeds.
C-CNT-PMH-012801		April 28, 2023, 9:50 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Ben Mingle, Joseph Hegner, Lisa Rogers, Kristin Kendigelen		Providing attorney-client privileged/common interest legal advice regarding taxable net proceeds.
C-CNT-PMH-012806		April 28, 2023, 9:50 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Ben Mingle, Joseph Hegner, Lisa Rogers, Kristin Kendigelen		Providing attorney-client privileged/common interest legal advice regarding taxable net proceeds.
C-CNT-PMH-012810		April 28, 2023, 9:50 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Ben Mingle, Joseph Hegner, Lisa Rogers, Kristin Kendigelen		Providing attorney-client privileged/common interest legal advice regarding taxable net proceeds.
C-CNT-PMH-012816		February 24, 2023, 9:35 p.m.	Josh Neaman	John Renken, Esq.		Attorney-client privileged/common interest request for legal advice regarding purchase price.
C-CNT-PMH-012816		February 24, 2023, 8:48 p.m.	John Renken, Esq.	Josh Neaman		Providing attorney-client privileged/common interest legal advice regarding purchase price.
C-CNT-PMH-012816		February 27, 2023, 9:05 a.m.	Josh Neaman	John Renken, Esq.	Ben Mingle, Steve Lovoy	Attorney-client privileged/common interest request for legal advice regarding valuation amount and bond issuance.

C-CNT-PMH-012815	redacted	March 1, 2023, 11:26 a.m.	John Renken, Esq.	Josh Neaman	Ben Mingle, Steve Lovoy, Russ Miller, Esq.	Providing attorney-client privileged/common interest legal advice regarding valuation amount and bond issuance.
C-CNT-PMH-012824		February 24, 2023, 9:35 p.m.	Josh Neaman	John Renken, Esq.		Attorney-client privileged/common interest request for legal advice regarding purchase price.
C-CNT-PMH-012823		February 24, 2023, 8:48 p.m.	John Renken, Esq.	Josh Neaman		Providing attorney-client privileged/common interest legal advice regarding purchase price.
C-CNT-PMH-012823		February 27, 2023, 9:05 a.m.	Josh Neaman	John Renken, Esq.	Ben Mingle, Steve Lovoy	Attorney-client privileged/common interest request for legal advice regarding valuation amount and bond issuance.
C-CNT-PMH-012823		March 1, 2023, 11:26 a.m.	John Renken, Esq.	Josh Neaman	Ben Mingle, Steve Lovoy, Russ Miller, Esq.	Providing attorney-client privileged/common interest legal advice regarding valuation amount and bond issuance.
C-CNT-PMH-012831		February 24, 2023, 9:35 p.m.	Josh Neaman	John Renken, Esq.		Attorney-client privileged/common interest request for legal advice regarding purchase price.
C-CNT-PMH-012830		February 24, 2023, 8:48 p.m.	John Renken, Esq.	Josh Neaman		Providing attorney-client privileged/common interest legal advice regarding purchase price.
C-CNT-PMH-012830		February 27, 2023, 9:05 a.m.	Josh Neaman	John Renken, Esq.	Ben Mingle, Steve Lovoy	Attorney-client privileged/common interest request for legal advice regarding valuation amount and bond issuance.
C-CNT-PMH-012830		March 1, 2023, 11:26 a.m.	John Renken, Esq.	Josh Neaman	Ben Mingle, Steve Lovoy, Russ Miller, Esq.	Providing attorney-client privileged/common interest legal advice regarding valuation amount and bond issuance.
C-CNT-PMH-012837		February 24, 2023, 9:35 p.m.	Josh Neaman	John Renken, Esq.		Attorney-client privileged/common interest request for legal advice regarding purchase price.
C-CNT-PMH-012837		February 24, 2023, 8:48 p.m.	John Renken, Esq.	Josh Neaman		Providing attorney-client privileged/common interest legal advice regarding purchase price.

C-CNT-PMH-012837	redacted	February 27, 2023, 9:05 a.m.	Josh Neaman	John Renken, Esq.	Ben Mingle, Steve Lovoy	Attorney-client privileged/common interest request for legal advice regarding valuation amount and bond issuance.
C-CNT-PMH-012836		March 1, 2023, 11:26 a.m.	John Renken, Esq.	Josh Neaman	Ben Mingle, Steve Lovoy, Russ Miller, Esq.	Providing attorney-client privileged/common interest legal advice regarding valuation amount and bond issuance.
C-CNT-PMH-012849		February 24, 2023, 9:35 p.m.	Josh Neaman	John Renken, Esq.		Attorney-client privileged/common interest request for legal advice regarding purchase price.
C-CNT-PMH-012849		February 24, 2023, 8:48 p.m.	John Renken, Esq.	Josh Neaman		Providing attorney-client privileged/common interest legal advice regarding purchase price.
C-CNT-PMH-012849		February 27, 2023, 9:05 a.m.	Josh Neaman	John Renken, Esq.	Ben Mingle, Steve Lovoy	Attorney-client privileged/common interest request for legal advice regarding valuation amount and bond issuance.
C-CNT-PMH-012865		February 24, 2023, 9:35 p.m.	Josh Neaman	John Renken, Esq.		Attorney-client privileged/common interest request for legal advice regarding purchase price.
C-CNT-PMH-012865		February 24, 2023, 8:48 p.m.	John Renken, Esq.	Josh Neaman		Providing attorney-client privileged/common interest legal advice regarding purchase price.
C-CNT-PMH-012865		February 27, 2023, 9:05 a.m.	Josh Neaman	John Renken, Esq.	Ben Mingle, Steve Lovoy	Attorney-client privileged/common interest request for legal advice regarding valuation amount and bond issuance.
C-CNT-PMH-012864		March 1, 2023, 11:26 a.m.	John Renken, Esq.	Josh Neaman	Ben Mingle, Steve Lovoy, Russ Miller, Esq.	Providing attorney-client privileged/common interest legal advice regarding valuation amount and bond issuance.
C-CNT-PMH-012873		February 24, 2023, 9:35 p.m.	Josh Neaman	John Renken, Esq.		Attorney-client privileged/common interest request for legal advice regarding purchase price.
C-CNT-PMH-012873		February 24, 2023, 8:48 p.m.	John Renken, Esq.	Josh Neaman		Providing attorney-client privileged/common interest legal advice regarding purchase price.

C-CNT-PMH-012873	redacted	February 27, 2023, 9:05 a.m.	Josh Neaman	John Renken, Esq.	Ben Mingle, Steve Lovoy	Attorney-client privileged/common interest request for legal advice regarding valuation amount and bond issuance.
C-CNT-PMH-012872-73		March 1, 2023, 11:26 a.m.	John Renken, Esq.	Josh Neaman	Ben Mingle, Steve Lovoy, Russ Miller, Esq.	Providing attorney-client privileged/common interest legal advice regarding valuation amount and bond issuance.
C-CNT-PMH-012880		March 15, 2022, 8:31 p.m.	Josh Neaman	Ben Mingle		Confidential and proprietary information regarding an unrelated potential transaction.
C-CNT-PMH-012880		March 15, 2022, 8:38 p.m.	Ben Mingle	Josh Neaman	Steve Lovoy, Butch Eavenson	Confidential and proprietary information regarding an unrelated potential transaction.
C-CNT-PMH-012893		December 13, 2022, 3:12 p.m.	Jerimi Ullom, Esq.	Josh Neaman	Joseph Hegner, Ben Mingle, Steve Lovoy, Carson Chircop, Gregory Grove	Providing attorney-client privileged/common interest legal advice regarding material included in exhibits to HCA Application.
C-CNT-PMH-012893		December 13, 2022, 4:40 p.m.	Josh Neaman	Jerimi Ullom, Esq.	Joseph Hegner, Ben Mingle, Steve Lovoy, Carson Chircop, Gregory Grove	Reflecting attorney-client privileged/common interest legal advice regarding material included in exhibits to HCA Application.
C-CNT-PMH-012912		October 4, 2022, 4:27 p.m.	Jerimi Ullom, Esq.	Jerimi Josh Neaman ,Ben Mingle, Steve Lovoy, Joseph Hegner, Gregory Grove, Carson Chircop		Providing attorney-client privileged/common interest legal advice regarding high confidence letter.
C-CNT-PMH-012912		October 5, 2022, 10:52 a.m.	Josh Neaman	Ben Mingle, Jerimi Ullom, Steve Lovoy, Joseph Hegner,	Butch Eavenson, Eric Jones	Reflecting request for attorney-client privileged/common interest legal advice regarding the PACE loan.

				Gregory Grove, Carson Chircop		
C-CNT-PMH-012914	redacted	October 4, 2022, 4:27 p.m.	Jerimi Ullom, Esq.	Jerimi Josh Neaman ,Ben Mingle, Steve Lovoy, Joseph Hegner, Gregory Grove, Carson Chircop		Providing attorney-client privileged/common interest legal advice regarding high confidence letter.
C-CNT-PMH-012913		October 11, 2022, 12:09 p.m.	Josh Neaman	Ben Mingle, Jerimi Ullom, Steve Lovoy, Joseph Hegner, Gregory Grove, Carson Chircop	Butch Eavenson, Eric Jones	Reflecting attorney-client privileged/common interest legal advice regarding terms of the PACE loan.
C-CNT-PMH-012925-26		January 25, 2022, 3:52 p.m.	Ben Mingle	Josh Neaman, Jonathan Debrich	Steve Lovoy, Gregory Grove	Confidential and proprietary information regarding an unrelated potential transaction.
C-CNT-PMH-012925		January 25, 2022, 6:45 p.m.	Josh Neaman			Confidential and proprietary information regarding an unrelated potential transaction.
C-CNT-PMH-012925		January 25, 2022, 6:21 p.m.	Ben Mingle	Josh Neaman	Jonathan Debrich, Steve Lovoy, Gregory Grove	Confidential and proprietary information regarding an unrelated potential transaction.
C-CNT-PMH-012932		January 25, 2022, 3:52 p.m.	Ben Mingle	Josh Neaman, Jonathan Debrich	Steve Lovoy, Gregory Grove	Confidential and proprietary information regarding an unrelated potential transaction.
C-CNT-PMH-012931		January 25, 2022, 6:45 p.m.	Josh Neaman			Confidential and proprietary information regarding an unrelated potential transaction.
C-CNT-PMH-012931		January 25, 2022, 6:21 p.m.	Ben Mingle	Josh Neaman	Jonathan Debrich, Steve Lovoy, Gregory Grove	Confidential and proprietary information regarding an unrelated potential transaction.

C-CNT-PMH-012936	redacted	December 19, 2022, 8:21 a.m.	Jerimi Ullom, Esq.	Ben Mingle, Josh Neaman		Providing attorney-client privileged/common interest legal advice regarding PACE loan and appendices to HCA application.
C-CNT-PMH-012936		December 19, 2022, 9:48 a.m.	Josh Neaman	Jerimi Ullom, Esq., Ben Mingle		Reflecting and requesting attorney-client privileged/common interest legal advice regarding PACE loan and appendices to HCA application.
C-CNT-PMH-012939		December 19, 2022, 8:21 a.m.	Jerimi Ullom, Esq.	Ben Mingle, Josh Neaman		Providing attorney-client privileged/common interest legal advice regarding PACE loan and appendices to HCA application.
C-CNT-PMH-012938		December 19, 2022, 9:48 a.m.	Josh Neaman	Jerimi Ullom, Esq., Ben Mingle		Reflecting and requesting attorney-client privileged/common interest legal advice regarding PACE loan and appendices to HCA application.
C-CNT-PMH-012939		December 20, 2022, 10:47 a.m.	Jerimi Ullom, Esq.	Ben Mingle, Josh Neaman		Providing attorney-client privileged/common interest legal advice regarding PACE loan and appendices to HCA application.
C-CNT-PMH-012943-44		May 1, 2023, 10:50 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Ben Mingle, Steve Levoy, Joseph Hegner, Lisa Rogers, Kristin Kendigelen	Elizabeth Walker, Esq.	Providing attorney-client privileged/common interest legal advice regarding HCA appendices.

C-CNT-PMH-012943	redacted	May 1, 2023, 3:00 p.m.	Carson Chircop	Jerimi Ullom, Esq., Ben Mingle, Steve Levoy, Joseph Hegner, Lisa Rogers, Kristin Kendigelen	Elizabeth Walker, Esq.	Reflecting attorney-client privileged/common interest legal advice regarding HCA appendices.
C-CNT-PMH-012942		May 1, 2023, 3:14 p.m.	Jerimi Ullom, Esq.	Carson Chircop, Ben Mingle, Steve Levoy, Joseph Hegner, Lisa Rogers, Kristin Kendigelen	Elizabeth Walker, Esq.	Providing attorney-client privileged/common interest legal advice regarding high confidence letter.
C-CNT-PMH-012954-55		May 1, 2023, 10:50 a.m.	Jerimi Ullom, Esq.	Carson Chircop, Ben Mingle, Steve Levoy, Joseph Hegner, Lisa Rogers, Kristin Kendigelen	Elizabeth Walker, Esq.	Providing attorney-client privileged/common interest legal advice regarding HCA appendices.
C-CNT-PMH-012954		May 1, 2023, 3:00 p.m.	Carson Chircop	Jerimi Ullom, Esq., Ben Mingle, Steve Levoy, Joseph Hegner, Lisa Rogers, Kristin Kendigelen	Elizabeth Walker, Esq.	Reflecting attorney-client privileged/common interest legal advice regarding HCA appendices.
C-CNT-PMH-021638		February 24, 2023, 9:35 p.m.	Josh Neaman	John Renken, Esq.		Attorney-client privileged/common interest request for legal advice regarding purchase price.

C-CNT-PMH-021638	redacted	February 24, 2023, 8:48 p.m.	John Renken, Esq.	Josh Neaman		Providing attorney-client privileged/common interest legal advice regarding purchase price.
C-CNT-PMH-021638		February 24, 2023, 10:24 p.m.	Josh Neaman	Ben Mingle, Steve Lovoy		Reflecting attorney-client privileged/common interest legal advice regarding purchase price.

STATE OF RHODE ISLAND OFFICE OF THE ATTORNEY GENERAL

In Re: Proposed Transaction between Centurion Foundation, Inc. and Prospect Medical Holdings, Inc.

CONFLICT OF INTEREST STATEMENT

INSTRUCTIONS

Please respond to each of the following questions to the best of your ability with the most accurate and current information. If there is insufficient space in the form for a response, attach additional pages indicating the corresponding question.

Current conflict of interest forms are required for all incumbent or recently incumbent officers, members of the boards of directors or trustees and senior managers, including the medical directors, of the transacting parties and experts and consultants engaged in connection with the proposed transaction. (Please note that "incumbent or recently incumbent" means those individuals holding the position at the time the application is submitted and any individual who held a similar position with one year prior to the application's acceptance.)

Completed forms may be sent to: Office **of the Attorney General, Health Care Advocate**, **150 South Main Street, Providence, RI 02903.** The parties may collect the forms and submit them together. However, the individual submitting the form must be given the option of providing the form directly to the Department of Attorney General.

The time period covered by the attached Conflict of Interest Statement is from **January 1, 2020 through the present**, unless otherwise indicated. The Transacting Parties shall update and/or supplement responses up and until the time of closing of the proposed conversion.

DEFINITIONS

1. The term "Transacting Parties," means "Prospect", comprised of Prospect Medical Holdings, Inc., Prospect CharterCARE, LLC d/b/a CharterCARE Health Partners, Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center, and Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital, and Centurion Foundation, Inc. ("Centurion"), both collectively and separately.

2. The term "You," means: (a) the individual completing this form; (b) your spouse or dependent child and any individual related to you by blood, adoption or marriage[1]; (c) your agents, employees, contractors or representatives; and (d) any entity that you either directly or indirectly own or control or that is owned in part by you or anyone identified in Section (b).

3. The term "Affiliate" means: an entity that directly or indirectly through one or more intermediaries controls or is controlled by, or is under common control with the Transacting Parties.

4. The term "QHR" means QHR Health, LLC, f/k/a Quorum Health Resources.

5. All other terms shall have their plain and ordinary meaning.

[1] For the purposes of the Conflict of Interest Statement, these include: father, mother, son, daughter, brother, sister, grandfather, grandmother, grandson, granddaughter, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half-brother or half-sister.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DEPARTMENT OF ATTORNEY GENERAL

In Re: Proposed Transaction between Centurion Foundation, Inc. and Prospect Medical Holdings, Inc.

CONFLICT OF INTEREST STATEMENT
OF

_____

(NAME)

1. Please provide the following information:

Name:	
Telephone:	Email:
Address:	
Transacting Party Affiliation:	Title:

2. Please describe your position with the Transacting Parties, their Affiliates, or QHR, including years in such position.

_____
_____
_____
_____

3. Have You received compensation or other non-monetary benefits during the relevant time period from one or more Transacting Parties, their Affiliates, or QHR?

YES _____ NO _____

Is "Yes," please describe:

_____
_____
_____
_____

4. Are You related to any board member, officer, director, trustee or senior management employee of one or more Transacting Parties, their Affiliates, or QHR through family or business relationships?

YES _____ NO _____

Is "Yes," please describe:

_____

_____

_____

_____

5. Do You have or have You been promised any business relationships (including but not limited to: leases, contracts, agreements for sale of goods or services or the like) with one or more of the Transacting Parties, their Affiliates, or QHR?

YES _____ NO _____

Is "Yes," please describe:

_____

_____

_____

_____

6. Are You a party to or have an interest in any pending legal proceedings involving one or more of the Transacting Parties, their Affiliates, or QHR?

YES _____ NO _____

Is "Yes," please describe:

_____

_____

_____

_____

7. Other than your current (or recently incumbent) position described in Question #2 above, do You intend to be or do You have any verbal or written agreement to become a director, officer, employee, consultant, contractor or other representative of one or both of the Transacting Parties, their respective Affiliates, or QHR after the proposed transaction?

YES _____ NO _____

8. If your response is "Yes" to Question #7 above, please describe the position you will have after the proposed transaction and indicate the compensation or any other benefits, if any, you will receive.

_____

_____

_____

_____

9. Are there any other facts that the Attorney General should be made aware of that could be considered a conflict of interest between you and any duty you have to one or more of the Transacting Parties, their Affiliates, or QHR?

YES _____ NO _____

Is "Yes," please describe:

_____

_____

_____

_____

10. Please attach the most recent conflict of interest statement signed by you as required by any conflict of interest policy of any of the Transacting Parties, their Affiliates, or QHR with whom you are affiliated.

ATTESTATION

Under penalties of perjury, I declare that the information furnished in the responses to this Conflict of Interest Statement, including all attachments, is true, correct and complete to the best of my knowledge and belief. I understand that I am under a continuing duty to update this Conflict of Interest Statement until the proposed transaction is approved.

_____
Signature

Print Name: _____

STATE OF _____

COUNTY OF _____

On this_____day of_____, 20___, before me, the undersigned notary public, personally appeared_____, personally known to the notary or proved to be the person who signed the attached document in my presence, and who swore or affirmed to the notary that the contents of the document are truthful and accurate to the best of his/her knowledge and belief.

_____
NOTARY PUBLIC
My Commission Expires:

NEW ISSUE — BOOK-ENTRY ONLY

RATING: S&P BB+
See "Rating" herein.

In the opinion of Bond Counsel, interest on the Series 2021 Bonds (defined herein) is not includable in gross income for purposes of federal income taxation under existing statutes, regulations, rulings and court decisions, subject to the condition described in "Tax Matters" herein. Interest on the Series 2021 Bonds is not treated as an item of tax preference under Section 57 of the Internal Revenue Code of 1986, as amended (the "Code") for purposes of the federal alternative minimum tax. Under the laws of the Commonwealth of Pennsylvania, interest on the Series 2021 Bonds is exempt from Pennsylvania personal income tax and the Pennsylvania corporate net income tax. For a more complete discussion, see "TAX MATTERS" herein.

GVH GRAND VIEW HEALTH

$285,000,000
BUCKS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
HOSPITAL REVENUE BONDS (GRAND VIEW HOSPITAL PROJECT), SERIES 2021

Dated: Date of Delivery

Due: July 1, as shown on inside cover

On the issuance date, Bucks County Industrial Development Authority (the "*Issuer*") will issue its Hospital Revenue Bonds (Grand View Hospital Project), Series 2021 (the "*Series 2021 Bonds*" or the "*Bonds*"). The Series 2021 Bonds are issuable only as fully registered bonds without coupons, and when issued, will be registered in the name of and held by Cede & Co., as nominee for The Depository Trust Company, New York, New York. So long as Cede & Co. is the registered owner of the Series 2021 Bonds, principal, premium, if any, and interest payments on the Series 2021 Bonds will be made by the Bond Trustee (as defined below) to Cede & Co., which in turn will remit such payments to the DTC Participants and DTC Indirect Participants for subsequent disbursement to the beneficial owners of the Series 2021 Bonds. Purchase of the Series 2021 Bonds will be made in book-entry form only and individual purchasers will not receive physical delivery of bond certificates representing their beneficial interest in the Series 2021 Bonds. So long as Cede & Co. is the registered owner of the Series 2021 Bonds, references herein to the holders or registered owners of the Series 2021 Bonds shall mean Cede & Co. and shall not mean the beneficial owners of the Series 2021 Bonds. See **APPENDIX I – "Book-Entry-Only System**" herein.

The Series 2021 Bonds are issued pursuant to a Trust Indenture dated as of March 1, 2021 (the "*Indenture*"), by and between the Issuer and The Bank of New York Mellon Trust Company, N.A., as bond trustee (the "*Bond Trustee*"). The proceeds of the Series 2021 Bonds will be loaned by the Issuer to Grand View Hospital (the "*Borrower*") pursuant to a Loan Agreement dated as of March 1, 2021 (the "*Loan Agreement*") and applied as described herein and therein.

The Series 2021 Bonds will be secured by (i) certain funds and accounts established under the Indenture; (ii) all right, title and interest of the Issuer in and to the Loan Agreement and all Revenues payable to the Issuer and (iii) Grand View Health Obligated Group Obligation No. 1 delivered with respect to the Series 2021 Bonds (the "*Series 2021 Obligation*") issued under the Master Trust Indenture dated as of March 1, 2021 (the "*Master Indenture*") by and among the Borrower, The Grand View Health Foundation (the "*Foundation*" and together with the Borrower, the "*Obligated Group*" or "*Members of the Obligated Group*"), and such other Organizations as from time to time are Members of the Obligated Group and The Bank of New York Mellon Trust Company, N.A., as master trustee (the "*Master Trustee*"), as supplemented by Supplemental Master Indenture No. 1 dated as of March 1, 2021(the "*Supplemental Master Indenture*") by and between the Borrower, as the Obligated Group Representative (as defined herein), and the Master Trustee. The Series 2021 Obligation is secured by a pledge of Gross Receivables (as described herein) and a Mortgage (as described herein). The Borrower and the Foundation are currently the only Members of the Obligated Group established under the Master Indenture.

In accordance with the Indenture, the Series 2021 Bonds will be issued in the Fixed Rate Mode (as defined herein) and will bear interest at the Fixed Rates (as defined herein) listed on the inside front cover of this Official Statement until their maturity as set forth on the inside cover page hereof, or earlier redemption or conversion. Interest on the Series 2021 Bonds will be computed as described in this Official Statement.

The Series 2021 Bonds are subject to optional redemption (or mandatory tender), mandatory redemption and extraordinary redemption prior to maturity and purchase in lieu of redemption in certain circumstances, as described in this Official Statement.

This Official Statement describes the provisions only of the Series 2021 Bonds that bear interest at Fixed Rates during the Initial Fixed Rate Period (as defined herein). Upon the conversion of any Series 2021 Bonds to bear interest in a different interest rate mode or for a different fixed interest rate period, such Series 2021 Bonds will be subject to mandatory tender for purchase and, except as otherwise provided in the Indenture, it is expected that a reoffering circular or supplement to this Official Statement or other disclosure document will be prepared for the remarketing at that time of such Series 2021 Bonds.

AN INVESTMENT IN THE SERIES 2021 BONDS INVOLVES A DEGREE OF RISK. A PROSPECTIVE BONDOWNER IS ADVISED TO READ THE ENTIRE OFFICIAL STATEMENT, INCLUDING THE APPENDICES TO THIS OFFICIAL STATEMENT. SPECIAL REFERENCE IS MADE TO THE SECTIONS ENTITLED "**PAYMENT AND SECURITY PROVISIONS RELATING TO THE SERIES 2021 BONDS**" AND "**BONDHOLDERS' RISKS**" HEREIN FOR A DISCUSSION OF CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE SERIES 2021 BONDS.

The Series 2021 Bonds are special, limited obligations of the Issuer payable solely from the sources set forth in the Indenture, and neither the general credit of the Issuer, nor the general credit nor the taxing power of the County of Bucks, the Commonwealth of Pennsylvania or any political subdivision thereof is pledged for the payment of the Series 2021 Bonds, nor will the Series 2021 Bonds be, or be deemed to be, an obligation of the County of Bucks, the Commonwealth of Pennsylvania, or any political subdivision thereof. The Issuer has no taxing power.

MATURITIES, AMOUNTS, INTEREST RATES, PRICES AND CUSIP NUMBERS
(See Inside)

This cover page contains certain information for general reference only. It is not intended to be a summary of the security or terms of this Series 2021 Bond issue. Investors are instructed to read the entire Official Statement to obtain information essential to making an informed investment decision.

The Series 2021 Bonds are offered subject to prior sale, when, as and if issued by the Issuer and accepted by the Underwriters, subject to certain conditions, including the approval of legality by Saul Ewing Arnstein & Lehr LLP, Bond Counsel. Certain legal matters will be passed upon Saul Ewing Arnstein & Lehr LLP, counsel to the Obligated Group, and by Ballard Spahr LLP, counsel to the Underwriters. It is expected that the Series 2021 Bonds in definitive form will be available for delivery to The Depository Trust Company, on or about March 11, 2021.

BofA Securities **PNC Capital Markets LLC**

The date of this Official Statement is February 23, 2021.


GVH Patient Pavilion
Aerial View

$285,000,000
BUCKS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
HOSPITAL REVENUE BONDS (GRAND VIEW HOSPITAL PROJECT),
SERIES 2021

MATURITY SCHEDULE

$114,215,000 Serial Bonds

Due (July 1)	Principal Amount	Interest Rate	Yield	Price	CUSIP Number
2025	$4,370,000	5.000%	1.700%	113.642	11861MAT3
2026	4,595,000	5.000%	1.860%	115.791	11861MAU0
2027	4,830,000	5.000%	2.030%	117.492	11861MAV8
2028	5,080,000	5.000%	2.200%	118.797	11861MAW6
2029	5,340,000	5.000%	2.340%	119.969	11861MAX4
2030	5,610,000	5.000%	2.500%	120.637	11861MAY2
2031	5,900,000	5.000%	2.630%	121.268	11861MAZ9
2032	6,205,000	5.000%	2.700%*	120.566	11861MBA3
2033	6,520,000	5.000%	2.750%*	120.068	11861MBB1
2034	6,855,000	5.000%	2.790%*	119.671	11861MBC9
2035	7,205,000	5.000%	2.840%*	119.177	11861MBD7
2036	7,575,000	5.000%	2.880%*	118.783	11861MBE5
2037	7,965,000	5.000%	2.950%*	118.098	11861MBF2
2038	8,375,000	5.000%	2.990%*	117.709	11861MBG0
2039	8,805,000	5.000%	3.030%*	117.321	11861MBH8
2040	9,255,000	5.000%	3.070%*	116.935	11861MBJ4
2041	9,730,000	5.000%	3.110%*	116.551	11861MBK1

$55,195,000 4.000% Term Bonds due July 1, 2046, Price 105.175 Yield 3.400%* CUSIP 11861MBL9

$67,430,000 4.000% Term Bonds due July 1, 2051, Price 104.731 Yield 3.450%* CUSIP 11861MBM7

$48,160,000 5.000% Term Bonds due July 1, 2054, Price 114.462 Yield 3.330%* CUSIP 11861MBN5

_____
* Yield to the first optional redemption date.

The information contained in this Official Statement under "THE ISSUER" and "LITIGATION – The Issuer" has been furnished by the Bucks County Industrial Development Authority (the "*Issuer*"). The information concerning The Depository Trust Company ("*DTC*") and the book-entry system set forth in APPENDIX I – "Book-Entry-Only System" has been furnished by DTC. All other information herein has been obtained from the Borrower and other sources that are believed to be reliable. Such other information is not guaranteed as to accuracy or completeness by, and is not to be relied upon as or construed as a promise or representation by the Issuer. None of the information contained in this Official Statement has been supplied or verified by the Master Trustee or the Bond Trustee, and the Master Trustee and the Bond Trustee make no representation, warranty or guarantee as to the accuracy or completeness of any information in this Official Statement.

The Underwriters have provided the following sentence for inclusion in this Official Statement: The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

No dealer, broker, salesperson or other person has been authorized by the Issuer, the Borrower or the Underwriters to give any information or to make any representations, other than those contained in this Official Statement, and if given or made, such information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, and there shall be no sale of the Series 2021 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any statement nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the Issuer, the Borrowers or DTC since the date hereof.

None of the Series 2021 Bonds and the Series 2021 Obligation have been registered under the Securities Act of 1933, or the securities laws of any state, nor has the Indenture or the Master Indenture been qualified under the Trust Indenture Act of 1939, in reliance upon exemptions contained in such acts. The Series 2021 Bonds have not been registered or qualified under the securities laws of any state in reliance upon the state securities law exemption provisions under the Securities Act of 1933, as amended. In certain states, however, the filing of a notice with the state securities commission is required for the public sale of the Series 2021 Bonds in such states. The fact that a notice may have been filed in certain states cannot be regarded as a recommendation. No states nor any of their agencies have passed upon the merits of the Series 2021 Bonds or the accuracy or completeness of this Official Statement. Any representation to the contrary may be a criminal offense.

This Official Statement contains a general description of the Series 2021 Bonds, the Issuer, the Borrower, and the plan of finance, and sets forth certain provisions of the Indenture, the Loan Agreement, the Master Indenture and the Supplemental Master Indenture. The description and summaries herein do not purport to be complete. Persons interested in purchasing the Series 2021 Bonds should review carefully the Appendices attached to this Official Statement as well as copies of such documents, which are held by the Master Trustee and the Bond Trustee at their respective principal offices. A wide variety of other information, including financial information, concerning the Borrower is available from publications and website of the Borrower and others. Any such information that is inconsistent with the information set forth in this Official Statement should be disregarded. No such information is a part of or incorporated into this Official Statement, except as expressly noted herein.

References to website addresses herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not a part of, this Official Statement.

Under no circumstances shall the delivery of this Official Statement or any sale made after its delivery create any implication that the affairs of the Issuer or any Member of the Obligated Group have remained unchanged after the date of this Official Statement.

The order and placement of materials in this Official Statement, including the Appendices, are not to be deemed to be a determination of relevance, materiality or importance, and this Official Statement, including the Appendices, must be considered in its entirety.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT

Certain statements included or incorporated by reference in this Official Statement constitute projections or estimates of future events, generally known as forward-looking statements. These statements are generally identifiable by the terminology used such as "may," "believe," "will," "expect," "project," "intend," "estimate," "anticipate," "plan," "continue," "budget" or other similar words. Such forward-looking statements include but are not limited to certain statements contained in the information under "**PLAN OF FINANCE**" and "**BONDHOLDERS' RISKS**" in the forepart of this Official Statement and the statements under the heading "**FINANCIAL INFORMATION**" in **APPENDIX A** to this Official Statement. The forward looking statements contained in this Official Statement are based on the current plans and expectations of the Borrower and are subject to a number of known and unknown uncertainties and risks, many of which are beyond the control of the Borrower, that could significantly affect current plans and expectations and the Borrower's future financial position and results of operations. These risk factors include, but are not limited to, (i) the highly competitive nature of the health care business, (ii) the efforts of insurers, health care providers and others to contain health care costs, (iii) possible changes in the Medicare and Medicaid programs that may affect payments to health care providers and insurers, (iv) changes in federal, state or local regulations affecting the health care industry, (v) the implementation of health care reform, (vi) the ability to attract and retain qualified management and other personnel, including affiliated physicians, nurses and medical support personnel, (vii) liabilities and other claims asserted against the Borrower, (viii) changes in accounting standards and practices, (ix) changes in general economic conditions, (x) future divestitures or acquisitions which may result in additional changes, (xi) changes in revenue mix and the ability to enter into and renew managed care provider arrangements on acceptable terms, (xii) the availability and terms of capital to fund expansion plans of the Borrower and to provide for ongoing capital expenditure needs, (xiii) changes in business strategy or development plans, (xiv) delays in receiving payments, (xv) the ability to implement shared services and other initiatives and realize decreases in administrative, supply and infrastructure costs, (xvi) the outcome of pending and any future litigation, (xvii) the Borrower's continuing efforts to monitor, maintain and comply with appropriate laws, regulations, policies and procedures relating to their status as tax-exempt organizations as well as their ability to comply with the requirements of the Medicare and Medicaid programs, (xviii) the ability to achieve expected levels of patient volumes and control the costs of providing services, (xix) results of reviews of the Borrower's cost reports, and (xx) the Borrower's ability to comply with recently enacted legislation and/or regulations. As a consequence, current plans, anticipated actions and future financial position and results of operations may differ from those expressed in any forward looking statements made by or on behalf of the Borrower. Investors are cautioned not to unduly rely on such forward looking statements when evaluating the information presented in this Official Statement.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVES KNOWN AND UNKNOWN RISKS; UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY THESE FORWARD-LOOKING STATEMENTS. THE BORROWER DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN CHANGES IN ITS EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED, OCCUR.

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OFFICIAL STATEMENT

$285,000,000
BUCKS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
HOSPITAL REVENUE BONDS (GRAND VIEW HOSPITAL PROJECT),
SERIES 2021

INTRODUCTORY STATEMENT

This Introductory Statement is subject in all respects to more complete information contained in this Official Statement. This entire Official Statement, including its appendices, should be read by any prospective purchaser of the Series 2021 Bonds. No person is authorized to detach this Introductory Statement from this Official Statement or otherwise to use it without this entire Official Statement, including the appendices.

Purpose of this Official Statement. The purpose of this Official Statement, including the cover page, the inside cover page and the appendices to this Official Statement, is to set forth information relating to the issuance and sale of $285,000,000 aggregate principal amount of Hospital Revenue Bonds (Grand View Hospital Project), Series 2021 (the "*Series 2021 Bonds*" or the "*Bonds*") of the Bucks County Industrial Development Authority (the "*Issuer*"). The Series 2021 Bonds are to be issued pursuant to a Trust Indenture dated as of March 1, 2021 (the "*Indenture*") by and between the Issuer and The Bank of New York Mellon Trust Company, N.A., as bond trustee (the "*Bond Trustee*").

The Issuer. The Issuer was organized by the Board of County Commissioners of the County of Bucks, Pennsylvania, and exists under the Pennsylvania Economic Development Financing Law, the Act of August 23, 1967, P.L. 251, as amended (the "*Act*"). The Issuer has full power and authority to issue the Series 2021 Bonds. See "**THE ISSUER**" herein.

The Obligated Group. Grand View Hospital (the "*Borrower*") and The Grand View Health Foundation (the *"Foundation*") are currently the only members of the Obligated Group (the "*Obligated Group*" or "*Members of the Obligated Group*") established under the Master Trust Indenture dated as of March 1, 2021, as supplemented (the "*Master Indenture*"), by and among the Borrower, the Foundation and such other Organizations as from time to time are Members of the Obligated Group and The Bank of New York Mellon Trust Company, N.A. as master trustee (the "*Master Trustee*"). The Borrower is currently the Obligated Group Representative under the Master Indenture (the "*Obligated Group Representative*") on behalf of itself and the other Members of the Obligated Group. As provided in the Master Indenture and herein described, additional parties may become Members of the Obligated Group in the future, at which time such additional parties would become jointly and severally liable for the payment of obligations and compliance with covenants under the Master Indenture. The Master Indenture also provides that Members of the Obligated Group can withdraw from the Obligated Group upon the satisfaction of certain conditions. However, the Borrower may not withdraw from the Obligated Group.

The Borrower is a Pennsylvania nonprofit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "*Code*"). The Borrower owns and operates a general acute care hospital that is currently licensed for 169 beds located on a 59 acre site in West Rockhill Township near Sellersville, Bucks County, Pennsylvania. Grand View Hospital is the flagship of a regional, integrated network of health centers, physicians and other related organizations providing care to residents of Bucks and Montgomery Counties in Southeastern Pennsylvania.

The Foundation is a Pennsylvania non-profit corporation and an organization exempt from federal income taxation pursuant to Section 501(a) of the Code, as a result of the application of Section 501(c)(3) of the Code. The Foundation operates exclusively for the support and benefit of the Borrower and any affiliates of the Borrower or controlled organizations that are publicly supported charities.

See **APPENDIX A** to this Official Statement for more information concerning the Borrower and the Obligated Group.

Security for the Series 2021 Bonds. The Series 2021 Bonds will be secured by (a) certain funds and accounts established under the Indenture; (b) all right, title and interest of the Issuer in and to the Loan Agreement (as defined below) and all Revenues payable to the Issuer; and (c) the Series 2021 Obligation issued pursuant to the Supplemental Master Trust Indenture No.1 dated as of March 1, 2021 (the "*Supplemental Indenture")* supplementing the Master Indenture.

The Series 2021 Obligation will be secured by a pledge of the Gross Receivables (as defined below) of the Borrower, the Foundation and any other future Members of the Obligated Group and a mortgage lien on and security interest (the "*Mortgage*") in certain health care facilities of the Borrower, comprising the Grand View Hospital main campus located at 700 Lawn Avenue, West Rockhill Township, Pennsylvania (the "*Mortgaged Property*"). The Borrower will represent in its Mortgage that it has fee title to the Mortgaged Property; however, no title insurance company has issued a title insurance policy insuring the Master Trustee's mortgage lien under the Mortgage on the Mortgaged Property in connection with the issuance of the Series 2021 Bonds. As a result, a defect in the Borrower's title to the Mortgaged Property may adversely impact its use of all or a portion of the Mortgaged Property and/or the operations of the Borrower and/or the value of the Mortgaged Property and any proceeds that may be recovered by the Master Trustee in the event that the Master Trustee seeks to foreclose on the Mortgage or to pursue its rights in accordance with the Master Indenture and the Supplemental Indenture. The Master Trustee is permitted to release or subordinate certain portions of the Mortgaged Property from the lien of the Mortgage under certain conditions set forth in the Master Indenture and the Supplemental Indenture. See "**BONDHOLDERS' RISKS – Matters Related to Mortgaged Property and Title Insurance**" herein. See **"FORM OF OPEN-END MORTGAGE, ASSIGNMENT OF RENTS AND SECURITY AGREEMENT" in Appendix F**.

Plan of Finance. The Issuer will lend the proceeds of the Series 2021 Bonds to the Borrower pursuant to a Loan Agreement dated as of March 1, 2021 (the "*Loan Agreement*") between the Issuer and the Borrower. The proceeds of the Series 2021 Bonds will be applied, together with other available funds, to (i) finance, refinance and/or reimburse the Borrower for the costs of the Project (as defined herein); (ii) refund all of the Issuer's outstanding Hospital Revenue Bonds (Grand View Hospital), Series A of 2008 (the "*Series 2008A Bonds*") and Hospital Revenue Bonds (Grand View Hospital), Series B of 2008 (the "*Series 2008B Bonds*" and, together with the Series 2008A Bonds, the "*Series 2008 Bonds*"); (iii) fund capitalized interest during construction on the portion of the Series 2021 Bonds relating to the Project; (iv) pay for the termination of all or a portion of the two outstanding interest rate swap agreements entered into by the Borrower in connection with the Series 2008 Bonds; (v) fund a debt service reserve fund for the benefit of the Series 2021 Bondholders in an amount equal to the Debt Service Reserve Fund Requirement (hereafter defined); and (vi) pay all costs of issuance of the Series 2021 Bonds. See "**PLAN OF FINANCE**" and "**ESTIMATED SOURCES AND USES OF FUNDS**" herein.

The Series 2021 Bonds initially will be issued in the Fixed Rate Mode. This Official Statement does not describe terms specifically applicable to the Series 2021 Bonds bearing interest at rates other than Fixed Rates during the Initial Fixed Rate Period. In the event the Series 2021 Bonds are converted to bear interest in a different Interest Rate Mode or for a subsequent Fixed Rate Period, such Series 2021 Bonds will be subject to mandatory tender for purchase, and, except as otherwise provided in the

Indenture, it is expected that a reoffering circular or supplement to this Official Statement or other disclosure document will be prepared with remarketing such Series 2021 Bonds when and if they are converted to another Interest Rate Mode.

Payment for the Series 2021 Bonds. The Series 2021 Bonds will be a special limited obligation of the Issuer, secured by and payable solely from Revenues, which consist primarily of payments required to be made by the Borrower under the Loan Agreement, payments to be made on the Series 2021 Obligation, and certain funds held under the Indenture. Pursuant to the Indenture, the Issuer will pledge certain of the Revenues and certain of the funds and accounts created thereunder, and assign to the Bond Trustee its interest in the Series 2021 Obligation and the Loan Agreement, pursuant to which the Borrower agrees to make loan repayments in amounts and at times which will enable the Issuer to pay the principal or redemption price of and interest on the Series 2021 Bonds when due.

Additional Indebtedness. The Obligated Group, upon compliance with the terms and conditions, and for the purposes described in the Master Indenture, may incur additional indebtedness. Such additional indebtedness may be secured or unsecured, and may or may not be issued in the form of Obligations under the Master Indenture. See "**FORM OF THE MASTER TRUST INDENTURE AND FORM OF SUPPLEMENTAL MASTER TRUST INDENTURE NO. 1**" in **APPENDIX E** to this Official Statement.

Bondholders' Risks. There are risks associated with the purchase of the Series 2021 Bonds. See "**BONDHOLDERS' RISKS**" for a discussion of certain of these risks.

Defined Terms. All capitalized terms used in this Official Statement, unless otherwise defined or the context otherwise indicates, have the meanings set forth in **APPENDIX D** and **APPENDIX E** of this Official Statement.

Underlying Documents. The descriptions and summaries of various documents hereinafter set forth do not purport to be comprehensive or definitive, and reference is made to each document for the complete details of all of its terms and conditions. All statements herein are qualified in their entirety by reference to each such document. Copies of the Master Indenture, the Supplemental Master Indenture, the Mortgage, the Loan Agreement and the Indenture are available for inspection at the designated corporate trust office of the Master Trustee and the Bond Trustee.

THE ISSUER

General

The Issuer is a body corporate and politic organized under the Act by a resolution adopted by the Board of County Commissioners of the County of Bucks, Pennsylvania (the "*County*"). The Issuer was incorporated on March 12, 1968 and pursuant to Articles of Amendment approved by the Secretary of the Commonwealth of Pennsylvania (the "*Commonwealth*") has a term of existence extending beyond the final maturity date of the Series 2021 Bonds.

The Series 2021 Bonds are authorized and issued by the Issuer pursuant to the provisions of the Constitution and statutes of the Commonwealth, particularly the Act, which declares it to be the policy of the Commonwealth to, among other things, promote the establishment and development of health care facilities and services and facilities for the care of persons requiring special care. A Resolution authorizing the issuance of the Series 2021 Bonds has been adopted by the Board of the Issuer.

Members of the Issuer

The governing body of the Issuer is a board consisting of five members appointed by the Board of County Commissioners of the County. Members of the Issuer are appointed for staggered five-year terms and may be reappointed to an unlimited number of successive terms. All board members serve to December 31 of the year indicated and thereafter until replaced or reappointed. Current members of the Issuer, their offices, principal occupations and terms of office are as follows:

Member	Office	Term Expires
Stephen Marzullo	Chairman	January 2022
Barry Fleck	Vice Chairman	January 2024
Mary K. Smithson	Secretary	January 2026
Stephen Worth	Treasurer	January 2023
Richard F. Davies	Assistant Treasurer/ Assistant Secretary	January 2025

The address of the Issuer is 11 Welden Drive, Suite 100, Doylestown, PA 18901.

Financings of the Issuer

The Issuer has participated in the past and intends to participate from time to time in the future in additional financing transactions for other projects permitted under the Act, and in connection therewith may issue bonds or notes which will be limited obligations of the Issuer, to be solely payable from and secured by revenues derived from such projects. The Issuer may also from time to time enter into refinancing transactions for obligations previously issued.

THE SERIES 2021 BONDS AND THE INTEREST THEREON ARE LIMITED OBLIGATIONS OF THE ISSUER, PAYABLE SOLELY FROM THE REPAYMENTS AND OTHER FUNDS PROVIDED PURSUANT TO THE INDENTURE AND THE LOAN AGREEMENT AND SECURED BY THE COLLATERAL, REAL AND PERSONAL, PLEDGED BY THE OBLIGATED GROUP AS SECURITY THEREFOR. NEITHER THE GENERAL CREDIT OF THE ISSUER NOR THE GENERAL CREDIT OR TAXING POWER OF THE COUNTY, THE COMMONWEALTH NOR ANY OTHER POLITICAL SUBDIVISION THEREOF IS OR SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF OR REDEMPTION PREMIUM, IF ANY, OR INTEREST ON THE SERIES 2021 BONDS, AND SUCH BONDS SHALL NOT BE DEEMED OBLIGATIONS OF THE COUNTY, THE COMMONWEALTH OR ANY OTHER POLITICAL SUBDIVISION THEREOF. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE COUNTY, THE COMMONWEALTH OR ANY OTHER POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR REDEMPTION PREMIUM, IF ANY, OR THE INTEREST ON THE SERIES 2021 BONDS. THE ISSUER HAS NO TAXING POWER.

The Issuer has not independently verified, reviewed or approved, and does not make any representations with respect to, the accuracy or completeness of any of the information set forth in this Official Statement, other than in this section and the sections entitled **"INTRODUCTORY STATEMENT – The Issuer" and "LITIGATION."** The Issuer makes no representation, direct or indirect, that the

Borrower will be able to generate revenues to pay debt service on the Series 2021 Bonds and operating expenses of their health care facilities

THE SERIES 2021 BONDS

General

The Series 2021 Bonds initially will be issued in the Fixed Rate Mode. **This Official Statement does not describe terms specifically applicable to any Series 2021 Bonds bearing interest at rates other than a Fixed Rate during the Initial Fixed Rate Period.** In the event that any Series 2021 Bonds are converted to bear interest in a different Interest Rate Mode or for a subsequent Fixed Rate Period, such Series 2021 Bonds will be subject to mandatory tender for purchase and, except as otherwise provided in the Indenture, it is expected that a reoffering circular or a supplement to this Official Statement or other disclosure document will be prepared in connection with the remarketing of such Series 2021 Bonds when and if they are converted to another Interest Rate Mode.

The Series 2021 Bonds will be dated their date of delivery and will mature, subject to the optional redemption (or mandatory tender), mandatory redemption and extraordinary redemption provisions set forth below, in the amounts and on the dates set forth on the inside front cover page hereof.

The Series 2021 Bonds may be converted to bear interest in another Interest Rate Mode, as described in the Indenture, and as may be directed by the Obligated Group Representative, which is the Borrower or any other Person designated as such pursuant to the Master Indenture. See "**FORM OF THE MASTER TRUST INDENTURE AND FORM OF SUPPLEMENTAL MASTER TRUST INDENTURE NO. 1**" in **APPENDIX E** to this Official Statement.

Ownership interests in the Series 2021 Bonds will be in Authorized Denominations only; in the Fixed Rate Mode, that means $5,000 and any integral multiple thereof. The regular record date for each Interest Payment Date for the Series 2021 Bonds will be the fifteenth (15th) day (whether or not a Business Day) of each month preceding the Interest Payment Date (the "*Record Date*").

The Series 2021 Bonds will be issued only in book-entry form as fully registered bonds and initially will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("*DTC*"). So long as Cede & Co. is the registered owner of the Series 2021 Bonds, principal of and premium, if any, and interest on the Series 2021 Bonds is payable by wire transfer by the Bond Trustee to Cede & Co., as nominee for DTC, which, in turn, will remit such amounts to DTC Participants for subsequent disbursement to the Beneficial Owners. See **APPENDIX I** – "**Book-Entry-Only System**" to this Official Statement.

Interest on the Series 2021 Bonds

The Fixed Rates for the Series 2021 Bonds are set forth on the inside front cover page. Except as noted below, interest on the Series 2021 Bonds will be payable on each January 1 and July 1, beginning July 1, 2021.

Conversion; Mandatory Purchase

On any date on or after the date on which the Series 2021 Bonds are subject to optional redemption at a redemption price equal to 100% of the principal amount of Series 2021 Bonds to be redeemed, the Obligated Group Representative may elect that the Series 2021 Bonds or any portion thereof, which portion shall constitute a separate series under the Indenture, shall be converted to bear interest in a new Fixed Rate

Period at a different Fixed Rate or in a different Interest Rate Mode (a "*Conversion*"). Series 2021 Bonds to be so converted shall be subject to mandatory purchase on the date of Conversion (the "*Conversion Date*").

The Obligated Group Representative may effect a Conversion with respect to all (but not less than all) of the Series 2021 Bonds of a series by delivering written notice to the Notice Parties of its intention to effect a change in the Fixed Rate Period to a new Fixed Rate Period or a change in the Interest Rate Mode from the Fixed Rate Mode to another Interest Rate Mode specified in such written notice. Notice of the proposed Conversion shall be given by the Tender Agent to the Owners of the Series 2021 Bonds not earlier than the 60th day or later than the 30th day immediately preceding the Conversion Date for Series 2021 Bonds in the Fixed Rate Mode. Such notice shall state: (1) the Conversion Date; (2) a description of the Series 2021 Bonds to be converted; (3) that such Series 2021 Bonds shall be subject to mandatory purchase on the Conversion Date and the Purchase Price thereof; and (3) if the Book-Entry System is no longer in effect, information with respect to required delivery of such Series 2021 Bond certificates and payment of Purchase Price. Such notice also shall state that if notice of the proposed Conversion has been given and on the Conversion Date funds prove insufficient, such Series 2021 Bonds shall not be purchased and shall continue in the Fixed Rate Mode for the Initial Fixed Rate Period, without change in interest rate, Maturity Dates or other terms.

The Obligated Group Representative may rescind any election to change the Interest Rate Mode on the Series 2021 Bonds by giving written notice thereof to the Notice Parties prior to 10:00 A.M. on the Business Day preceding such Conversion Date, or not less than three days prior to the setting of the Bank Index Rates by the Market Agent in the case of a Conversion to the Bank Index Rate Period.

On or prior to the Conversion Date, the Indenture provides that the Bond Trustee must receive a favorable opinion of Bond Counsel dated the Conversion Date and addressed to the Notice Parties. If any Series 2021 Bonds are being converted to a Variable Rate Mode, the Borrower is also required to deliver a notice of the rating or ratings to be assigned to such Series 2021 Bonds as of the Conversion Date. If any condition is not satisfied, the new interest rate mode will not take effect. In such case, the Series 2021 Bonds will continue in the Fixed Rate Mode, without change in interest rate, maturity, sinking fund installments or other terms, and such failed Conversion will not constitute an event of default under the Indenture.

The Interest Rate Modes to which the Series 2021 Bonds may be converted are not described in this Official Statement.

Redemption

Optional Redemption or Mandatory Purchase. The Series 2021 Bonds are subject to optional redemption prior to their stated maturity, at the option of the Obligated Group Representative, from any source of available funds on any date on or after July 1, 2031 as a whole or in part selected by lot from such maturities bearing a particular interest rate as is designated by the Obligated Group Representative (or if the Obligated Group Representative fails to designate such maturities, in inverse order of maturity, beginning with Series 2021 Bonds of each maturity bearing interest at the highest rate), at the applicable Redemption Price, without premium, plus accrued and unpaid interest.

Upon the written request of the Obligated Group Representative, the Issuer may cause a mandatory tender for purchase of the Series 2021 Bonds that are eligible for optional redemption, and such Series 2021 Bonds will thereupon be subject to mandatory tender, on any date on or after July 1, 2031 at a purchase price of 100% of the principal amount of Series 2021 Bonds to be purchased plus accrued interest to the mandatory tender date. If notice of mandatory tender has been given and funds received by the Tender Agent are insufficient to purchase all of the Series 2021 Bonds, then the Series 2021 Bonds will not be

purchased and will continue in the Fixed Rate Mode, without change in interest rate, maturity date or other terms; and such failed purchase shall not constitute an Event of Default under the Indenture.

Mandatory Sinking Fund Redemption. The Series 2021 Bonds maturing on July 1, 2046 are subject to redemption prior to their stated maturity (or paid at maturity, as the case may be), in part, by lot, by application of Sinking Fund Installments in the following amounts and on the following dates, at the principal amount thereof and interest accrued thereon to the date fixed for redemption, without premium:

Sinking Fund Installment Date (July 1)	Sinking Fund Installment
2042	$10,175,000
2043	10,590,000
2044	11,020,000
2045	11,470,000
2046*	11,940,000

* Stated Maturity

The Series 2021 Bonds maturing on July 1, 2051 are subject to redemption prior to their stated maturity (or paid at maturity, as the case may be), in part, by lot, by application of Sinking Fund Installments in the following amounts and on the following dates, at the principal amount thereof and interest accrued thereon to the date fixed for redemption, without premium:

Sinking Fund Installment Date (July 1)	Sinking Fund Installment
2047	$12,430,000
2048	12,935,000
2049	13,465,000
2050	14,015,000
2051*	14,585,000

* Stated Maturity

The Series 2021 Bonds maturing on July 1, 2054 are subject to redemption prior to their stated maturity (or paid at maturity, as the case may be), in part, by lot, by application of Sinking Fund Installments in the following amounts and on the following dates, at the principal amount thereof and interest accrued thereon to the date fixed for redemption, without premium:

Sinking Fund Installment Date (July 1)	Sinking Fund Installment
2052	$15,260,000
2053	16,040,000
2054*	16,860,000

* Stated Maturity

Optional Redemption from Insurance and Condemnation Proceeds. The Series 2021 Bonds are subject to redemption prior to their respective stated maturities, at the option of the Obligated Group Representative (which option shall be exercised by a request of the Obligated Group Representative given to the Bond Trustee at least 45 days prior to the date fixed for redemption (or such fewer number of days as is acceptable to the Bond Trustee)) in whole or in part (in such amounts as may be specified by the Obligated Group Representative) on any date, from hazard insurance or condemnation proceeds received with respect to the facilities of any of the Members of the Obligated Group and deposited in the Special Redemption Account of the Redemption Fund, at the applicable Redemption Price without premium.

Purchase in Lieu of Redemption. Unless otherwise provided in the Indenture, whenever Series 2021 Bonds are subject to optional redemption, they may instead be purchased at the direction of the Obligated Group Representative at a purchase price equal to the Redemption Price. All such purchases may be subject to conditions to the Issuer's obligation to purchase such Series 2021 Bonds and shall be subject to the condition that money for the payment of the purchase price therefor is available on the date set for such purchase. Notice of purchase having been given in the manner set forth in the Indenture, if sufficient money to pay the purchase price of such Series 2021 Bonds is held by the Bond Trustee, the purchase price of the Series 2021 Bonds or portions thereof so called for purchase shall be paid upon presentation and surrender of such Series 2021 Bonds to be purchased at the office or offices specified in such notice on the date set for purchase. In the case of Series 2021 Bonds presented by a person other than the Owner, such Series 2021 Bonds shall be presented with a written instrument of transfer, duly executed by the Owner or his duly authorized attorney. No purchased Series 2021 Bond shall be considered to be no longer Outstanding by virtue of its purchase and each such purchased Series 2021 Bond shall be registered in the name or at the direction of the Obligated Group Representative. No Owner may elect to retain a Series 2021 Bond purchased in lieu of redemption.

Notice of Redemption; Effect of Redemption; Rescission of Notice of Redemption. Notice of redemption will be mailed by first-class mail by the Bond Trustee, not less than 20 days and not more than 60 days prior to the date fixed for redemption (the "*Redemption Date*") to the respective Holders of any Series 2021 Bonds designated for redemption at their addresses appearing on the bond registration books of the Bond Trustee. Each notice of redemption shall state the date of such notice, the date of delivery and designation of the Series 2021 Bonds, the Redemption Date, the Redemption Price, the place or places of redemption (including the name and appropriate address of the Bond Trustee), the CUSIP number (if any) of the Series 2021 Bonds to be redeemed and, in the case of Series 2021 Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. Each such notice also shall state that on the Redemption Date the Redemption Price of each of the Series 2021 Bonds (or portion thereof) to be redeemed there will become due and payable, and that from and after the Redemption Date, interest on such Series 2021 Bond (or portion thereof) shall cease to accrue, and shall require that such Series 2021 Bonds be then surrendered at the address of the Bond Trustee specified in the redemption notice. Neither the failure to receive such notice nor any defect in such notice so given shall affect the sufficiency of the proceedings for redemption. Failure by the Bond Trustee to mail notice of redemption pursuant to this Section to any one or more of the Holders of any Series 2021 Bonds designated for redemption shall not affect the sufficiency of the proceedings for redemption with respect to the Holder or Holders to whom such notice was mailed.

Any notice of redemption, other than notice of redemption by application of Sinking Fund Installments, may be conditioned upon the deposit of moneys, in an amount equal to the amount necessary to effect the redemption and such notice shall be of no effect if such moneys are not so deposited.

Delivery of Certificates; Registered Owners

Series 2021 Bond certificates in fully registered form will be delivered to, and registered in the names of, the DTC Participants or such other persons as such DTC Participants may specify (which may be the DTC Indirect Participants or Beneficial Owners), in Authorized Denominations. The ownership of the Series 2021 Bonds so delivered (and any Series 2021 Bonds thereafter delivered upon a transfer or exchange described below) shall be registered in registration books to be kept by the Bond Trustee for the Series 2021 Bonds, or a successor Bond Trustee for the Series 2021 Bonds and the Issuer and the Bond Trustee shall be entitled to treat the registered owners of such Series 2021 Bonds, as their names appear in such registration books as of the appropriate dates, as the owners thereof for all purposes described herein and in the Indenture.

Transfers and Exchanges

The Series 2021 Bonds may be transferred or exchanged for one or more Series 2021 Bonds in Authorized Denominations of like tenor and the same maturity and aggregate principal amount upon surrender thereof (together with an assignment duly executed by the registered owner or his attorney or legal representative in form satisfactory to the Bond Trustee) to the Bond Trustee by the registered owners or their duly authorized attorneys. Upon surrender of any Series 2021 Bonds to be transferred or exchanged, the Bond Trustee shall record the transfer or exchange in the registration books and shall authenticate and deliver new Series 2021 Bonds of like tenor and the same maturity and aggregate principal amount appropriately registered and in appropriate Authorized Denominations. The registered owner requesting any such transfer or exchange may be charged a sum sufficient to cover any tax, fee or other governmental charge which may be imposed with respect thereto. Neither the Issuer nor the Bond Trustee is required to make any such transfer or exchange of Series 2021 Bonds during the 15 days immediately preceding (a) the date on which notice of redemption has been given or (b) the date on which Series 2021 Bonds will be selected for redemption. No transfer or exchange made other than as described above and in the Indenture shall be valid or effective for any purposes under the Indenture.

PAYMENT AND SECURITY PROVISIONS RELATING TO THE SERIES 2021 BONDS

THE SERIES 2021 BONDS AND THE INTEREST THEREON ARE LIMITED OBLIGATIONS OF THE ISSUER, PAYABLE SOLELY FROM THE REPAYMENTS AND OTHER FUNDS PROVIDED PURSUANT TO THE INDENTURE AND THE LOAN AGREEMENT AND SECURED BY THE COLLATERAL, REAL AND PERSONAL, PLEDGED BY THE OBLIGATED GROUP AS SECURITY THEREFOR. NEITHER THE GENERAL CREDIT OF THE ISSUER NOR THE GENERAL CREDIT OR TAXING POWER OF THE COUNTY, THE COMMONWEALTH NOR ANY OTHER POLITICAL SUBDIVISION THEREOF IS OR SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF OR REDEMPTION PREMIUM, IF ANY, OR INTEREST ON THE SERIES 2021 BONDS, AND SUCH BONDS SHALL NOT BE DEEMED OBLIGATIONS OF THE COUNTY, THE COMMONWEALTH OR ANY OTHER POLITICAL SUBDIVISION THEREOF. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE COUNTY, THE COMMONWEALTH OR ANY OTHER POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR REDEMPTION PREMIUM, IF ANY, OR THE INTEREST ON THE SERIES 2021 BONDS. THE ISSUER HAS NO TAXING POWER.

Indenture, Loan Agreement and the Series 2021 Obligation

The Series 2021 Bonds are special limited obligations of the Issuer, payable solely from Revenues and certain other amounts pledged under the Indenture, including all cash and securities held by the Bond

Trustee in funds and accounts established under the Indenture (excluding the Rebate Fund but including the Debt Service Reserve Fund). "*Revenues*" means all amounts paid or payable to the Issuer or to the Bond Trustee for the account of the Issuer (excluding fees and expenses payable to the Issuer and the Bond Trustee, the Unassigned Rights, and the rights to indemnification of the Bond Trustee) under and pursuant to the Loan Agreement and the Series 2021 Obligation.

The Series 2021 Obligation is a general obligation of the Obligated Group. As of the date of issuance of the Series 2021 Bonds, the Borrower and the Foundation are the only Members of the Obligated Group.

In the Loan Agreement, the Borrower agrees to make payments to the Issuer, which payments, in the aggregate, are required to be payable at such times and in such amounts sufficient, together with other available funds, for the payment in full of all amounts payable with respect to the Series 2021 Bonds, including the interest payable on the Series 2021 Bonds to their dates of maturity, the principal amount of such Series 2021 Bonds, the Redemption Price thereof and certain other fees and expenses, less any amounts available for such payments, as provided in the Indenture.

The Issuer will assign its right, title and interest in the Series 2021 Obligation and Loan Agreement (except for the Unassigned Rights) to the Bond Trustee for the benefit of the Holders of Series 2021 Bonds.

The Indenture and the Loan Agreement may be amended from time to time, in certain circumstances without the consent of the Bondowners. Such amendments could be substantial and result in the modification, waiver or removal of any existing covenant or restriction contained in the Indenture or the Loan Agreement. See "**DEFINITIONS OF CERTAIN TERMS AND SUMMARIES OF THE INDENTURE AND LOAN AGREEMENT**" in **APPENDIX D** to this Official Statement.

Master Indenture

Issuance of Obligations; Joint and Several Obligations. Under the Master Indenture, each Member of the Obligated Group authorizes Obligations to be issued from time to time, without limitation as to amount, except as provided in the Master Indenture or as may be limited by law, and subject to the terms, conditions and limitations established in the Master Indenture and any Related Supplement. Obligations may be in any form set forth in the Master Indenture. Each Member of the Obligated Group jointly and severally covenants to promptly pay, or cause to be paid, all Required Payments at the place, on or before the dates and in the manner provided in the Master Indenture or in the Related Supplement or Obligation. Each Member of the Obligated Group further covenants to faithfully observe and perform all of the conditions, covenants and requirements of the Master Indenture, any Related Supplement and any Obligation.

The Series 2021 Obligation is being issued by the Borrower, pursuant to the Master Indenture, on parity with all Obligations to be issued under the Master Indenture.

Gross Receivables Pledge. Pursuant to the Master Indenture, the Members of the Obligated Group have pledged, assigned and granted to the Master Trustee a security interest in the Gross Receivables as security for the payment of amounts due on any Obligations issued under the Master Indenture, including the Series 2021 Obligation. Gross Receivables consists of all of the accounts, chattel paper, instruments and payment intangibles (all as defined in the UCC) of each Obligated Group Member, as are now in existence or as may be hereafter acquired and the proceeds thereof. The security interest in the Gross Receivables will be perfected to the extent, and only to the extent, that such security interest may be perfected by filing financing statements under the UCC. The security interest in the Gross Receivables are subject to Permitted Liens that exist prior to or that may be created subsequent to the time the security

interest in the Gross Receivables attaches (see "**FORM OF THE MASTER TRUST INDENTURE AND FORM OF SUPPLEMENTAL MASTER INDENTURE NO. 1**" in **APPENDIX E** to this Official Statement). The security interest in the Gross Receivables is also subject to the right of each Member of the Obligated Group to sell Property or to incur Indebtedness secured by Property under certain circumstances (see "**FORM OF THE MASTER TRUST INDENTURE AND FORM OF SUPPLEMENTAL MASTER TRUST INDENTURE NO. 1**" in **APPENDIX E** to this Official Statement). In either event, the security interest held by the Master Trustee with respect to that Property would be released.

The remedies specified in the Loan Agreement, the Indenture and the Master Indenture may, in many respects, require judicial action of a nature that is often subject to discretion and delay. Under existing law, the remedies specified in the Loan Agreement, the Indenture and the Master Indenture may not be readily available or may be limited. A court may decide not to order the specific performance of the covenants contained in those documents. The various legal opinions to be delivered concurrently with the delivery of the Series 2021 Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by state and federal laws, rulings and decisions affecting remedies, and by bankruptcy, fraudulent conveyance, reorganization, and other laws affecting the enforcement of creditors' rights generally and by general equitable principles.

Changes to the Members of the Obligated Group. Entities may be added to and withdrawn from the Obligated Group from time to time. The Master Indenture imposes minimum conditions on the right of any Member of the Obligated Group to enter or withdraw from the Obligated Group, at any time. For a more detailed discussion of entry into or withdrawal from the Obligated Group, see "**FORM OF THE MASTER TRUST INDENTURE AND FORM OF SUPPLEMENTAL MASTER TRUST INDENTURE NO. 1**" in **APPENDIX E** to this Official Statement.

Debt Service Coverage. The Obligated Group covenants under the Master Indenture that the Obligated Group and its designated affiliates (the "*Credit Group*") will maintain a Debt Service Coverage Ratio of at least 1.10:1.00, commencing with the Fiscal Year ending June 30, 2025.

If the Debt Service Coverage Ratio, at the end of any Fiscal Year, is less than 1.10:1.00, the Borrower covenants to retain an Independent Consultant to make recommendations to increase Income Available for Debt Service for subsequent Fiscal Years to the levels required or, if in the opinion of the Independent Consultant the attainment of such level is impracticable, to the highest practicable level. In no event may the Debt Service Coverage Ratio for any two consecutive Fiscal Years be less than 1.00:1.00. See "**FORM OF THE MASTER TRUST INDENTURE AND FORM OF SUPPLEMENTAL MASTER TRUST INDENTURE NO. 1**" in **APPENDIX E** to this Official Statement.

Days Cash on Hand. Pursuant to the Supplemental Master Indenture, the Obligated Group covenants, for the benefit of the Series 2021 Bonds, to maintain Days Cash on Hand for the Credit Group, of at least 40 days at the end of each Fiscal Year. If the Days Cash on Hand, as so calculated at the end of any Fiscal Year, is less than 40 days, the Obligated Group covenants to retain an Independent Consultant to make recommendations to increase the Days Cash on Hand for subsequent Fiscal Years to the levels required or, if in the opinion of the Independent Consultant the attainment of such level is impracticable, to the highest practicable level. If at the end of any Fiscal Year commencing with the Fiscal Year ending June 30, 2021, the Days Cash on Hand is less than 30, then the Obligated Group shall be deemed to be in default. "**FORM OF THE MASTER TRUST INDENTURE AND FORM OF SUPPLEMENTAL MASTER INDENTURE NO. 1**" in **APPENDIX E** to this Official Statement.

Additional Covenants in the Master Indenture. Pursuant to the Master Indenture, the Members of the Obligated Group are subject to other additional covenants under the Master Indenture restricting, among other things, incurrence of Indebtedness, existence of Liens on Property, consolidation and merger,

disposition of assets, exchange of Obligations, addition of Members to the Obligated Group, and withdrawal of Members from the Obligated Group. See "**FORM OF THE MASTER TRUST INDENTURE AND FORM OF SUPPLEMENTAL MASTER TRUST INDENTURE NO. 1**" in **APPENDIX E** to this Official Statement.

The Master Indenture permits the Borrower and any future Member of the Obligated Group to issue or incur additional indebtedness evidenced by Obligations that will be secured on a parity with the Series 2021 Obligation and any other obligations previously or hereafter issued under the Master Indenture. Such additional Obligations will not be secured by the money or investments in any fund or account held by the Bond Trustee under the Indenture as security for the Series 2021 Bonds.

Under certain circumstances, the Series 2021 Obligation may be exchanged, without the consent of any of the Holders of the Series 2021 Bonds, for an obligation of a different obligated group. Under certain circumstances, this could lead to the substitution of different security in the form of an obligation backed by an obligated group that is financially and operationally different from the then existing Obligated Group. That new obligated group could have substantial debt outstanding that would rank on a parity basis with the obligation substituted for the Series 2021 Obligation. See "**DEFINITIONS OF CERTAIN TERMS AND SUMMARIES OF THE INDENTURE AND LOAN AGREEMENT**" in **APPENDIX D** to this Official Statement and "**FORM OF THE MASTER TRUST INDENTURE AND FORM OF SUPPLEMENTAL MASTER TRUST INDENTURE NO. 1**" in **APPENDIX E** to this Official Statement.

Pursuant to the Master Indenture, Obligations may be issued from time to time in the future pursuant to the Master Indenture, and such other Obligations will be secured on parity under the Master Indenture with the Series 2021 Obligation and other Obligations then outstanding. See "**FORM OF THE MASTER TRUST INDENTURE AND FORM OF SUPPLEMENTAL MASTER TRUST INDENTURE NO. 1**" in **APPENDIX E** to this Official Statement.

Amendments to the Master Indenture. The Master Indenture may also be amended from time to time, in certain circumstances without the consent of the holders of Outstanding Obligations or without the consent of the Bondowners. Such amendments could be substantial and result in the modification, waiver or removal of any existing covenant or restriction contained in the Master Indenture. See "**FORM OF THE MASTER TRUST INDENTURE AND FORM OF SUPPLEMENTAL MASTER TRUST INDENTURE NO. 1**" in **APPENDIX E** to this Official Statement.

Mortgage

Pursuant to the Master Indenture, the Borrower will grant to the Master Trustee a mortgage lien on and security interest in certain health care facilities (the *"Mortgage"*) of the Borrower, comprising the Grand View Hospital main campus located at 700 Lawn Avenue, West Rockville Township Pennsylvania (the "*Mortgaged Property*"). The Mortgage will include a security interest on the real estate described in the Mortgage and in certain fixtures affixed to such property and used or useable in connection with the operation of the premises. The Borrower, in the future, may grant, liens on the Mortgaged Property on a parity with the Mortgage. All of the provisions of the Master Indenture are incorporated in and made a part of the Mortgage with the same force and effect as if set forth in the Mortgage.

The Borrower will represent in its Mortgage that it has fee title to the Mortgaged Property; however, no title insurance company has issued a title insurance policy insuring the Master Trustee's mortgage lien under the Mortgage on the Mortgaged Property in connection with the issuance of the Series 2021 Bonds. As a result, a defect in the Borrower's title to the Mortgaged Property may adversely impact its use of all or a portion of the Mortgaged Property and/or the operations of the Borrower and/or the value of the

Mortgaged Property and any proceeds that may be recovered by the Master Trustee in the event that the Master Trustee seeks to foreclose on the Mortgage or to pursue its rights in accordance with the Master Indenture and the Supplemental Indenture. The Master Trustee is permitted to release or subordinate certain portions of the Mortgaged Property from the lien of the Mortgage under certain conditions set forth in the Master Indenture and the Supplemental Indenture. See **APPENDIX F – "FORM OF OPEN-END MORTGAGE, ASSIGNMENT OF RENTS AND SECURITY AGREEMENT."**

Debt Service Reserve Fund

If on any Interest Payment Date or Principal Payment Date there exists a deficiency in the Interest Account or Principal Account, the Bond Trustee will transfer from a special trust fund established with the Bond Trustee under the Indenture (the "*Debt Service Reserve Fund*") to the Interest Account or Principal Account (in the order stated) an amount equal to such deficiency, to pay interest and principal on the Series 2021 Bonds. On the date of issuance of the Series 2021 Bonds, an amount equal to the Debt Service Reserve Fund Requirement comprised of a portion of the proceeds of the Series 2021, will be deposited into the Debt Service Reserve Fund. "*Debt Service Reserve Fund Requirement*" means an amount equal to the least of (i) 10% of the par amount of the Series 2021 Bonds if the original issue discount on the Series 2021 Bonds is less than 2% of the stated redemption price of the Series 2021 Bonds at maturity or 10% of the issue price of Series 2021 Bonds if the original issue discount of the Series 2021 Bonds exceeds that amount, (ii) 125% of the average annual debt service on the Series 2021 Bonds and (iii) the maximum annual debt service coming due on the Series 2021 Bonds in the then current or any future Fiscal Year (such amount, as of any day of calculation, the "*Debt Service Reserve Fund Requirement*"). As of the date of issuance of the Series 2021 Bonds, the Debt Service Reserve Fund Requirement will equal $17,287,375.00. See "**PLAN OF FINANCE — Estimated Sources and Uses of Funds**" herein and **"DEFINITIONS OF CERTAIN TERMS AND SUMMARIES OF THE INDENTURE AND LOAN AGREEMENT — SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE Establishment of Funds and Accounts — Debt Service Reserve Fund"** in **APPENDIX D** to this Official Statement.

Security and Enforceability

The state of the insolvency, fraudulent conveyance and bankruptcy laws relating to the enforceability of guaranties or obligations issued by one corporation in favor of the creditors of another or the obligations of a Member of the Obligated Group to make debt service payments on behalf of a Member of the Obligated Group is unsettled, and the ability to enforce the Master Indenture and the Obligations against any Member of the Obligated Group that would be rendered insolvent thereby could be subject to challenge.

The legal right and practical ability of the Bond Trustee to enforce its rights and remedies against the Borrower and the Obligated Group under the Loan Agreement and related documents and of the Master Trustee to enforce its rights and remedies against the Members of the Obligated Group under the Series 2021 Obligation may be limited by laws relating to bankruptcy, insolvency, reorganization, fraudulent conveyance or moratorium and by other similar laws affecting creditors' rights. In addition, the Bond Trustee's and the Master Trustee's ability to enforce such rights will depend upon the exercise of various remedies specified by such documents which may in many instances require judicial actions that are often subject to discretion and delay or that otherwise may not be readily available or may be limited. See "**BONDHOLDERS' RISKS**" herein.

PLAN OF FINANCE

The Series 2021 Bonds

Use of Proceeds. The Issuer will lend the proceeds of the Series 2021 Bonds to the Borrower pursuant to the Loan Agreement. The proceeds of the Series 2021 Bonds will be applied, together with other available funds, to (i) finance, refinance and/or reimburse the Borrower for the costs of the project described under the caption "**THE PROJECT**" in **APPENDIX A** to this Official Statement (the "*Project"*); (ii) refund or refinance the Series 2008 Bonds; (iii) fund capitalized interest on a portion of the Series 2021 Bonds relating to the Project during construction; (iv) pay for the termination of the two outstanding interest rate swap agreements entered into by the Borrower in connection with the Series 2008 Bonds;(v) fund a debt service reserve fund equal to the Debt Service Reserve Fund Requirement; and (vi) pay all costs of issuance of the Series 2021 Bonds.

Series 2008 Bonds. A portion of the proceeds of the Series 2021 Bonds will be applied to refund or refinance the Series 2008 Bonds. A conditional notice of redemption has been delivered by the Trustee to the holders thereof, which sets forth the redemption date of March 11, 2021.

The Series 2008 Bonds were issued as variable rate demand bonds that currently bear interest at weekly rates. Scheduled payment of principal, interest and redemption price, and purchase price due on any purchase date, for the Series 2008A Bonds are payable from an irrevocable, direct-pay letter of credit (the "2008A Letter of Credit") issued by TD Bank, N.A. (the "2008A Bank") to the trustee for such bonds (the "2008 Trustee"), pursuant to a Reimbursement, Credit and Security Agreement (as previously amended and restated, the "2008A Reimbursement Agreement") by and between the Borrower and the 2008A Bank. Scheduled payment of principal, interest and redemption price, and purchase price due on any purchase date for the Series 2008B Bonds are payable from an irrevocable, direct-pay letter of credit (the "2008B Letter of Credit" and, together with the 2008A Letter of Credit, the "Letters of Credit") issued by PNC Bank, National Association (the "2008B Bank" and, together with the 2008A Bank, the "Banks") to the 2008 Trustee, pursuant to a Reimbursement, Credit and Security Agreement (as previously amended and restated and as further amended, the "2008B Reimbursement Agreement" and, together with the 2008A Reimbursement Agreement, the "Reimbursement Agreements") by and between the Borrower and the 2008B Bank.

Under each of the Reimbursement Agreements, a downgrade of the long term unenhanced credit rating of the Borrower's debt to below BBB- is an event of default. As such, the Borrower's receipt of the rating of BB+ on the Series 2021 Bonds has triggered an event of default under the Reimbursement Agreements. Each Bank is in the process of providing a written waiver with respect to such event of default under its Reimbursement Agreement for a period that extends beyond the date of delivery of the Series 2021 Bonds. As of the date hereof, neither Bank has notified the 2008 Trustee that an event of default has occurred under its Reimbursement Agreement.

If either Bank determines to notify the 2008 Trustee that such an event of default has occurred and to direct the 2008 Trustee to cause a mandatory purchase of such Series 2008 Bonds, such notice would trigger an event of default under the Series 2008 Bonds. In the case of such a mandatory purchase, payment of the Series 2008 Bonds would be funded by a draw on the related Letter of Credit, and the related Bank would purchase and hold such Series 2008 Bonds ("Bank Bonds") pursuant to the terms of the related Reimbursement Agreement. It is expected that any Bank Bonds would then be redeemed on the scheduled redemption date of March 11, 2021.

Estimated Sources and Uses of Funds

The following table sets forth the total estimated sources and uses of funds for the Project (with all amounts rounded to the nearest whole dollar):

	Series 2021 Bonds
Sources of Funds[(1)]	
Principal Amount	$285,000,000
Bond Premium	33,976,760
Borrower Contribution	24,450,000
Total Sources of Funds	$343,426,760
Uses of Funds[(2)]	
Project Fund	$191,761,428
Redemption of the Series 2008 Bonds[(3)]	98,320,000
Capitalized Interest	23,760,951
Debt Service Reserve Fund	17,287,375
Swap Termination	9,130,000
Costs of Issuance[(4)]	3,167,006
Total Uses of Funds	$343,426,760

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(1) Exclusive of earnings on Bond Indenture Funds.

(2) Approximate, the exact application of funds will not be determined until closing.

(3) It is anticipated that a letter of credit issued by PNC Bank, National Association, an affiliate of PNC Capital Markets LLC, one of the underwriters for the Series 2021 Bonds, will be drawn on to affect a refunding of the Series 2008B Bonds. It is expected that the draw on the letter of credit will be repaid to PNC Bank, National Association from a portion of the proceeds of the Series 2021 Bonds. Accordingly, an affiliate of PNC Capital Markets LLC will receive a portion of the proceeds from the issuance of the Series 2021 Bonds contemplated herein. Also, PNC Capital Markets LLC currently serves as the remarketing agent for the Series 2008B Bonds. It is also anticipated that a letter of credit issued by TD Bank. N.A. will be drawn on to affect a refunding of the Series 2008A Bonds. It is expected that the draw on the letter of credit will be repaid to TD Bank, N.A. from a portion of the proceeds of the Series 2021 Bonds

(4) Includes Underwriter's discount, fees and reimbursable expenses of bond counsel, counsel to Borrower, counsel to the Underwriters, counsel to the Issuer, the auditors, the verification agent, the Master Trustee and the Bond Trustee, printing costs, rating agencies' fees and other fees and expenses.

Totals may not foot due to rounding.

ESTIMATED ANNUAL DEBT SERVICE REQUIREMENTS

The following table sets forth, for each fiscal year ending June 30, the debt service payments to be made on the Series 2021 Bonds during such fiscal year. Upon the issuance of the Series 2021 Bonds, the Obligated Group will have no other long-term indebtedness.

Fiscal Year Ending (June 30)	Principal	Interest	Total Debt Service
2022	-	$ 10,491,354	$ 10,491,354
2023	-	13,023,750	13,023,750
2024	-	13,023,750	13,023,750
2025	-	13,023,750	13,023,750
2026	$ 4,370,000	12,914,500	17,284,500
2027	4,595,000	12,690,375	17,285,375
2028	4,830,000	12,454,750	17,284,750
2029	5,080,000	12,207,000	17,287,000
2030	5,340,000	11,946,500	17,286,500
2031	5,610,000	11,672,750	17,282,750
2032	5,900,000	11,385,000	17,285,000
2033	6,205,000	11,082,375	17,287,375
2034	6,520,000	10,764,250	17,284,250
2035	6,855,000	10,429,875	17,284,875
2036	7,205,000	10,078,375	17,283,375
2037	7,575,000	9,708,875	17,283,875
2038	7,965,000	9,320,375	17,285,375
2039	8,375,000	8,911,875	17,286,875
2040	8,805,000	8,482,375	17,287,375
2041	9,255,000	8,030,875	17,285,875
2042	9,730,000	7,556,250	17,286,250
2043	10,175,000	7,109,500	17,284,500
2044	10,590,000	6,694,200	17,284,200
2045	11,020,000	6,262,000	17,282,000
2046	11,470,000	5,812,200	17,282,200
2047	11,940,000	5,344,000	17,284,000
2048	12,430,000	4,856,600	17,286,600
2049	12,935,000	4,349,300	17,284,300
2050	13,465,000	3,821,300	17,286,300
2051	14,015,000	3,271,700	17,286,700
2052	14,585,000	2,699,700	17,284,700
2053	15,260,000	2,026,500	17,286,500
2054	16,040,000	1,244,000	17,284,000
2055	16,860,000	421,500	17,281,500
Total	$285,000,000	$283,111,479	$568,111,479

BONDHOLDERS' RISKS

Some of the identifiable risks which should be considered when making an investment decision regarding the Series 2021 Bonds are discussed below. The discussion herein of risks to the Holders (including the Beneficial Owners) of the Series 2021 Bonds is not intended as dispositive, comprehensive or definitive, but rather is intended to summarize certain matters which could affect payment on the Series 2021 Bonds. The risks discussed below should be read in conjunction with ***APPENDIX A****. Other sections of this Official Statement, as cited herein, should be referred to for a more detailed description of risks described in this section, which descriptions are qualified by reference to any documents discussed therein. The operations and financial condition of the Obligated Group Members (and any future Obligated Group Members) may be affected by factors other than those described in this section and elsewhere in this Official Statement. No assurance can be given as to the nature of such factors or the potential effects thereof on the Obligated Group Members. Copies of all such documents are available for inspection at the designated corporate trust office of the Master Trustee and Bond Trustee*

General

The principal of, premium, if any, and interest on the Series 2021 Bonds are payable solely from amounts payable by the Borrower under the Loan Agreement and the Members of the Obligated Group on the Series 2021 Obligation. No representation or assurance is given or can be made that revenues will be realized by the Borrower or the Foundation in amounts sufficient to pay debt service on the Series 2021 Obligation when due or that if realized they will be available to the Borrower for such purpose. The risk factors discussed below, as well as those factors discussed under the caption "**PAYMENT AND SECURITY PROVISIONS RELATING TO THE SERIES 2021 BONDS"** should be considered in evaluating the credit characteristics and investment quality of the Series 2021 Bonds.

The future revenues of the Members of the Obligated Group will be subject, among other things, to federal, state, and local policies, regulations and legislation affecting the health care industry, competition from other health care providers, the capability of the Obligated Group's management, third-party reimbursement from payors, including government payors, pressures from third-party payors to limit and control health care costs, the availability and affordability of professional liability insurance, increases in the amount of bad debt, rising numbers of uninsured and underinsured individuals, the reduced benefit liability from commercial and governmental health insurance plans, health plans and thirty-party payor insolvencies, and future economic and other conditions that are impossible to predict. The ability of the Members of the Obligated Group to generate future revenues has a direct effect upon the payment of the principal of, premium, if any, and interest on the Series 2021 Bonds.

Future economic and other conditions, including inflation, demand for health care services, the ability of the Members of the Obligated Group to provide the services required or requested by patients, physicians' confidence in the Members of the Obligated Group, economic developments in the applicable service areas, employee relations and unionization, competition, the level of rates or charges, increased costs, availability of professional liability insurance, casualty losses, third-party reimbursement and changes in governmental regulation may adversely affect revenues and, consequently, the ability of the Members of the Obligated Group to generate revenues sufficient for the payment of the principal of and interest on the Series 2021 Obligation.

APPENDIX C to this Official Statement includes the financial forecast of Grand View Health Foundation, Inc. and Controlled Affiliates for each of the five years ending June 30, 2025, on which Baker Tilly US, LLP has issued an Independent Accountants' Feasibility Study Report (the "*Feasibility Study*"). The Summary of Significant Forecast Assumptions and Accounting Policies in the Feasibility Study includes estimated financial information for the three years ending June 30, 2028, which are periods beyond

the forecast period. As stated in the Feasibility Study, there will usually be differences between the forecasted and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. The Feasibility Study should be read in its entirety, including management's notes and assumptions set forth therein.

Other factors that could affect the Series 2021 Bonds and the future financial condition of the Members of the Obligated Group are described below. This discussion of risk factors is not, and is not intended to be, exclusive or exhaustive.

COVID-19 Global Pandemic

The Borrower's business and financial results may be harmed by an international, national or localized outbreak of a highly contagious or epidemic disease. The current pandemic of the 2019 novel coronavirus ("*COVID-19*") continues to cause numerous and varied medical, economic, and social impacts, any and all of which may adversely affect the Borrower's business and financial results. Health care providers have cancelled or delayed non-urgent appointments and procedures, and although restrictions on elective procedures were lifted in the Borrower's service area, further restrictions on elective procedures may be re-introduced. Business disruptions may include temporary closures of the Borrower's facilities or the facilities of suppliers and their contract manufacturers, as well as disruptions to their distribution lines, and a reduction in the business hours of health care facilities. A substantial portion of the population is subject to voluntary or involuntary quarantine, leading to general and substantial reductions in economic activity. Health care providers are disproportionately likely to become ill from COVID-19, which may limit the ability of the Borrower to provide care. Throughout the United States, health care providers have been, are experiencing, or expect to experience, shortages of pharmaceuticals, personal protective equipment, testing materials, medical equipment, and blood. Even if the Borrower finds alternate sources for such products, alternates may adversely impact profitability and the financial condition of the Borrower. Health care providers and facilities may become overburdened as the number of COVID-19 cases grows, limiting their ability to provide comprehensive care to patients, which may lead to diversion of medical resources and priorities toward the treatment of COVID-19 patients. In addition, health care providers may be required to provide significant amounts of uncompensated care to uninsured and underinsured patients. Changes in operations at the Borrower's facilities may result in additional costs being incurred related to adjustments to the use of various facilities and to staffing during this outbreak, including overtime wages, wages paid to employees who are unable to work due to quarantine, and utilization of more expensive contract staff to provide care. The effects of COVID-19 could severely affect the Borrower's ability to conduct normal business operations and, as a result, the operating results of the Borrower could be materially adversely affected.

National, state, and local governments have taken, and are expected to continue to take, various actions, including the passage of laws and regulations, on a wide array of topics, in an attempt to slow the spread of COVID-19 and to address the health and economic consequences of the outbreak. Many of these government actions are expected to cause substantial changes to the way health care is provided, and how society in general functions. It is not clear how long such measures will remain in place.

Various states, including Pennsylvania, and local governments have issued general "shelter-in-place" orders or directives that mandate or strongly encourage social distancing, closed school systems and closed or limited non-essential business activities in an effort to slow the spread of COVID-19. On the state level, Pennsylvania has encouraged social distancing, as discussed in more detail below. While such measures are expected to assist in responding to the recent outbreak, self-quarantines, shelter-in-place orders, and suspension of voluntary procedures and surgeries, if implemented, will likely have an adverse impact on the operations and financial position of health care provider systems due to increased costs, potential reduction in overall patient volume, decreased personnel availability, and shifts in payor mix.

Even if such actions help reduce the rate of increase in COVID-19 cases in the near term, they may prove to be ineffective in reducing the total number of cases. COVID-19 outbreak developments, and attendant governmental and regulatory responses, are rapidly changing. The Borrower cannot presently quantify or estimate the cumulative impact of these recent developments taken as a whole. Although the federal government is considering additional legislation that may assist health care providers, including economic stimulus packages and other financial assistance, passage of any such legislation is uncertain.

The federal government is working with private companies to increase the manufacture and supply of pharmaceuticals and personal protective equipment, such as masks, respirators, gloves and ventilators needed to treat COVID-19 patients. In addition, the federal government may, from time to time, distribute ventilators and various personal protective equipment nationwide and make certain military hospital facilities, including hospital ships, and other facilities available to provide additional bed capacity for COVID-19 patients in hard hit areas. As of January 2021, the federal Food and Drug Administration ("*FDA*") authorized two COVID-19 vaccines for emergency use, the Pfizer-BioNTech COVID-19 Vaccine manufactured by Pfizer Inc. and the Moderna COVID-19 Vaccine manufactured by ModernaTX, Inc. As state and federal actions in response to COVID-19 are far-reaching and rapidly changing, management of the Borrower cannot predict how government responses may impact the COVID-19 outbreak.

Market Disruption. The COVID-19 outbreak has affected (and is expected to continue affecting) travel, commerce and financial markets in the United States and globally; it is widely expected to continue affecting economic growth worldwide. The COVID-19 outbreak has resulted in volatility in the U.S. and global financial markets, and significant realized and unrealized losses in investment portfolios. Financial results, generally, and liquidity, in particular, may be materially diminished. Access to capital markets may be hindered and increased costs of borrowing may occur as a result. The impact of the outbreak on the Borrower's future operations, business and financial results cannot be predicted at this time due to the dynamic nature of the outbreak, including uncertainties relating to its duration and severity, as well as what actions may be taken by governmental authorities and other institutions to contain or mitigate its impact. The continued spread of COVID-19 and containment and mitigation efforts could have a material adverse effect on the operations of the Borrower and on the Pennsylvania, national and global economies.

CPRSAA. The Coronavirus Preparedness and Response Supplemental Appropriations Act of 2020 (the "*CPRSAA*") was enacted on March 6, 2020. The CPRSAA provides $8.3 billion in emergency funding for federal agencies to respond to the COVID-19 outbreak. Of this amount, $6.2 billion was designated for the U.S. Department of Health and Human Services ("*HHS*"), for research and development of vaccines, therapeutics, and diagnostics. The CPRSAA also included a waiver removing restrictions on Medicare providers allowing those providers to offer telehealth services to Medicare beneficiaries regardless of whether the beneficiary is in a rural community while HHS's declaration of a national public health emergency in response to the COVID-19 outbreak remains in place. Management cannot predict when HHS's declaration will be lifted or how the regulatory landscape around telehealth services may otherwise change over time.

FFCRA. A variety of federal, state and local government efforts have been initiated in response to the COVID-19 outbreak. On March 13, 2020, President Trump declared a national emergency with respect to the COVID-19 outbreak. Thereafter, the United States Congress enacted several COVID-19 related bills. President Trump signed the Families First Coronavirus Response Act (the "*FFCRA*") on March 18, 2020, which provided additional support for the domestic COVID-19 response. The FFCRA included provisions for establishing a federal emergency paid leave program for individuals unable to work as a result of COVID-19, expanded state unemployment benefits, required employers to provide paid sick leave, provided COVID-19 diagnostic testing free of charge to consumers, and provided liability protection for "respiratory protective devices" used as part of the COVID-19 response. The FFCRA also increased the Federal Medicaid Assistance Percentage for state Medicaid programs by 6.2%. In December 2020, the

Consolidated Appropriations Act, 2021 extended FFCRA leave and tax credits through March 31, 2021. Under the Consolidated Appropriations Act, 2021, FFCRA leave is no longer mandatory; instead, the law permits employers to take advantage of federal tax credits for providing FFCRA leave from January 1 to March 31, 2021.

CARES Act. On March 27, 2020, President Trump signed into law the Coronavirus Aid, Relief, and Economic Security Act (the "*CARES Act*"). The CARES Act provided temporary and limited relief to hospitals during the COVID-19 outbreak, including the appropriation of $100 billion under the Public Health and Social Services Emergency Fund ("*Provider Relief Fund*") to reimburse providers for expenses and lost revenue associated with the treatment of COVID-19 patients. The CARES Act expanded the Medicare Advanced and Accelerated Payments Program, provided employee retention tax credits to employers affected by COVID-19, eliminated the 2% reduction in Medicare payments from sequestration during the period of May 1, 2020 through December 31, 2020, created an add-on payment for inpatient hospitals treating COVID-19 patients, and delayed the $4 billion reduction in Medicaid funding for Medicare disproportionate share hospitals until November 30, 2020. It is not clear whether these provisions and the increased funding to hospitals provided in the CARES Act will be adequate to cover the significant costs borne by hospitals treating patients with COVID-19 or the shortfall in revenues that is anticipated from reductions in elective and other procedures during the COVID-19 outbreak.

Medicare Accelerated and Advance Payments Program. In addition to CARES Act funding, The Centers for Medicare & Medicaid Services ("*CMS*") has expanded and streamlined the process for its Accelerated and Advance Payments Program, pursuant to which providers may receive advance Medicare disbursements. Advance and accelerated payments are a loan that providers must pay back. CMS has announced that it will begin to offset the accelerated/advance payments 120 days after disbursement. Offsets will be processed for up to one year after the disbursement date, at which time the providers will have to repay the outstanding balance without interest, or to the extent any amounts remain outstanding after one year, interest on the outstanding balances will accrue at the rate of 10.25% per annum. On April 26, 2020, CMS announced it was reevaluating and temporarily suspending the Accelerated and Advance Payment Program in light of the availability of the Provider Relief Fund and the significant funds available through other programs.

Following the announced suspension of the Accelerated and Advance Payments Program, CMS continued accepting applications for accelerated or advance payments related to the COVID-19 public health emergency (*"PHE"*). A Medicare provider or supplier that applied to the program is eligible to receive an accelerated or advance payment during the PHE if the provider or supplier: billed Medicare for claims within 180 days immediately prior to date of application; and is not in bankruptcy, under active medical review or program integrity investigation, or subject to any outstanding delinquent Medicare overpayments. In October 2020, CMS discontinued accepting applications. CMS continues to "monitor the ongoing impacts of COVID-19 on the Medicare provider and supplier community."

On October 1, 2020, the Continuing Appropriations Act, 2021 and Other Extensions Act amended the repayment terms for recipients of accelerated and advance payments. Recipients must make repayment by contacting a Medicare Administrative Contractor ("*MAC*"). The repayment period begins one year following issuance of payment and continues for seventeen (17) months. Over the first eleven (11)-month period, Medicare will recoup 25% of payments owed to recipients. The rate increases to 50% for the subsequent six (6) months. Medicare will bill recipients for any remaining balance following the repayment period.

Paycheck Protection Program and Health Care Enhancement Act. On April 24, 2020, President Trump signed the Paycheck Protection Program and Health Care Enhancement Act, which amended the CARES Act to increase the amounts authorized for the Paycheck Protection Program and authorized an

additional $75 billion in funding for the Provider Relief Fund, reimbursing eligible health care providers for health care-related expenses or lost revenues that are attributable to COVID-19. It also appropriated $25 billion to the Provider Relief Fund for necessary expenses to research, develop, validate, manufacture, purchase, administer, and expand capacity for COVID-19 tests. HHS established a number of terms and conditions related to the use and repayment of CARES Act funds. Funds utilized for stipulated purposes need not be repaid to the federal government. Recipient providers must agree not to seek collection of out-of-pocket payments from a patient treated for COVID-19. Providers must attest to a list of other detailed terms and conditions, including that the provider billed Medicare in 2019, provides or provided diagnoses, testing or care for individuals with possible or actual cases of COVID-19, is not currently terminated from participation in Medicare, is not currently excluded from participation in Medicare, Medicaid, and other Federal health care programs, and does not currently have Medicare privileges revoked. Other terms and conditions include certifying that funds "will only be used to prevent, prepare for, and respond to coronavirus" and that funding will reimburse the recipient "only for health care related to expenses or lost revenues that are attributable to coronavirus." Other relief provided for acute care hospitals in the CARES Act includes the elimination of the 2% reduction to Medicare Payments through sequestration for a temporary period, a 20% increase to the inpatient Prospective Payment System DRG weight for patients diagnosed with COVID-19 during the public health emergency, and expansion of the CMS accelerated payment program. Receipt of such relief funding by the Borrower requires increased compliance efforts to comply with above requirements.

Consolidated Appropriations Act, 2021. On December 27, the president signed the Consolidated Appropriations Act, 2021, which included approximately $900 billion in COVID-19 stimulus funding, in addition to the 2021 federal fiscal year omnibus spending bill. The Consolidated Appropriations Act, 2021 included the Coronavirus Response and Relief Supplemental Appropriations Act, 2021. Relevant provisions included increased funding to the FDA for development of coronavirus vaccines, monitoring of medical product supply chains and additional public health response investments, as well as funding for the federal Centers for Disease Control and Prevention ("*CDC*") for purposes of distributing coronavirus vaccines. The act further included a host of health care-related provisions, such as a 3.75% increase to the Medicare physician services fee schedule for services furnished during the calendar year 2021. The act extended the temporary suspension for Medicare sequestration cuts (delaying the effective date from December 31, 2020, to March 31, 2021), provided for extended unemployment benefits and expanded the Paycheck Protection Program. The act did not expand the Medicare Accelerated and Advance Payments Program.

Potential 2021 COVID-19 Stimulus Measures. In January 2021, Joseph R. Biden became the 46th President of the United States. President Biden is expected to propose additional COVID-19-related stimulus measures. Expected measures include extended leave, additional unemployment benefits, and additional funding for vaccines and other public health programs. At this time, it is impossible to predict the impact, if any, future stimulus measures will have regarding Members of the Obligated Group

Regulatory Waivers. COVID-19 has led to legislative and regulatory changes specifically impacting the health care industry. In March and April of 2020, CMS published two interim final rules related to hospitals furnishing inpatient services under arrangements with other providers and outpatient services in a patient's home or other expansion site. The rules established processes for seeking payment rates exceptions for temporary hospital outpatient locations utilized due to the COVID-19; expanding physician supervision flexibilities for inpatient/outpatient hospital services; expanding services that may be furnished through telehealth and the types of practitioners eligible to furnish services through telehealth; and expanding coverage related to ambulance transport services. CMS issued "blanket" Section 1135 waivers for certain hospital Medicare and Medicaid Conditions of Participation, provider-based rules, and the physician self-referral law (known as the Stark Law). The waivers enable rapid expansion of hospital services provided in on and off campus clinical and nonclinical spaces, including through partnerships with

other entities; other facility types, such as ambulatory surgical centers, to qualify as hospitals, governed by more flexible Conditions of Participation and streamlined enrollment and cost reporting requirements; and hospitals and other providers to provide items such as free meals, child care and laundry services to health care workers. It is too soon to tell how these and other waivers and rule changes in response to the pandemic will affect the operations and revenue of the Borrower, and it is impossible to predict their short term and long term effects on the Borrower.

Commonwealth of Pennsylvania. Pennsylvania implemented a multiphase approach to addressing COVID-19. In March 2020, the Commonwealth Department of Health began authorizing out-of-state health care professionals to treat Pennsylvania residents, including via use of telehealth as appropriate. Pennsylvania further implemented a host of restrictions related to public gatherings, including: prohibiting indoor and outdoor gatherings of large groups; requiring masks in public spaces; and limiting indoor capacity for dining, personal care services, recreation, and entertainment. As of July 3, 2020, all Pennsylvania counties had moved into the final phase of reopening following the initial outbreak of COVID-19. The final reopening phase maintains similar restrictions, including the ongoing requirement of telework where feasible. COVID-19 and the Commonwealth's response thereto will continue to impact utilization rates of hospital services, as well as the ability of (and costs for) hospitals to maintain a safe working environment for staff. The full range of such impacts is not yet known.

On August 31, 2020, Pennsylvania Governor Tom Wolf extended the Proclamation of Disaster of Emergency of March 6, 2020 (renewed June 3, 2020) until rescinded or otherwise terminated by law. As a result, the restrictions above remain in effect until further notice. As of January 15, 2021, however, Pennsylvania remains in Phase 1A of the COVID-19 Vaccination Phases. Pennsylvania's Phase 1A focus consists of distributing vaccines for long-term care facility residents and health care personnel, such as those employed by or otherwise affiliated with Members of the Obligated Group. It remains impossible to predict the results of the statewide vaccination program or to what extent a vaccination program may benefit the Members of the Obligated Group.

Construction Risk

The Project is subject to the usual risks associated with construction projects including but not limited to delays in issuance of required building permits or other necessary approvals or permits, strikes, shortages of materials and adverse weather conditions. Such events may impose financial burdens on the Borrower and reduce revenue produced by the Borrower's facilities. It is anticipated that the proceeds from the sale of the Series 2021 Bonds, together with anticipated investment earnings thereon, fundraising and an equity contribution, will be sufficient to complete the construction and equipping of the Project based upon a guaranteed maximum price to be negotiated. However, cost overruns for a project of this magnitude may occur due to change orders and other factors. In addition, under the construction contracts, the date of substantial completion may be extended by reason of changes authorized by the Borrower, delays due to strikes, fire or other casualty or orders or regulations of governmental authorities or other causes beyond the control of the construction manager. If the period of substantial completion is extended for any of the above designated reasons, the construction manager will not be responsible for liquidated damages for the period of excusable delays.

Dependence on Members of the Obligated Group

The Master Indenture provides that any Member of the Obligated Group other than the Borrower may be released from its obligations and liabilities under the Master Indenture and cease to be a Member of the Obligated Group upon satisfaction of certain conditions set forth in the Master Indenture. Accordingly, there can be no assurance that any entity described herein as a Member of the Obligated Group will continue to be such.

There is no clear precedent in the law as to whether transfers from a Member of the Obligated Group in order to pay debt service on the Obligations issued for the benefit of another Member of the Obligated Group may be voided by a trustee in bankruptcy in the event of a bankruptcy of the transferring Member of the Obligated Group or by third-party creditors in an action brought pursuant to Pennsylvania fraudulent conveyances statute. Under Title 11 of the United States Code (the "*Bankruptcy Code*"), a trustee in bankruptcy and, under the Pennsylvania fraudulent conveyances statute, a creditor may seek to avoid any obligation incurred or transfer made by a debtor if, among other possible bases therefor, (i) the debtor has not received fair consideration or reasonably equivalent value in exchange for such obligation or transfer and (ii) the obligation was incurred or transfer made when the debtor was insolvent or rendered the guarantor "insolvent", as defined in the Bankruptcy Code or Pennsylvania fraudulent conveyances statute, or if the guarantor was undercapitalized or became undercapitalized as a result of the obligation or transfer.

Application by courts of the tests of "insolvency," "reasonably equivalent value" and "fair consideration" has resulted in a conflicting body of case law. In an action brought by a bankruptcy trustee or creditor seeking to avoid and recover a payment made by a Member of the Obligated Group on Obligations issued for the benefit of another Member of the Obligated Group, a court may order the return of such payment if the court determines that (a) fair consideration or reasonably equivalent value was not received by the transferring Member of the Obligated Group in exchange for the payment, and (b) the payment was made when the transferring Member of the Obligated Group was insolvent or it rendered the transferring Member of the Obligated Group insolvent, or the transferring Member of the Obligated Group is or became undercapitalized as a result of the payment.

There exists common law authority and authority under Pennsylvania statutes for the ability of the courts to terminate the existence of a nonprofit corporation or undertake supervision of its affairs on various grounds, including a finding that such corporation has insufficient assets to carry out its stated charitable purposes. Such court action may arise on the court's own motion or pursuant to a petition of the Pennsylvania Attorney General or such other persons who have interests different from those of the general public, pursuant to the common law and statutory power to enforce charitable trusts and to see to the application of their funds to their intended charitable uses.

Discretion of Board and Management

The Master Indenture does not significantly restrict the ability of the Borrower to enter into transactions which could materially affect the business, organizational structure and control of the Borrower and Members of the Obligated Group. Such transactions could include, for example, divestitures of Members of the Obligated Group, closure of facilities, substantial new joint ventures, and mergers, consolidations or other forms of affiliations in which control of the Borrower and the other Members of the Obligated Group could be materially changed. Given the pace of change in the health care industry, it is likely that the Obligated Group will be presented with opportunities to enter into transactions of such magnitude or significance. The ability of the Obligated Group to generate revenues sufficient to pay debt service on the Series 2021 Obligation may be dependent on the decisions of the Board of Trustees and management of the Obligated Group with respect to such opportunities.

Joint Operating Agreements and Joint Ventures

The Members of the Obligated Group may enter into joint operating agreements, joint ventures or related management agreements with previously unrelated, tax-exempt health systems or corporations to develop regionally-based health care delivery systems or networks. These joint operating agreements and joint ventures provide for corporations to operate hospitals and other related health care assets, subject to reserve powers vested in the corporate or sponsoring organizations. The joint operating agreements and joint ventures are intended to promote the development and operation of regional tax-exempt health care

provider networks. The parties to these joint operating agreements and joint ventures remain separate corporations and retain title to their assets. Each joint operating agreement and joint venture may provide for the annual sharing of net income and imposes certain operating and organizational restrictions and conditions upon the parties thereto.

The Members of the Obligated Group may also be participants in ancillary joint ventures with tax-exempt or for-profit entities. Participation in joint ventures, particularly joint ventures with for-profit entities, that do not meet requirements of the Code, potentially may (i) result in a finding of inurement or undue private benefit which could result in a loss of tax-exempt status, (ii) result in a finding of an excess benefit transaction which could result in the imposition of an excise tax on the insider involved in the transaction or on the Members of the Obligated Group's management that knowingly approved the transaction, or both, or (iii) result in a finding that the activity is unrelated to the exempt purpose of the Members of the Obligated Group and a determination that certain income received by the tax-exempt organization from the joint-venture with the for-profit entity is taxable.

Series 2021 Obligation

The Members of the Obligated Group are authorized to grant liens that constitute Permitted Liens to certain other creditors under the Master Indenture, and such Permitted Liens may result in the obligation of a Member of the Obligated Group to satisfy such liens being prior to the obligation to make payments on the Series 2021 Obligation, or in other proceedings against income-producing assets of the Members of the Obligated Group.

Voting Control Under the Indenture and Master Indenture

Certain amendments to the Indenture and the Loan Agreement may be made with the consent of the owners of a majority of the aggregate principal amount of the Series 2021 Bonds then outstanding under the Indenture and certain amendments to the Master Indenture may be made with the consent of the owners of a majority of the aggregate principal amount of Obligations then outstanding. Such amendments may adversely affect the security of the holders of the Series 2021 Bonds. A majority of holders of the Obligations could be comprised wholly or partially of the owners of Obligations other than the Series 2021 Obligation.

Realization of Value on the Mortgaged Property

The Borrower will represent in its Mortgage that it has fee title to the Mortgaged Property; however, no title insurance company has issued a title insurance policy insuring the Master Trustee's mortgage lien under the Mortgage on the Mortgaged Property in connection with the issuance of the Series 2021 Bonds. As a result, a defect in the Borrower's title to the Mortgaged Property may adversely impact its use of all or a portion of the Mortgaged Property and/or the operations of the Borrower and/or the value of the Mortgaged Property and any proceeds that may be recovered by the Master Trustee in the event that the Master Trustee seeks to foreclose on the Mortgage or to pursue its rights in accordance with the Master Indenture and the Supplemental Indenture. The existence of any liens on the Mortgaged Property having priority over the lien created by the Mortgage may reduce the amount realized by the Master Trustee in the event of a foreclosure of the Mortgage.

The Mortgaged Property is not comprised of general purpose buildings and would not generally be suitable for industrial or commercial use and does not constitute all facilities of the Borrower. Consequently, it would be difficult to find a buyer or lessee for the Mortgaged Property if it were necessary to foreclose on the Mortgaged Property. Thus, upon any default, it may not be possible to realize funds in an amount

equal to the outstanding interest on and principal of the Obligations issued under the Master Indenture from a sale or a lease of the Mortgaged Property.

Furthermore, in order to operate the Mortgaged Property as a health care facility, a purchaser of the Mortgaged Property at a foreclosure sale would under present law have to obtain a license for the health care components of the facilities located on the Mortgaged Property. The Borrower is not granting a lien on equipment or furnishings at the Mortgaged Property. Therefore, the ability to operate the Mortgaged Property as a health care facility might be affected accordingly.

In addition, under applicable federal and Pennsylvania environmental statutes in the event of any past or future releases of pollutants or contaminants on or near the Mortgaged Property, a lien superior to the Master Trustee's mortgage lien could attach to the Mortgaged Property to secure the costs of removing or otherwise treating such pollutants or contaminants. Such a lien would adversely affect the Master Trustee's ability to realize sufficient amounts to pay the outstanding Obligations in full. Furthermore, in determining whether to exercise any foreclosure rights with respect to the Mortgaged Property, the Master Trustee may have to take into account the potential liability of any owner of the Mortgaged Property, including an owner by foreclosure, for clean-up costs with respect to such pollutants and contaminants. No environmental assessment of the Mortgaged Property has been made prior to the issuance of the Series 2021 Bonds.

Matters Relating to Enforceability of the Master Indenture

The practical realization of any rights upon any default under the Loan Agreement, the Mortgage or under the Master Indenture will depend upon the exercise of various remedies specified in such instruments, as restricted by federal and state laws. The federal bankruptcy laws may have an adverse effect on the ability of the Bond Trustee and the owners of the Series 2021 Bonds to enforce their claims granted by the Indenture, the Loan Agreement or the Master Indenture. The obligation of the Borrower on the Series 2021 Obligation will be limited to the same extent as the obligations of debtors typically are affected by bankruptcy, reorganization, insolvency, fraudulent conveyance, moratorium or other similar laws affecting the enforcement of creditors' rights and by the availability of equitable remedies.

The remedies available to either the Bond Trustee, any Master Trustee, the Issuer or the owners of the Series 2021 Bonds upon an event of default under the Master Indenture, the Indenture, the Loan Agreement or the Series 2021 Obligation are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including, specifically, the Bankruptcy Code, the remedies provided in the Master Indenture, the Indenture, the Loan Agreement and the Series 2021 Obligation may not be readily available or may be limited.

Negative Pledge

While the Series 2021 Obligation will be secured by a pledge of Gross Receivables of the Borrower and the Foundation and any future Members of the Obligated Group, such parties have covenanted not to mortgage, pledge or otherwise encumber any or all of their property, except for Permitted Liens, including the Mortgage.

The security interest in the Gross Receivables created by the Master Indenture may not extend to any revenues generated from the use and operation of any facilities after any person who is not a Member of the Obligated Group obtains possession of such property, whether by voluntary transfer, foreclosure under a mortgage or other security agreement or enforcement of a statutory or judicially created lien.

Bond Rating

There is no assurance that the rating assigned to the Series 2021 Bonds will not be lowered or withdrawn at any time, the effect of which could adversely affect the market price for and marketability of the Series 2021 Bonds. See the information herein under the caption **"RATING**."

Market for the Series 2021 Bonds

Subject to prevailing market conditions, the Underwriters intend, but are not obligated, to make a market in the Series 2021 Bonds. There is presently no secondary market for the Series 2021 Bonds and no assurance that a secondary market will develop. Consequently, investors may not be able to resell the Series 2021 Bonds purchased should they need or wish to do so for emergency or other purposes.

Possible Future Legislation

The Members of the Obligated Group are subject to regulation by a number of federal, state, and local governmental agencies, including those which administer the Medicare and Medicaid reimbursement programs. These agencies have broad discretion to alter or eliminate programs that contribute significantly to revenues of the Borrower As a result, the Borrower is sensitive to legislative and regulatory changes to, and are affected by reductions in governmental spending for, such programs. Congress and the Pennsylvania legislatures have in the past introduced and enacted legislation that could affect health care providers, and additional legislative changes can be expected.

Future legislation, regulation or actions by the federal or state governments could dramatically alter the methods of financing and providing health care in the United States and may adversely affect the operations of the Borrower, including the Borrower's ability to compete for patients and the levels of payments they receive for medical services. It is impossible to predict the nature of any such future legislation or the likelihood of its becoming law. Future actions by the federal, state or local governments, including agencies thereof, changing existing regulations or their interpretation could also increase the cost of operation of the Borrower and adversely affect its revenues. At present, no determination can be made concerning whether, or in what form, such legislation could be introduced and enacted into law, and the impact on the Borrower. Similarly, the impact of future cost control programs and future regulations upon the Obligated Group's financial performance cannot be determined at this time.

Health Care Industry Factors Affecting the Members of the Obligated Group

The health care industry is subject to various factors that may limit the Borrower's ability to meet its obligations to make payment of debt service on the Series 2021 Bonds, a number of which are beyond the control of the Members of the Obligated Group. Among other things, the Borrower is subject to significant regulatory requirements of federal, state, and local governmental agencies, independent professional organizations and accrediting bodies; technological advances and changes in treatment modes; various competitive factors; changes in third party reimbursement programs; and health care reform initiatives that serve to alter the financing of, payment for and delivery of hospital services. In recent years, the United States Congress and various states have considered a number of proposals, some of which involve comprehensive health care reform. In March 2010, the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010 (collectively referred to as the "*Health Care Reform Act*") became law. This landmark legislation has and will continue to alter health care delivery systems and the reimbursement landscape for providers and increase the number of individuals who have health care coverage substantially over the next decade. This legislation includes programs to promote universal access to affordable health care coverage, better access to primary care, quality improvements, cost-effective delivery and other long-term cost-cutting measures, most of which have been implemented

or begun to be implemented. The Health Care Reform Act introduced changes to the Medicare program that are estimated by the Congressional Budget Office ("*CBO*") to reduce the cost of the program over the ten years following implementation of the Health Care Reform Act. The Health Care Reform Act reduces cost sharing by Medicare beneficiaries for certain preventive services and wellness visits and expands coverage for these services. In addition, the Health Care Reform Act includes programs that link Medicare payments for hospitals and physicians with quality outcomes and the development of new patient care models that stress primary care and community-based care. The objective of these programs is to manage chronic diseases better and to reduce inpatient admissions and other high cost care provided by health care facilities, such as hospitals and nursing homes.

The future financial impact on the Borrower of the increased coverage and the delivery system reforms related to the Health Care Reform Act is impossible to reliably predict, though the annual percent growth rate for total health care expenditures slowed over the past decade. The Borrower has been, and will continue to be, affected by various limits placed on reimbursement for health care services, including those limits under Medicare and Medicaid. In addition, certain of the factors noted above, which could have a significant impact on the future operations and financial condition of the Members of the Obligated Group, are discussed in more detail below. The factors described below could have a material negative impact on the Obligated Group's operations and, consequently, the ability of the Obligated Group to make payments due under the Series 2021 Obligation.

Challenges to the Health Care Reform Act

During his term, President Trump and certain Congressional leaders promised a repeal of all or a portion of the Health Care Reform Act. On May 4, 2017, the United States House of Representatives passed the American Health Care Act (H.R. 1328) (the "*AHCA*"). Senate leadership, however, introduced a separate version of the bill, the Better Care Reconciliation Act ("*BCRA*") (later modified into the Health Care Freedom Act, a "skinnier" version of the BCRA, and further altered in September 2017 by the Graham-Cassidy-Heller-Johnson Amendment). Each bill provided for some form of phased elimination of Medicaid expansion and transferred control of all or most of the insurance market reforms and Medicaid program requirements to the states. Per CBO projections, each bill would result in a substantial increase in the number of uninsured Americans. Ultimately, however, none of these legislative initiatives obtained enough votes to pass in the Senate. However, Congress repealed the enforcement mechanism applicable to the Health Care Reform Act's individual mandate and, effectively, the mandate itself in December 2017. Repeal of the individual mandate may result in adverse selection and rapid cost increases in the individual health insurance market as people in good health opt out of more expensive coverage and people with high-cost health conditions opt to purchase insurance. This repeal occurred via a budget reconciliation process (under the 2017 Tax Cuts and Jobs Act), which required only a Senate majority. Under the new Biden Administration and a new Senate majority, the mandate's effective repeal may be reversed.

According to data compiled by the federal government, the rate of uninsured Americans increased, and the number of Americans enrolling in health plans on the federally-administered health insurance marketplace decreased, at the end of the last decade. Individual jurisdictions, such as New Jersey, California, Washington, D.C., Rhode Island, Vermont, and Massachusetts, have begun implementing statewide individual mandates in response to the repeal of the federal individual mandate by the Tax Cuts and Jobs Act. For jurisdictions not subject to an individual mandate mechanism, health insurance issuers may face greater exposure to adverse selection and material adverse impacts on finances and operations. It is unknown how such exposure may impact the Obligated Group.

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Section 1402 of the Health Care Reform Act required insurers to provide cost sharing reductions ("*CSRs*") *(i.e.,* lower deductibles, copays and co-insurance) to individuals enrolled in certain qualified health plans purchased through exchanges; CSRs were to be reimbursed by HHS. Pursuant to a lawsuit that began in 2014 (*House v. Azar* (formerly *House v. Price* and, first, *House v. Burwell)*), the United States House of Representatives argued that CSR payments to insurers were not permissible without congressional appropriation. In October 2017, HHS announced that it would no longer provide CSR reimbursement to insurers, effectively resolving the primary issues of the lawsuit.

Several health insurance issuers subsequently challenged the HHS decision. Following various judicial victories, several consolidated cases are now subject to an appeal in the United States Court of Appeals for the Federal Circuit. Oral argument regarding the appeal took place on January 9, 2020. On August 14, 2020, in the case of *Sanford Health Plan v. U.S.*, the United States Court of Appeals for the Federal Circuit affirmed a court order requiring the federal government to make relevant CSR payments to insurers. Future reductions in CSR payments may lead to higher out-of-pocket costs for beneficiaries or financial losses for health insurers, ultimately resulting in reduced revenue for health care providers. Elimination of cost sharing subsidies may also make health insurance less affordable for many beneficiaries, reducing the number of people who get coverage or use that coverage and disrupting the individual health insurance market. The financial impact of any of these developments on the Members of the Obligated Group is unknown.

The Health Care Reform Act also contemplated that health insurance issuers that experienced unexpectedly high health care costs would receive payments under the temporary risk corridors program that ended in 2016. The risk corridors program set a target for exchange participating insurers to spend 80% of premium dollars on health care and quality improvement. Insurers with costs less than 3% of the target amount must pay into the risk corridors program; the funds collected were used to reimburse plans with costs that exceed 3% of the target amount. This program was intended to work in conjunction with the Health Care Reform Act's MLR provision, which requires most individual and small group insurers to spend at least 80% of premium dollars on enrollee's medical care and quality improvement expenses, or else issue a refund to enrollees. The federal government reduced the contemplated payments to insurers participating in the risk corridor program. On April 27, 2020, however, in the case of *Maine Community Health Options v. U.S.*, the Supreme Court ruled that insurers participating in the risk corridor program were entitled to relevant payments totaling approximately $12B.

Other efforts to weaken the Health Care Reform Act include the Trump administration's refusal to defend key parts of the Health Care Reform Act in a federal case filed by twenty states in the Northern District of Texas, wherein plaintiffs argued that the Health Care Reform Act is unconstitutional as a result of the repeal of the individual mandate penalty. On December 14, 2018, a trial judge ruled in favor of the plaintiffs, holding the elimination of the tax penalty renders the individual mandate an unconstitutional exercise of Congress' taxing power (the basis for upholding the Health Care Reform Act in the 2012 Supreme Court case *Nat'l Fed. of Independent Bus. v. Sebelius*). Because the judge also found the balance of the Health Care Reform Act was not severable from the unconstitutional individual mandate, the District Court held the entire Health Care Reform Act to be unconstitutional. In March 2019, the Trump administration changed its position in the case and declined to defend the Health Care Reform Act but subsequently maintained that some provisions, unrelated to the plaintiffs' claims, should be upheld. The trial court permitted seventeen other states, led by California, to intervene in the case in support of

upholding the Health Care Reform Act. On appeal, the Fifth Circuit agreed with the District Court that the tax penalty is unconstitutional, however it returned the case to the trial court for further analysis regarding whether the Health Care Reform Act is unconstitutional. On March 2, 2020, the Supreme Court granted writs of certiorari agreed to hold oral arguments on November 10, 2020 on two consolidated cases: the appeal filed by the State of California; and a similar case filed by the United States House of Representatives. The Supreme Court will review the ruling by the U.S. Court of Appeals for the Fifth Circuit and whether, if the mandate is unconstitutional, it can be separated from the rest of the Health Care Reform Act. A decision is expected by the end of the Supreme Court's term in June 2021.

The Health Care Reform Act will remain law while the case proceeds through the appeals process; however, the case creates additional uncertainty as to whether any or all of the Act could be struck down, which creates operational risk for the health care industry. Management of the Members of the Obligated Group cannot predict the effect of the elimination of the individual mandate tax penalty, the likelihood of any future Health Care Reform Act repeal bills or other health care reform bills becoming law, or the subsequent effects of any such laws or legal decisions, though such effects could materially impact the Members of the Obligated Group's business or financial condition. In particular, any legal, legislative or executive action that (1) reduces federal health care program spending, (2) increases the number of individuals without health insurance, (3) reduces the number of people seeking health care, or (4) otherwise significantly alters the health care delivery system or insurance markets, could have a material adverse effect on the Members of the Obligated Group's business or financial condition.

The scope and effect of future legislation and executive action may cause material adverse impacts on the Obligated Group. Many of the above legislative and executive actions may be amended, reversed or further evaluated under President Biden. Accordingly, the regulatory risks described herein may undergo significant change in the near future.

Investors should continuously review legislative, regulatory and judicial developments relating to the Health Care Reform Act as they occur to assess their potential effects on health care providers and the health care industry.

Overview of Medicare and Medicaid Program

Overview. Medicare and Medicaid are the commonly used names for health care reimbursement or payment programs governed by certain provisions of the federal Social Security Act Amendments of 1965. The federal government, the largest health care purchaser in the country, uses reimbursement as a key tool to implement health care policies, to allocate health care resources and to control utilization, facility and provider development and expansion, and promote the use and development of health technology. These programs reflect the national policy that persons who are aged and persons who are poor should be entitled to receive medical care regardless of ability to pay. Medicare Part A covers inpatient hospital, home health, nursing home care and certain other services, and Medicare Part B covers certain physicians' services and the services of other health care professionals, medical supplies and durable medical equipment. Medicare Part C, the Medicare Advantage program, enables Medicare beneficiaries to choose to obtain their benefits through a variety of private, managed care, risk-based plans. Medicare Part D makes outpatient prescription drug benefits available to Medicare beneficiaries. Most Medicare hospital services are paid at a fixed rate per case under the reimbursement methods described below. Some Medicare beneficiaries, however, enroll in Medicare Advantage plans, which reimburse providers on a contractually determined basis. Health care providers that participate in the Medicare program must agree to be bound by the terms and conditions of the program such as meeting the quality standards for rendering covered services and adopting and enforcing policies to protect patients from certain discriminatory practices.

Medicaid is designed to pay providers for care given to the indigent and other persons who qualify based on certain conditions. Medicaid is funded by federal and state appropriations and is administered in Pennsylvania by the Department of Human Services ("*DHS*") (formerly known as the Department of Public Welfare).

Conditions of Participation. Hospitals must comply with standards called the "Conditions of Participation" to be eligible for Medicare and Medicaid reimbursement. CMS is responsible for ensuring that hospitals satisfy these regulatory Conditions of Participation. Under applicable Medicare rules, hospitals accredited by The Joint Commission are deemed to meet the Conditions of Participation. Failure to maintain such accreditation or to otherwise comply with the Conditions of Participation or other applicable state licensing requirements could have a material adverse effect on the "deemed" status and revenues of the Members of the Obligated Group. The Borrower is currently accredited by The Joint Commission for the period from June 2018 to June 2021. There can be no assurance that the facilities operated by the Borrower will continue to receive such accreditation in the future.

Medicare Reimbursement

Overview. A substantial portion of the Borrower's revenues is derived from the Medicare program. Medicare is a federal health benefits program administered by CMS and Medicare Administrative Contractors. Available to individuals age 65 or over, and certain other classes of individuals, the Medicare program provides, among other things, health care benefits that cover, within prescribed limits, the major costs of most medically necessary care for such individuals, subject to certain deductibles and co-payments or, in the case of the Medicare Advantage program, premiums.

Diverse and complex statutory and regulatory mechanisms, the effect of which is to limit the amount of money paid to health care providers under the Medicare program, have been enacted and approved in recent years. It is impossible to predict what effect, if any, current and future legislative initiatives will ultimately have on the operations of the Obligated Group.

The Borrower received approximately 46% of its fiscal year 2020 net patient revenues from the Medicare program. Thus, adverse developments or changes in Medicare reimbursement could have a material adverse effect on the financial condition and operations of the Borrower.

Inpatient Operating Costs. Medicare payments for operating costs incurred in the delivery of inpatient hospital services are based on a prospective payment system ("*PPS*") which pays acute care hospitals a fixed amount for each Medicare inpatient discharge based upon the diagnosis and certain other factors used to classify each patient into a Diagnosis Related Group ("*DRG*"). Discharge based rates for operating payments are adjusted annually by the use of an "update factor" based on the projected increase in a market basket inflation index which measures changes in the costs of goods and services purchased by hospitals, but the adjustments historically have not kept pace with inflation. The per-discharge payment is based on two separate payment rates: one for operating costs and one for capital-related costs.

As a general matter, payments are not adjusted for actual costs, variations in intensity of illness, or length of stay. If a hospital treats a patient and incurs less cost than the applicable DRG-based payment, the hospital is entitled to retain the difference. Conversely, if a hospital's cost for treating the patient exceeds the DRG-based payment, the hospital generally will not be entitled to any additional payment. If, however, a case is unusually complex or expensive, it may qualify for an "outlier" payment, which is added to the DRG-adjusted base rate payment.

Medicare and Medicaid currently make additional payments to hospitals that serve a disproportionate share ("*DSH*") of low-income patients. DSH payments are determined annually based on

statistical information required by HHS and are paid as a percentage to eligible hospitals. According to the Medicaid and CHIP Payment and Access Commission, the Health Care Reform Act began to incrementally decrease the federal DSH allotments. Reductions in DSH payments were based on an assumption that the Health Care Reform Act's coverage and access provisions would substantially reduce uncompensated care provided by hospitals. Subsequent to the passage of Health Care Reform Act, other federal legislation has impacted the reduction of DSH payments. Congress has repeatedly delayed reductions to Medicaid DSH payments. For example, the Bipartisan Budget Act of 2018 eliminated fiscal year 2018 and fiscal year 2019 Medicaid DSH reductions, but maintained the $4 billion in reductions for fiscal year 2020, and set the amount of Medicaid DSH reductions for fiscal year 2021 through fiscal year 2025 at $8 billion per fiscal year. The CARES Act, as amended by Title II, Section 201 of the Consolidated Appropriations Act, 2021, further delayed reductions in DSH allotments until fiscal year 2024, and set the amount of Medicaid DSH reductions for fiscal years 2024-2027 at $8 billion per fiscal year.

Following a 2017 Notice of Proposed Rulemaking, a 2019 CMS Final Rule set forth the methodology for calculating DSH reductions. The methodology uses five factors (the uninsured factor (UPF), Medicaid volume factor (HMF), uncompensated care factor (HUF), low DSH state factor (LDF), and budget neutrality factor (BNF)) to calculate DSH reduction applicable to individual states. PPS and DSH adjustments may impact the Obligated Group. There can be no assurance that payments received by the Members of the Obligated Group will be sufficient to cover all actual costs of providing inpatient hospital services to Medicare patients. Hospitals report certain quality measures under the Hospital Inpatient Quality Initiative ("*Inpatient Quality Reporting"* or "*IQR*"). Hospitals that report these measures receive the full DRG inflation update - known as the "hospital market basket", while non-participating hospitals suffer a 2% reduction from the market basket update. Per the CMS final rule of September 2020, for fiscal year 2021, a market basket update of 2.4 percent, as well as a statutory increase of 0.5 percent, will result in an increase of approximately 2.9 percent to operating payment rates for general acute care hospitals paid under the inpatient prospective payment system (that are meaningful electronic health record users). The Borrower participates in CMS' Inpatient Hospital Quality Initiative. There is no assurance that future updates in DRG payments will keep pace with the increases in providing inpatient hospital services.

Quality-Based Initiatives. CMS periodically promulgates regulations to implement various quality improvement and patient safety programs. Two examples, the Medicare Hospital Value-Based Purchasing ("*VBP*") Program and the Hospital Readmissions Reduction (*"HRR*") Program, focus on and reward value of care over volume of care.

Under the VBP Program, as required by section 1886(o)(7)(C) of the Social Security Act, CMS withholds 2.00% in fiscal year 2021 of all qualifying hospitals' DRG payments and puts the withheld amounts into a fund. CMS then redistributes the amounts withheld based on hospital hospital's Total Performance Scores (based upon comparison to peers related to clinical performance and patient satisfaction). In fiscal year 2019, approximately 1,550 hospitals experienced a positive adjustment and 1,250 hospitals experienced a negative adjustment to Medicare payments as a result of the VBP Program, as compared to 2018 when approximately 1,600 experienced a positive adjustment and approximately 1,400 experienced a negative adjustment. In 2020, Borrower's acute care hospital experienced a 0.17% increase in Medicare reimbursement for VBP. There can be no assurance that future scores will be enough to recoup the full percentage payment withholding or to qualify for a bonus under the VBP program.

Similarly, beginning in 2015, CMS increased its reduction of Medicare reimbursement to 3% for hospitals experiencing excess readmissions for certain conditions under the HRR Program. The magnitude of the readmission penalty is determined by a calculation of an excess readmission ratio based on 30-day predicted versus expected readmission rates for heart attack, heart failure, pneumonia, chronic obstructive pulmonary disease, elective primary total hip and/or total knee replacement, and coronary artery bypass graft (CABG) surgery. This "excess readmission ratio" is an adjustment factor that is applied to each DRG

reimbursement for the fiscal year, and in that way reduces the total Medicare revenue for a hospital. In 2020, the Borrower's acute care hospitals experienced a small reduction due to the HRR Program of 0.25%. There can be no guarantee that the Borrower will avoid penalties or incur only small penalties under the HRR Program for excess readmissions in the future.

HRR and VBP reductions can be combined to reduce a hospital's Medicare payments. This means that hospitals may experience a 5% reduction in 2020 when the maximum VBP penalty is capped at 2% and the maximum HRR penalty is capped at 3% (*i.e.,* a payment adjustment factor of 0.97.

Serious, Preventable Events. Since 2008, Medicare has not reimbursed hospitals for the increased costs associated with treating a Medicare beneficiary who acquires certain hospital-acquired conditions ("*HAC*") during an inpatient stay. Hospitals are further prohibited from billing Medicare beneficiaries for any charges associated with an HAC. CMS has the authority to add or remove conditions from the list of HACs for which the Medicare program will not pay. The list of HACs has expanded to 14 categories. Hospitals that fall into the top 25% of national risk-adjusted HAC score rates are subject to a 1% payment reduction, which occurs when CMS pays hospital claims. In fiscal year 2020, the Borrower incurred a 1% penalty. While Borrower currently has programs in place to monitor and prevent HACs, given the difficulty inherent in completely eliminating HACs, it is likely that the Borrower will continue to face reduced reimbursement for costs associated with treating HACs.

Outpatient Services. Medicare payments for hospital outpatient services, including hospital operating and capital costs, and certain Medicare Part B services provided to hospital inpatients also are established through a PPS methodology ("*OPPS*"). Under OPPS, certain services are classified into ambulatory payment classification ("*APC*") groups. Services provided within an APC are similar clinically and in terms of the resources they require. Using hospital outpatient claims data from the most recent available hospital cost reports, CMS determines the median costs for the services and procedures in each APC group.

OPPS includes additional adjustments for transitional pass-through payments and outlier payments. Transitional pass-through payments are costs associated with new technology items (drugs, biologicals and medical devices) that were not reflected in the data that CMS used to calculate OPPS payment rates, and are intended to allow for adequate payment of new and innovative technology until there is enough data to incorporate the costs for these items into the base APC group.

Under OPPS, a hospital with costs exceeding the applicable payment rate would incur losses on such services provided to Medicare beneficiaries. There can be no assurance that the hospital OPPS rate, which bases payment on APC groups rather than individual services, will be sufficient to cover all of the Borrower's actual costs of providing hospital outpatient services to Medicare patients.

Physician Payments. Payment for physician services is provided by Medicare Part B. Under Part B, physician services are reimbursed in an amount equal to the lesser of actual charges or the amount determined under a national fee schedule known as the resource-based relative value scale ("*RBVS*"), which sets a relative value for each physician service, which is then multiplied by a geographic adjustment factor and a nationally-uniform conversion factor to determine the amount Medicare will pay for each service. Relative value units for physician services are based on: (i) a work component intended to reflect the time and intensity of effort required to provide the service; (ii) a practice expense component, which includes costs such as office rents, allied health support salaries, equipment and supplies; and (iii) a component for the cost of malpractice insurance

In 2015, under the Medicare Access and CHIP Reauthorization Act of 2015 ("MACRA"), CMS created a new framework to reward health care providers to provide better care rather than more care, and

combined the existing quality reporting programs under one new system: the MACRA Quality Payment Program. The MACRA Quality Payment Program is comprised of the Merit-Based Incentive Payment System ("MIPS") and Advanced Alternative Payment Models ("APMs"). Both MIPS and APMs went into effect in 2015. MIPS and APMs are two alternative tracks for physicians. MIPS combines parts of three current programs: the physician quality reporting system, the value based payment modifier program and the Electronic Health Record Incentive Program (commonly known as the "meaningful use program"). MIPS is comprised of four weighted performance categories that are used to calculate composite performance: Quality, Improvement Activities, Promoting Interoperability (formerly Advancing Care Information), and Cost. The weighting of the categories changes over time. Adjustments may be positive or negative, so MIPS could result in significant rate reductions. Per the CMS 2021 QPP final rule, released December 1, 2020, adjustments for 2020 and 2021 performance periods are capped at plus/minus 9% per fiscal year. The Consolidated Appropriations Act, 2021 delayed increases to the proportions of alternative payment model revenue required for providers to qualify for the APM program.

Eligible APMs include certain accountable care organizations (*e.g.*, Track 2 and 3 of the Medicare Shared Savings Program Accountable Care Organizations ("*ACOs*"); next generation ACOs (f/k/a pioneer ACOs)), certain patient centered medical homes, and certain bundled payment models. For 2019 through 2024, physicians who qualify for APMs earn a 5% incentive payment and are excluded from MIPS adjustments. For 2026 and after, physicians who qualify for APMs are excluded from MIPS adjustments and receive higher fee schedule updates. Eligibility for a bonus under the APMs is based on the amount of payments or number of patients, whichever is more favorable, connected with the APMs.

There can be no assurances that the current methodologies described above will remain as presently structured. Changes to the formulae or otherwise under MACRA may negatively impact the reimbursement amounts received by the Borrower for the cost of providing physician services.

Capital Costs. Hospitals are reimbursed on a fully prospective basis for capital costs (including depreciation and interest) related to the provision of inpatient services to Medicare beneficiaries. Payment for capital related costs for all hospitals is determined based on a standardized amount referred to as the federal rate and is calculated by multiplying the federal weight by the DRG weight for each discharge and by a geographical adjustment factor. The payments are subject to further adjustment by a DSH factor that contemplates the increased capital costs associated with providing care to low-income patients, and an indirect medical education factor that contemplates the increased capital costs associated with medical education programs.

There can be no assurance that the prospective payments for capital costs will be sufficient to cover the actual capital-related costs of the Members of the Obligated Group allocable to Medicare patient stays or to provide adequate flexibility in meeting the Obligated Group's future capital needs.

Outlier Payments. As previously noted, hospitals are eligible to receive additional payments known as "outlier payments" under the inpatient PPS for individual cases incurring extraordinarily high costs. Costs must exceed a certain threshold in order for the hospital to be eligible to charge for outlier payments. A percentage of costs, based on the marginal cost factor, is then applied to only the costs exceeding the threshold to figure out the payment. Both operating costs and capital (asset) costs are applied when calculating the outlier payments.

After determining that some hospitals might be manipulating current hospital charge data to maximize reimbursement from Medicare for outlier payments, CMS amended the regulations on how outlier payments were to be calculated. The Office of the Inspector General for HHS ("*OIG*") scrutinizes outlier payments in an effort to determine whether outlier payments to the hospitals were paid in accordance

with Medicare regulations or whether such payments were the result of potentially abusive billing practices. Outlier payments have been and continue to be subject to CMS audits and adjustments.

Although the Borrower believes that its outlier payments have been calculated appropriately, there can be no assurance that it will not become the subject of an investigation or audit with respect to its past outlier payments, or that such an audit would not have a material adverse impact on the Borrower. Moreover, there can be no assurance that any future revisions to the formula for calculating outlier payments will not reduce payments to the Borrower, or that any such reduction will not have a material adverse impact on the Borrower.

Medicare Advantage. Most individuals who are entitled to Medicare Part A benefits and enrolled in Medicare Part B may elect coverage under either the traditional Medicare fee-for-service program (Parts A and B) or a Medicare Advantage ("*MA*") Plan. A MA plan may be offered by a coordinated care plan (such as an HMO or a PPO), a provider sponsored organization ("*PSO*") (a network operated by health care providers rather than an insurance company), a private fee-for-service plan, or a combination of a medical saving account ("*MSA*") and contributions to a MA plan. Each MA plan, except an MSA plan, is required to provide benefits approved by the Secretary of HHS. A MA plan will receive a monthly capitated payment from HHS for each Medicare beneficiary who has elected coverage under the plan. Health care providers, such as the Borrower, must contract with MA plans at agreed upon rates on an in-network basis. If health care providers do not contract with a MA plan, services provided to such plan members may not be covered by the MA plan or may be covered at a lower reimbursement by the plan. The Borrower contracts with various MA plans.

The shift of Medicare eligible beneficiaries from traditional fee-for-service to MA programs was intended to increase competitive pressure to improve benefits, reduce premiums and generate cost reductions. However, because the cost of the MA programs was on average 114% higher than traditional fee-for-service, the Health Care Reform Act amended some of the MA payment methodologies. As a result, rate reductions and increased recoupment efforts in the MA program may have an impact on reimbursement from these insurance plans, which in turn may have a material negative impact upon the revenue of the Borrower.

An October 2019 presidential executive order seeks to encourage innovative Medicare Advantage benefit structures and plan designs, including through changes to supplemental benefits. Any changes that limit or reduce Medicare Advantage reimbursement levels, such as reductions in or limitations of reimbursement amounts or rates under these programs, reductions in funding of these programs, expansion of benefits without adequate funding, elimination of coverage for certain benefits, or elimination of coverage affecting the services that the Members of the Obligated Group provide, could have a material adverse effect on our business and operations.

Provider-Based Standards. The Medicare program reimburses certain facilities and services (including, for example, physician offices and clinics) differently, depending upon whether they are "provider-based" or "freestanding." A "provider-based" facility or service is an integral part of another provider, such as a hospital. Certain administrative costs and overhead of the provider organization must be allocated in part to the provider-based organization. "Freestanding" providers are not considered part of another provider for purposes of the Medicare program and stand on their own for reimbursement purposes. For any given facility or service, it is probable that one classification or the other will result in a higher aggregate reimbursement for the system as a whole. However, Section 603 of Bipartisan Budget Act of 2015 changed how CMS reimburses for such provider-based outpatient services that are established on or after November 2, 2015, by excluding new off-campus provider-based outpatient departments from the OPPS starting on January 1, 2017. These sites are instead reimbursed under the applicable non-hospital

payment system: the physician fee schedule or the ambulatory surgical center payment system. This may deter the Borrower from establishing any new off-campus provider-based outpatient departments.

If CMS learns that a provider has treated a facility or organization as "provider-based" and the provider had not obtained a determination of that status from CMS, under strict provider-based regulations, the provider may be required to repay overpayments made by CMS due to such erroneous treatment by the provider. CMS may also review a past determination of "provider-based" status if it believes that the past determination was in error, in which case CMS will cease to treat the facility or organization as "provider-based." In the event that the Members of the Obligated Group's outpatient services billed on a provider-based basis are found to be out of compliance with the current provider-based regulations, the Members of the Obligated Group could be liable for Medicare overpayments. CMS, including by final rule effective January 1, 2021, continues to implement regulations impacting the feasibility and reimbursement rules related to "provider-based" status.

Audits and Withholds. Medicare-participating hospitals are subject to audits and retroactive audit adjustments with respect to reimbursement claimed under the Medicare, Medicaid and commercial programs. Although management of the Borrower believes the reserves of the Borrower are adequate, such adjustments could be substantial and could exceed reserves maintained therefor by the Borrower. Medicare regulations also provide for withholding Medicare payment in certain circumstances, and such withholds could have a material adverse effect on the financial condition of the Borrower. Management of the Borrower is not aware of any situation whereby a material Medicare payment is being withheld from the Borrower. See "**BONDHOLDERS' RISKS - Fraud and Abuse Laws**" for exposure to audits and withholds.

Medicare-participating hospitals are also subject to Recovery Audit Contractor ("*RAC*") audits. RAC auditors are authorized, in most cases, to look back three years from the date the claim was paid, and to review the appropriateness of each claim by applying the same standards and guidance as would a Medicare contractor. The Health Care Reform Act expanded the scope of the RAC program to include Medicare Parts C and D and Medicaid (Medicaid RAC audit programs are overseen by states in accordance with federal guidelines). Medicare RAC recovery amounts have increased substantially over the last couple years. Although RACs are required to identify overpayments and underpayments, RACs have in practice collected significantly more in overpayments from providers than paid out as underpayments to providers. Furthermore, the federal and state governments have developed numerous other audit and fraud enforcement programs over the past decade increasing the likelihood that health care entities, like the Members of the Obligated Group, participating in Medicare and Medicaid may be subject to audits, retroactive audit adjustments and re-payments with respect to reimbursement. Federal and state efforts to take monies back from providers as well as related investigations and, in some cases, criminal prosecutions for overbilling are expected to be prevalent for years to come. It is impossible to predict the effect of such efforts as any resulting future payment adjustments and/or re-payments could be material. Under certain circumstances, payments made may be determined to have been made as a consequence of improper claims subject to the federal False Claims Act or other federal statutes, subjecting the provider to civil or criminal sanctions. In calendar year 2020, Medicare RACs recouped $811,000 in overpayments from the Borrower. Increased RAC recoupment efforts and other audit programs may have a material impact upon the revenues of the Borrower.

New Models for Care under the Health Care Reform Act. Among various other programs, the Health Care Reform Act directed HHS to establish and implement various ACO programs, including the Medicare shared savings program that promotes accountability for the care of Medicare beneficiaries and encourages coordination of care and other efficiencies through ACOs. If an ACO realizes savings in Medicare expenditures above an expenditure benchmark established by CMS for the group, and meets or exceeds quality performance standards established by HHS, it will be paid a share of Medicare's savings.

In certain tracks of the Medicare shared savings program, the ACO may have to refund CMS for a portion of any losses.

For a description of the ACO programs in which certain of the Members of the Obligated Group participate, see **APPENDIX A.** It is unclear what effect the participation in an ACO by the Obligated Group facilities will have on the Members of the Obligated Group and their revenues.

The Bundled Payment Initiative Program. The Health Care Reform Act provides a number of programs designed to improve the quality of care while at the same time lowering costs. The "Bundled Payment Initiative" program is one such program comprised of four models. Under the Bundled Payment Initiative program, participating providers receive one payment for all services provided to a Medicare patient during an episode of care. In contrast to a traditional fee-for-service model, bundled payments are intended to align incentives for providers, encouraging more effective and efficient care. The Bundled Payments for Care Improvement Initiative Model 2, for example, involves a retrospective bundled payment arrangement under which actual expenditures are reconciled against a target price for an episode of care. The bundled payment combines payment for physicians, hospitals and other services provided during the single episode of care. The entity receiving the payment is then responsible for distributing the payment to each provider. If the providers work together to provide higher quality care at a low cost, they will realize a profit. However, if providers are unsuccessful in reducing costs, they will lose money on the Bundled Payments for Care Improvement initiative program. The Borrower has in the past participated in the Bundled Payments Initiative program. If the Borrower participates in the future, there can be no guarantee that the bundled payments will be sufficient to cover all of the Borrower's actual costs of providing services to Medicare patients.

In 2015, CMS finalized a rule introducing the Comprehensive Care for Joint Replacement ("*CJR*") Model, which is a bundled payment initiative that began April 1, 2016. Acute care hospitals in certain select geographic areas are required to participate in the CJR Model. The CJR Model aims to support better and more efficient care for Medicare beneficiaries undergoing the most common inpatient surgeries: hip and knee replacements. Under the CJR Model, there is a retrospective review of actual payments against a Medicare target episode price. The participating hospital may receive additional payments or be required to repay Medicare for a portion of the episode. The fixed payment to the hospital, for DRGs 469 and 470, applies to all Medicare services rendered from the date of admission to 90-days post discharge. The CJR Model is currently in 67 geographic areas, including Harrisburg-Carlisle, Pittsburgh and Reading, Pennsylvania. Although the Borrower is not located in a CJR Model geographic region, the CJR Model could expand to include the geographic region where the Borrower is located.

Medicaid Reimbursement

Overview. Medicaid is a partially federal funded state program of medical care for eligible low-income adults, children, pregnant women, elderly adults and people with disabilities. States obtain federal matching funds for their Medicaid programs by obtaining the approval of CMS for a "state plan" which conforms to Title XIX of the Social Security Act and its implementing regulations. Under broad federal guidelines, each state establishes and administers its own Medicaid program, which includes determining its own eligibility standards, determining the types, amount, duration, and scope of services, and setting the rate of payment for services. After a state plan is approved, the federal government provides federal matching funds for Medicaid expenditures. The Borrower received approximately 3% of its fiscal year 2020 net patient revenues from Medicaid.

The Health Care Reform Act generally revised the Medicaid program by expanding Medicaid coverage, controlling costs and improving Medicaid service delivery for recipients, including those with mental illnesses and disabilities. Under the Health Care Reform Act, states are required to maintain the

Medicaid-eligibility standards in effect on March 23, 2010, until the state health insurance exchange (where consumers can comparison shop for health insurance) is deemed by HHS to be fully operational. States are not prevented from making cuts elsewhere in the Medicaid program, such as eliminating optional benefits or reducing provider reimbursement rates. The provisions of the Health Care Reform Act originally required states to expand eligibility requirements for state Medicaid programs to individuals who earn up to 133% of the federal poverty level are now optional and may not go into effect in all states. Following the U.S. Supreme Court's Medicaid expansion ruling, it was uncertain how many states would choose to expand Medicaid. As of November 2020, 39 states, including Pennsylvania and Washington, D.C., expanded Medicaid. During its implementation, the Health Care Reform Act has withstood several legal challenges. As its implementation continues it may face more challenges, and it remains unclear what effect, if any, other legal challenges to certain provisions of the Health Care Reform Act will have as a whole.

Most of the Health Care Reform Act's details are developed through regulations that will continue to be promulgated by HHS and other federal agencies and state insurance departments. Increased access to health insurance coverage may increase the demand for health care and reduce uncompensated care, yet other Medicaid reforms and cost cutting initiatives may negatively impact financial results. These efforts to reform health care, particularly cutting the cost of health care and improving quality, will continue as current health care costs trends are unsustainable.

Efforts to repeal and replace the Health Care Reform Act continue. Future efforts could result in the substantial amendment, repeal or replacement of many provisions of the Health Care Reform Act, including the expansion of Medicaid. In any event, there can be no guarantee that federal and state programs will continue to be funded at their current rate. Budgetary and financial constraints in Pennsylvania and other states, as well as severe limitations on the method of acquiring increased federal financial participation payments through the use of provider taxes and donations, have called into question the ability of public agencies such as DHS to make adequate and timely payments to providers. Further, while expanded Medicaid coverage will likely result in fewer uninsured patients, reimbursement rates paid for Medicaid patients have historically not covered the full costs of the care for those patients and there is no guarantee that the rates will ever cover the cost of such care. The interim or long-term effects of the Health Care Reform Act, or any legislation amending, repealing or replacing it, on the Borrower cannot be predicted with any degree of certainty.

Inpatient Services. . Medicaid reimbursement for medical and health services is made to hospitals in an amount determined in accordance with procedures and standards established by state law under federal guidelines. In addition to such direct payments, the Borrower also receives reimbursement for services to Medicaid patients from certain HMOs that have contractual arrangements with DHS to provide coverage for such patients. Providers participating in Medicaid must accept Medicaid payment rates as payment in full.

Since 1984, Medicaid payment for operating and capital-related costs of acute care services has been based on a PPS similar to the federal Medicare DRG-based PPS described above. In 2010, when the state plan was amended, Medicaid payment for inpatient hospital services was modernized by establishing a uniform base rate for all hospitals using the most current cost information, and making adjustments for differences in regional labor costs, teaching programs, and Medicaid volume. At the same time, hospital payments through the state's Medicaid managed care program were enhanced, and additional matching Medicaid funds were obtained through the establishment of the Quality Care Assessment, a tax on hospital net inpatient revenues that allows the state to access additional federal dollars. Through Pennsylvania's Act 49 of 2010, DHS was authorized to impose a statewide hospital assessment on the net inpatient revenue of all Pennsylvania licensed acute care hospitals, with some exclusions, from July 1, 2010 through June 30, 2013. Act 49 itself modernized Pennsylvania's inpatient hospital fee-for-service payment system,

introduced enhanced hospital payments through Pennsylvania's Medicaid managed care program, and secured additional matching Medicaid funds through the establishment of the Quality Care Assessment.

Next, Pennsylvania's Act 55 of 2013 reauthorized the Statewide Quality Care Assessment, or "statewide hospital assessment," for an additional three years: July 1, 2013 through June 30, 2016. More recently, Pennsylvania's Act 40 of 2018 reauthorized the statewide hospital assessment through June 30, 2023. Through the significant amount of revenue that the assessment raises, Pennsylvania has been able to: maintain an updated inpatient payment system; make changes to existing DSH payments and supplemental payments; and generate new payments where applicable.

In addition, states must make DSH payments to qualified hospitals that provide services to a disproportionately large number of Medicaid, low income and/or uninsured patients. Often DSH payments are insufficient to cover a hospital's costs in providing care to such patients, and in light of the DSH payment reduction discussed herein, there can be no assurance that any future DSH payments will cover the Borrower's costs. There can be no assurance that future Medicaid inpatient reimbursement rates will remain at current levels, or that such rates will cover the Borrower's costs of providing inpatient care to Medicaid patients.

Serious, Preventable Events. The Health Care Reform Act required CMS to incorporate non-payment policies for certain HACs into the Medicaid regulations, including non-payment polices for provider preventable conditions. States have discretion to add additional HACs and provider preventable conditions to their non-payment policies. While the Borrower currently has programs in place to monitor and prevent HACs, given the difficulty inherent in completely eliminating HACs, it is likely that the Borrower will face reduced reimbursement at some point for costs associated with treating HACs.

Outpatient Services. Medicaid provides payment for hospital outpatient services rendered based on the lower of the usual charge to the general public for the same service or the Medicaid maximum allowable fee.

Medicaid Managed Care. In Pennsylvania, Medicaid recipients may obtain benefits through managed care plans. Under the program known as "HealthChoices," most Medicaid beneficiaries in Pennsylvania, including those in the Borrower's service area, are required to enroll in a managed care plan that provides services on a prepaid basis. The HealthChoices program has generally resulted in stricter utilization review of Medicaid-reimbursed hospital services and reduced lengths of stay and/or reimbursement compared with the previous fee-for-service system. There can be no assurance that the prepaid rates will cover expenses incurred in providing inpatient hospital care to the Medicaid recipients.

Exclusions from Medicare and Medicaid Participation.

The OIG is required to exclude from federally funded governmental program participation, including Medicaid, for not less than five years, any individual or entity who has been convicted of a criminal offense relating to the delivery of any item or service reimbursed under Medicare and/or Medicaid; any criminal offense relating to patient neglect or abuse in connection with the delivery of health care; felony fraud against any federal, state or locally financed health care program; or an offense relating to the illegal manufacture, distribution, prescription or dispensing of a controlled substance. The OIG has the authority to exclude individuals and entities from participation in federal health care programs who are deemed "untrustworthy." Additionally, there is a prohibition against employing providers and contracting with providers and vendors, including entities and individuals, who are on the OIG exclusion list. HHS also may exclude individuals or entities under certain other circumstances, such as for a conviction of fraud, theft, embezzlement, breach of fiduciary duty or other financial misconduct relating either to the delivery of health care in general or to participation in a federal, state or local government program. Exclusion

means that no Medicare and/or Medicaid program payments may be made for any services rendered by an excluded party. On January 19, 2017, the OIG issued a final rule expanding its authority to exclude individuals and entities from participation in federal health care programs, among other changes.

Any action to exclude the Borrower from Medicare and/or Medicaid could have a significant adverse impact on the Borrower because no program payments can be made to any provider who is excluded. Additionally, the Borrower has processes in place to regularly check the OIG exclusion list to ensure they are not contracting with or employing providers or vendors excluded from federally funded governmental program participation, including Medicaid. The Borrower believes its efforts are in compliance with the requirement that it ensures it does not employ or contract with any individual or vendor who is excluded from federal funded program participation, but there can be no assurance that these efforts will not fail to detect an individual provider or vendor employed or contracted by the Borrower who are excluded from federally funded governmental program participation. Such failure could have an adverse impact on the Borrower.

Commercial Insurance

In addition to government sources (*e.g.,* Medicare and Medicaid), the Borrower also receives reimbursement for services from commercial insurance plans. Most commercial insurance plans pay for covered services based on prospectively established charges or negotiated rates, subject to various limitations, coinsurance provisions and deductibles. Certain agreements contain retrospective audit clauses allowing the payor to review and adjust claims subsequent to initial payment. The Borrower received approximately 48% of its fiscal year 2020 patient service revenues from all plans other than governmental insurers and self payors.

No assurance can be given as to whether commercial insurance revenues received by the Borrower under existing or future contractual arrangements, in addition to their other revenue sources, will be sufficient to cover the Borrower's patient care costs in the future. Similarly, no assurance can be made that retrospective audits conducted by commercial insurers will not result in the recoupment of payments already made.

Managed Care Plans: HMO, PPO, EPO and High Deductible Plans

Commercial insurers have introduced managed care plans, including HMOs, PPOs, exclusive provider organizations, limited network plans and high deductible plans ("*HDPs*"). Under these plans, there are financial incentives for subscribers to use those hospitals and other providers that contract with those insurers ("network" providers). Commercial insurers, including but not limited to those insurers who contract with the federal government to cover Medicare Advantage beneficiaries, are increasingly offering limited and tiered network plans and HDPs. HDPs reimburse for preventive care without cost-sharing, but all other medical expenses are the responsibility of the subscriber until a high dollar threshold is reached. If the Borrower is excluded from limited networks or top tiers of tiered networks, they may experience reduced reimbursement from commercial insurers. As HDPs proliferate, the Borrower will be responsible for collecting a larger portion of their charges from the individual patients and their families resulting in higher costs of collection and likely resulting in an increase in bad debt for the Borrower.

Commercial Coverage Reimbursement

Most insurers and HMOs currently negotiate contracts that provide for reimbursement to hospitals on a discounted fee-for-service basis or on a discounted fixed rate per day of care. Some services are reimbursed on an "episode of care" or "capitation" payment methodology under which a hospital is paid a predetermined rate for a particular episode of care for a patient or a periodic rate for each enrollee who is

"assigned" to, or otherwise directed to receive care at, a particular hospital. In a capitation payment system, the hospital assumes an insurance risk for the cost and scope of care given to such enrollees. These contracts generally are enforceable for a stated term regardless of provider losses. The Health Care Reform Act delivery of reforms of the Medicare and Medicaid programs described above, including VBP, ACOs and population health management, are also beginning to be incorporated into the reimbursement methodologies of some commercial payors.

The Borrower is currently under a capitation arrangement with HMOs for certain services. If the payments under such contracts are insufficient to meet the Borrower's cost of care, the financial condition of the Obligated Group may be adversely affected. The Borrower also has contractual relationships with certain HMOs to act as a designated provider of hospital-based care for HMO members. Reimbursement under these contractual arrangements is typically based on discounted per diem payment rates negotiated with HMOs or on negotiated rates that may include capitated rates that place the risk of over-utilization or cost increase on the Borrower. Payments under HMO and PPO contracts may be insufficient to meet the Borrower's costs of care.

Independence Blue Cross

The dominant third party payors in the Borrower's market are the Independence Blue Cross entities, which pay for patient care pursuant to contractual arrangements and various formulae. There can be no assurance that the payment rates and methodology employed under these contracts will reimburse the Borrower at adequate levels.

Failure to maintain contracts with Independence Blue Cross and other substantial insurance carriers could have the effect of reducing the Borrower patient base and/or revenues. Conversely, participation may maintain or increase the patient base, but may result in reduced payment and lower net income from operations.

Health Plan Financial Pressure and Insolvency

In cases where a managed care organization is a major purchaser of services from a particular hospital, contract rate reduction, contract cancellation, inability to pay, business failure or insolvency of the managed care organization may have a substantial negative effect on that hospital's financial condition. It is not possible at this time to predict the future financial viability of the managed care industry in general or to predict what impact the insolvency and general financial state of such organizations might have on hospitals, including the Borrower.

Physician Contracting and Relations

The Borrower contracts with physician organizations ("*POs*") (*e.g.*, independent physician practices or associations, *etc*.) to provide certain specialized physician (*e.g.*, radiology, anesthesiology, pathology, emergency medicine) and professional services. POs are separate legal entities with their own goals, obligations to shareholders, financial status, and personnel, so there are risks involved in contracting with the POs.

The success of the Borrower will partially depend upon the POs', including their employed physicians', abilities to perform their obligations and deliver high quality patient care in a cost-effective manner. There can be no assurance that the Borrower will be able to attract, contract with, and retain the requisite number of POs, or that such POs will deliver high quality health care services. If they are unable to attract a sufficient number and type of POs and physicians to practice at the Borrower's hospital, the Borrower could fail to be competitive, fail to keep or attract payor contracts, or be prohibited from operating

until they have arranged for physician services necessary to provide adequate access for patients. Such occurrences could have a material adverse effect on the business or operations of the Borrower.

The Fraud and Abuse Laws.

The Federal Anti-Kickback Law. The federal Anti-Kickback Law *("AKS")* is a criminal statute that prohibits the knowing and willful offer, payment or receipt of remuneration in exchange for or as an inducement to make or influence a referral of a patient for the provision of goods or services that may be reimbursed under any federal health care program. The scope of the AKS is very broad, and it potentially implicates many practices and arrangements common in the health care industry. Violation of the AKS is a felony and may result in imprisonment of up to ten years, fines of up to $100,000 per violation, and exclusion from the federal health care programs as well as other state health care programs. In addition, civil monetary penalties may include fines of up to $104,330 for each act, damages of not more than three times the remuneration offered, paid, solicited or received, and/or exclusion from participation in Medicare and Medicaid, may be imposed on individuals or entities that commit acts prohibited by the AKS. The Health Care Reform Act clarified the intent requirement to provide that a person need not have actual knowledge of the AKS or specific intent to commit a kickback violation to violate the statute. The result of this change is that the government will have less of a burden to prove a violation under the AKS. In addition, a claim that includes items or services resulting from a violation of the AKS is a false claim for purposes of the federal civil False Claims Act (discussed below).

HHS has issued regulations from time to time setting forth safe harbors that protect limited types of arrangements from prosecution under the statute. Arrangements that do not comply with the strict requirements of the safe harbors, while not necessarily illegal, face an ongoing risk of investigation or prosecution due to the broad language of the statute. The safe harbors described in the regulations are narrow and do not cover many common economic relationships between and among hospitals, including the Borrower, physicians and other health care providers. The Borrower has entered into arrangements with other health care providers that may not meet all of the requirements of the "safe harbor" regulations. Given the narrowness of the safe harbor regulations and the scarcity of the case law interpreting the AKS, there can be no assurances that the Borrower will not be found to have violated the AKS, and if such a violation were found, that any sanctions imposed would not have a material adverse effect upon the operations and financial conditions of the Borrower.

As of January 2021, OIG AKS regulations include three new safe harbors related to value-based health care arrangements. As a result of the relevant 2020 OIG AKS final rule, OIG will not impose AKS-related penalties on entities engaged in compliant care coordination arrangements, value-based arrangements with substantial downside financial risk, or value-based arrangements with full financial risk borne by providers. New safe harbors also address new patient engagement models, advanced technology, and ACO beneficiary incentives. Finally, the final rule revised the applicability of existing AKS safe harbors. The final rule constitutes a substantial overhaul to existing AKS safe harbor regulations. It is not yet known the extent to which the final rule, and resultant implementation, will impact reimbursement arrangements applicable to Borrower.

Physician Payment Sunshine Act. To increase transparency regarding the financial relationships between hospitals, doctors, and health care manufacturing companies, the Physician Payment Sunshine Act requires that manufacturers of drugs, medical devices and biologics that participate in U.S. federal health care programs must report certain payments and items of value given to physicians and teaching hospitals. This information is publicly available on the CMS website. It is impossible to predict the future impact of this reporting on the Borrower or whether the companies that currently provide payments to the Borrower will reduce such payments to Borrower or whether the federal government will pursue investigations as a result of such reporting.

Transparency in Pricing. The Affordable Care Act requires hospitals to establish and make public a list of the hospital's standard charges for items and services, including Medicare Severity-Diagnosis Related Groups. CMS also has made "outcomes" reporting a condition of Medicare participation. These requirements are examples of a trend in which hospitals will be required to disclose proprietary information to the general public in order to participate in federal health care programs. The 2015 inpatient PPS rule requires hospitals to make public a list of their standard changes in response to an inquiry. The disclosure of proprietary information may have a negative impact on the ability of the Borrower's to gain advantages in negotiations with payors. This, in turn, could negatively influence the Borrower's revenues. The Affordable Care Act includes various public disclosure obligations for financial arrangements between hospitals, physicians, imaging centers, and pharmaceutical and medical device manufacturers. It is difficult to predict the effect, if any, that cost and outcomes reporting will have on the finances of the Borrower.

On November 27, 2019, CMS published a final rule on "Price Transparency Requirements for Hospitals to Make Standard Charges Public." This rule is scheduled to take effect on January 1, 2021 and will require hospitals to make public their payor-specific negotiated rates, minimum negotiated rates, maximum negotiated rates, and cash for all items and services, including individual items and services and service packages, that could be provided by a hospital to a patient. In addition, under this rule, hospitals must either (i) make available an internet-based price estimator tool that provides an estimate of a patient's financial liability for 300 "shoppable services" (including 70 CMS-specified shoppable services) or (ii) make public charges, payor-specific negotiated rates, minimum negotiated rates, and maximum negotiated rates for 300 shoppable services (including 70 CMS-specified shoppable services) in a consumer-friendly manner. Hospitals must display the required information prominently, in a consumer-friendly manner, and clearly identify the hospital location with which the standard charge information is associated on a publicly available website. Failure to comply with these requirements may result in daily monetary penalties to the hospital. In June 2020, a federal District Court judge rejected a lawsuit challenging implementation of the final rule. The American Hospital Association has appealed this decision to the U.S. Court of Appeals for the D.C. Circuitand oral argument was heard on October 15, 2020. Management of the Obligated Group is unable to predict the ultimate outcome of this litigation. If the rule takes effect, it may result in further legislative or regulatory action to restrain hospital charges or rates and litigation concerning fees and charges. In addition, if this rule becomes effective, competitively sensitive rate information will be available to competing hospitals and insurers as well as employer sponsors of group health plans, which could lead to market distortions and possible anti-competitive effects that could impact hospital rates and revenue. Publication of hospital standard charges (including negotiated rate) as required may result in changes to consumer choice in a manner that may negatively impact the Borrower. Accordingly, compliance with these requirements could have a material adverse financial or operational impact on the Borrower.

Future Federal Legislation. The Members of the Obligated Group anticipate that the federal government's health care cost-cutting initiatives will continue to result in new legislation, regulation, and other actions that will continue the trend toward reduced reimbursement for hospital services and scrutiny of tax-exempt hospital operations. At present, no determination can be made concerning whether, or in what form, such legislation could be introduced and enacted into law. Similarly, the impact of future cost control programs and future regulations upon the forecasted financial performance of the Borrower cannot be determined at this time.

Any future changes to the Medicare and Medicaid programs could result in substantial reductions in the amounts of public and private payments to hospital providers in the future, which could substantially reduce the revenues available to the Borrower. Any reduction in the levels of payment in these government payment programs could substantially adversely affect the financial condition of the Obligated Group and the Borrower's ability to fulfill its obligations.

Federal False Claims Act. The federal criminal False Claims Act ("*criminal FCA*") makes it illegal to submit or present a claim known to be false, fictitious or fraudulent claim to the federal government. Violation of the criminal FCA can result in imprisonment and a fine. The federal civil False Claims Act ("*civil FCA*"), one of the government's primary weapons against health care fraud, allows the United States government to recover significant damages from persons or entities that submit false or fraudulent claims for payment to any federal agency through actions taken by the U.S. Attorney's Office or the Department of Justice. The civil FCA also permits individuals to initiate actions on behalf of the government in lawsuits called qui tam actions. These qui tam plaintiffs, or "whistleblowers," can share in the damages recovered by the government.

Under the civil FCA, health care providers may be liable if they take steps to obtain improper payments from the government by submitting false claims or failing to refund known overpayments. Civil FCA violations have been alleged solely on the existence of alleged kickback or self-referral arrangements. Even in the absence of evidence that services were not provided or not medically necessary, these cases argue that the improper business relationship tainted the subsequently submitted claims, thereby rendering the claims false under the civil FCA. In 2009, the scope of the civil FCA was expanded to include so-called "reverse false claims," where a provider that knowingly retains a government overpayment is subject to FCA liability. The Health Care Reform Act further requires that any overpayment be reported and repaid within 60 days after the date on which overpayment was identified. Failure to do so will be considered a *per se* false claim under the civil FCA. The Health Care Reform Act also modified the FCA by extending the FCA to AKS violations.

Violations of the civil FCA can result in penalties up to triple the actual damages incurred by the government and also monetary penalties ranging from $11,665 to $23,331 (subject to annual escalations based on the Consumer Price Index) per violation. Private individuals may also bring suit under the qui tam provisions of the civil FCA and may be eligible to share in the government's recovery for providing information that leads to recoveries or sanctions that arise in a variety of contexts in which health care providers operate. The Health Care Reform Act also eased the requirements for private individuals to bring suit under the civil FCA. In recent years there has been a significant increase in the number of whistleblower allegations filed under the civil FCA.

While the Members of the Obligated Group are not aware of any violations of the criminal FCA or civil FCA, these statutes pose significant risks to all health care organizations. There can be no assurances that the Members of the Obligated Group will not be charged with, or found to have violated, the criminal FCA or civil FCA and, if so, that any fines or other penalties would not have a material adverse effect on their operations.

Civil Monetary Penalties Law. The Civil Monetary Penalties Law under the Social Security Act (*"CMP Law")* provides for the imposition of civil monetary penalties for many reasons, including against any person who submits a claim to Medicare, Medicaid or any other federal health care program that the person knows or should know is for items or services not provided as claimed; is false or fraudulent; is for services provided by an unlicensed or uncertified physician or by an excluded person; represents a pattern of claims that are based on a billing code higher than the level of service provided; or is for services that are not medically necessary. The CMP Law, among other things, also prohibits hospitals from paying physicians to limit medically necessary care. Penalties under the CMP Law include fines of up to $ 104,330 and damages of up to three times the amount claimed for each item or service, and exclusion from participation in the federal health care programs. Depending on the type of violation, different (and in some cases, higher) penalties may apply.

Health care providers may be found liable under the CMP Law even when they did not have actual knowledge of the impropriety of their action. Knowingly undertaking the action is sufficient. The

imposition of civil monetary penalties could have a material adverse impact on the Obligated Group's financial condition.

Stark Self-Referral and Payment Prohibitions. The federal Ethics in Patient Referrals Act (known as the "Stark Law") prohibits the referral of patients for certain "designated health services" (which include inpatient and outpatient hospital services) payable by Medicare to entities with which the referring physician (or an immediate family member of such physician) has a financial relationship unless an exception applies. The statute also prohibits the entity furnishing the "designated health services" from billing the Medicare or Medicaid program for designated health services furnished pursuant to a prohibited referral. The Stark Law is a strict liability statute, meaning an individual can be found guilty of violating the statute even where the individual did not intend to do so.

Violations of the Stark Law can result in refunds of the amounts collected for services rendered pursuant to a prohibited referral, civil monetary penalties of up to $25,820 for each claim arising out of such referral, and exclusion from the Medicare and Medicaid programs. The Stark Law also provides for a civil penalty of up to $172,137 for entering into an arrangement with the intent of circumventing its provisions. In certain circumstances, knowing violations may also create liability under the FCA. Due to the complexity of the Stark Law and related regulatory guidance, there can be no assurance that the Borrower will not be found to have violated the Stark Law. If so, a sanction imposed based on such a violation could have a material adverse effect on the operations and/or financial condition of the Obligated Group.

As of January 2021, new Stark Law exceptions published pursuant to a 2020 CMS final rule take effect. As a result, certain value-based physician arrangements are no longer subject to Stark Law enforcement. Additionally, CMS set forth new definitions for key Stark Law terms. Implementation of the new rule may impact the types of physician arrangements, including group profit sharing, permitted under the Stark Law. It is not yet known the extent to which the new rule may impact physician arrangements related to Borrower's operations.

State Fraud and Abuse Laws. In addition to federal fraud and abuse laws, states also have a variety of laws related to kickbacks and referrals in the health care industry, which may be broader than the federal laws. Pennsylvania does not have a state law similar to the Stark Law that prohibits self-referrals in all circumstances, but it has laws and regulations prohibiting kickbacks, and a Workers' Compensation Act and Medicaid regulations, both of which have self-referral restrictions similar to the federal Stark Law.

The Pennsylvania Workers' Compensation Act prohibits any health care provider from referring a person for physical therapy, rehabilitation and certain other health care services to an entity in which the provider has a financial interest. The Pennsylvania Workers' Compensation Act also prohibits any entity from submitting a claim for payment for any service furnished pursuant to a prohibited referral. Regulations implementing the Pennsylvania Workers' Compensation Act, however, exempt from the Pennsylvania Workers' Compensation Act referrals permitted under any of the Stark Law exceptions or the AKS safe harbors. Violations of the Pennsylvania Workers' Compensation Act referral restrictions may subject the provider to criminal penalties, civil monetary penalties, and loss or suspension of licensure.

In addition to the self-referral restrictions in the Pennsylvania Workers' Compensation Act, the Pennsylvania Medicaid regulations prohibit a participating provider from referring a Medicaid recipient to an independent laboratory, pharmacy, radiology or other ancillary medical service in which the practitioner has an ownership interest. Management of the Borrower believes that all arrangements currently in place with its physicians have been appropriately structured so as to avoid violating the Pennsylvania Workers' Compensation Law, the Pennsylvania Medicaid regulations or state laws and regulations prohibiting kickbacks. While the Borrower is not aware of any violations of applicable state fraud and abuse laws by

the Borrower or its practitioners, these laws may pose significant risks to the Borrower. If violations of state fraud and abuse laws were found to have occurred, any penalties or sanctions imposed could have a material adverse effect upon the future operations and financial condition of the Borrower.

Pennsylvania Prohibition on False Claims. Pennsylvania law prohibits a person from knowingly making claims for money or property to the Commonwealth. No specific intent to defraud is required and liability to the Commonwealth includes a civil administrative penalty of not less than $15,000 and not more than $25,000, three times the amount of the damages, plus restitution and reasonable attorney's fees. Pennsylvania law also has a similar statute prohibiting false claims against private insurers with comparable criminal consequences.

Exposure to Liability

The Pennsylvania General Assembly has enacted laws to address these issues, including the Medical Care Availability and Reduction of Error *("MCARE")* Act and the Fair Share Act. MCARE brought reform to the area of professional liability and created the MCARE fund which, in exchange for premiums from physicians, serves as a source of recovery for claims in excess of the provider's base insurance limits. The Fair Share Act provides that, with some exceptions, a defendant will only be responsible to pay a portion of any judgment equal to the percentage of liability found against that defendant. *See "BONDHOLDERS' RISKS - Other Legislative and Regulatory Actions" herein.*

Under the MCARE Act, hospitals are required to develop and implement patient safety plans, appoint patient safety officers, form patient safety committees, and engage in mandatory reporting of serious events, incidents, and infrastructure failures in the hospital. Furthermore, hospitals are required to provide written notice to patients affected by serious events. Hospitals, ambulatory surgical centers, and birth centers are subject to administrative fines of $1,000 per day for failure to comply with the patient safety requirements of the MCARE Act. The administrative provisions under the MCARE Act require physicians in the Commonwealth to report to the appropriate licensing board each time they are named in a lawsuit, and provide for additional civil penalties of up to $10,000 for violations of the MCARE Act by licensees.

The MCARE Act also eliminated the Pennsylvania Medical Professional Liability Catastrophe Loss Fund (the "*CAT Fund*") and established the Medical Care Availability and Reduction of Error Fund (the "*MCARE Fund*"). The liabilities of the CAT Fund, which were estimated at over two billion dollars, were transferred into the MCARE Fund and were paid through the imposition of annual assessments on health care providers in the Commonwealth until all liabilities were satisfied. The MCARE Fund provides coverage for professional liability claims in excess of a basic limit of insurance, and participation in the MCARE Fund is mandatory for licensed health care providers. The administrative and financial burdens imposed on health care providers by the MCARE Act are substantial, and there can be no assurance that compliance with the MCARE Act will not have a material adverse effect upon the future operations and financial condition of the Obligated Group. Continued funding of the MCARE program is uncertain.

Emergency Medical Treatment and Active Labor Act

The Emergency Medical Treatment and Active Labor Act *("EMTALA*") or the federal "anti-dumping" statute imposes certain requirements on hospitals prior to discharging an emergency patient or transferring such a patient to another facility. Failure to comply with the law can result in exclusion from the Medicare and/or Medicaid programs as well as civil penalties. The failure of the Borrower to meet its responsibilities under EMTALA could adversely affect the financial condition of the Borrower. EMTALA and its implementing regulations are complex, and the Borrower's compliance is dependent, in part, upon the compliance of independent medical staff members. Accordingly, there can be no assurance that no

violation of EMTALA will be found or, if found, that any sanction imposed would not have a material adverse effect on the operations or financial conditions of the Borrower.

Health Insurance Portability and Accountability Act

Providers of health care, such as the Borrower, have been impacted by certain health information requirements contained in the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations *("HIPAA*"), as amended in 2009 by the Health Information Technology for Economic and Clinical Health Act ("*HITECH"*). HIPAA mandates the adoption of detailed standards for maintaining the privacy and security of protected health information *("PHI").* HITECH made significant modifications to HIPAA including subjecting business associates to direct regulation and enforcement by the Office of Civil Rights of HHS ("*OCR*"), instituting a breach notification requirement for breaches of unsecured PHI, including a breach of PHI held by a business associate, and strengthening the enforcement tools available to OCR. Additionally, under HIPAA covered entities or business associates must perform risk assessments.

The financial costs of continuing compliance with HIPAA regulations are substantial and will increase as a result of increased enforcement, and well-publicized breaches. Enforcement of HIPAA compliance has heightened in recent years and this trend is expected to continue. This includes, but is not limited to, a steady increase in the number of substantial settlements with governmental authorities as a result of breaches. If OCR conducts an investigation (whether as a result of an audit or reporting of such a breach), OCR could impose certain fines and penalties and could also require the Borrower to enter into a corrective action plan. The Borrower is actively engaged in continuing compliance efforts with HIPAA and HITECH. There are also costs and risks associated with vendors and contractors and it is possible that the Borrower could be responsible for HIPAA violations or breaches of its vendors and contractors. The Borrower has not experienced any reportable breaches to HHS, however, Borrower does file an annual report with HHS of 'improper disclosures,' which are low risk and related to information already shared with the affected patient when the issue is identified. No guarantee can be made that the Borrower will remain HIPAA/HITECH Act compliant in the future, or that OCR will not conduct an audit or investigation in connection with a reported breach. In addition, as data breaches continue to have greater exposure both inside and outside of the health care industry, and awareness of such breaches continues, private litigation is expected to increase. As a result, no assurances can be given that the Members of the Obligated Group or any related entity will not be faced with potential private litigation in the event of a data breach.

In response to COVID-19, OCR has announced that it will utilize its enforcement discretion to forgo imposition of penalties related to, for example, use of certain technologies or disclosures for certain public health activities. Additionally, OCR has promulgated notice of extensive proposed rulemaking related to expanded patient access and electronic health record sharing. Presently, it is impossible to predict the extent to which OCR will implement these policies under the new Biden Administration, and, as such, impossible to predict the extent to which the policies may impact the Borrower in the future.

Electronic Health Record Incentive Program

HITECH provided funding for various activities intended to promote the adoption and meaningful use of certified electronic health record (*"EHR")* technology. Eligible Medicare and Medicaid providers, including acute care hospitals and other health care professionals, may be eligible to receive EHR payment incentives if they demonstrate the meaningful use of certified EHR technology and meet other program requirements. In 2018, CMS overhauled the Medicare and Medicaid EHR Incentive Programs to focus on interoperability, improve flexibility, relieve burden and place emphasis on measures that require the electronic exchange of health information between providers and patients. To better reflect this new focus,

CMS has re-named the program "Promoting Interoperability." Promoting Interoperability performance accounts for 25% of the total payment adjustment under MIPS for performance years 2020 and 2021.

The Borrower has demonstrated "meaningful use" of certified EHR technology in accordance with the Promoting Interoperability program.

There can be no guarantee, however, that the Borrower will continue to be able to successfully demonstrate meaningful use of certified EHR technology, and if the Borrower is unable to demonstrate meaningful use in the future, it may be subject to reduced Medicare payments.

Affiliation, Merger, Acquisition and Divestiture

The Borrower evaluates and pursues, from time to time, potential acquisition, merger and affiliation candidates as part of the overall strategic planning and development process. As part of its ongoing planning and property management functions, the Borrower reviews the use, compatibility and business viability of many of its operations, and from time to time, the Borrower may pursue changes in the use of, or disposition of, its facilities. Likewise, the Borrower may occasionally receive offers from, or conduct discussions with, third parties about the potential acquisition of operations or properties which may become subsidiaries or affiliates of the Borrower in the future, or about the potential sale of some of the operations and properties which are currently conducted or owned by the Borrower. Discussions with respect to affiliation, merger, acquisition, disposition, or change of use of facilities may be held from time to time with other parties. These may be conducted with acute care hospital facilities and may relate to potential affiliation with the Borrower. As a result, it is possible that current organizations and assets of the Borrower may change from time to time. The impact of any such changes on the financial performance of the Borrower may be unknown and hard to predict.

Other Legislative and Regulatory Actions

The Borrower and its operations are subject to regulation and certification by various federal, state and local government agencies and by certain non-governmental agencies such as The Joint Commission. Various health and safety laws and regulations enforced by state and local agencies apply to the Borrower. Violations of certain of these standards could result in closure of certain facilities of the Borrower or portions thereof, or requirements that compliance with such standards be immediately achieved. Such standards are subject to change, and there can be no assurances that in the future, the Borrower's facilities will meet any changed standards or that the Borrower will not be required to expend significant sums to comply with changed standards. No assurance can be given as to the effect on the Borrower's future operations of existing laws, regulations and standards for certification or accreditation or of any future changes in such laws, regulations and standards.

Other possible federal or state legislation which could have an adverse effect on the Members of the Obligated Group include: (i) limitations on the amount of charitable contributions which are deductible for income tax purposes; (ii) limitations on the amount or availability of tax-exempt financing for Section 501(c)(3) corporations; and (iii) regulatory limitations affecting the Obligated Group's ability to undertake capital projects or develop new services.

Other regulatory programs which may significantly affect the Borrower are changes in governmental requirements regarding patient treatment. These regulations are embodied in patients' bills of rights and similar programs being promulgated with greater frequency and changes in licensure requirements. All of these could increase the cost of doing business and consequently adversely affect the financial condition of the Obligated Group.

Charity Care

Hospitals are permitted to have tax-exempt status under the Code because the provision of health care historically has been treated as a "charitable" enterprise. This treatment arose before most Americans had health insurance and when charitable donations were required to fund the health care provided to the sick and disabled. In accordance with its status as 501(c)(3) tax exempt organizations, the Borrower renders care at a discount or at no charge to individuals whose financial status qualifies them for charity care.

The Health Care Reform Act is designed to reduce uncompensated care by expanding health care coverage to a larger portion of the population, but one component of this expanded coverage, the health care exchanges, is currently experiencing defections by private insurers due to the losses they have experienced in offering plans on such exchanges. On January 28, 2021, President Biden signed an executive order to provide a special health exchange enrollment period and to restore coverage mandates previously protected by the Health Care Reform Law. However, in the interim, the Borrower may be required to provide services for which it receives payment below cost, or for which it may receive no payment at all, from the patient or third party payors, commercial and governmental. While the Borrower attempts to provide care to the poor and indigent in a prudent manner, the inability to properly document its indigent care could have an adverse financial effect on the Obligated Group. See also the discussion of Section 501(r) of the Code under **"Tax Exemption for Nonprofit Corporations"** below.

Tax Exemption for Nonprofit Corporations

The tax-exempt status of nonprofit corporations and exclusion of income earned by them from taxation, has been the subject of review by various federal, state and local legislative, regulatory and judicial bodies. This review has included proposals to broaden and strengthen existing federal tax law with respect to unrelated business income of nonprofit corporations. Some have posited that, with the onset of employer-sponsored health insurance and government reimbursement programs, there is no longer any justification for special tax treatment for the not-for-profit health care sector, and the availability of tax-exempt status should be eliminated.

It is not possible to predict the scope or effect of future legislative or regulatory actions with respect to taxation of nonprofit corporations, since such actions and proposals as have been made have been vigorously challenged and contested. There can be no assurance however that future changes in the federal, state and local laws and regulations will not materially and adversely affect the operations and revenues of the Members of the Obligated Group by requiring the Members of the Obligated Group to pay additional income or real estate taxes.

The Health Care Reform Act added Section 501(r) to the Code, which contains four specific requirements for hospitals that wish to receive or maintain their tax-exempt status under Section 501(c)(3) of the Code. In addition to the general requirements of Section 501(c)(3) of the Code that hospitals must satisfy in order to safeguard tax-exempt status under Section 501(c)(3), hospitals also must: (i) conduct a "community health needs assessment" at least once every three years and adopt an "implementation strategy" to meet the needs identified by the assessment; (ii) establish, implement, and make widely available written policies regarding emergency medical care and financial assistance; (iii) limit the amount the hospital charges for emergency or other medically necessary care provided to patients eligible for financial assistance to not more than the amounts generally billed to insured patients; and (iv) not take extraordinary collection actions (e.g., lawsuits, liens, or other similar actions) until it has made reasonable efforts to determine whether a patient is eligible for financial assistance.

The Health Care Reform Act also adds new Sections 4959 and 6033(b)(15) to the Code. New Section 4959 imposes a $50,000 excise tax for any taxable year in which a tax-exempt hospital fails to meet

the needs assessment requirement of new Section 501(r). New Section 6033(b)(15) imposes new reporting requirements on a tax-exempt hospital. Now a hospital will have to provide a description of how the organization is addressing the needs identified in the community health needs assessment and a description of any such needs that are not being addressed, together with the reasons why such needs are not being addressed. Hospitals will have to provide this report and their audited financial statements as attachments to the IRS Form 990. The Healthcare Reform Act requires a hospital to conduct a community needs assessment every three years in order to maintain its tax-exempt status.

Other legislative changes or judicial actions with respect to the tax-exempt status of nonprofit corporations, including the provision of free care to indigents and the exemption from property taxes of such corporations, could be enacted. There can be no assurance that future changes in federal, state or local laws, rules, regulations and policies governing tax-exempt entities will not have adverse effects on the future operations of the Members of the Obligated Group.

Federal Income Tax Exemption; IRS Audits and Penalties

Recently, the Internal Revenue Service ("IRS") has devoted additional resources to the auditing of federally tax-exempt organizations, including tax-exempt health care organizations. The IRS intends to focus on, among other matters, the unrelated business income producing activities of health care organizations. The IRS has significantly revised Form 990, Return of Organization Exempt from Income Tax, which greatly increases the disclosure requirement of tax exempt hospitals. The expanded information gathered by the IRS will allow the IRS to more closely monitor the activities of tax-exempt organizations. In addition, this information will be made available to Congress to form the basis for possible future legislation in this area. The Members of the Obligated Group are exempt from federal income taxes under Section 501(c)(3) of the Code.

The IRS has not frequently revoked the 501(c)(3) status of nonprofit health care corporations, but it could do so in the future. Loss of tax-exempt status by the Members of the Obligated Group could result in loss of tax exemption of the interest on the Series 2021 Bonds and of any other tax-exempt bond-related debt of the Borrower, and defaults in other tax-exempt debt would likely be triggered. Loss of tax-exempt status by the Members of the Obligated Group could also result in substantial tax liabilities on taxable income that would likely have material adverse consequences on their financial condition.

Additionally, organizations described in Section 501(c)(3) of the Code ("Tax-Exempt Organizations"), such as the Members of the Obligated Group, may be subject to "intermediate sanctions" if they engage in transactions that result in private inurement. Intermediate sanctions rules permit the IRS to impose a penalty tax on (i) "disqualified persons," such as officers, directors, trustees and other key employees who receive "excess benefits," such as excessive compensation, from Tax-Exempt Organizations; and (ii) managers of Tax-Exempt Organizations who knowingly participate in transactions that result in the payment of excess benefits to insiders. A penalty tax is imposed on the insiders or managers personally and not on the Tax-Exempt Organization. Management of the Members of the Obligated Group is not aware of any transactions that would subject the Members of the Obligated Group to intermediate sanctions, but there can be no guarantee that the Members of the Obligated Group will not be found to have engaged in such transactions in the future, which could subject the Members of the Obligated Group to intermediate sanctions and reduced revenue.

Legislation Affecting Tax Exempt Status of Interest on the Series 2021 Bonds

Proposals for various amendments to the Code have been considered in connection with federal tax reform. No assurance can be given that amendments to the Code or other federal legislation will not be introduced and/or enacted which would cause the interest on the Series 2021 Bonds to be subject, directly

or indirectly, to federal income taxation or adversely affect the market price of the Series 2021 Bonds or otherwise prevent the holders of the Series 2021 Bonds from realizing the full current benefit of the federal tax status of the interest thereon.

Local Governmental Challenges to Property-Tax Exemptions

Local government in many states have significantly increased efforts to challenge the exempt status of nonprofit corporations' real property. These challenges generally have been based on either nonuse of real property for the charitable object of the Tax-Exempt Organization or inadequate levels of public benefit or uncompensated care. In Pennsylvania, these challenges have been based primarily on the organizations' status as an "institution of purely public charity" as described in the Pennsylvania Constitution, notwithstanding the fact that Pennsylvania hospital facilities historically have been viewed as exempt from such taxes. Several of these challenges have resulted in litigation, with differing results. In some cases, however, the litigation has resulted in settlements where the Tax-Exempt Organizations have agreed to pay to the local taxing authority payments in lieu of taxes and, in at least one instance, revocation of the state real property tax exemption of the organization. Pennsylvania's Institutions of Purely Public Charity Act ("IPPCA") adopts a five-part test similar to that developed by the courts as the criteria for determining if an organization is an "institution of purely public charity." A 2012 decision of the Pennsylvania Supreme Court (*Mesivtah Eitz Chaim of Bobov, Inc. v. Pike County Bd. of Assessment Appeals*, 44 A.3d 3, 5 (Pa. 2012)) declared that IPPCA is subject to the determination of the courts in Pennsylvania as to the meaning of "institution of purely public charity" under the Pennsylvania Constitution, and that courts will follow Pennsylvania case law in such determination, not necessarily the test set forth in the IPPCA. This may further increase the efforts by local governments to challenge the exempt status of real property.

It is not possible to predict the scope or effect of future legislation or regulatory actions with respect to taxation of nonprofit corporations, since such actions and proposals have been vigorously challenged and contested. There can be no assurance that future changes in the laws and regulations of the federal, state or local governments will not materially and adversely affect the operations and revenues of the Members of the Obligated Group by requiring the Members of the Obligated Group to pay additional income or real estate taxes.

Environmental Matters

Health care providers are subject to a variety of federal, state and local environmental and occupational health and safety laws and regulations which address, among other things, hospital operations, facilities and properties. Among the type of regulatory requirements faced by hospitals are (i) air and water quality control requirements, (ii) waste management requirements, (iii) specific regulatory requirements applicable to asbestos, polychlorinated biphenyls and radioactive substances, (iv) requirements for providing notice to employees and members of the public about hazardous material handled by or located at the facilities of the Borrower, and (v) requirements for training employees in the proper handling and management of hazardous materials and wastes.

In its role as the owners and operators of properties and facilities, the Borrower may be subject to liability for hazardous substances that may have migrated off their properties, including remediation thereof. Typical hospital operations include, but are not limited to, in various combinations, the handling, use, storage, transportation, disposal and discharge of hazardous, infectious, toxic, radioactive, flammable and other hazardous materials, wastes, pollutants and contaminants. As such, hospital operations are particularly susceptible to the practical, financial and legal risks associated with compliance with such laws and regulations. Such risks may (i) result in damage to individuals, property or the environment, (ii) interrupt operations and increase their cost, (iii) result in legal liability, damages, injunctions or fines and (iv) result in investigations, administrative proceedings, penalties or other governmental agency actions.

There is no assurance that the Borrower will not encounter such risks in the future, and such risks may result in material adverse consequences to the operations or financial condition of the Obligated Group.

At the present time, management of the Members of the Obligated Group is not aware of any pending or threatened claim, investigation or enforcement action regarding such environmental issues which, if determined adversely to the Members of the Obligated Group, would have a material adverse effect on their financial condition.

Interest Rate Swap Risk

The Members of the Obligated Group may from time to time enter into interest rate swap agreements to manage interest rate risk. Swap agreements may be subject to periodic "mark-to-market" valuations and may, at any time, have a negative value (which could be substantial) to the Members of the Obligated Group. Changes in the market value of any swap agreement could negatively or positively impact the Obligated Group's financial condition, and such impact could be material. Any future swap agreement may be subject to early termination upon the occurrence of certain specified events. If a swap agreement is terminated when such swap agreement has a negative value to the Members of the Obligated Group, the Members of the Obligated Group could be obligated to make a termination payment to the counterparty in the amount of such negative value, and such payment could be substantial and potentially materially adverse to the Obligated Group's financial condition. In the event of an early termination of a swap agreement, there can be no assurance that (i) the Members of the Obligated Group will receive any termination payment payable to it by the respective swap provider, (ii) the Members of the Obligated Group will not be obligated to make or will have sufficient monies to make a termination payment payable by it to the applicable swap provider, or (iii) the Members of the Obligated Group will be able to obtain a replacement swap agreement with comparable terms.

A swap agreement entered into by a Member of the Obligated Group may require the Members of the Obligated Group to secure its obligations in certain circumstances. If the Members of the Obligated Group are unable to secure their obligations under a swap agreement with sufficient collateral, the related swap provider may have the right to terminate such swap agreement and the Members of the Obligated Group could be required to make a termination payment to the swap provider, the amount of which could be substantial.

Potential Effects of Bankruptcy

If a Member of the Obligated Group were to file a petition for relief under the United States Bankruptcy Code, the filing would operate as an automatic stay of the commencement or continuation of any judicial or other proceeding against the Member of the Obligated Group, and its property. In various circumstances, such property, including its accounts receivable and proceeds thereof, could be used to support the operations of the Members of the Obligated Group despite the claims of its creditors.

In the event of bankruptcy of a Member of the Obligated Group, the post-petition revenues of the Member of the Obligated Group will not be subject to pre-petition liens except to the extent that such revenues are proceeds of pre-petition accounts which constitute collateral under the applicable security agreement. In addition, transfers of property made by a Member of the Obligated Group at a time that it was insolvent in payment of or to secure an antecedent debt, including the payment of debt or the transfer of any collateral, on or after the date which is 90 days (or, if the transferee is an insider of the debtor, one year) prior to the commencement of the case under the Bankruptcy Code may be subject to avoidance as preferential transfers. Under certain circumstances a court may have the power to direct the use of a debtor's revenues to meet expenses before paying debt service on indebtedness.

In a proceeding under Chapter 11 of the United States Bankruptcy Code, a Member of the Obligated Group could file a plan of reorganization which modifies the rights of creditors generally or the rights of any class of creditors, secured or unsecured. The plan, when confirmed by the court, would bind all creditors except, under very limited circumstances, creditors without notice or knowledge of the plan, and would discharge all claims against the debtor. Generally, no plan may be confirmed unless, among other conditions, the plan is in the best interests of creditors, is feasible and has been accepted by each class of claims impaired thereunder. A class of claims has accepted the plan if at least two-thirds in dollar amount and more than one-half in number of the allowed claims of the class that are voted with respect to the plan are cast in its favor. Even if the plan is not so accepted (but if all other conditions to confirmation under the Bankruptcy Code have been satisfied), it may be confirmed if the court finds that the plan is fair and equitable with respect to each class of non-accepting claims or interests impaired thereunder and does not discriminate unfairly.

Under the Bankruptcy Code and/or applicable state fraudulent conveyance law, a trustee in bankruptcy (or other recognized bankruptcy estate representative) for a related guarantor may avoid any obligation incurred by such guarantor if, among other bases therefor, (1) the guarantor has not received fair consideration or reasonably equivalent value in exchange for the guaranty and (2) the guaranty renders the guarantor insolvent, as defined in the Bankruptcy Code or applicable state fraudulent conveyance laws, or the guarantor is undercapitalized. *See "– Dependence on Members of the Obligated Group" herein for additional discussion concerning the enforceability of the Master Indenture in the context of a bankruptcy.*

Corporate Compliance Program

Under Section 6401 of the Health Care Reform Act, "a provider of medical or other items or services or supplier within a particular industry" shall establish a compliance program as a condition of enrollment under Medicare and/or Medicaid. CMS has not yet promulgated regulations regarding Section 6401 of the Health Care Reform Act. Additionally, the sentencing of organizations for federal health care crimes is governed by the U.S. Federal Sentencing Guidelines (the "*Sentencing Guidelines*"), which permit the imposition of large fines and criminal penalties in many instances. The Sentencing Guidelines permit fines and penalties to be reduced significantly, however, if the provider had in place at the time of the crime an effective corporate compliance program and/or accepts responsibility for its actions. As a result of the current environment of increased enforcement against health care fraud and abuse, the Borrower has implemented compliance programs which include compliance plans to assist all employees in understanding and adhering to the legal and ethical standards that govern hospital and other health care provider operations and the provision of patient care (the "*Compliance Plans*"). The Compliance Plans have been designed to (i) comply with the standards set forth in the Sentencing Guidelines, (ii) meet the OIG's Compliance Program Guidelines for Hospitals, and (iii) help assure that the Members of the Obligated Group and their affiliates act in accordance with their mission, values and known legal duties. All new employees receive Compliance Plan education at orientation and all employees receive Compliance Plan education annually. The Borrower believes that its Compliance Plans are in overall compliance with the OIG Compliance Guidance for Hospitals, but there is no guarantee that the Borrower's Compliance Plans will always remain in compliance with the Sentencing Guidelines or OIG's Compliance Program Guidelines for Hospitals in the future.

Financial Forecast

The Borrower's financial forecast contained in the Feasibility Study attached to this Official Statement as **APPENDIX C** is based upon assumptions made by management of the Borrower. As stated in such financial forecast, events and circumstances frequently do not occur as expected, and there will usually be differences between the forecasted and actual results, and those differences may be material. In addition, the financial forecast only covers the five years ending June 30, 2025, and consequently does not

cover the entire period during which the Series 2021 Bonds may be outstanding. See the Feasibility Study included herein as **APPENDIX C**, which should be read in its entirety.

BECAUSE THERE IS NO ASSURANCE THAT ACTUAL EVENTS WILL CORRESPOND WITH THE ASSUMPTIONS MADE, NO GUARANTY CAN BE MADE THAT THE FINANCIAL FORECAST IN THE FEASIBILITY STUDY WILL CORRESPOND WITH THE RESULTS ACTUALLY ACHIEVED IN THE FUTURE. ACTUAL OPERATING RESULTS MAY BE AFFECTED BY MANY UNCONTROLLABLE FACTORS, INCLUDING BUT NOT LIMITED TO INCREASED COSTS, FAILURE BY MANAGEMENT OF THE OBLIGATED GROUP TO EXECUTE ITS PLANS, LOWER THAN ANTICIPATED REVENUES, EMPLOYEE REGULATIONS, TAXES, GOVERNMENTAL CONTROLS, CHANGES IN APPLICABLE GOVERNMENTAL REGULATION, CHANGES IN DEMOGRAPHIC TRENDS, CHANGES IN THE HEALTH CARE INDUSTRY AND GENERAL ECONOMIC CONDITIONS

Antitrust

Enforcement of the antitrust laws against health care providers is becoming more common, and antitrust liability may arise in a wide variety of circumstances including medical staff privilege disputes, third party contracting, physician relations, and joint venture, merger, affiliation and acquisition activities. In some respects, the application of the federal and state antitrust laws to health care is still evolving, and enforcement activity by federal and state agencies appears to be increasing. At various times, health care providers may be subject to an investigation by a governmental agency charged with the enforcement of the antitrust laws, or may be subject to administrative or judicial action by a federal or state agency or a private party. Violation of the antitrust laws could subject the health care provider to criminal and civil enforcement by federal and state agencies, as well as by private litigants.

Certain Other Risks

The following factors, among others, may also adversely affect the operation of health care facilities, including the facilities of the Members of the Obligated Group, to an extent that cannot be determined at this time:

(1) increase in the costs resulting from unionization of the employees or the utilization by non-union employees of proceedings available under the National Labor Relations Act;

(2) future legislation conditioning tax exempt status or access to tax exempt financing on satisfaction of various criteria, such as level of charity care, maintenance of an emergency room or changing the method of taxing unrelated business income;

(3) the decrease in utilization of inpatient hospital facilities due to future medical and scientific advances, the development and requirement of the option for HMOs in labor contracts, state health plans and other health plans, preventive medicine, improved occupational health and safety and improved outpatient care;

(4) the need and inherent challenges to obtain governmental approvals to undertake projects which the Members of the Obligated Group deem necessary to remain competitive as to rates and charges and to maintain the quality and scope of care;

(5) increase in the cost of pharmaceuticals, medical supplies, energy and other utilities, liability, casualty and other insurance, and other materials and services necessary to sustain the operations of the Members of the Obligated Group;

(6) decreases in the availability of energy and other utilities, public liability insurance, and other materials and services necessary to sustain the operations of the Members of the Obligated Group;

(7) the occurrence of terrorist activities, cyber-attacks (such as ransomware), or natural disasters, including floods or earthquakes, which could damage the Obligated Group's facilities or otherwise impair the operation of, and generation of revenues from, the Obligated Group's activities;

(8) reduced demand for the health care services of the Borrower that might result from decreases in population in its service area;

(9) increased unemployment or other adverse economic conditions in the service area of the Borrower that would increase the proportion of patients who are unable to pay fully for the cost of their care or reduce the proportion of patients who have insurance coverage for health care services;

(10) any increase in the quantity of indigent care provided that is mandated by law or required due to increased needs of the community in order to maintain the charitable status of the Members of the Obligated Group;

(11) epidemics or other public health issues that may strain the Borrower's resources or disrupt their normal operations;

(12) increase in the costs of health care benefits, retirement plan, or other benefit packages offered by the Members of the Obligated Group to their employees;

(13) unknown litigation, regulatory actions or other similar claims regarding the Members of the Obligated Group or any of their affiliates;

(14) the ability of the Borrower to offer certain sophisticated and costly equipment for diagnosis and treatment;

(15) changes in reimbursement procedures or in contracts under public or private insurance programs;

(16) limitations on availability of, and increased compensation necessary to secure and retain, physicians, nursing, technical, executive and other professional personnel; and

(17) data breaches which may adversely affect the Obligated Group's financial results, operations and reputation.

LITIGATION

The Issuer

As of the date of this Official Statement, there is not pending or, to the Issuer's knowledge, threatened any litigation restraining or enjoining the issuance or delivery of the Series 2021 Bonds or questioning or affecting the validity of the Series 2021 Bonds or the proceedings or authority under which they are to be issued or which in any manner questions the right of the Issuer to enter into the Indenture or the Loan Agreement or to secure the Series 2021 Bonds in the manner provided therein. From time to time the Issuer receives inquiries and requests for documents and information pertaining to unrelated bond issues from various regulatory agencies, including the Securities and Exchange Commission, and in connection with audits by the IRS.

The Obligated Group

The Obligated Group has advised that there is no controversy or litigation of any nature now pending against any Member of the Obligated Group or, to the knowledge of its officers, threatened, seeking to restrain or enjoin the issuance, sale, execution or delivery of the Series 2021 Obligation or the Series 2021 Bonds, or in any way contesting or affecting the validity of the Series 2021 Obligation or the Series 2021 Bonds, any proceedings of the Borrower or the Foundation taken concerning the issuance or sale thereof, the pledge or application of any moneys or security provided for the payment of the Series 2021 Bonds.

As with most health care providers, the Borrower is subject to certain legal actions that, in whole or in part, are not or may not be covered by insurance because of the type of action or amount or types of damages requested (e.g., punitive damages), because of a reservation of rights by an insurance carrier, or because the action has not proceeded to a stage that permits full evaluation. There are certain legal actions currently pending against the Borrower known to management of the Borrower for which insurance coverage is uncertain for the above reasons. Management does not anticipate that any such suits will ultimately result in punitive damage awards or judgments in excess of applicable insurance limits, or if such awards or judgments were to be entered, that they would have a material adverse impact on the operations or financial condition of the Borrower, taken as a whole. The Borrower is also involved in other litigation and regulatory investigations arising in the course of doing business. After consultation with legal counsel, management of the Borrower estimates that these matters will be resolved without material adverse effect on the Obligated Group's future consolidated financial position or results of operations. See **APPENDIX A** under the caption "**LITIGATION**."

LEGAL MATTERS

The legality of the authorization, issuance, sale and delivery of the Series 2021 Bonds is subject to the approval of Saul Ewing Arnstein & Lehr LLP, Bond Counsel, whose approving opinion will be delivered upon the issuance and delivery of the Series 2021 Bonds. The proposed form of Bond Counsel's opinion is set forth in "**PROPOSED FORM OF OPINION OF BOND COUNSEL**" in **APPENDIX G** to this Official Statement.

Certain legal matters will be passed on for the Underwriters by their counsel, Ballard Spahr LLP, and for the Obligated Group by its counsel, Saul Ewing Arnstein & Lehr LLP.

TAX MATTERS

Federal Tax Exemption-Opinion of Bond Counsel

The Internal Revenue Code of 1986, as amended (the "*Code*") contains provisions relating to the tax-exempt status of interest on obligations issued by governmental entities which apply to the Series 2021 Bonds. These provisions include, but are not limited to, requirements relating to the use and investment of the proceeds of the Series 2021 Bonds and the rebate of certain investment earnings derived from such proceeds to the United States Treasury Department on a periodic basis. These and other requirements of the Code must be met by the Issuer and the Borrower subsequent to the issuance and delivery of the Series 2021 Bonds in order for interest thereon to be and remain excludable from gross income for purposes of federal income taxation. The Issuer and the Borrower have made covenants to comply with such requirements.

In the opinion of Bond Counsel, interest on the Series 2021 Bonds is not includable in gross income for purposes of federal income taxation under existing statutes, regulations, rulings and court decisions. The opinion of Bond Counsel is subject to the condition that the Issuer and the Borrower comply with all

applicable federal income tax law requirements that must be satisfied subsequent to the issuance of the Series 2021 Bonds in order that interest thereon continues to be excluded from gross income. Failure to comply with certain of such requirements could cause the interest on the Series 2021 Bonds to be so includable in gross income retroactive to the date of issuance of the Series 2021 Bonds. The Issuer and the Borrower have covenanted to comply with all such requirements. Interest on the Series 2021 Bonds is not treated as an item of tax preference for purposes of the federal alternative minimum tax.

In addition to the matters addressed below, prospective purchasers of the Series 2021 Bonds should be aware that ownership of the Series 2021 Bonds may result in collateral tax consequences to certain taxpayers, including but not limited to, foreign corporations, certain S corporations, financial institutions, recipients of social security and railroad retirement benefits and property or casualty insurance companies. Such prospective purchasers should consult their own tax advisors as to the consequences of investing in the Series 2021 Bonds. Bond counsel expresses no opinion regarding any other federal tax consequences relating to the Series 2021 Bonds or the receipt of interest thereon.

Bond Counsel's opinion will be based on existing law, which is subject to change. Such opinion is further based on factual representations made to Bond Counsel as of the date of delivery of the Series 2021 Bonds. Bond Counsel assumes no duty to update or supplement its opinion to reflect any facts or circumstances that may thereafter come to Bond Counsel's attention, or to reflect any changes in law that may thereafter occur or become effective.

Deduction for Interest Paid by Financial Institutions to Purchase or Carry Tax-Exempt Obligations

The Code, subject to limited exceptions not applicable to the Series 2021 Bonds, denies the interest deduction for indebtedness incurred or continued to purchase or carry tax-exempt obligations, such as the Series 2021 Bonds. With respect to banks, thrift institutions and other financial institutions, the denial to such institutions is one hundred percent (100%) for interest paid on funds allocable to the Series 2021 Bonds and any other tax-exempt obligations acquired after August 7, 1986.

Reportable Payments and Backup Withholding

The payments of interest on the Series 2021 Bonds will be reported to the Internal Revenue Service by the payor on Form 1099 unless the holder is an “exempt person” under Section 6049 of the Code. A holder who is not an exempt person may be subject to “backup withholding” at a specified rate prescribed in the Code if the holder does not file Form W-9 with the payor advising the payor of the holder’s taxpayer identification number. Holders should consult with their brokers regarding this matter.

The payor will report to the holders and to the Internal Revenue Service for each calendar year the amount of any “reportable payments” during such year and the amount of tax, if any, with respect to payments made on the Series 2021 Bonds.

Accounting Treatment of Amortizable Bond Premium

The Series 2021 Bonds are hereinafter referred to as the "Premium Bonds." An amount equal to the excess of the initial public offering price of a Premium Bond set forth herein over its stated redemption price at maturity constitutes premium on such Premium Bond. A purchaser of a Premium Bond must amortize any premium over such Premium Bond’s term using constant yield principles, based on the purchaser’s yield to maturity. As premium is amortized, the purchaser’s basis in such Premium Bond is reduced by a corresponding amount, resulting in an increase in the gain (or decrease in the loss) to be

recognized for federal income tax purposes upon a sale or disposition of such Premium Bond prior to its maturity. Even though the purchaser's basis is reduced, no federal income tax deduction is allowed.

Purchasers of any Premium Bonds, whether at the time of initial issuance or subsequent thereto, should consult their own tax advisors with respect to the determination and treatment of premium for federal income tax purposes and with respect to state and local tax consequences of owning Premium Bonds.

Continuing Compliance of the Issuer

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Series 2021 Bonds. Ongoing requirements include, among other things, the provisions of Section 148 of the Code which prescribe yield and other limits within which the proceeds of the Series 2021 Bonds are to be invested and which may require that certain excess earnings on investments made with the proceeds of the Series 2021 Bonds be rebated on a periodic basis to the United States. The Issuer will make certain representations and undertake certain agreements and covenants in the Trust Indenture and Loan Agreement, and in one or more tax compliance agreements to be delivered concurrently with the original issuance of the Series 2021 Bonds, designed to ensure compliance with the applicable provisions of the Code. The inaccuracy of these representations or the failure on the part of the Issuer to comply with such covenants and agreements could result in the interest on the Series 2021 Bonds being included in the gross income of the Beneficial Owners for federal income tax purposes, in certain cases retroactive to the date of original issue of the Series 2021 Bonds.

The opinion of Bond Counsel assumes the accuracy of these representations and the future compliance by the Issuer with their respective covenants and agreements. Moreover, Bond counsel has not undertaken to evaluate, determine or inform any person, including any Beneficial Owner of the Series 2021 Bonds, whether any actions taken or not taken, events occurring or not occurring, or other matters that might come to the attention of Bond Counsel, would adversely affect the value of, or tax status of the interest on, the Series 2021 Bonds.

Commonwealth of Pennsylvania Tax Exemption

In the opinion of Bond Counsel, under the laws of the Commonwealth of Pennsylvania as enacted and construed on the date hereof, the interest on the Series 2021 Bonds are free from taxation for state and local purposes within the Commonwealth of Pennsylvania, but such exemption does not extend to gift, estate, succession or inheritance taxes or any other taxes not levied or assessed directly on the Series 2021 Bonds or the interest thereon. Profits, gains or income derived from the sale, exchange, or other disposition of the Series 2021 Bonds are subject to state and local taxation within the Commonwealth of Pennsylvania. Specifically, interest on the Series 2021 Bonds is exempt from the Pennsylvania personal income tax and the Pennsylvania corporate net income tax.

CHANGES IN FEDERAL AND STATE TAX LAW

Legislative or administrative actions and court decisions, at either the federal or state level, could have an impact on the treatment of interest on the Series 2021 Bonds for federal or state income tax purposes, and thus on the value or marketability of the Series 2021 Bonds. This could result from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or otherwise. It cannot be predicted whether or in what form any such proposals may be enacted or whether if enacted such proposals would apply to bonds issued prior to enactment. In addition, regulatory or other actions are from time to time announced or proposed which, if implemented or concluded in a particular manner, could adversely affect the market value, marketability or

tax status of the Series 2021 Bonds. It cannot be predicted whether any such regulatory or other actions will be implemented or whether the Series 2021 Bonds would be impacted thereby.

Purchasers of the Series 2021 Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Series 2021 Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any proposed or pending legislation, regulatory initiatives or litigation.

FINANCIAL ADVISOR

Ponder & Co. (*"Ponder*") has served as financial advisor to the Borrower for purposes of assisting with the development and implementation of a bond structure in connection with the Series 2021 Bonds. Ponder has not been engaged by the Borrower to compile or interpret any information in this Official Statement relating to the Borrower including (without limitation) any of the Borrower's financial and operating data, whether historical or projected. The information contained in this Official Statement concerning the Borrower, any of its affiliates or contractors and any outside parties has not been independently verified by Ponder, and inclusion of such information is not, and should not be construed as, a representation by Ponder as to its accuracy or completeness or otherwise. Ponder is not a public accounting firm and has not been engaged by the Borrower to review or audit any information in this Official Statement in accordance with auditing standards generally accepted in the United States. Ponder is an independent financial advisory firm and is not engaged in the business of underwriting, trading or distributing securities.

UNDERWRITING

The Series 2021 Bonds are being purchased by BofA Securities, Inc. and PNC Capital Markets LLC (together, the "*Underwriters*") at the purchase price of $317,053,963.57 (representing the principal amount thereof, plus bond premium of $33,976,760.20, less an underwriters' discount of $1,922,796.63).

The Underwriters may offer and sell the Series 2021 Bonds to certain dealers (including dealers depositing Series 2021 Bonds into investment trusts) and others at prices lower than the public offering prices stated on the inside cover page, which may be changed after the initial offering by the Underwriters. The Underwriters will be required to purchase all the Series 2021 Bonds, if any are purchased.

BofA Securities, Inc., as an underwriter of the Series 2021 Bonds, has entered into a distribution agreement with its affiliate Merrill Lynch, Pierce, Fenner & Smith Incorporated ("*MLPF&S*"). As part of this arrangement, BofA Securities, Inc. may distribute securities to MLPF&S, which may in turn distribute such securities to investors through the financial advisor network of MLPF&S. As part of this arrangement, BofA Securities, Inc. may compensate MLPF&S as a dealer for their selling efforts with respect to the Series 2021 Bonds.

PNC Capital Markets LLC, one of the underwriters of the Series 2021 Bonds, may offer to sell to its affiliate, PNC Investments, LLC ("PNCI"), securities in PNC Capital Markets LLC's inventory for resale to PNCI's customers, including securities such as the Series 2021 Bonds. PNC Capital Markets LLC may share with PNCI a portion of the fee or commission paid to PNC Capital Markets LLC if any Series 2021 Bonds are sold to customers of PNCI.

CERTAIN RELATIONSHIPS

The Underwriters and their affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. The Underwriters and their respective affiliates have provided, and may in the future provide, a variety of these services to the Borrower and to persons and entities with relationships with the Borrower, for which they received or will receive customary fees and expenses. Under certain circumstances, the Underwriters and their respective affiliates may have creditors' and other rights against the Borrower or its affiliates in connection with such activities.

In the ordinary course of their various business activities, the Underwriters and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively traded securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the Borrower (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the Obligated Group. The Underwriters and their respective affiliates may also communicate independent investment recommendations, market or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to the Borrower that it should acquire, long and/or short positions in such assets, securities and instruments.

PNC Capital Markets LLC, one of the underwriters for the Series 2021 Bonds, and PNC Bank, National Association are both wholly-owned subsidiaries of The PNC Financial Services Group, Inc. PNC Capital Markets LLC is not a bank and is a distinct legal entity from PNC Bank, National Association. PNC Bank, National Association presently has other banking and financial relationships with the Borrower.

It is anticipated that a letter of credit issued by PNC Bank, National Association, an affiliate of PNC Capital Markets LLC, will be drawn on to affect a refunding of the Series 2008B Bonds. It is expected that the draw on the letter of credit will be repaid to PNC Bank, National Association from a portion of the proceeds of the Series 2021 Bonds. Accordingly, an affiliate of PNC Capital Markets LLC will receive a portion of the proceeds from the issuance of the Series 2021 Bonds contemplated herein. Also, PNC Capital Markets LLC currently serves as the remarketing agent for the Series 2008B Bonds

Saul Ewing Arnstein & Lehr LLP, serves as the Borrower's legal counsel and is acting as Bond Counsel for the Series 2021 Bonds.

CONTINUING DISCLOSURE

Because the Series 2021 Bonds are special limited obligations of the Issuer, payable solely from amounts received from the Obligated Group, financial or operating data concerning the Issuer is not material to an evaluation of the offering of the Series 2021 Bonds or to any decision to purchase, hold or sell the Series 2021 Bonds. Accordingly, the Issuer is not providing any such information. The Obligated Group has undertaken all responsibilities for any continuing disclosure to Holders of the Series 2021 Bonds, as described below, and the Issuer shall have no liability to the Holders of the Series 2021 Bonds or any other Person with respect to Rule 15c2-12, referred to in this Official Statement as the "*Rule*", promulgated under the Securities Exchange Act of 1934 by the Securities and Exchange Commission.

The Borrower, as Obligated Group Representative, on behalf of itself and the other Members of the Obligated Group, will covenant pursuant to the Continuing Disclosure Undertaking to be entered into in connection with the Series 2021 Bonds (the "*Continuing Disclosure Undertaking*") to provide certain

annual and quarterly financial information and operating data and event notices required by the Rule. Such financial information and operating data will be filed with the Municipal Securities Rulemaking Board's ("MSRB") Electronic Municipal Market Access (EMMA) System (http://emma.msrb.org). Any notice of an event required to be disclosed as a significant event under Rule 15c2-12 is also required to be filed by the Obligated Group Representative with the MSRB through its EMMA system. The specific nature of the information to be contained in the annual reports, the quarterly reports and the notices of material events will be as set forth in the **FORM OF CONTINUING DISCLOSURE UNDERTAKING** attached as **APPENDIX I** to this Official Statement. These covenants have been made in order to assist the Underwriters in complying with the Rule.

The Continuing Disclosure Undertaking requires the Obligated Group Representative to provide only limited information at specific times, and the information provided may not be all the information necessary to value the Series 2021 Bonds at any particular time.

The Obligated Group may from time to time disclose certain information and data in addition to the requirements of the Continuing Disclosure Undertaking. Notwithstanding anything herein to the contrary, the Obligated Group shall not incur any obligation to continue to provide, or to update, such additional information or data.

The Borrower has engaged Digital Assurance Certification, LLC (the "*Dissemination Agent*") to assist the Borrower in the fulfillment of the Obligated Group's continuing disclosure filing obligations. The Dissemination Agent is a party to the Continuing Disclosure Undertaking.

RATING

S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC, has assigned the rating of "BB+" (stable outlook) to the Series 2021 Bonds. Any explanation of the significance of such rating may only be obtained from the rating agency furnishing the same. Generally, rating agencies base their ratings on such information and materials and on investigations, studies and assumptions by the rating agencies. There is no assurance that such rating will continue for any given period of time or that they will not be revised downward or withdrawn entirely by such rating agencies, if in the judgment of such rating agencies circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Series 2021 Bonds.

FEASIBILITY STUDY

Baker Tilly US, LLP has issued a report dated February 11, 2021, on the financial feasibility study of the Foundation and Controlled Affiliates, which is included as **APPENDIX C** to this Official Statement (the "*Feasibility Study*"). The Feasibility Study includes management's financial forecast for each of the five years ending June 30, 2025. The Summary of Significant Forecast Assumptions and Accounting Policies in the Feasibility Study includes estimated financial information for the three years ending June 30, 2028, which are periods beyond the forecast period. The financial forecast presents, to the best of the knowledge and belief of management of the Foundation and Controlled Affiliates, the expected financial position, results of operations, changes in net assets, and cash flows of the Foundation and Controlled Affiliates for the forecast period. As stated in the Feasibility Study, there will usually be differences between the forecasted data and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. The Feasibility Study should be read in its entirety, including management's notes and assumptions set forth therein. See **APPENDIX C – "FEASIBILITY STUDY**."

FINANCIAL STATEMENTS

The financial statements of the Borrower for the fiscal years ended June 30, 2020 and 2019 included in **APPENDIX B** to this Official Statement have been audited by Baker Tilly US, LLP, independent certified public accountants, for the periods indicated in their report which appears in **APPENDIX B.**

OTHER MATTERS

Only the information set forth under "**THE ISSUER**" and "**LITIGATION – The Issuer**" was furnished by the Issuer.

Any statements in this Official Statement involving matters of opinion, whether or not expressly stated as such, are so intended and are not representations of fact. The summaries or descriptions of provisions of the Act, the Series 2021 Bonds, the Loan Agreement, the Indenture, the Master Indenture, the Mortgage, the Supplemental Master Indenture, and the Continuing Disclosure Undertaking, and all references to other materials not purported to be quoted in full, are only brief outlines of some of the provisions thereof and do not purport to summarize or describe all of the provisions thereof. Section and table headings and captions are included for convenience only and should not be construed as modifying the text of this Official Statement.

The Issuer and the Obligated Group have duly authorized the execution and delivery of this Official Statement.

BUCKS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

By: /s/ Barry Fleck
Name: Barry Fleck
Title: Vice Chairman

GRAND VIEW HOSPITAL

By: /s/ Courtney Coffman
Name: Courtney Coffman
Title: Vice President, Finance and Chief Financial Officer

THE GRAND VIEW HEALTH FOUNDATION

By: /s/ Courtney Coffman
Name: Courtney Coffman
Title: Vice President, Finance

APPENDIX A

GRAND VIEW HOSPITAL

This Appendix A contains statements related to future business and financial performance and future events or developments involving Grand View Hospital (the "Corporation") that may constitute forward-looking statements. These statements may be identified by words such as "expects," "looks forward to," "anticipates," "intends," "plans," "believes," "seeks," "estimates," "will," "project" or words of similar meaning. Such statements are based on the current expectations and certain assumptions of the Corporation's management, and are, therefore, subject to certain risks and uncertainties. A variety of factors, many of which are beyond the Corporation's control, affect its operations, performance, business strategy and results and could cause actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements or anticipated on the basis of historical trends. Should one or more of these risks or uncertainties materialize or should any underlying assumptions on which they are based prove incorrect, actual results, performance or achievements may vary materially from those described in the relevant forward-looking statement as being expected, anticipated, intended, planned, believed, sought, estimated or projected. The Corporation neither intends, nor assumes any obligation, to update or revise these forward-looking statements in light of developments, which differ from those anticipated.

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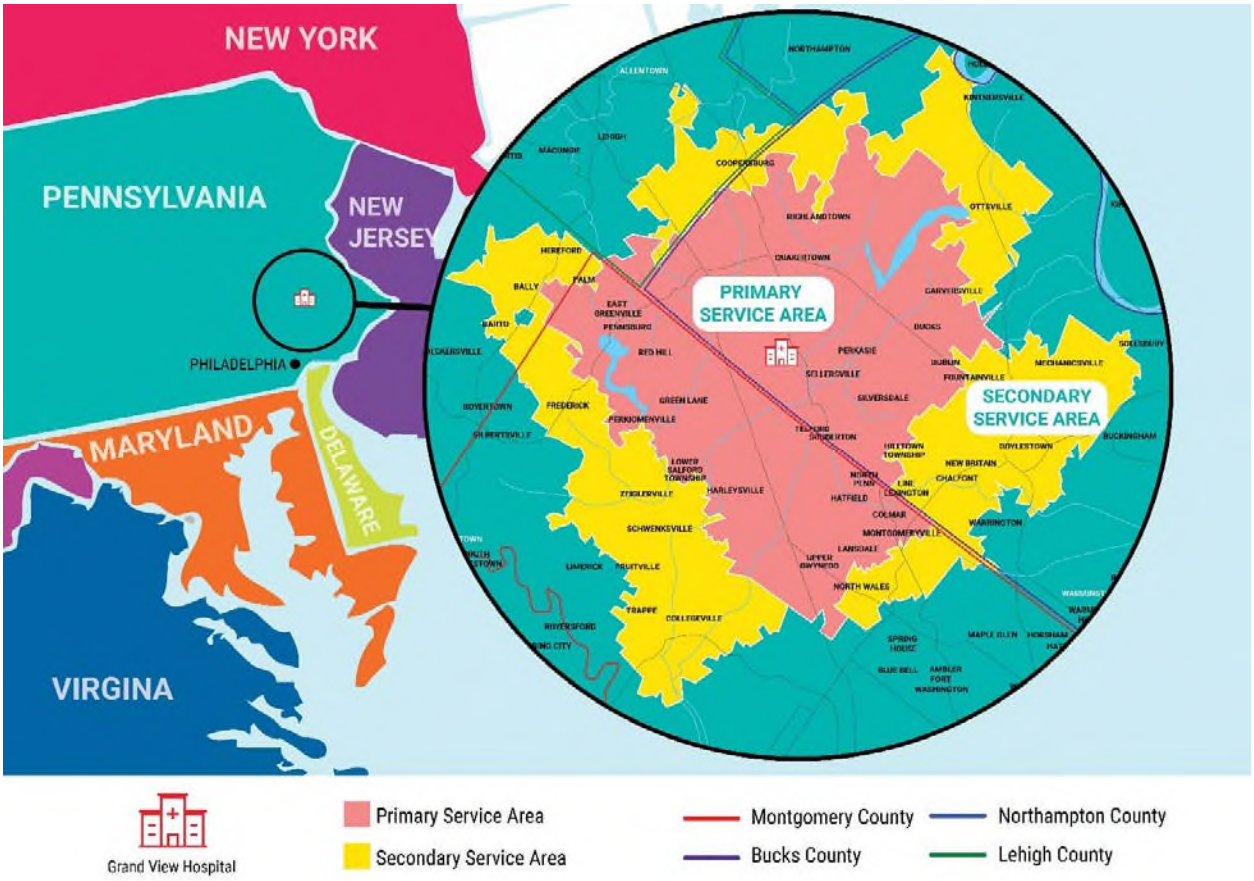
GRAND VIEW HOSPITAL

SERVICE AREA LOCATION MAP



GENERAL INFORMATION

Grand View Hospital (the "Corporation"), a Pennsylvania not-for-profit corporation exempt from taxes under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), owns and operates an acute care community hospital facility (the "Hospital") and several outpatient and urgent care centers at various locations throughout its suburban Philadelphia service area, providing a wide range of inpatient and outpatient health care services, including ambulatory surgery. The Corporation has provided healthcare to the residents of Bucks and Montgomery counties in southeastern Pennsylvania for over 100 years. The Corporation does business under the name "Grand View Health" to better reflect the breadth of the Corporation's operations and services, beyond that of the original acute care hospital. Grand View Health is a comprehensive healthcare system providing a broad continuum of care to its service area residents, reflective of its mission to lead the community to a healthier future.

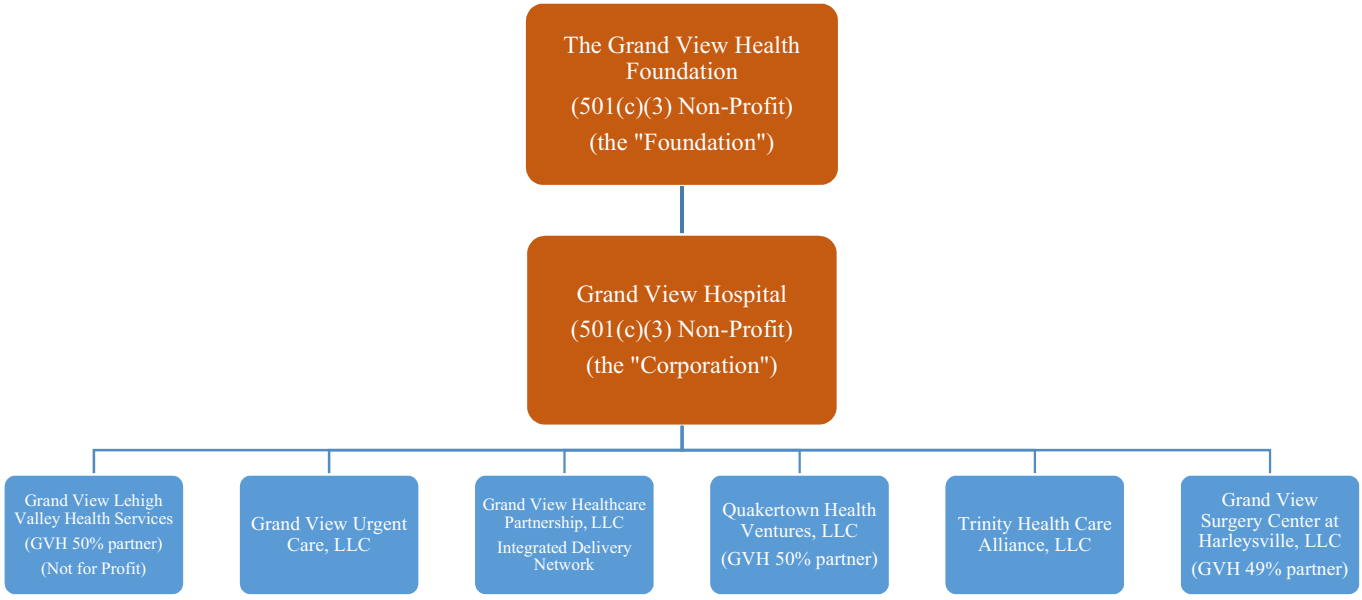
The Corporation is licensed for 169 beds. The Corporation provides specialty inpatient and outpatient programs including cancer care, pediatrics, OB/GYN, cardiology, behavioral health and orthopedics. The Corporation also has service line affiliations for various hospital-based specialty services with Penn Medicine (comprised of the University of Pennsylvania Health System, a major multi-hospital system headquartered in Philadelphia and the Perelman School of Medicine at the University of Pennsylvania), Children's Hospital of Philadelphia and other healthcare providers in the region. In January 2021, the Corporation commenced a six (6) month evaluation period, as it works toward accreditation from the Pennsylvania Trauma Systems Foundation (PTSF) as a Level II Trauma Care Center, in its Emergency Department in partnership with Penn Medicine. The Hospital is located in West Rockhill Township (near the borough of Sellersville), a growing area of Bucks County, Pennsylvania, on a 59-acre campus (the "Main Campus") one quarter mile from Route 309, a limited access expressway linking the service area with Philadelphia, Allentown, Bethlehem and other communities in eastern Pennsylvania. The Main Campus is located approximately 40 miles north of Philadelphia, 20 miles south of Allentown and one mile north of the Montgomery County line.

The Corporation's primary service area consists of portions of central and northern Bucks County and northwestern Montgomery County in southeastern Pennsylvania. The Corporation serves a primary service area population that was over 232,000 in 2018 and projected to grow an additional 3.4% by 2025. With a 28% inpatient market share in 2019, the Corporation is the leading healthcare provider in its primary service area.

As described under "**PROJECT**" below, a new inpatient care facility on the Main Campus (the "Project") to be paid for with proceeds of the Series 2021 Bonds, the Corporation's cash reserves and community fundraising will enable the Corporation to (a) better serve the growing population in its primary and secondary service area, (b) provide more specialized inpatient and surgical care services (including higher level trauma care), (c) satisfy consumer expectations of more modern healthcare facilities and (d) respond to hospital competitor facility improvements. During its Fiscal Year ended June 30, 2020, the Corporation employed over 1,786 people (including 123 physicians and advanced practice providers ("APP")), admitted a total of 8,181 inpatients, treated 26,032 patients in its Emergency Department, assisted in the births of 944 babies and saw 124,426 unique patients throughout the health system. These activities generated approximately $190 million of net patient service revenue for the most recently completed Fiscal Year ended June 30, 2020.

CORPORATE STRUCTURE

The following chart illustrates the corporate structure of the Corporation and its affiliates. The Obligated Group under the Master Indenture consists of only The Grand View Health Foundation and the Corporation, which are denoted in the table below in Orange.



As of and for the Fiscal Year ended June 30, 2020, the Corporation accounted for substantially all assets and unrestricted revenues and other support of the Foundation and its controlled affiliates.

Grand View Hospital

The Corporation is a Pennsylvania not-for-profit, non-stock corporation organized for the charitable, educational and scientific purposes within the meaning of Section 501(c)(3) of the Code. The Corporation does business as Grand View Health, which refers to its healthcare delivery system, including hospital inpatient and outpatient service lines and employed healthcare providers. The Corporation is the sole owner and operator of a general acute care hospital located on its Main Campus, which is in West Rockhill Township (near the Borough of Sellersville) Bucks County, Pennsylvania. The Corporation also provides ambulatory care services at its six (6) wholly-owned and operated outpatient centers located in strategically important locations in its primary service area. The Corporation is currently in the process of building a seventh outpatient center located in Dublin Borough, Bucks County, Pennsylvania, also within the Corporation's primary service area. This new outpatient center is scheduled to open in April 2021. See "FUTURE CAPITAL PLANS" below.

The Corporation currently owns and operates a multi-specialty medical group doing business as Grand View Medical Practices ("GVMP"). Medical services currently provided by GVMP include primary care (internal and family medicine), hospitalists, infectious disease, cardiology, orthopedic surgery, general surgery, vascular surgery, and obstetrics and gynecology. The Corporation provides medical services in emergency medicine, radiology, pathology, anesthesiology, pulmonary/critical care medicine and neurology

through independent contractors. See "CORPORATE STRUCTURE – Affiliates" and "PATIENT CARE SERVICES" below for more information on the Corporation's service line affiliations and providers.

The Grand View Health Foundation

The Grand View Health Foundation ("Foundation") is a not-for-profit, non-stock corporation, organized for charitable purposes within the meaning of Section 501(c)(3) of the Code, registered in the Commonwealth of Pennsylvania. The Foundation is the sole member of the Corporation, serving as the parent corporation for a multi-entity health care delivery system comprised of directly and indirectly controlled affiliates, which are providers of health care and ancillary services. The Foundation is governed by a Board of Trustees consisting of 32 members plus 4 emeritus members. Ten (10) Foundation Trustees are currently members of the Board of Trustees of the Corporation. The Foundation does not conduct active operations, except for fundraising for the benefit of the Corporation and its subsidiaries.

Affiliates

Grand View Lehigh Valley Health Services ("GLHS"): GLHS is a non-profit corporation controlled by the Corporation and Lehigh Valley Hospital and Health Network, Inc. ("Lehigh Valley") in Allentown, Pennsylvania. The Corporation and Lehigh Valley have 66.7% and 33.3% membership interests in GLHS, respectively; however, the Corporation and Lehigh Valley each have 50% voting rights. GLHS was formed for the purpose of owning and operating a cardiology practice (formerly known as Buxmont Cardiology Associates, P.C.) near the Main Campus. Lehigh Valley also provides management services and physician services as an independent contractor to the Corporation for its cardiac cauterization laboratory.

Grand View Urgent Care, LLC ("GVUC"): GVUC is a professional limited liability company registered in the Commonwealth of Pennsylvania. GVUC currently owns and operates two (2) urgent care centers located in Kulpsville and Quakertown, Pennsylvania. The Corporation is the sole member of GVUC. See "**EXISTING FACILITIES — Urgent Care Facilities**."

Grand View Healthcare Partnership ("GVHP"): GVHP is a limited liability company. The Corporation is the sole member of GVHP. GVHP was formed as an integrated delivery network ("IDN") to align the local community with triple aim goals, thereby improving care outcomes and becoming more attractive to payors of health services. GVHP is an alliance formed with other local, independent, self-governing primary care providers who are participants in GVHP through participation agreements. See "**PATIENT CARE SERVICES**" below for more information about GVHP and its clinically integrated delivery network.

Quakertown Health Ventures ("QHV"): QHV is a limited liability company owned and controlled by the Corporation and Lehigh Valley. The Corporation is a 50% member of QHV. The primary purposes of QHV are to sublease space to GVH and Lehigh Valley or their affiliates as session space for the use of community and/or affiliated medical practices to provide certain outpatient medical services. The building leased by QHV operates under the name Health Center at Quakertown. The Corporation provides multi-specialty medical services at the Health Center at Quakertown including primary care (internal and family medicine), obstetrics and gynecology, general surgery, orthopedic surgery and cardiology. Lehigh Valley provides other subspecialty services at the health centers.

Trinity Healthcare Alliance, LLC ("Trinity"): Trinity is a limited liability company that owns an office building located in New Britain Township, Pennsylvania, which is leased to the Corporation's Health Center at Chalfont. The Corporation is the sole member of Trinity. See "EXISTING FACILITIES – Outpatient Service Centers" below.

Grand View Surgery Center at Harleysville, LLC ("GVSC"): GVSC is a limited liability company registered in the Commonwealth of Pennsylvania. GVSC currently owns and operates an ambulatory surgery center in Harleysville, Pennsylvania. The Corporation is a member of the limited liability company with a 49% ownership interest. The remaining members of GVSC (with a 51% ownership interest) are independent physicians who provide surgical and related services at GVSC and are members of the Corporation's medical staff. See "**EXISTING FACILITIES – Outpatient Services Centers – Harleysville – Outpatient Center**."

GOVERNANCE

Corporation Board

Governance of the Corporation is vested in a self-perpetuating Board of Trustees (the "Corporation Board"). The Corporation Board is separate from the Foundation Board and governed by separate bylaws, although certain individuals serve on both Boards (as noted in the table below). The Corporation Board's bylaws specify that the number of Trustees on the Corporation Board shall be not fewer than eight (8) and no more than eleven (11). Currently, there are eleven (11) Trustees on the Corporation's Board. The Corporation Board is required to hold at least six (6) meetings per calendar year in addition to one public annual meeting. The President and CEO of the Corporation serves as an ex-officio Trustee. Apart from ex-officio Trustee and Trustee Emeriti, the term of office of a Corporation Board Trustee is three (3) years; each Trustee is eligible to serve up to three (3) consecutive terms. There are four (4) elected officers of the Corporation Board: Chair, Vice-Chair, Secretary and Treasurer. Trustees may be removed from office for cause by a vote of three quarters of the Trustees then in office. Emeritus Trustees must be re-elected annually and may attend regular Corporation Board meetings for a maximum of three (3) years.

The Corporation Board has developed governance practices, including a mentoring program and orientation program intended to increase the Corporation Board's effectiveness. To provide ongoing education to Corporation Board members, meetings of the Corporation Board include education sessions on topics such as governance, quality initiatives, new program offerings, and regulatory and compliance matters.

The current members of the Corporation Board and their principal occupations are listed below, along with the expiration date of the current term for each Trustee, which in each case is in September of each respective year.

Name	Occupation	Current Term End Date
Robert Pritchard, Chair*	Attorney/CPA	2021
Robert Loughery, Vice Chair*	Real Estate Developer	2022
Judith Ott, Secretary*	Retired/Social Work	2022
Blair Rush, Treasurer*	President and COO/Banking	2023
William Aichele*	Retired, Bank President	2023
Sanford Alderfer*	Real Estate Sales/Auctioneer	2021
Elaine Blue, M.D.	Primary Care Physician	2021
Marc Freeman, M.D.*	Anesthesiologist	2022
Jeffrey Landis*	Attorney	2021
Mary Anne Poatsy *	Financial Planner	2021
Mark Schlosser*	Local Business Owner	2023
Emeritus Trustees		
Greg Shelly*	Retired, Local Business Owner	2021

*Corporation Trustees also serve on the Foundation Board. See *"Foundation Board"* below.

Corporation Committees. Pursuant to the Corporation bylaws, standing committees of the Corporation Board include the following: Finance Committee, Quality/Steering Committee, Governance/Nominating Committee, Audit and Compliance Committee and Executive Review Committee. The Bylaws also permit the creation of ad hoc committees as needed. Currently the ad hoc committees include the following: Art, Building, Capital Campaign, Investment, Medical Staff Strategic Advisory, Patient Safety, Personnel, Project Implementation, and Technology. The committees are served by Trustees of both the Corporation and Foundation Boards. Membership of all committees may include persons other than Corporation and Foundation Trustees. Committees either meet monthly or quarterly in accordance with their committee charters.

Conflict of Interest Policy. The Corporation Board has adopted a conflict of interest policy which is contained in its bylaws that applies to all Trustees, their spouses, parents, children and siblings. The conflict of interest policy requires a Trustee to fully disclose all relevant facts pertaining to any possible conflict of interest to the Corporation Board Chair whenever any matter arises that may create a conflict of interest. The information is then reviewed by the Corporation Board Chair and the President and CEO of the Corporation. If the matter is deemed to be a conflict of interest, the conflicted trustee is not permitted to participate in deliberations concerning the matter and must be recused from any vote. Corporation Trustees are also required to complete annual disclosure statements wherein they must disclose any known or potential conflict of interest. The same conflict of interest policy also applies to the Foundation Board Trustees.

Foundation Board

Governance of the Foundation is vested in a self-perpetuating Board of Trustees (the "Foundation Board"). The Foundation's bylaws specify that the number of Trustees on the Foundation Board shall be not fewer than twenty (20) and no more than forty (40). Currently, there are thirty-two (32) Trustees on the Foundation Board. This number includes the current Chair, Vice-Chair, Treasurer and Secretary of the Board of Trustees of the Corporation. Ten (10) members of the Corporation's Board of Trustees are also members of the Foundation's Board, as noted in the section above which discusses the Corporation's Board of Trustees. The Foundation Board holds at least four (4) regular meetings during each year including an annual public meeting each September. Except for the four (4) officers of the Corporation, Honorary/Emeritus Trustees and ex-officio Trustees, the term of office of a Trustee is five (5) years; each Trustee is eligible to serve up to two (2) consecutive terms. There are four (4) elected officers of the Foundation Board: Chair, Vice-Chair, Secretary and Treasurer. In addition, the President and Chief Executive Officer ("CEO") of the Corporation and Chief Financial Officer ("CFO") serve as additional officers. Apart from the President and CEO and CFO, officers of the Foundation Board are elected annually.

The Foundation Board has developed governance practices, including a mentoring program and orientation program intended to increase the Foundation Board's effectiveness. To provide ongoing education to Foundation Board members, meetings of the Foundation Board include education sessions on topics such as governance, quality initiatives, new program offerings and regulatory and compliance matters. The Foundation Board is a source of future new members for the Corporation Board.

Certain members of the Foundation's Board of Trustees are also members of the Corporation's Board, as noted under "**GOVERNANCE**" above.

Foundation Committees. Pursuant to the Foundation's bylaws, there is a standing committee of the Foundation Board for Nominating/Review of new Foundation Trustees and Corporation Trustees.

Participation on Corporation Committees. In addition, the Foundation Board Trustees serve as members for multiple committees of the Corporation Board of Trustees. Those joint committees are as follows:

Art, Audit/Compliance, Building, Capital Campaign, Executive Review, Finance, Governance/Nominating, Investment, Medical Staff Strategic Advisory, Patient Safety, Personnel, Project Implementation, Quality Steering and Technology. Committees either meet monthly or quarterly in accordance with their Committee Charters.

EXECUTIVE MANAGEMENT

The principal executive management personnel of the Corporation are described below.

Jean M. Keeler, JD, President and CEO: Ms. Keeler was named President and Chief Executive Officer of the Corporation in December 2012. Previously, she served the Corporation as Senior Vice President and General Counsel for three years and Vice President/General Counsel since 1996. Prior to joining the Corporation, Ms. Keeler worked at the law of Grim, Biehn & Thatcher in Perkasie, Pennsylvania, serving as the Corporation's outside hospital counsel from 1985 to 1996.

Ms. Keeler is on the board of Cassatt Insured Group, a captive insurance organization, of which the Corporation is a member, which provides medical, professional and other liability coverage to member healthcare organizations. Ms. Keeler is Chair of the Mid-Atlantic Executive CEO Board of Vizient, a national purchasing improvement organization for hospitals and health systems. She is a member of the Hospital and Health System Association of Pennsylvania ("HAP"), also serving on the HAP Governance Committee, the American Hospital Association, the Bar Association of Bucks County, and is admitted to the Bar of the United States District Court, Eastern District of Pennsylvania. In 2017, Philadelphia Business Journal named Ms. Keeler as "one of the top women to watch in healthcare."

Ms. Keeler serves on the Board of Directors for the Bucks County Health Improvement Project, which serves the community members by offering medical care to those who cannot afford to pay. She provided leadership and direction to Gwynedd Mercy University in Montgomeryville, PA, by previously serving on the University's Board of Directors, and she has presented lectures on Healthcare Law for the Bucks County Bar Association, DeSales University and Holy Family University.

Ms. Keeler holds a law degree from Villanova University School of Law and a B.S. in Biology from DeSales University in Lehigh County, PA.

J. Mark Horne, MBA, FACHE, Senior Vice President, Chief Operating Officer: Mr. Horne joined the Corporation in 1998 after serving as Vice President at Episcopal Hospital in Philadelphia from 1992 through 1998. He has held various management positions in healthcare organizations since 1985.

Mr. Horne is board-certified in healthcare management and is a Fellow of the American College of Healthcare Executives. His current affiliations include membership in the following organizations: Eastern Pennsylvania Healthcare Executive Network; QNB Community Advisory Board; Upper Bucks Chamber of Commerce; and the Wingate University Board of Visitors. He is the past president of Hospital Central Services, Inc., which provides healthcare support services serving over 350 healthcare facilities in Pennsylvania.

Mr. Horne graduated from Wingate University in Wingate, N.C., in 1983 with a BS degree in Business Administration. In 1989, Mr. Horne later received a Master of Business Administration degree from the University of North Carolina at Greensboro.

Douglas Hughes, MBA, FACHE, Senior Vice President and Chief Strategy Officer: Mr. Hughes was named Senior Vice President and Chief Strategy Officer of the Corporation in May 2018 after serving as the Vice President of Administration at Main Line Health, a multi-hospital system located in the Philadelphia metropolitan area. From 2007 to 2012, Mr. Hughes served as Main Line Health's Director of Nursing

Operations, Surgical and Trauma Services. From 2005 to 2007, he served as the system's Staffing Office and Resource Team Manager. He also worked as the Clinical Nurse Manager for Emergency Services and Urgent Care in Elverson, PA., for St. Joseph's Medical Center from 2002 to 2005.

Mr. Hughes is a board member and past president of the Healthcare Leadership Network of the Delaware Valley. He is a Fellow of the American College of Healthcare Executives ("ACHE") and the winner of the ACHE's 2013 Service Award and 2012 Early Careerist Healthcare Executive Award. He is a graduate of the American Hospital Association's 2015 Fellowship Program and is a Certified Nurse Executive from the American Organization of Nurse Executives. Mr. Hughes formerly served on the Owen J. Roberts School Board.

Mr. Hughes holds a Master of Business Administration degree from Alvernia University and a Bachelor of Science in Nursing degree from Indiana University of Pennsylvania.

Courtney Coffman, CPA, Vice President, Finance and Chief Financial Officer: Ms. Coffman joined the Corporation as Vice President of Finance and Chief Financial Officer in March 2020 after serving in the same role at Penn State Health St. Joseph Medical Center from April 2017 to March 2020. Ms. Coffman previously served as the Market Chief Financial Officer for Prime Healthcare Services (Lower Bucks Hospital and Suburban Community Hospital) from 2016 to 2017, and as the Chief Financial Officer at Lower Bucks Hospital from 2012 to 2016.

Ms. Coffman is responsible for the Corporation's capital financial plans, program-specific business plans and the annual operating and capital budget. She manages all financial reporting and works to ensure the overall financial viability of the Corporation. She joined the Corporation at the onset of the coronavirus pandemic in March 2020 and was integral to the organization's financial planning and preparedness efforts during this unprecedented time in healthcare.

The Philadelphia Business Journal recognized Ms. Coffman as one of the top 40 leaders under age 40 in 2016. The Bucks County Courier Times recognized her as an Emerging Leader that same year.

Ms. Coffman earned a Bachelor of Business Administration degree from the Fox School of Business Honors College at Temple University. She is a Certified Public Accountant in Pennsylvania. She has served on the Newtown Township Planning Commission and Bucks County Community College Foundation Board and is a member of the Healthcare Financial Management Association, Metro Philadelphia Chapter.

Jane Ferry, MD, Vice President, Chief Medical Officer: Dr. Ferry has been a member of the Medical Staff of the Corporation since 1985 and has served as the Chief Medical Officer ("CMO") since 1990. Prior to accepting the CMO position, she served as chairman of the Corporation's Department of Emergency Medicine.

For her undergraduate degree, Dr. Ferry attended La Salle University in Philadelphia, where she studied Biology. She earned her medical degree from Temple University School of Medicine. After training in Internal Medicine at the University of Minnesota in Minneapolis, Dr. Ferry entered the field of Emergency Medicine and earned fellowship status with the American College of Emergency Medicine in 1987. In 2010, Dr. Ferry completed the Master's in Medical Management program at Carnegie Mellon University – Heinz College.

Cynthia C. Westphal, MSN, RN, NE-BC, Vice President, Patient Care Services and Chief Nursing Officer: Ms. Westphal was appointed Vice President, Patient Care Services and Chief Nursing Officer for the Corporation in 2018. She has more than 30 years of nursing leadership experience. In her position at the Corporation, she is responsible for all nursing units and developing and implementing nursing strategy and system policies to ensure quality patient care. She is also responsible for Surgical Services, the Cardiac

Catheterization Lab, Acute Rehabilitation, Case Management, Nurse Informatics and Clinical Education, and the Emergency Department.

Prior to assuming her current role, Ms. Westphal served as the Senior Director of Nursing at the Corporation. Prior to that, she was manager of cardiac critical care and inpatient units at Abington Memorial Hospital in Abington, PA. Previously, she served as Manager of Supervisors and Progressive Care Unit at Chestnut Hill Hospital in Philadelphia.

Ms. Westphal has a Master of Science in Nursing degree, specializing in Healthcare Administration, from Villanova University. She also has a Bachelor of Science in Nursing degree from the University of Delaware. Ms. Westphal holds a professional certification from the American Nurses Credentialing Center: Board Certified Nurse Executive. She is a member of the Pennsylvania Organization of Nurse Leaders, the American Organization of Nurse Leaders, the American Nurses Association and the American Hospital Association.

Jane Doll Loveless, MBA, CHCIO, HCISPP, CPHIMS, Vice President, Chief Information Officer: Ms. Loveless was appointed Vice President and Chief Information Officer for the Corporation in July 1995. She joined the Corporation in February 1985 and has worked in various management positions, with an emphasis on information services functions. Currently, she leads the Information Systems & Technology, IT Security, Telecommunications, Clinical Engineering, Data Analytics and Health Information Management teams at the Corporation and serves as its Privacy and Security Officer.

Ms. Loveless' previous experience includes four years with Proctor & Gamble in various management positions. Ms. Loveless is a Certified Healthcare Chief Information Officer, Certified HealthCare Information Security and Privacy Practitioner, and Certified Professional in Healthcare Information and Management Systems.

Ms. Loveless' present affiliations include the College of Healthcare Information Management Executives, Healthcare Information and Management Systems Society, and the Association for Executives in Healthcare Information Security. She has served on the Technology Committee of HealthShare Exchange of Southeastern PA, the Vizient National Technology Task Force, and the customer council of Cloudwave and Interlace Health.

Ms. Loveless received her Bachelor of Science degree in Industrial Engineering from Lehigh University and obtained a Master of Business Administration degree from Temple University.

Jan Rossi, Vice President, Human Resources: Ms. Rossi assumed the role of Vice President, Human Resources in December 2018. Ms. Rossi is responsible for the management, leadership and director for the Human Resources Department, including employee relations, sourcing and recruitment, organizational development and benefit administration. In addition, Ms. Rossi has oversight for the organization's Volunteer Program and Child Care Center.

She brings more than 20 years of human resources management experience within the health care industry. Prior to coming to the Corporation, she worked for Penn Medicine for more than 10 years, serving as Chief Human Resources Officer for the Clinical Practices of the University of Pennsylvania. In addition, she has held Human Resources and leadership roles at nearby Holy Redeemer Health System and Genesis HealthCare.

Ms. Rossi is a member of the Society of Human Resources Management and serves on the Bucks County (PA) Workforce Development Board.

Ms. Rossi is a graduate of Bloomsburg University with a bachelor's degree in Business Management.

Renee D. Acconciamessa, MBA, Vice President, Physician Services: Ms. Acconciamessa was appointed Vice President, Physician Care Services of the Corporation in 2018. She has more than 25 years of practice management and healthcare operational experience. At the Corporation, she is responsible for all aspects of Outpatient Medical Practices, including professional billing, credentialing and the Central Call Center.

Prior to July 2018, Ms. Acconciamessa served as the Assistant Vice President for Physician Services at St. Luke's University Health Network in Allentown, PA for seven years. Prior to St Luke's, she was Administrator of Department of Medicine – University of Medicine and Dentistry of New Jersey for ten years, where she also oversaw grants and clinical trials. She served as an Administrative Director for St. Luke's University Health Network from 2000 to 2002. She began her career working as the Operations Coordinator for the University of Pennsylvania Health System Trauma Services.

Ms. Acconciamessa has a master's degree in Management Business Administration, specializing in Healthcare Administration, from Eastern University in St. Davids, PA, and a Bachelor of Science degree from Cabrini College in Radnor, PA. She serves on the Ambulatory Surgery Center Board, GLHS Board, and now serves on the Upper Bucks Chamber of Commerce. She is a member of the Medical Group Management Association and the American College of Healthcare Executives.

Laura Cullen, Esquire, Vice President and General Counsel: Ms. Cullen began serving as the Corporation's General Counsel in 2015. Ms. Cullen serves as the principal legal advisor to the Corporation's senior leadership and all Corporation's affiliates and their Boards of Trustees.

Prior to joining the Corporation, Ms. Cullen served as in-house attorney for Catholic Health East (which has since been merged with and into Trinity Health), a large, multi-institutional health system and a litigation attorney with private law firms. She has practiced law for more than 22 years.

Ms. Cullen received her Bachelor of Arts degree from the University of Pennsylvania and her JD from Villanova University School of Law. She currently serves as a hearing committee member for the Disciplinary Board of the Supreme Court of Pennsylvania.

STRATEGIC OVERVIEW

The Corporation developed and adopted a strategic business plan in January 2020 in response to declining operating margins, decreasing market share and changes in the healthcare industry. The overarching goal of the Corporation's strategic plan is to ensure a sustainable healthcare organization by introducing important new clinical programs, investing in new infrastructure and returning to operational profitability.

In January 2020, the Corporation's Board of Trustees approved the strategic imperatives and related long-range goals set forth below:

Provide more patient care services of higher complexity and contribution margin.

The Corporation is pursuing accreditation as a Level II trauma center in partnership with Penn Medicine to enhance its emergency clinical service line, including adding a neurosurgical and neuroscience program. The Corporation also plans to enhance its cancer care services, expand its orthopedic care services, grow its women's health services (specifically, surgical services) and increase the depth and range of cardiac care services. The Project will provide a modern procedural platform to accommodate higher acuity surgical

procedures, state of the art equipment, and greater functionality for the Corporation to offer the highest quality and more specialized inpatient and outpatient services.

Increase the number of patients cared for by Grand View Health

Besides increasing the specialization of its patient care services, the Corporation seeks to increase the number of patients that it serves. Strategies for achievement of this goal include (1) expansion of its ambulatory network, (2) strengthening its relationships with large, independent primary care practices through GVHP, its IDN, (3) strengthening its current preferred position with several local skilled nursing facilities and expansion of that network and (4) identification and pursuit of patient care strategies that will maintain and grow market share in the Primary Service Area, and (5) construction of the Project which will provide all private patient rooms and more modern healthcare facilities to attract and accommodate more patients and healthcare professionals. See "**Strategic Affiliations with Other Healthcare Providers**" and "**Ambulatory Care Network Development**" below.

Increase awareness of Corporation's patient care services, patient care locations and brand through enhanced marketing efforts

The Corporation will actively promote its brand, services and patient service locations with stronger focus on social media campaigns. The Corporation utilizes various digital channels to market and promote it services. In addition to daily posts about services, providers and healthcare information on Facebook, Instagram, Twitter and LinkedIn, paid campaigns on Facebook and Instagram are also placed. Additionally, the Corporation retains vendors to assist it with regular updating and monitoring of reviews on Google for its physicians and practices and engages in search engine marketing to engage patients looking for providers and services on Google.

Ensure a highly qualified and engaged workforce, medical staff, management team and Corporation Board

The Corporation will maintain its culture of caring and is committed to ensuring that all stakeholders continue to embrace its core values. The core values of the Corporation are compassion, integrity, respect, collaboration, leadership, excellence and service.

The Project Implementation Committee and the Medical Staff Strategic Advisory Committee of the Corporation Board guide strategic development. Work groups consisting of Board members, medical staff physicians and management are used to develop key projects, business plans, and relationships.

Succeed with New Reimbursement Models

Another strategic goal of the Corporation during the next five years (2021 through 2025) is succeeding with new reimbursement models by managing the total cost of care, quality outcomes and patient experience. The Project is central to achieving the organizational goals of quality improvement, patient satisfaction, and volume and revenue generation. See "**PROJECT**" herein.

Proactive Growth Strategy

The population in the Corporation's primary service area has grown by 12,267 (5.5%) from 2010 through 2020 and is expected to grow by another 5,571 (2.4%) by 2025. See "**SERVICE AREA**" below. Continuing to provide high-quality healthcare services to the growing service area population is a key motivator behind the construction of the Project.

The Corporation's proactive growth strategy is multifaceted: (1) expand ambulatory care services in locations in the southern portion of the service area to capture more market share in this area; (2) construct a new patient care and procedural facility (the Project) in conjunction with pursuit of Level II trauma accreditation, to enhance patient care services and facilities to attract higher acuity patient volume and elective surgical procedures; and (3) form strategic partnerships and alliances with regional healthcare delivery systems in order to access clinical and quality expertise, branding and service line expansion.

The Project is core to the Corporation's proactive growth strategy. It will provide a modern procedural platform on the Main Campus to accommodate the high-acuity surgical procedures generated by the growth strategy in the trauma, oncology, and musculoskeletal service lines. It will also provide for a larger, more modern emergency department equipped with trauma bays to support the Level II trauma accreditation which is in process. The Project does not include plans for increasing inpatient beds, reflective of the trend of decreasing utilization of inpatient services, however, it does provide for all private inpatient rooms, which will be equipped with cardiac monitoring capabilities, allowing for the most flexibility when placing patients.

Strategic Affiliations with Other Healthcare Providers

The Corporation's goal of providing more specialized acute care services for the community it serves has been achieved through a strategic alliance agreement with Penn Medicine, as well as service-line specific partnerships with other regional health systems. A strategic alliance agreement with Penn Medicine provides the Corporation with the exclusive rights to all Penn Medicine clinical affiliations in Bucks, Montgomery, and Lehigh counties. Currently, the Corporation has clinical affiliations with Penn Medicine for orthopaedics, oncology, and trauma. Penn Medicine is currently serving as the program mentor for the Corporation's pursuit of Level II trauma accreditation, providing program guidance and setup support as well as clinical and quality programs. The strategic alliance agreement is scheduled to expire on August 31, 2021; however, the term of the agreement automatically renews for successive three year periods and management expects the strategic affiliation agreement to be extended through the forecasted period. Additionally, arrangements with Penn Medicine regarding the specific clinical affiliations for orthopaedics, oncology, and trauma are implemented through separate program agreements, with each agreement having its own separate term. The Corporation also has clinical affiliations with the Lehigh Valley for its cardiac catheterization lab, St. Luke's University Health Network for maternal-fetal medicine and neurology, and Children's Hospital of Philadelphia for pediatrics and the neonatal intensive care unit.

Ambulatory Care Network Development

The Corporation has advanced its ambulatory strategy, with three (3) large outpatient centers completed or scheduled for completion in the period from June 2020 to April 2021: Grand View Health Orthopaedic and Neurosurgery Center, Pennsburg Outpatient Center and Dublin Outpatient Center. These are multi-specialty centers that incorporate the Corporation's diagnostic services, with GVMP physician services, and are in areas targeted for growth, specifically in the southern part of the service area in Montgomery County, Pennsylvania. See "**PATIENT CARE SERVICES — Ambulatory Care Network**" below. Grand View Health Orthopedic and Neurosurgery Center was completed in July 2020, at an approximate cost of $5.2 million paid with internal funds. See "**EXISTING FACILITIES – Outpatient Care Services - *Grand View Health Orthopaedic and Neurosurgery Center"*** below. Pennsburg Outpatient Center was completed in August 2020 at a cost of $950,000. The cost of outfitting this facility was paid with internal funds. See **"EXISTING FACILITIES – Outpatient Care Services – *Pennsburg Outpatient Center*."** The Dublin Outpatient Center is targeted for completion in April 2021 with an approximate cost of $5 million, which will be paid with internal funds. See **"FUTURE CAPITAL PLANS"** below.

Growth of the GVMP physician network (the Corporation's employed physicians), as well as GVHP, an IDN established by the Corporation, aids the Corporation in growing market share through the increase in

covered lives attributable to these organizations. See "**CORPORATE STRUCTURE — Affiliates**" above. The GVMP physician network has recently added more surgical specialists including a fellowship-trained uro-gynecology surgeon, a fellowship-trained colo-rectal surgeon, a joint replacement specialist, and a neurosurgeon. These surgical specialists are vital to the success of the planned trauma center and are further bolstered by the addition of trauma surgeons contracted from Penn Medicine. Continued development of specialty programs and the ambulatory care strategy will be important aspects of the Corporation's strategy in the coming years. See "**MEDICAL STAFF**" below.

Managing Total Cost of Care

As healthcare moves from fee-for-service reimbursement models to payment for value, it is imperative that healthcare organizations combine a growth strategy with a cost of care control strategy in order to be successful. To that end, the Corporation with its affiliate, GVHP, built a clinically integrated network ("IDN"), which now includes over sixty (60) local primary care physicians, consisting of both Corporation employees and independent physicians. The IDN participates in quality care and cost control programs with leading service area health insurers, including Independence Blue Cross, Tandigm, and Aetna. Each patient care provider participating in the IDN was selected for funding by comprehensive primary care plus ("CPC+"), by the Center for Medicare and Medicaid Service Programs ("CMS"). CPC+ is a national advanced primary care and medical home model that aims to strengthen primary care through regional multi-payer payment reform and care delivery transformation. The IDN currently serves the healthcare needs of over 37,700 covered lives. The IDN provides the Corporation with a strong base of primary care providers focusing on value-based initiatives. See "**CORPORATE STRUCTURE – Affiliates**" above and **PATIENT CARE SERVICES – Integrated Delivery Network**" below.

Delivering Exceptional Patient Experience

Another key Corporation goal focuses on providing an excellent patient experience, a large component of which is providing access to subspecialist care in the Corporation's service area. Through its strategic affiliation with Penn Medicine, the Corporation can provide service area residents with access to Penn Medicine physicians, while still maintaining the high quality, low cost of care that the Corporation's patients value. The construction of the Project will enable the Corporation to offer all private patients rooms, a more modern procedural platform, greater functionality and higher acuity services in a state-of-the-art facility located in Upper Bucks County, Pennsylvania.

EXISTING FACILITIES

The Corporation's Main Campus is in West Rockhill Township (near the Borough of Sellersville), a suburban area in Bucks County, Pennsylvania, (approximately 40 miles north of the City of Philadelphia) and one mile north of the Montgomery County line. Additional property is owned or leased throughout the Corporation's service area to ensure that its healthcare delivery services reach the broader community, including portions of both Bucks and Montgomery counties. A description of the Corporation's existing facilities follows.

Main Campus

The Main Campus is located on an approximately 59-acre site and consists of six (6) interconnected multi-story structures containing 342,536 square feet with construction dating from 1928 through 2007. In addition, there are several standalone buildings housing various healthcare and employee services, including human resources, occupational medicine, home care/hospice, emergency and transport services and a childcare center. The Main Campus has surface area parking for over 800 vehicles.

Currently, the Hospital contains 169 licensed beds. Major inpatient service lines include cardiology (including interventional cardiology); general and vascular surgery; women's and children's health (including maternity, Level II NICU, and pediatric units); oncology; orthopaedics; and post-acute care services. The pediatric unit and Level II NICU are staffed full-time by Children's Hospital of Philadelphia-employed pediatricians and neonatologists.

There are nine (9) operating rooms used for both inpatient and outpatient surgeries; two (2) vascular and cardiac interventional rooms (that are in the cardiac catheterization lab); and three (3) endoscopy procedure rooms. The women's health services program has two (2) separate operating rooms for caesarean sections. The surgical suite is equipped with a da Vinci Xi minimally-invasive robotic-assisted surgical system, as well as a Stryker Mako® Robotic Platform ("Mako").

The Emergency Department includes twenty-six (26) treatment bays. The Emergency Department is currently undertaking the evaluation process to become an accredited Level II trauma center by the Pennsylvania Trauma Systems Foundation ("PTSF"), the accrediting body for trauma care centers in the Commonwealth of Pennsylvania. The Corporation began the evaluation period for Level II trauma care accreditation on January 1, 2021 and expects to be officially accredited as a Level II trauma care center in approximately nine months, following completion of a required review by the PTSF. The Corporation will provide trauma care services through a clinical partnership with Penn Medicine. A Level II trauma care center can initiate definitive care for all injured patients. Elements of Level II trauma care centers include 24-hour immediate coverage by trauma surgeons, as well as coverage by the specialties of orthopedics, neurosurgery, anesthesiology, emergency medicine, radiology and critical care.

In addition, the Corporation owns and operates a pre-hospital emergency and transportation service called Medic 151, a licensed provider of routine and emergency medical transports that provides basic life support and advanced life support emergency services. The Corporation employs a professional staff consisting of seven (7) full-time specially trained, state-certified paramedics and nine (9) full-time emergency medical technicians ("EMTs") who maintain a variety of certifications essential to providing high quality care during a pre-hospital emergency. The Corporation's fleet of emergency vehicles consists of five (5) full-service ambulances and two (2) paratransit vans. Total volume of emergency and transport occasions of service was 8,370 for Fiscal Year 2020. Medic 151's geographic coverage area consists of approximately 85 square miles in Bucks and Montgomery counties. See "**PATIENT CARE SERVICES – Emergency Services**."

Outpatient services provided at the Main Campus include diagnostic imaging, nuclear medicine, cardiac testing, laboratory, rehabilitation services, interventional cardiology and vascular procedures.

Outpatient Services Centers

In addition to the Main Campus, the Corporation offers a variety of health care services in the outpatient setting at six (6) ambulatory care facilities in its service area which are described below. A seventh outpatient center, to be known as the Dublin Outpatient Center in nearby Dublin Borough, Bucks County, Pennsylvania, is currently under construction and expected to open in April 2021.

Harleysville Outpatient Center. This outpatient center is in space leased by the Corporation and consists of a 37,845 square foot facility located 11 miles southwest of the Main Campus in Montgomery County. The center provides a full range of hospital-based outpatient services including radiology, ultrasound, mammography, CT, MRI, Dexa scans, cardiology testing, physical and occupational therapy and laboratory services. A timeshare suite is used for cardiology and orthopaedic physician services (both employed by the Corporation), along with occupational medicine provided by Corporation-employed providers. In addition to the above services, GVSC opened an ambulatory surgery center in April 2018 in the Harleysville Outpatient Center. GVSC is a for-profit organization with a 51% ownership by physician investors, with the Corporation

being the institutional member at 49%. The center has four (4) operating rooms and performs approximately 240 surgeries each month.

Health Center at Quakertown. This outpatient center is in space leased by the Corporation and consists of a 38,063 square foot facility located 6.5 miles north of the Main Campus in Bucks County. Services provided by the Corporation at this center include radiology, laboratory services, mammography, ultrasound, Dexa scans and cardiology testing. The site also has office space for Corporation-employed family medicine and OB/GYN physician offices. Family medicine has five (5) providers employed by the Corporation (three (3) physicians and two (2) APPs), while OB/GYN has seven (7) employed physicians and three (3) APPs covering five sites. At this outpatient center, there is present daily one to three physicians and one or two APPs.

Pennsburg Outpatient Center. This outpatient center is in space leased by the Corporation and consists of approximately 5,200 square feet located 15 miles west of the Main Campus in Montgomery County and offers laboratory, cardiology, radiology, mammography, ultrasound, and Dexa scan testing services. The Corporation employs an OB/GYN practice with seven (7) physicians and three (3) APPs with an office at this center that is generally staffed with one physician.

Health Center at Chalfont. This outpatient center is in a facility owned by the Corporation and consists of 5,760 square feet located 11.9 miles southeast of the Main Campus in Montgomery County. The site offers laboratory and radiology services and includes Corporation-employed physician offices such as the Corporation's bariatric and metabolic institute that offers a comprehensive surgical weight loss program staffed with three (3) physicians and one (1) APP. Also, at this location is a Corporation-owned family medicine practice with (3) physicians and one (1) APP, and an OB/GYN service that employs seven (7) physicians and three (3) APPs, with generally one physician present daily.

Sellersville Outpatient Center. This outpatient center is a 70,000 square foot facility owned by the Corporation and located on Lawn Avenue, 1/4 mile west of the Main Campus in Sellersville, PA. This facility houses the Corporation's Breast Care Center and certain other hospital-based healthcare services, including pulmonary rehabilitation, cardiac rehabilitation, physical/occupational therapy, radiology, mammography, ultrasound plus CT, PET CT and Dexa scans, laboratory services, and wound care. Corporation-employed physicians with offices at this location include Grand View Surgical Associates with seventeen (17) providers (nine (9) physicians and eight (8) APPs) and Grand View Wound Care Center with one (1) physician provider. The Corporation's wound care program is conducted by Healogics Specialty Physicians, a nationally recognized firm that employs specialty physicians and other providers to deliver wound care services. The Corporation leases space at this location to Alliance Cancer Specialists, a private, independent practice of hematology and oncology physicians who are members of the Corporation's medical staff with thirteen (13) providers (eight (8) physicians and five (5) APPs).

Grand View Health Orthopaedic and Neurosurgery Center. This 12,000 square foot facility owned by the Corporation opened in July 2020 in Hatfield Township, PA in Montgomery County, approximately 12 miles south of the Main Campus. This facility provides office and clinical space for Upper Bucks Orthopaedics and the Corporation-owned Neurosurgery practice. The Corporation owns and operates Upper Bucks Orthopaedics which employs sixteen (16) providers (ten (10) physicians and six (6) APPs). This state-of-the-art orthopedic treatment center offers patients an extensive menu of services, including X-rays, concussion treatment, athletic training, sports performance and physical therapy, along with access to fellowship-trained orthopaedic specialists and experts in sports medicine and physiatry.

Urgent Care Facilities

Through its controlled affiliate, GVHC, the Corporation owns and operates two urgent care centers in its service area. The Kulpsville Urgent Care Center is a 4,288 square foot facility located in Kulpsville, PA in

Montgomery County, approximately 12 miles southeast of the Main Campus. The other urgent care center, Quakertown Urgent Care Center, is in Quakertown, Bucks County, is a 5,640 square foot facility approximately 6 miles north of the Main Campus. Both urgent care center facilities are open seven days a week and provide care to children, adolescents, and adults. Both offer radiology and point-of-care laboratory services. They are staffed by Board Certified family practice and emergency physicians, registered nurses, radiology technicians and patient care technicians. The Quakertown Urgent Care Center is co-located with a large community-based family practice provider group doing business as TriValley Primary Care (TriValley). TriValley employs seven (7) physicians and other healthcare providers at this location and has several other medical offices in various locations in Bucks and Montgomery counties.

Home Care and Hospice Services

The Corporation operates a home care and hospice department on the Main Campus as well as a durable medical equipment and respiratory department, known as Grand View Medical Company. Grand View Medical Company occupies a 7,650 square foot space leased by the Corporation in Hilltown, Pennsylvania in Bucks County, approximately 7.3 miles south of the Main Campus.

The map below shows the locations of the Corporation's seven outpatient centers and two urgent care centers, Lansdale Imaging Center, an imaging center owned by the Corporation, and the Main Campus (designated by a red star). The seventh outpatient center, Dublin Outpatient Center, is currently under construction and scheduled to open in April 2021. See "**FUTURE CAPITAL PLANS**" below for further information about the Dublin Outpatient Center project.



1 Grand View Hospital, Main Campus – Sellersville
(also radiation oncology, imaging and lab)
2 Sellersville Outpatient Center – Sellersville
Specialty care, advanced wound care and hyperbaric therapy, imaging, lab and rehab services
3 Health Center at Quakertown – Quakertown
Primary care, specialty care, imaging and lab
4 Dublin Outpatient Center – Dublin (under construction)
Specialty care, primary care, imaging and lab
5 Health Center at Chalfont – Chalfont
Primary care, imaging and lab
6 Grand View Health Orthopaedic Center – Colmar
Specialty care and rehab services
7 Lansdale Imaging Center – Lansdale - Imaging
8 Health Center at Harleysville – Harleysville
Ambulatory surgery center, specialty care, imaging, lab and rehab services
9 Pennsburg Outpatient Center – Pennsburg
Specialty care, imaging and lab
10 Kulpsville Urgent Care Center
Radiology and point-of-care laboratory services
11 Quakertown Urgent Care Center
Radiology and point-of-care laboratory services

* Primary and specialty care offices (**not shown**) are in Sellersville, Souderton, Lansdale, and Lederach, PA.

PROJECT

Master Facility Plan

The Corporation completed a strategic and master facility planning process in 2018 with the assistance of outside planning consultants. This planning process identified the need for immediate and long-term strategic facility investments for the Corporation to remain financially sustainable and provide new and improved healthcare services. Following the analysis, the Corporation management and its Board of Trustees made a commitment to upgrade and expand its inpatient care service facilities on the Main Campus through

construction of a new inpatient care building and renovations to the existing, adjacent buildings, as more particularly discussed and described below (collectively, the "Project").



Project Description

The Project consists of a 190,156 square foot new building with minor renovations to existing, adjacent buildings. The new inpatient care building will be a 6-story structure connected to the existing hospital building complex on the Main Campus and includes the following:

- **First Floor**: Emergency Department; imaging services; lobby; main entrance; and amenities;
- **Second Floor**: Procedural platform for surgery; cardiac catheterization laboratory; and other interventional services;
- **Third Floor**: Flexible acuity unit with 26 intensive care and progressive care beds;
- **Fourth and Fifth Floors**: Space for future expansion of progressive care and additional medical/surgical units;
- **Rooftop**: Mechanical equipment and new helipad; and
- **Parking area**: 157 new and replacement parking spaces for a total of 828 parking spaces on the Main Campus.

All patient rooms will be private. The Hospital's inpatient bed complement will remain the same with 169 licensed beds. The Project has two phases. Phase I involves demolition of a three-story structure (currently a medical office building) adjacent to the Hospital and renovation of 7,000 square feet of existing space. Phase II involves construction of a new 6-story pavilion and new lobby/main entrance for the new expansion and existing hospital facilities on the Main Campus.

The COVID-19 pandemic reinforced the need for more capacity and flexibility related to high acuity care. In planning for the Project, design considerations were made to meet the needs of patients and provide safety for the staff. They include capability to flex the number of intensive care beds based on acuity and to convert all patient care rooms in the flexible acuity unit to negative airflow rooms.

This Project will enable the Corporation to provide service area residents with state-of-the-art equipment and functionality in order to offer the highest quality healthcare services in a local community setting. The new inpatient care building will allow for expansion and increased bed capacity as the fourth and fifth floors will be initially shelled space available for future use and flexibility. The Project will provide more space and state of the art equipment to care for emergency patients. As mentioned above, the Corporation is pursuing Level II trauma accreditation for the Emergency Department. This accreditation is expected prior to the Project's completion. See "**EXISTING FACILITIES – Main Campus**" for further details.



The Corporation anticipates that the Project will commence construction when all permits and approvals are obtained in February 2021. The Project is expected to be placed in service by July 2023. The Project's total cost is estimated at approximately $184 million. The Corporation plans to fund the Project's costs through internal cash reserves, community fundraising and proceeds of the Series 2021 Bonds. See "**Estimated Sources and Uses of Funds**" in the forepart of this Official Statement. The current budget for the Project is as follows:

Project Costs

Construction Costs	$121,225,000
Contractor's Reserve	4,985,000
Estimating Contingency	3,100,000
Furniture, Fixture & Equipment	41,420,000
Architect and other	13,270,000
Total	**$184,000,000**

Architect. The Corporation has contracted with The Ballinger Company to provide design and engineering services for the Project. The Ballinger Company is an architectural firm located in Philadelphia, Pennsylvania specializing in corporate, academic and healthcare design, planning and interior design services. The Ballinger Company was retained by the Corporation and has led a multi-disciplinary team of experts on the design phase of the Project. The Ballinger Company has a long list of healthcare projects, including several completed healthcare-related projects in the tri-state area of Pennsylvania, New Jersey and New York.

Project Manager. The Corporation has engaged a senior project manager from Penn Medicine's Real Estate, Design and Construction Department to assist with the Project and provide guidance and oversight throughout the entire planning and construction process. The senior project manager has over 40 years of experience in architectural design, construction and project management. Penn Medicine's project management experience includes the design and development of six major medical centers in the Philadelphia region including the most recent completion of a 250,000 square foot expansion of Penn Medicine's Chester County Hospital located in Chester County, Pennsylvania. Penn Medicine's senior project manager, in conjunction with the Corporation's senior director of project management, will represent the Corporation in all dealings and interactions with the construction manager, subcontractors, inspectors, and regulatory agencies related to the Project.

Penn Medicine and the Corporation have a strategic alliance focused on the development of joint clinical care programs in surgery, cancer, orthopaedics and trauma to improve health care for constituents in Bucks and Montgomery counties. The University of Pennsylvania Health System is a major multi-hospital health system headquartered in Philadelphia, Pennsylvania and together with the Perelman School of Medicine at the University of Pennsylvania comprise Penn Medicine. See "**STRATEGIC OVERVIEW**" above and "**PATIENT CARE SERVICES**" below for more information about the Corporation's affiliation with Penn Medicine.

Construction Manager. The Corporation has contracted with L.F. Driscoll Company, LLC (the "Construction Manager") to provide pre-construction planning, construction management and site logistics and was selected through a competitive process. The Construction Manager is a full-service construction provider focused on healthcare projects in Pennsylvania. In 2009, the Construction Manager joined STO Building Group, a $5 billion international construction services entity headquartered in Bala Cynwyd, Pennsylvania, a Philadelphia suburb. The Construction Manager has decades of experience with healthcare projects and has built some of the most complex and leading-edge healthcare and health sciences facilities in the Commonwealth of Pennsylvania including the recently opened $165 million Penn Medicine south pavilion expansion in the City of Philadelphia and the $200 million Penn Medicine Chester County hospital expansion located in West Chester, Pennsylvania. In addition, the Construction Manager completed the $350 million Tower Health Reading HealthPlex for Advanced Surgical and Patient Care in Reading, Pennsylvania for Tower Health, a non-profit, healthcare provider and payer system headquartered in Reading.

Construction Management Agreement/Guaranteed Maximum Price. The Corporation and the Construction Manager have entered into a construction management agreement (the "Construction Management Agreement") for the construction of the Project. The Construction Manager is expected to agree to provide certain construction management services and complete the construction of the Project for a guaranteed maximum price to be determined not in excess of $129.3 million (the "Guaranteed Maximum Price"). The Guaranteed Maximum Price is expected to include the costs of the work to be performed by separate trade contractors, an amount for the cost of certain unbid and allowance work, the cost of the general conditions items, a contractor's reserve of $5.0 million and an estimated contingency of $3.1 million for unanticipated costs, costs for the Construction Manager's supervisory personnel, cost and itemization of equipment to be furnished by the Construction Manager, and costs of insurance. The Guaranteed Maximum Price is not expected to include the cost of $41.4 million for major fixed and movable equipment and furnishings for the Project.

Although it is expected that the Construction Manager's work will be completed at or below the Guaranteed Maximum Price, it is possible that the cost of construction could be adjusted to a level in excess of the Guaranteed Maximum Price. Once a Guaranteed Maximum Price is established, it may only be increased or decreased by written change orders authorized by the Corporation.

The Construction Management Agreement may be terminated by the Construction Manager upon the cessation of work due to failure of the Corporation to make required progress payments. The Construction Management Agreement may be terminated by the Corporation upon the bankruptcy or insolvency of the Construction Manager, upon the persistent disregard of applicable laws or substantial violation of the construction management agreement and related documents by the Construction Manager, or for convenience.

Approvals and Permits. The Corporation has applied for all material construction permits for the Project. A site work permit for the Project has been obtained and the Corporation expects to obtain all remaining approvals and permits in time for construction of the Project to proceed on schedule. Water, sewer and electric utilities are currently available at the site of the Project.

FUTURE CAPITAL PLANS

The Corporation currently has a new 12,000 square foot outpatient center under construction in Dublin Borough, Bucks County, located approximately 8 miles east of the Main Campus. The center is planned to open in April 2021 and will contain a primary care office, specialty time share suite, and an imaging center containing radiology, mammography, ultrasound, and DEXA services.

Annually from Fiscal Year 2022 through 2025, the Corporation expects to spend approximately $5 million to $7 million for routine capital expenditures. In the current Fiscal Year (2021) as part of its routine capital expenditures, the Corporation plans to spend approximately $15 million, which includes expenditures related to the new Dublin Outpatient Center, a new cardiac catheterization laboratory, a new emergency power generator, and various other routine capital expenditures.

The Corporation plans to pay for the above-described capital expenditures with operating cash flow, board-designated funds and community fundraising.

PATIENT CARE SERVICES

The Corporation provides an extensive scope of inpatient and outpatient services including cardiac and vascular, oncology, women's health, orthopaedics, diabetes management, neonatology, psychiatry, wound care and laboratory at its Main Campus

In addition to its Main Campus services, the Corporation offers a broad range of outpatient services including primary care, specialty services, ambulatory surgery, rehabilitation, mental health counseling, medical laboratory, occupational medicine, speech therapy, home care and urgent care. In total, these service offerings make up a broad continuum of care for the residents of Bucks and Montgomery counties, in the Corporation's service area.

Licensed Bed Complement

As of November 30, 2020, the Corporation's licensed bed complement was 169 beds.

Service	Licensed Beds
Medical/Surgical	94
Intensive Care	14
Acute Rehab	14
Maternity/Obstetrics	28
NICU	6
Pediatrics	13
Acute Care Total	**169**

Clinical Services Overview

The following chart shows the Corporation's services in descending order of admissions, including newborns, for the Fiscal Year ended June 30, 2020.

Grand View Hospital
Clinical Services Ranked by Volume
Fiscal Year ended June 30, 2020

Clinical Service	Admissions	% of Total
General Medicine	1,382	16.89
Obstetrics/Gynecology	1,035	12.65
Newborns	1,023	12.50
Pulmonary	814	9.95
Cardiology	725	8.86
Orthopedic Surgery	630	7.70
Gastroenterology	566	6.92
Neurology	547	6.69
General Surgery	409	5.00
Orthopedics	254	3.10
Urology/Nephrology	248	3.03
Gastrointestinal Surgery	210	2.57
Neurological Surgery	134	1.64
Hospice	88	1.08
Otolaryngology	84	1.03
Hematology/Oncology	20	0.24
Eye Disease/Disorder	12	0.15
Total	**8,181**	**100.0**

Source: Corporation

The Corporation's major categories of clinical services are described in the following paragraphs.

Cancer Services. More than 19,000 newly diagnosed cancer patients have received care at the Hospital since the inception of the electronic registry system in 1986. The Corporation offers a multidisciplinary

approach to treating cancer as a complex group of diseases that require consultations among medical oncologists/hematologists, radiation oncologists, surgical oncologists, surgeons, radiologists, pathologists and other provider specialists. During Fiscal Year 2020, the Corporation provided 6,790 radiation oncology treatments, 12,386 screening mammograms (which is a BICOE Center), 1,618 breast-related office visits and 770 genetic counseling visits.

In 2018, the Corporation was awarded three-year accreditation with commendation by the American College of Surgeons Commission on Cancer as a Comprehensive Community Cancer Program. The Corporation is accredited by the National Accreditation Program for Breast Centers since 2015. It has also embarked on a lung cancer screening initiative which is currently screening an average of more than 450 patients per year. The continuum of oncology care in Bucks and Montgomery County is enhanced with a Penn Medicine Cancer Network partnership (the "Cancer Network"), which consists of a select group of leading community hospital organizations (including the Corporation) throughout Pennsylvania, New Jersey and Delaware collaborating with Penn Medicine's Abramson Cancer Center to provide excellence in cancer care throughout the tri-state area. The Cancer Network offers a collaborative system of care between the Corporation and Penn Medicine. This means if patients are receiving care in one of the Corporation's cancer care programs, they will have access to the latest treatments, including Penn Medicine's extensive clinical trials program. Penn Medicine cancer specialists remain in close contact with the Corporation's cancer care physicians. The working relationship between Penn Medicine physicians and the Corporation's physicians specializing in cancer treatment assures patients of optimal care.

In 2015, the Corporation hired a breast surgical oncologist who is certified in nipple-sparing mastectomies and hidden scar techniques. Over the past 12 months, the Corporation has added a fellowship-trained colorectal surgeon and an interventional pulmonologist to its physician cancer team. The Corporation also hired multiple nurse navigators as well as a full-time financial navigator and a part-time oncology social worker.

To enhance its growth strategy, the Corporation, in January 2021, entered into a professional services program agreement with Penn Medicine to staff the Radiation Oncology program with Penn Medicine physicians and implement Penn Medicine's quality and safety metrics program.

Emergency Services. The Corporation provides emergency medical care through its Emergency Department at the Hospital. Board certified emergency medicine physicians and specially-trained nursing staff provide highly skilled care to approximately 29,000 annual patients 24x7x365. The Emergency Department is staffed by physicians that are part of an independent group, through a professional services agreement with the Corporation. The Hospital is a certified stroke center and is certified by the Pennsylvania Department of Health in Percutaneous Coronary Interventions. The Corporation established the first Geriatric Emergency Department in Pennsylvania accredited by the American College of Emergency Physicians. Pediatricians from Children's Hospital of Philadelphia consult in the Emergency Department.

As part of the Project, the Corporation will be constructing and operating a new state-of-the-art Emergency Department. This new unit will include 26 beds, two dedicated trauma bays, and a behavioral health pod. The Emergency Department is currently in the evaluation period for accreditation as a Level II trauma center by the PTSF, the accrediting body for trauma centers in the Commonwealth of Pennsylvania. See "**EXISTING FACILITIES – Main Campus**" above for further detail.

In January 2021, the Corporation commenced a six (6) month evaluation period, as it works toward accreditation from the PTSF as a Level II Trauma Care Center. The Corporation anticipates accreditation as a Level II trauma center in approximately nine months following completion of a required review by the PTSF. The Corporation will provide trauma care services through its clinical partnership with Penn Medicine.

Emergency and Transport Services. The Corporation owns and operates Medic 151, a state-certified licensed provider of routine and emergency medical transports that provides Basic Life Support ("BLS") and Advanced Life Support "(ALS") emergency services. Medic 151 professional staff members are specially trained, state-certified paramedics and EMTs who maintain a variety of certifications essential to providing effective and efficient care during a pre-hospital emergency.

When dispatched to a call requiring ALS measures, the Medic 151 response team includes at least one paramedic and one EMT. For calls requiring BLS, Medic 151 provides a minimum of two EMTs. Bucks and Montgomery counties' 9-1-1 Dispatching System will dispatch an ALS crew for patients with severe life-threatening conditions. Medic 151 serves the boroughs of Perkasie, Dublin and Sellersville, as well as West Rockhill, East Rockhill, Hilltown, Milford and Salford townships, which are in Bucks and Montgomery counties.

Surgical Services. The Corporation has a broad surgical program that includes a wide variety of specialty areas and performs over 400 procedures per month in nine (9) operating rooms and more than 80 endoscopy procedures in two (2) endoscopy suites. The Corporation offers total joint replacement in both traditional and minimally-invasive robotic methods utilizing a Mako robotic device, totaling over 100 orthopaedic procedures monthly. The orthopaedic joint program has been recognized as a High Performing Hospital by *U.S. News and World Report* for 2020-21. See "**EXISTING FACILITIES**" above for more detail.

At the Hospital, the Corporation also offers a wide variety of open and minimally invasive methods of general and vascular surgical procedures. This includes traditional and robotic-assisted laparoscopy, bariatric surgical options, endovascular repairs and endoscopy. With GYN, urology, and urogynecology options, the Corporation provides comprehensive care for a variety of pelvic conditions. The Corporation has recently started providing microvascular reconstruction for women post-mastectomy. This gives women more options after a breast cancer diagnosis.

In January 2021, the Corporation started a neurosurgery program, inclusive of cranial and spinal surgery, along with navigational spine surgery for the most precise surgical intervention in the most delicate of areas. The Corporation is also pursuing Level II Trauma accreditation designation in 2021, which will bring more acutely ill patients to the Hospital's Operating Room and Post-Anesthesia Care Unit. Level II Trauma accreditation will give service area residents the ability to get care at their community Hospital in the unfortunate event of a traumatic injury.

Orthopaedic Services. The orthopaedic service line comprises seven (7) orthopaedic surgeons, two (2) primary care sports medicine physicians, one (1) physiatrist, and six (6) physician assistants. Additionally, the Corporation employs seven (7) athletic trainers who provide athletic training services to two local school districts and community sports organizations. All physicians are employed by the Corporation and work out of four office locations in the Corporation's outpatient centers in Sellersville, Colmar, Harleysville, and Quakertown. See "**EXISTING FACILITIES — Outpatient Services Centers**."

Orthopaedic surgery is performed at the Hospital and Grand View Surgical Center, located in the Corporation's Harleysville Outpatient Center. The Corporation's orthopaedic surgical practice provides a comprehensive program including robotic-assisted total knee and hip surgery, complex shoulder surgeries including total shoulders, hand and wrist surgery, back and neck surgeries including disc replacements, foot and ankle surgery, and knee surgery including joint preservation procedures. The most recent addition to the Corporation's orthopaedic services is interventional physiatry. Procedures performed include epidural steroid injections, radiofrequency ablations and transforaminal injections.

The Corporation's Joint Center is a comprehensive multidisciplinary program at the Hospital that focuses on total joint patients and their outcomes through effective communication, education, preadmission

testing, surgical coordination and post-procedure follow-up. In addition to the Joint Center, the Corporation offers a comprehensive inpatient orthopaedic floor with dedicated, specialty-trained staff who focus on patient-centered care.

Grand View Physical Therapy services are offered at three of the Corporation's outpatient centers by certified physical therapists and occupational therapists with various subspecialized certifications, including orthopaedics, hand therapy and vestibular therapy. Additionally, Grand View Physical Therapy provides inpatient services that support the service line after surgery. MRI services are available at the Hospital and at Harleysville Outpatient Center.

The Corporation plans to recruit fellowship-trained hand and total joint surgeons to complement the existing orthopaedic surgical staff.

Cardiology Services. In partnership with community-based cardiologists on its medical staff, the Corporation's cardiovascular service line provides a full spectrum of services including non-invasive diagnostic testing. Tests performed are: EKG; transthoracic, transesophageal and stress echocardiography; T-wave alternans stress for detecting individuals at risk for sudden death; nuclear stress testing; diagnosis and treatment of arrhythmias, including insertion of cardiac defibrillators and pacemakers with subsequent in-office and remote device monitoring; interventional cardiology (diagnostic coronary cauterization, coronary angioplasty, stent implantation); and a cardiac rehabilitation program.

During Fiscal Year 2020, the Corporation performed 134 procedures in its cardiac catheterization lab despite the COVID-19 restrictions. The Corporation also offers cardiac rehabilitation for patients after an acute cardiac event to assist in the recovery process, educate patients about their condition, improve their current health status to prevent future events, and control risk factors such as weight and blood pressure.

OB/GYN Services. Two OB/GYN physician practice groups: Grand View's OB/GYN Associates and a private community OB/GYN practice group known as Stoneridge OB/GYN, provide their services at the Hospital. Combined, there were more than 1,000 deliveries at the Hospital in Fiscal Year 2020. These two physician practice groups care for the Corporation's OB/GYN patients in seven locations and served more than 20,000 patients during Fiscal Year 2020.

The Corporation in a partnership with the St. Luke University Health Network Maternal Fetal Medicine Program and the Healthy Beginnings Program, cared for more than 4,500 underserved mothers in the Corporation's service area, providing maternal education, prenatal care and support, parenting classes and emotional support for mothers with resource limitations.

The Corporation has established a urogynecology program, which includes the InterStim micro system, to help address the issue of urinary incontinence in female patients. This new program performed more than fifty cases in its first year at the Hospital, despite the COVID-19 limitations.

Primary Care. Primary care at the Corporation employs eleven (11) physicians and five (5) APPs, providing care to close to 40,000 patient visits and rendering more than 16,000 procedures at four of the Corporation's outpatient centers in Fiscal Year 2020. In addition to net patient service revenue generated from these services, providers also earned more than $3.8 million in quality service revenue in the last three years (Fiscal Years 2018-2020) with performance improving year over year. Processes implemented that have enhanced quality performance include strategies to mitigate excess cost and enhanced preventive outreach including the implementation of robust care management protocols supported by registered nurses that identify vulnerable patient populations across the continuum to reduce admissions, readmissions and escalation of disease processes. Chart preparation has also been instrumental in helping teams identify care gaps. Developing and managing disease specific registries has been critical. Care transitions and the development

of care teams has helped improve compliance, trust and confidence. Furthermore, outreach teams work to ensure the closure of care gaps when studies are ordered, and orders are not fulfilled. Close partnerships with key payors have been prioritized and regular meetings take place to assess performance and best practices. The key to success has been an awareness of changing trends and quick adaptation. The implementation of a COVID-19 hotline in March 2020 is an example of a quick pivot to meet pandemic needs and nurses were able to counsel and direct many exposed and ill patients. Another pivot to telemedicine enabled the Corporation's providers to render in excess of 9,000 virtual visits (including psychotherapy, nutrition, preventive care and sick visits) for the period March 2020 through November 18, 2020. The primary care team is committed to enhancing care across the care continuum while meeting the physical, psychosocial and clinical care of patients while managing risk and cost.

Ambulatory Care Network. The Corporation offers ambulatory care services at the Corporation's outpatient centers arranged in a hub-and-spoke pattern, with the Main Campus at the center. Existing outpatient care facilities include the Hospital in Sellersville, PA, the Lansdale Imaging Center in Lansdale, PA and outpatient centers in Sellersville, Quakertown, Chalfont, Colmar, Harleysville and Pennsburg, PA. A new outpatient center in Dublin, PA, will open in April 2021. See "**EXISTING FACILITIES — Outpatient Service Centers**" above for more information.

Integrated Delivery Network. In 2016, the Corporation partnered with five independent primary care organizations to establish GVHP – an IDN. GVHP serves multiple purposes for the Corporation. First and foremost, its mission is in direct alignment with the Centers for Medicare and Medicaid Services' triple aim: "to promote the wellness of our community through the delivery of coordinated healthcare with a focus on quality, patient experience and cost effectiveness." The Corporation is committed to providing residents in its service area with high-quality, low-cost health care services. Second, GVHP serves as a critical venue for dialogue between the Corporation, service area physician specialists and primary care physicians. Third, it is a vehicle for value-based contracting with federal and commercial payors. Although largely primary care driven, GVHP actively collaborates with Corporation-employed and independent specialists in behavioral health, cardiology, gastroenterology, orthopaedics and ophthalmology.

In the four years since inception, GVHP has seen significant growth in participating primary care provider ("PCP") organizations, primary care physicians, value-based payor contracts and attributed patient lives within those contracts. The table below illustrates the growth of GVHP from 2017 to 2020. Participating PCP organizations and patient lives managed in value-based contracts have nearly doubled.

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Demographics	2017	2020	Change
Participating PCP Organizations	5	9	+4
PCP Office Locations	15	22	+7
Primary Care Physicians	44	61	+17
Value Contracts – Attributed Lives			
Aetna Commercial	9,000	11,500	+2,500
Aetna Medicare Advantage	N/A	1,700	+1,700
Independence PPO	N/A	7,500	+7,500
Traditional Medicare	11,000	17,000	+6,000
Total Attributed Lives	**20,000**	**37,700**	**+17,700**

Source: The Corporation.

QUALITY STRATEGY AND AWARDS

Quality Strategy

The Corporation is committed to providing high quality healthcare through a quality management strategy focused on achieving high reliability, clinical excellence, improving patient safety, and improving the health of its service area population. As part of the strategic plan, quality goals are established through the reviewing of data, identifying best practices, evaluating processes through a disciplined approach, implementing action plans and measuring outcomes. Each department monitors quality initiatives and performance. Quality data is regularly disseminated to all levels through various forums, groups and committees. The Corporation's quality strategy is overseen by the Chief Medical Officer, with the ultimate responsibility for effectiveness residing with the Corporation's President and CEO and governed by the Corporation Board's Quality and Safety Committees.

Multiple tools, such as an Organizational and Performance Improvement and Patient Safety Plan developed by the Corporation, are utilized to educate and track quality initiatives and outcomes as part of the Corporation's ongoing commitment to continuous improvement and clinical excellence. Quality outcomes are tracked and analyzed and action plans implemented for improvement when indicated by utilizing internal benchmarks as well as various nationally-recognized programs, registries and standards that include, but are not limited to, the following: Joint Commission; National Database for Nursing Quality Indicators; National Cardiovascular Data Registry; CMS e.g. Value Based Purchasing, Hospital Acquired Condition Reduction Program, and Readmission Reduction Program.

Members of the executive team, various directors and managers, and nursing supervisors take part in a daily "safety huddle," to discuss safety, quality and customer service concerns. All safety huddles, as well as various other meetings, are started with a safety story which highlights a good catch, teamwork, a quality/performance improvement concern, or a need for situational awareness. In addition, executive or patient safety officer rounds occur at least monthly to allow for problem solving of identified safety, quality, and customer service concerns.

The focus on quality is also having an impact on reimbursement as healthcare reform causes hospitals to shift their focus from growing inpatient volume to improving the patient experience and quality outcomes across the continuum at the lowest costs. With this focus, the Corporation measures quality and safety data tracked for the various CMS programs: mortality outcomes, readmission rates, safety (including hospital-acquired infections), patient experience, efficiency, timeliness and effectiveness of care. The Corporation also measures quality and safety data in these additional categories, which include, but are not limited to the following: medication safety, staff perception of culture of safety, blood and blood component use, patient fall reduction, employee safety (including workplace violence), pain assessment, communication of critical values, and various department specific metrics.

Awards and Recognition

Over the past three years (2018 through 2020), professional healthcare organizations have recognized the Corporation through awards and accreditations. Recognition is based on the quality and safety of patient care, as well as outcomes based on data.

- The Corporation was recognized by the American Heart Association/American Stroke Association as a recipient of the Get With The Guidelines-Stroke Silver Plus Quality Achievement Award in 2019.

- In 2020, for the sixth year in a row, the Corporation received the Get With The Guidelines®-Heart Failure Gold Plus Quality Achievement Award for implementing specific quality improvement measures outlined by the American Heart Association/American College of Cardiology Foundation.

- In 2020, the Corporation was awarded the American Heart Association Get With The Guidelines-Atrial Fibrillation Gold Quality Achievement Award. The Corporation is the only hospital in Southeastern PA to receive the AFIB Gold recognition from the American Heart Association in 2020.

- The Corporation has Disease Specific Care Certifications for Joint Replacement Hip and Knee, Advanced Heart Failure and Advanced Primary Stroke.

- US News and World Report Best Hospitals Knee Replacement 2020-2021.

- In 2020, the Corporation was recognized as a Keystone 10 Center, indicating the Corporation's high level of support for breastfeeding families through the adoption and implementation of evidence-based practices.

- In 2018, the Corporation was recognized by the ABILITY Network and DecisionHealth as a HomeCare Elite Agency for the seventh consecutive year.

- Blue Cross and Blue Shield Association recognizes the Corporation as a Blue Distinction Center+ for Knee and Hip Replacement and Maternity Care.

CORPORATE COMPLIANCE

The Corporation is firmly committed to operating with trust and integrity, and to maintaining the highest levels of professional and ethical standards in the conduct of its business. The Corporation's Code of Conduct, which applies to all officers, employees, medical staff members and health care providers of the Corporation and its subsidiaries, sets forth a series of expectations regarding the manner in which those subject

to the Code of Conduct are to conduct themselves and provides a strong foundation for the Corporation's compliance program.

The corporate compliance plan adopted by the Corporation Board is evaluated and updated from time to time and sets forth the compliance program. The plan is intended to provide reasonable assurance that the Corporation, its subsidiaries, affiliates, and partners:

- Comply with all federal, state and local laws and regulations that are applicable to its operations;
- Establish, monitor and enforce high professional and ethical standards;
- Detect and deter misconduct by directors, officers, employees, medical staff, agents, and contractors that may impact upon the liability or reputation of the Corporation;
- Provide for ongoing auditing and monitoring, including auditing of key internal controls; and
- Identify, correct and, in appropriate circumstances, voluntarily disclose violations of laws and regulations.

Oversight for the compliance program is provided by the Audit and Corporate Compliance Committee of the Corporation Board. The Senior Director of Corporate Compliance is responsible for leadership and day to day management of the program. The Corporation maintains both management and Board-level compliance committees. Both committees meet a minimum of four times per year.

Annual compliance competency training is conducted for all employees and employed physicians, and a reporting program that encourages individuals to disclose matters of concern directly to their supervisor, another manager, or the Senior Director of Corporate Compliance is maintained. In addition to direct contact, other mechanisms for reporting include an electronic incident reporting system and an anonymous, confidential compliance hotline. Each disclosure is reviewed by the Senior Director of Corporate Compliance for follow-up investigation and, if appropriate, corrective action. The Senior Director of Corporate Compliance provides quarterly reports to the Corporation's Audit and Compliance Committee concerning any compliance issues, hotline inquires, investigations or reports.

An important component of the compliance program is focused on training/education and ongoing auditing and monitoring. In 2020, Audit and Compliance Committee approved an annual compliance work plan, which included initiatives to address emerging issues and strengthen internal controls.

MEDICAL STAFF

Medical Staff Statistics

As of November 30, 2020, the Corporation's medical staff consisted of 368 physicians covering 38 specialty areas. Of the 368 physicians, 28.5% (105) are employed by the Corporation. All physicians joining the Medical Staff must be Board Certified in their specialty within five (5) years thereafter. Currently 93% of the medical staff are Board Certified.

Medical staff membership consists of physicians, oral surgeons, and podiatrists of demonstrated competence, qualified for staff appointment, who regularly attend, admit, or are involved in the treatment of patients at the Hospital.

Medical staff privileges are also extended to Advanced Practice Providers, which include nurse practitioners, physician assistants, certified registered nurse anesthetists (CRNAs), and advanced practice nurses. As of November 30, 2020, the medical staff included 25 CRNAs, 50 nurse practitioners and 49 physician assistants.

Key statistics for medical staff physicians by specialty and subspecialty as of November 30, 2020 are shown in the following table:

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Medical Staff Physicians

Specialty	Medical Staff Physicians	Average Age of Medical Staff Physician
Anesthesiology	9	49
Emergency Medicine	14	51
Hematology/Oncology	8	47
Hospitalist	16	57
Pathology	2	54
Dentist	7	52
Radiation Oncology	3	67
Radiology/Diagnostic Imaging	10	57
TOTAL	69	
Cardiology/Interventional Card	29	52
Critical Care/Pulm Critical Care	3	45
Dermatology	3	51
Diabetes/Endocrinology	1	62
Gastroenterology	10	54
Infectious Diseases	6	43
Nephrology	8	50
Neurology	22	46
Pain Management/PMR	4	45
Physical Medicine & Rehabilitation	7	44
Psychiatry	8	56
Pulmonary	10	51
TOTAL	111	
Family Practice	61	49
Internal Medicine	18	55
Obstetrics & Gynecology	13	51
Pediatrics	29	55
Walk In/Urgent Care	4	52
TOTAL	125	
Colon & Rectal	1	36
General Surgery	5	53
Ophthalmology	8	53
Oral/Maxillofacial	2	58
Orthopedic	8	49
Otolaryngology/ENT	5	57
Plastic Reconstructive	11	49
Podiatry	11	43
Uro-gynecology	1	39
Urology	8	55
Vascular	2	40
Wound Care	1	49
TOTAL	**63**	
TOTAL	**368**	

Employed Physicians

As of November 30, 2020, 132 physicians and APPs were employed by the Corporation and known as GVMP, consisting of eleven (11) primary care physicians, five (5) primary care APPs, nine (9) urgent care physicians, one (1) urgent care APP, eleven (11) cardiology physicians, two (2) cardiology APPs, eleven (11) surgeons and eleven (11) surgical APPs, one (1) endocrinologist, one (1) urogynecologist, six (6) OB/GYNs, three (3) OB/GYN APPs, three (3) Infectious Disease specialists, four (4) APPs in Workplace Health and Wellness, ten (10) orthopedic medicine physicians, six (6) orthopedic APPS, nineteen (19) Hospitalists, seven (7) hospitalist APPs, one (1) wound care physician, one (1) psychologist and nine (9) Palliative Care APPs.

GVMP physicians participate in the IDN, provided by GVHP and advance the mission to promote the wellness of the community through the delivery of coordinated healthcare with a focus on quality, patient experience, and cost effectiveness.

Physicians employed by the Corporation (excluding hospitalists) accounted for approximately 27% of inpatient admissions to the Hospital and accounted for $27.9 million of the Corporation's patient service revenue of approximately $190 million.

Hospitalist Program

The Corporation's hospitalist program commenced operation in Fiscal Year 2004. The Corporation employs nineteen (19) hospitalist physicians as well as seven (7) APPs to meet the current needs of the medical staff and improve hospital services for patients. In addition, the hospitalists are the primary service line to admit and discharge patients, enabling the Corporation to standardize inpatient care and control utilization of inpatient ancillary services. The hospitalists attend to and discharge patients for community physicians including: all primary care physicians on staff; unassigned patients admitted through the Emergency Department; and medical specialists' patients (pulmonary, interventional pulmonary, gastroenterology, neurology, nephrology, oncology, urology, and infectious disease). Cardiology, OB/GYN, surgery, and orthopedic physicians admit their own patients.

The hospitalists accounted for approximately 42% of the total discharges at the Hospital in Fiscal Year 2018, 46% in Fiscal Year 2019 and approximately 48% for Fiscal Year 2020, as shown below. The hospitalists have also been effective in maintaining the average length of stay for the inpatient admissions since the program was implemented at approximately 3.9 days.

Grand View Hospital - Hospitalist Discharges

	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020
Inpatient	3,931	4,165	3,961
% of Total	42%	46%	48%

Medical Staff Recruitment

The medical staff has grown in recent years because of active recruiting by the medical staff office physician recruiter, including the addition of new specialty service physicians. The following table demonstrates the changes to the medical staff during Fiscal Years 2018 through 2020.

Medical Staff	Fiscal Year Ended June 30 2018	2019	2020
Medical Staff – Beginning of Fiscal Year	268	316	361
New Appointments to the Medical Staff	48	45	46

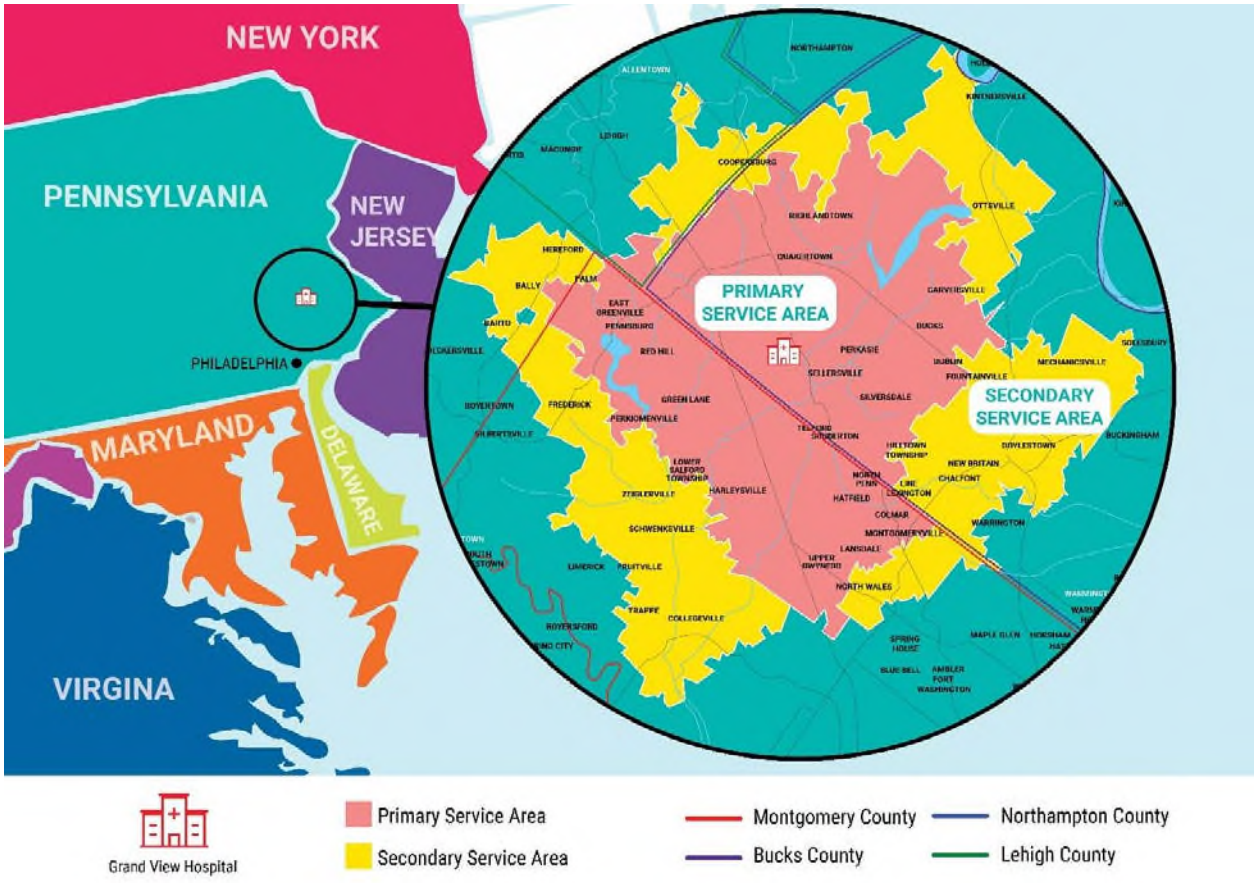
The Corporation engages an independent consultant to perform a community physician needs assessment ("Medical Staff Development Plan") every three to five years. The Corporation completed its most recent Medical Staff Development Plan in the summer of 2020. The assessment identified needs arising due to attrition, retirement, service gaps and local growth in the community. The key specialties to monitor for physician succession included internal medicine, cardiology, neurology, radiation oncology, sports medicine, emergency medicine, and pathology.

A physician recruiter was engaged to recruit for employed provider positions. In 2020, an endocrinologist, a neurosurgeon, an infectious disease specialist, a physical medicine specialist, an orthopedic surgeon, two family medicine physicians and two trauma APPs were added to the employed medical staff.

SERVICE AREA

Primary and Secondary Service Area Map

The map below shows the location of the Hospital and highlights the Corporation's primary and secondary service areas.



Primary and Secondary Service Area Descriptions

The Corporation operates the Hospital at the Main Campus in West Rockhill Township, Bucks County, Pennsylvania, offering services to residents of Bucks and Montgomery counties. The Corporation also operates several outpatient centers at different locations throughout the service area. See "**EXISTING FACILITIES — Outpatient Services Centers**" above. The Corporation's service area is sixteen (16) miles in radius and centrally located and accessible to major metropolitan areas, including Philadelphia, Pennsylvania (approximately forty (40) miles south) and Allentown, Pennsylvania (twenty (20) miles north). This service area is bordered by Route 611 to the east, Route 100 to the west, Route 78 at the northern border and Route 422 along the southern border. The population within this 16-mile radius is relatively dense and approaches 425,000, greater than that of most Pennsylvania counties and all its cities except Philadelphia and Pittsburgh.

The Hospital is located one-quarter mile from Route 309, a significant north/south thoroughfare linking the Lehigh Valley (and northeastern Pennsylvania) with Philadelphia. The area surrounding Route 309 is populated with residential communities and is convenient to a large work force who work locally or commute by road or commuter rail (SEPTA) to Philadelphia and Lehigh Valley. A toll road, Interstate 476, also known as the Northeast Extension of the Turnpike, parallels Route 309 and connects Philadelphia, Allentown, and Scranton/Wilkes-Barre, and is currently undergoing major expansion and reconstruction to improve the roadway.

The service area divides into Primary and Secondary Service Areas ("PSA" and "SSA," respectively). The PSA is comprised of fifteen (15) zip codes in central and northern Bucks County and northwestern Montgomery County and has 235,369 residents (Estimated 2020, source: ESRI).

The SSA is comprised of less densely populated eastern and western portions of Bucks County and Montgomery County, a total of thirteen (13) zip codes with 194,867 residents (estimated 2020, source: ESRI). In calendar year 2019, patients from the SSA zips codes represented 9.4% of the Corporation's total inpatient discharges.

Primary Service Area--Market Share/Competition

The Corporation is the market share leader in its PSA with a 27.9% inpatient market share in calendar year 2019 (the most recent year for which this data is available). The Corporation competes with two acute care hospitals in its primary service area and one acute care hospital in its secondary service area. The following table identifies the Corporation's primary competitors, their licensed beds, location, distance from the Hospital and their health system affiliation, if any. While most of the Corporation's competition is based on geographic proximity, there is outmigration for quaternary care to competitors in the Lehigh Valley to the north and to other hospitals in suburban and central Philadelphia to the south.

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Competitive Hospitals Located Within and Outside the PSA and SSA

Hospital Name	Location	Distance From Grand View Hospital (in Miles)	2019 Licensed Beds [1]	2019 Staffed Beds [1]	2017 Occupancy [2]	2018 Occupancy [2]	2019 Occupancy [2]
Inside the PSA							
Grand View Hospital [3]	Sellersville	--	176	176	55%	53%	50%
Abington-Lansdale Hospital [4]	Lansdale	10.6	140	71	36%	40%	82%
St. Luke's Upper Bucks Campus [5][10]	Quakertown	7.2	59	59	73%	83%	69%
Total Beds			375	306			
Weighted Average Occupancy					51%	53%	61%
Inside the SSA							
Doylestown Hospital [6]	Doylestown	15.9	239	239	55%	60%	55%
Total Beds			239	239			
Weighted Average Occupancy					55%	60%	55%
Outside the PSA / SSA							
Abington Hospital [7]	Abington	22.8	667	574	69%	63%	68%
Einstein Medical Center Montgomery [8]	East Norriton	19.1	191	191	69%	73%	71%
Lehigh Valley Hospital-Cedar Crest [9]	Allentown	20.9	1,149	967	93%	78%	84%
Total Beds			2,007	1,732			
Weighted Average Occupancy					82%	72%	77%
Grand Totals							
Total Beds			2,621	2,277			
Weighted Average Occupancy					73%	68%	73%

Source: Management, Pennsylvania DOH and internet research.

Notes:

(1) Licensed and staffed beds derived from the January 1 to December 31, 2019 Annual Hospital Questionnaire (most recent data available).

(2) Occupancy percentages derived from the Annual Hospital Questionnaire for the applicable calendar year and do not consider newborn patient days. Staffed beds generally used in denominator to calculate occupancy percentages.

(3) Licensed beds reduced to 169 in 2020. To calculate occupancy, 176 beds used as the denominator each year.

(4) To calculate occupancy, 140 beds used as the denominator in 2017 and 2018; 71 beds used as the denominator in 2019.

(5) To calculate occupancy, 57 beds used as the denominator in 2017 and 2018; 59 beds used as the denominator in 2019.

(6) To calculate occupancy, 230 beds used as the denominator in 2017, 217 beds used as the denominator in 2018; 239 beds used as the denominator in 2019.

(7) To calculate occupancy, 542 beds used as the denominator in 2017; 611 beds used as the denominator in 2018; 574 beds used as the denominator in 2019.

(8) To calculate occupancy, 171 beds used as the denominator in 2017 and 2018; 191 beds used as the denominator in 2019.

(9) To calculate occupancy, 813 beds used as the denominator in 2017; 1,000 beds used as the denominator in 2018; 967 beds used as the denominator in 2019.

(10) St. Luke's Upper Bucks Campus opened in Quakertown, Pennsylvania in December 2019. Upon opening, all emergency, medical, surgical, and intensive care beds were transferred from the St. Luke's Quakertown Campus to the new Upper Bucks Campus facility. Data reported through 2019, including bed counts and occupancy, reflect St. Luke's Quakertown Campus statistics.

Market Share Analysis

The following tables present inpatient market share for the Corporation and the competitive hospitals as identified by management. Market share is calculated based on the number of admissions at each hospital over the total admissions by individuals residing within the PSA or SSA. The Corporation's historical inpatient market share has ranged from 29.6% to 27.9% over the past three years in the PSA, and 4.0% to 4.3% over the past three years in the SSA.

Inpatient Market Share – Admissions [1][2]

	2017	2018	2019	Change 2017-2019
PSA				
Grand View Hospital	7,376	7,125	6,855	(521)
Abington-Lansdale Hospital	3,478	3,448	3,487	9
Doylestown Hospital	1,939	1,975	2,066	127
St. Luke's Upper Bucks Campus [3]	1,825	1,929	1,949	124
Abington Hospital	1,506	1,516	1,562	56
Lehigh Valley Hospital-Cedar Crest	1,422	1,400	1,371	(51)
Einstein Medical Center Montgomery	971	1,075	1,066	95
All Others	6,396	6,174	6,213	(183)
Total Admissions from the PSA	**24,913**	**24,642**	**24,569**	**(344)**
SSA				
Grand View Hospital	676	715	718	42
Abington-Lansdale Hospital	933	983	1,004	71
Doylestown Hospital	4,733	4,666	4,790	57
St. Luke's Upper Bucks Campus [3]	279	267	295	16
Abington Hospital	1,312	1,249	1,285	(27)
Lehigh Valley Hospital-Cedar Crest	1,047	1,090	1,130	83
Einstein Medical Center Montgomery	1,092	1,199	1,245	153
All Others	6,691	6,354	6,269	(422)
Total Admissions from the SSA	**16,763**	**16,523**	**16,736**	**(27)**
Total Service Area				
Grand View Hospital	8,052	7,840	7,573	(479)
Abington-Lansdale Hospital	4,411	4,431	4,491	80
Doylestown Hospital	6,672	6,641	6,856	184
St. Luke's Upper Bucks Campus [3]	2,104	2,196	2,244	140
Abington Hospital	2,818	2,765	2,847	29
Lehigh Valley Hospital-Cedar Crest	2,469	2,490	2,501	32
Einstein Medical Center Montgomery	2,063	2,274	2,311	248
All Others	13,087	12,528	12,482	(605)
Total Admissions from PSA and SSA	**41,676**	**41,165**	**41,305**	**(371)**

Source: Pennsylvania Health Care Cost Containment Council.

Notes:

(1) Inpatient market share data as provided by the Pennsylvania Health Care Cost Containment Council. Data is reported by calendar year and reflects admissions by individuals residing in the PSA or SSA.

(2) Inpatient admissions exclude newborns.

(3) The St. Luke's Upper Bucks Campus opened in Quakertown, Pennsylvania in December 2019. Upon opening, all emergency, medical, surgical and intensive care beds were transferred from St. Luke's Quakertown Campus to the new Upper Bucks facility. Data reported through 2019 reflects St. Luke's Quakertown Campus statistics.

Inpatient Market Share – Percent of Total Admissions [1]

	2017	2018	2019	Change 2017-2019
PSA				
Grand View Hospital	29.6%	28.9%	27.9%	-1.7%
Abington-Lansdale Hospital	14.0%	14.0%	14.2%	0.2%
Doylestown Hospital	7.8%	8.0%	8.4%	0.6%
St. Luke's Upper Bucks Campus [2]	7.3%	7.8%	7.9%	0.6%
Abington Hospital	6.0%	6.2%	6.4%	0.4%
Lehigh Valley Hospital-Cedar Crest	5.7%	5.7%	5.6%	-0.1%
Einstein Medical Center Montgomery	3.9%	4.4%	4.3%	0.4%
All Others	25.7%	25.0%	25.3%	-0.4%
Totals	**100.0%**	**100.0%**	**100.0%**	
SSA				
Grand View Hospital	4.0%	4.3%	4.3%	0.3%
Abington-Lansdale Hospital	5.6%	6.0%	6.0%	0.4%
Doylestown Hospital	28.2%	28.2%	28.6%	0.4%
St. Luke's Upper Bucks Campus [2]	1.7%	1.6%	1.8%	0.1%
Abington Hospital	7.8%	7.6%	7.7%	-0.1%
Lehigh Valley Hospital-Cedar Crest	6.3%	6.6%	6.8%	0.5%
Einstein Medical Center Montgomery	6.5%	7.3%	7.4%	0.9%
All Others	39.9%	38.4%	37.4%	-2.5%
Totals	**100.0%**	**100.0%**	**100.0%**	
Total Service Area				
Grand View Hospital	19.3%	19.1%	18.3%	-1.0%
Abington-Lansdale Hospital	10.6%	10.8%	10.9%	0.3%
Doylestown Hospital	16.0%	16.1%	16.6%	0.6%
St. Luke's Upper Bucks Campus [2]	5.0%	5.3%	5.4%	0.4%
Abington Hospital	6.8%	6.7%	6.9%	0.1%
Lehigh Valley Hospital-Cedar Crest	5.9%	6.1%	6.1%	0.2%
Einstein Medical Center Montgomery	5.0%	5.5%	5.6%	0.6%
All Others	31.4%	30.4%	30.2%	-1.2%
Totals	**100.0%**	**100.0%**	**100.0%**	

Source: Pennsylvania Health Care Cost Containment Council.

Notes:

(1) Inpatient market share data as provided by the Pennsylvania Health Care Cost Containment Council. Data is reported by calendar year and reflects admissions by individuals residing in the PSA or SSA.

(2) The St. Luke's Upper Bucks Campus opened in Quakertown, Pennsylvania in December 2019. Upon opening, all emergency, medical, surgical and intensive care beds were transferred from the St. Luke's Quakertown Campus to the new Upper Bucks facility. Data reported through 2019 reflects St. Luke's Quakertown Campus statistics.

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The Corporation's market share for inpatient services has declined slightly in recent years. Awareness of this stimulated development of strategies to recapture market share, beginning with the creation of a new integrated delivery network, Grand View Healthcare Partnership in 2015, and entering into a Strategic Alliance with Penn Medicine in 2018. Also, in 2018, the Corporation engaged Whitecap Health Advisors, a nationally-recognized consultant, to assess its market position, population growth, current service line positioning, and future growth strategies. This engagement led the Corporation to make substantial investments in new ambulatory facilities, its orthopaedic service line, a Trauma partnership with Penn Medicine and to begin planning a major state-of-the-art inpatient facility. See **"PROJECT**" above.

The Corporation's major inpatient service lines include cardiology (including interventional cardiology); general and vascular surgery; women's and children's health (including maternity, Level 2 NICU, and pediatric units); oncology; orthopedics; and post-acute care services. Outpatient services provided at the Corporation's Main Campus include diagnostic imaging, nuclear medicine, cardiac testing, laboratory, rehabilitation services, interventional cardiology, and vascular procedures.

The following table presents inpatient market share for the Corporation within the PSA and SSA for the key service lines.

The Corporation saw an improvement in its orthopedic surgery market share in 2019, after a decline in 2018. In June 2018, the Corporation purchased Upper Bucks Orthopaedics. The Corporation initiated several investment initiatives as a result of the purchase, including new, updated office space at the Sellersville Outpatient Center, the recent construction of the Grand View Health Orthopaedic and Neurology Center, the purchase of a Mako orthopedic surgical robot, and the employment of orthopaedic specialty physicians.

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	2017		2018		2019	
	Admissions	Market Share	Admissions	Market Share	Admissions	Market Share
PSA						
Cardiac and Vascular						
Cardiology [2]	778	30.1%	727	27.7%	714	27.8%
Vascular – Medical	20	20.2%	32	28.6%	26	25.5%
Vascular – Surgical	72	27.6%	63	21.6%	57	19.7%
Oncology						
Medical	95	19.3%	95	20.8%	89	17.9%
Surgical	14	6.1%	11	4.8%	7	3.2%
Orthopedics						
Medical	180	40.5%	148	37.6%	161	37.0%
Surgical	552	28.3%	495	27.3%	593	30.8%
General Surgery	239	28.4%	255	28.8%	189	24.8%
Women's and Children's						
Gynecology	39	27.9%	17	15.6%	22	21.0%
Neonate	426	43.9%	396	39.3%	368	36.6%
Obstetrics	988	41.6%	939	39.9%	861	38.4%
SSA						
Cardiac and Vascular						
Cardiology [2]	53	3.2%	60	3.5%	61	3.5%
Vascular – Medical	6	8.2%	2	2.9%	3	4.2%
Vascular – Surgical	10	4.5%	10	5.0%	6	2.8%
Oncology						
Medical	8	2.2%	3	0.9%	11	3.1%
Surgical	0	0.0%	0	0.0%	3	1.6%
Orthopedics						
Medical	18	6.9%	12	4.2%	14	4.7%
Surgical	43	2.8%	52	3.9%	70	5.1%
General Surgery	26	4.4%	24	4.9%	24	5.1%
Women's and Children's						
Gynecology	3	3.1%	3	3.0%	1	1.3%
Neonate	62	11.3%	61	9.9%	49	7.6%
Obstetrics	137	9.1%	134	9.1%	127	8.6%

Source: Pennsylvania Health Care Cost Containment Council.

Notes:

(1) Inpatient market share data as provided by the Pennsylvania Health Care Cost Containment Council. Data is reported by calendar year and reflects admissions by individuals residing in the PSA or SSA.

(2) Data includes DRG service lines of electrophysiology, interventional, and medical.

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Service Area Populations and Demographics

The following is a summary of demographic characteristics for the PSA and SSA benchmarked to the Commonwealth of Pennsylvania ("PA") and the US. The 2020 and 2025 data are estimates and projections as provided by ESRI, which bases its estimated 2020 and projected 2025 data on a combination of 2010 US census data and the American Community Survey.

As shown in the following tables, there are 439,945 persons projected to be residing in the total service area (inclusive of both the PSA and SSA) in 2025. The total population is projected to increase 2.4% in the PSA and 2.1% in the SSA from 2020 to 2025, exceeding statewide projected population growth of 0.9%. Population growth within the PSA and SSA from 2000 to 2020, 15.1% and 20.1% respectively, also exceeded statewide population growth of 5.8%.

The following table presents total population data and the percentage change projected between 2020 and 2025 within the PSA and SSA.

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Demographic Trends – Population Change

	2000 (Census)	2010 (Census)	2020 (Estimated)	2025 (Projected)	Percentage Change 2000-2020	Percentage Change 2020-2025
PSA						
18041, East Greenville	5,265	5,352	5,372	5,414	2.0%	0.8%
18054, Green Lane	4,115	4,286	4,554	4,678	10.7%	2.7%
18073, Pennsburg	6,658	9,116	10,487	10,937	57.5%	4.2%
18076, Red Hill	2,393	2,667	2,666	2,657	11.4%	-0.4%
18917, Dublin	2,014	2,087	2,200	2,249	9.2%	2.2%
18932, Line Lexington	309	406	411	414	33.0%	0.8%
18944, Perkasie	21,797	24,653	26,378	26,939	21.0%	2.1%
18951, Quakertown	32,150	36,272	37,480	38,791	16.6%	3.5%
18955, Richlandtown	1,198	1,206	1,203	1,209	0.4%	0.5%
18960, Sellersville	11,640	12,709	12,893	13,016	10.8%	1.0%
18964, Souderton	13,061	13,917	14,400	14,801	10.3%	2.8%
18969, Telford	14,415	15,373	16,144	16,429	12.0%	1.8%
19438, Harleysville	21,377	23,845	25,790	26,501	20.6%	2.8%
19440, Hatfield	16,765	17,864	19,059	19,508	13.7%	2.4%
19446, Lansdale	51,272	53,349	56,332	57,397	9.9%	1.9%
PSA Total	**204,429**	**223,102**	**235,369**	**240,940**	**15.1%**	**2.4%**
SSA						
18036, Coopersburg	11,632	12,349	13,484	13,853	15.9%	2.7%
18070, Palm	865	851	883	898	2.1%	1.7%
18074, Perkiomenville	5,694	6,122	6,393	6,502	12.3%	1.7%
18901, Doylestown	28,606	28,675	28,902	29,133	1.0%	0.8%
18902, Doylestown	19,224	21,002	22,269	22,761	15.8%	2.2%
18914, Chalfont	17,223	20,204	21,596	22,099	25.4%	2.3%
18923, Fountainville	716	1,020	1,108	1,147	54.7%	3.5%
18930, Kintnersville	2,809	2,708	2,774	2,816	-1.2%	1.5%
18942, Ottsville	2,630	2,664	2,825	2,891	7.4%	2.3%
19426, Collegeville	30,127	36,216	39,903	41,160	32.4%	3.1%
19454, North Wales	23,717	27,448	28,898	29,471	21.8%	2.0%
19473, Schwenksville	13,541	19,052	20,040	20,379	48.0%	1.7%
19504, Barto	5,537	5,539	5,792	5,895	4.6%	1.8%
SSA Total	**162,321**	**183,850**	**194,867**	**199,005**	**20.1%**	**2.1%**
Total Service Area	**366,750**	**406,952**	**430,236**	**439,945**	**17.3%**	**2.3%**
PA	**--**	**--**	**--**	**--**	**5.8%**	**0.9%**
US	**--**	**--**	**--**	**--**	**18.6%**	**3.7%**

Source: ESRI.

Population Age Distribution and Expected Increase

The table below presents total population data by age group, and the percentage change projected between 2020 and 2025, within the PSA, SSA, PA, and the US.

PA overall has an older population than the nation with a higher percentage of senior residents age 65 or over. The PSA and SSA will have a similar percentage of seniors age 65 or over in 2025 as PA. Approximately 21.2% of individuals in the PSA and 20.2% of individuals in the SSA will be 65 years of age or older in 2025 compared to 21.8% across PA and 18.7% across the US. The senior population is projected to increase 18.0% in the PSA and 20.0% in the SSA from 2020 to 2025, exceeding statewide and national projected growth of 14.1%

and 16.7%, respectively. This is a function of the national trend toward aging, as well as the service area's access to excellent medical care, reasonable cost of living, proximity to major metropolitan areas of New York and Philadelphia and increasing number of senior adult living communities.

The population age 25 to 44 is also projected to increase in the PSA and SSA from 2020 to 2025; all other population age groups are projected to decline.

Despite an older demographic, fewer individuals in the PSA and SSA report a disability (physical or cognitive). Approximately 20.9% of households in the PSA and 19.1% of households in the SSA have one or more individuals with a disability compared to 27.2% for PA and 25.5% for the US (Source: American Community Survey, 2014-2018).

Demographic Trends – Age Groups

	2020 (Estimated)		2025 (Projected)		Percentage Change 2020-2025
	Count	Percent of Total	Count	Percent of Total	
PSA					
Age 0-14	41,975	17.8%	41,375	17.2%	-1.4%
Age 15-24	25,398	10.8%	24,770	10.3%	-2.5%
Age 25-44	57,841	24.6%	60,098	24.9%	3.9%
Age 45-64	66,788	28.4%	63,519	26.4%	-4.9%
Age 65 or over	43,367	18.4%	51,178	21.2%	18.0%
SSA					
Age 0-14	34,210	17.6%	33,396	16.8%	-2.4%
Age 15-24	23,625	12.1%	22,196	11.2%	-6.0%
Age 25-44	45,278	23.2%	48,240	24.2%	6.5%
Age 45-64	58,300	29.9%	55,019	27.6%	-5.6%
Age 65 or over	33,454	17.2%	40,154	20.2%	20.0%
PA					
Age 0-14	2,146,016	16.5%	2,125,039	16.2%	-1.0%
Age 15-24	1,651,989	12.7%	1,606,334	12.2%	-2.8%
Age 25-44	3,205,790	24.7%	3,245,318	24.8%	1.2%
Age 45-64	3,484,283	26.8%	3,273,922	25.0%	-6.0%
Age 65 or over	2,503,289	19.3%	2,856,739	21.8%	14.1%
US					
Age 0-14	61,314,060	18.4%	62,607,579	18.1%	2.1%
Age 15-24	43,293,601	13.0%	43,201,182	12.5%	-0.2%
Age 25-44	88,841,687	26.6%	92,816,790	26.8%	4.5%
Age 45-64	84,894,426	25.4%	82,661,787	23.9%	-2.6%
Age 65 or over	55,449,333	16.6%	64,733,944	18.7%	16.7%

Source: ESRI.

The following table presents the percentage of the population age 25 or over by educational attainment within the PSA, SSA, PA and the US. A higher proportion of individuals in the PSA and SSA attain a bachelor's or graduate/professional degree compared to PA and the US.

Demographic Trends – Educational Attainment

	2020 (Estimated) Population [1]	
	Count	**Percent of Total [2]**
PSA		
High school diploma	45,968	27.4%
Bachelor's degree	41,919	25.0%
Graduate/Professional degree	25,977	15.5%
SSA		
High school diploma	27,081	19.8%
Bachelor's degree	41,492	30.3%
Graduate/Professional degree	29,340	21.4%
PSA Bachelor's degree or higher	**40.5%**	
SSA Bachelor's degree or higher	**51.7%**	
PA Bachelor's degree or higher	**32.3%**	
US Bachelor's degree or higher	**33.1%**	

Source: ESRI.
Notes:
(1) Represents population age 25 and older.
(2) Reflects percent of total only for the categories listed (does not add up to 100%).

Service Area Economic Characteristics

Major Employers. The following are the top ten employers within Bucks and Montgomery Counties in PA, as recorded by the Pennsylvania Department of Labor & Industry Center for Workforce Information & Analysis.

Top Ten Employers

Bucks County		**Montgomery County**	
Employer	**Industry**	**Employer**	**Industry**
Giant Food Stores, LLC	Retail Trade	Merck Sharp & Dohme Corp.	Pharmaceutical
Central Bucks School District	Education	Abington Hospital	Healthcare
Bucks County	Government	Main Line Hospitals, Inc.	Healthcare
Saint Mary Medical Center	Healthcare	State Government	Government
Doylestown Hospital	Healthcare	SmithKline Beecham Corp.	Pharmaceutical
Northtec, LLC	Warehousing	Albert Einstein Medical Center	Healthcare
Woods Services	Healthcare	Giant Food Stores, LLC	Retail Trade
Wal-Mart Associates, Inc.	Retail Trade	SEI Investments Company	Financial
Pennsbury School District	Education	Montgomery County	Government
Grand View Health	Healthcare	Lockheed Martin Corp.	Aerospace and Defense

Source: Pennsylvania Department of Labor & Industry Center for Workforce Information & Analysis.

Unemployment. The following table shows unemployment rates (not seasonally adjusted) for Bucks and Montgomery Counties, PA and the US are shown in the following table, as recorded by the Bureau of Labor Statistics.

Unemployment Trends

	2017	2018	2019	2020[1]
Bucks County	4.2%	3.7%	3.8%	8.7%
Montgomery County	3.8%	3.4%	3.5%	8.0%
PA	4.9%	4.2%	4.4%	9.3%
US	4.4%	3.9%	3.7%	8.2%

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Note: (1) Data through November 2020.

Income and Poverty. The following tables present median household income and the percentage of households living in poverty for the total population in the PSA and SSA. Median household income is higher in the PSA and SSA than PA and the US and is projected to increase from 2020 to 2025. Approximately 6.4% of households in the PSA and 5.1% of households in the SSA live in poverty compared to 12.3% for PA and 13.4% for the US.

Median Household Income

	2020 (Estimated Year)	2025 (Projected Year)	Percentage Change 2020-2025
PSA	$84,020	$90,850	8.1%
SSA	$107,481	$115,562	7.5%
PA	$60,671	$65,067	7.2%
US	$62,203	$67,325	8.2%

Source: ESRI.

Households in Poverty (Year 2014-2018) [1][2]

	Count	Percent of Total
PSA	5,587	6.4%
SSA	3,464	5.1%
PA	620,019	12.3%
US	16,027,481	13.4%

Source: ESRI.
Note:
(1) Based on most recent available statistics from the American Community Survey.
(2) Poverty is defined at the family level. Households are classified as poor when the total income of the householder's family is below the appropriate poverty threshold. The income of people living in the household who are unrelated to the householder is not considered when determining the poverty status of a household, nor does their presence affect the family size in determining the appropriate threshold. The poverty thresholds vary depending on three criteria: size of family, number of related children, and, for one- and two-person families, age of householder.

Net worth is a measure of economic position, calculated as assets minus debts owed. Median net worth in the PSA and SSA is higher than the median net worth for PA and the US.

Demographic Trends – Estimated Net Worth (Year 2020)				
	PSA		SSA	
	Count	Percent of Total	Count	Percent of Total
Total Households	89,973	100.0%	70,141	100.0%
less than $15,000	13,829	15.4%	7,656	10.9%
$15,000-$34,999	5,469	6.1%	2,868	4.1%
$35,000-$49,999	3,015	3.3%	1,667	2.4%
$50,000-$74,999	4,791	5.3%	2,695	3.8%
$75,000-$99,999	4,978	5.5%	2,879	4.1%
$100,000-$149,999	6,995	7.8%	4,576	6.5%
$150,000-$249,999	9,332	10.4%	6,299	9.0%
$250,000-$499,999	13,317	14.8%	9,584	13.7%
$500,000-$999,999	11,136	12.4%	10,763	15.3%
$1,000,000 or greater	17,111	19.0%	21,154	30.2%
2020 PSA Median		**$204,773**		
2020 SSA Median		**$389,898**		
2020 PA Median		**$111,271**		
2020 US Median		**$ 96,701**		

Source: ESRI.

Housing. Homeownership is also a measure of economic position and stability. Homeownership within the PSA and SSA, based on 2020 ESRI estimates, was reported as 71.7% and 80.6%, respectively. Homeownership in the PSA and SSA is higher than PA and US percentages.

Homeownership (Year 2020)		
	Owner-Occupied Housing	Renter-Occupied Housing
PSA	71.7%	28.3%
SSA	80.6%	19.4%
PA	67.6%	32.4%
US	63.6%	36.4%

Source: ESRI.

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IMPACT OF COVID-19 PANDEMIC

The Corporation, as with many health care providers across the United States, has implemented emergency preparedness and response protocols related to the global outbreak of the coronavirus disease ("COVID-19") resulting in various operational challenges. In February 2020, the Centers for Disease Control and Prevention (the "CDC") confirmed the spread of the disease to the United States, including the Commonwealth of Pennsylvania, where the Corporation's service area is located. In March 2020, the World Health Organization declared the COVID-19 outbreak a pandemic. The federal government has declared COVID-19 a national emergency, and many federal and state authorities have implemented aggressive measures to "flatten the curve" of individuals diagnosed with COVID-19 in an attempt to curtail the spread of the virus and to avoid overwhelming the health care system.

In an effort to slow the spread of the disease, many state and local governments, including Pennsylvania, have mandated general "shelter-in-place" orders or other similar restrictions that require social distancing, closing school systems, and have limited non-essential business activities. The actions have had, and are likely to continue to have, a material adverse impact on economic conditions throughout much of the world including the United States and the Commonwealth of Pennsylvania. Higher unemployment rates and reduced consumer spending impact payor mix and patient volumes experienced by health care providers including the Corporation, a well as the ability of health care providers to collect receivables. Any increase in the amount of, or deterioration in the collectability of, patient accounts receivable will adversely affect the Corporation's cash flows and results of operations.

For additional information on COVID-19, see "**BONDHOLDERS' RISKS – COVID-19**" in the forepart of this Official Statement.

Corporation's Response to COVID-19 and Patient Care

The Corporation has established an Incident Command Team comprised of Incident Commander/Medical Commander/Command Staff and Section Chiefs to prepare for and respond to the rapidly evolving situation. The Incident Command Team meets daily to keep up with current activity within the Corporation's community. The Corporation has created a safety supply of personal protective equipment ("PPE") to assure that staff have what they need. The Corporation has surge plans in place to accommodate any influx of COVID-19 patients. The Corporation maintains contact with local, state and federal partners both receiving information and providing requested data submissions.

In response to COVID-19, the Corporation has established a COVID-19-specific ICU as well as prepared an overflow floor in the event of a surge of COVID-19 patients. The Corporation has also established a non-ICU level of care COVID-19 specific unit, as well as an overflow location for any pending surge events. The Corporation implemented the CDC-recommended screening procedures for infection prevention and control and the use of PPE for its health care providers to mitigate the spread of COVID-19 to its patients and employees.

Since the start of the COVID-19 pandemic and through January 31, 2021, the Corporation treated 351 hospitalized COVID-19 patients.

The Corporation's management team continues to focus on and remains in a state of readiness for all aspects of COVID-19. This planning includes a possible second wave or surge. Management continues to meet on a regular basis for surge capacity planning. This includes continuously assessing its PPE and critical care equipment supply, ensuring proper space to care for COVID-19 patients, creation of a redeployment team that is able to work in an alternate role that improves the Corporation's fluidity and ability to respond to disasters and uptraining nursing staff for work in critical care areas.

Although the impact of a second wave is difficult to predict, the continued treatment of the disease at the Corporation's facilities could result in the inability to serve all patients seeking treatment (for COVID-19 or otherwise), a temporary diversion of patients to other facilities, harm to workforce personnel, and overburdening of facilities and supply chain.

During COVID-19, the use of telehealth at the Corporation was implemented in March 2020 across all the Corporation's owned physician practices to provide patients the opportunity to use virtual visits to increase access to quality care. Virtual visits have allowed patients to stay in the safety of their homes while receiving medical care and have reduced the potential risk of COVID-19 exposure to the patient and to the Corporation's health workers. During the March 2020 to November 18, 2020 period, 9,639 virtual visits were completed.

Supply Chain

The Corporation continues to work diligently to secure additional supplies from reliable sources. Management believes that is has a sufficient supply of PPE to meet its current needs but expects continued high demand. The Corporation continues to seek partnerships to increase access to PPE and has started exploring alternative supply chain options. The Corporation evaluated reusable isolation gowns for PPE and entered into an agreement with its linen supplier and has been able to eliminate its reliance on an unstable disposable gown source. The Corporation solicited and engaged local businesses to manufacture face masks, face shields and eye protection goggles when normal supply chain sources were unable to provide supplies in the early stages of the COVID-19 pandemic. The Corporation also had active and constant conversations with local hardware stores and other non-medical vendors to evaluate alternative protection options for its staff including both PPE and hand sanitizers.

Employees and Staffing

The guidelines announced by the Commonwealth of Pennsylvania to control the spread of COVID-19 have and will likely continue to impact the Corporation's employees and operations. The Corporation has established a staff redeployment team, run by clinicians, who will work to match available employees with the Corporation's needs. Redeployment assignments will be based on an employee's skill, licensure, knowledge and abilities. When needed, training will be provided. Currently, the Corporation has no plans to reduce or furlough staff due to COVID-19.

Operational Impact on the Corporation

In the beginning months of the pandemic, CMS issued guidance that all elective surgeries and procedures, including medical and dental, should be postponed nationwide to mitigate the burden on health systems due to increasing COVID-19 hospitalizations and to make necessary facilities, equipment, supplies and personnel available to treat patients presenting COVID-19 symptoms. In response, the Corporation halted all elective surgical procedures. The Corporation has implemented a restricted visitation policy at its inpatient centers, physician practices and outpatient centers and any permitted visitors must undergo visitor screenings including temperature checks. Elective procedures resumed beginning on May 25, 2020, with the number of procedures initially decreased as social distancing and sterilization methods altered traditional operating room cadence. By June 9, 2020, surgical volumes were largely back to pre-COVID-19 levels.

The impact each month of COVID-19 on the results of operations for the Corporation is highlighted in the tables below through November 30, 2020.

Consolidated Results of Operations
Eleven Months Ended November 30, 2020
(Dollars in Millions)

	January	February	March	April	May	June	July	August	September	October	November
Revenue	$19,063,525	$16,835,906	$15,810,461	$13,452,208	$15,371,924	$15,770,345	$16,435,144	$16,485,031	$16,687,536	$17,714,092	$17,337,716
Expenses	18,303,185	17,704,013	18,829,218	17,254,506	16,637,435	14,310,929	18,693,776	18,354,893	18,123,799	18,951,927	17,823,487
Operating Income/(Loss)	760,340	(868,107)	(3,018,757)	(3,802,298)	(1,265,511)	1,459,416	(2,258,632)	(1,869,862)	(1,436,263)	(1,237,835)	(485,771)
CARES Act Funds Recognized	-	-	-	1,800,000	1,800,000	791,120	$ -	$ -	$ -	$ -	$ -

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In addition, COVID-19 has had an impact on overall revenue, expenses and volume. The first two tables below show operating revenue, operating expenses and key utilization statistics for the Corporation for the months of January 2019 through November 2019 and for the months of January 2020 through November 2020. The third table shows the percentage increase or decrease by month from 2019 to 2020.

January 2019 Through November 2019 By Month

	January	February	March	April	May	June	July	August	September	October	November
Revenue (millions)	$16.544	$15.570	$18.513	$16.881	$17.184	$15.467	$16.102	$16.296	$17.038	$17.661	$16.997
Expenses (millions)	$18.122	$16.763	$17.895	$17.807	$17.716	$16.744	$17.529	$17.930	$18.255	$18.147	$17.629
Admissions	771	718	806	751	736	666	694	746	761	729	707
Emergency Room Visits	2,616	2,338	2,624	2,465	2,471	2,389	2,470	2,360	2,489	2,389	2,322
Referred Outpatient Visits	11,082	10,232	11,237	11,857	11,659	10,743	11,363	11,358	10,925	12,688	11,294
OR cases	457	452	498	461	477	434	437	465	421	472	458

January 2020 Through November 2020 By Month

	January	February	March	April	May	June	July	August	September	October	November
Revenue (millions)	$19.064	$16.836	$15.810	$13.452	$15.372	$15.770	$16.435	$16.485	$16.688	$17.714	$17.338
Expenses (millions)	$18.303	$17.704	$18.829	$17.255	$16.637	$14.311	$18.694	$18.355	$18.124	$18.952	$17.823
Admissions	742	703	640	548	558	587	621	663	666	646	696
Emergency Room Visits	2,529	2,466	1,969	1,256	1,470	1,788	1,844	1,905	1,867	1,933	1,963
Referred Outpatient Visits	12,045	11,072	8,596	5,233	7,509	11,364	13,186	12,766	13,571	14,678	13,264
OR cases	495	455	361	175	290	405	454	416	434	430	417

Percentage Change By Month from 2019 to 2020

	January	February	March	April	May	June	July	August	September	October	November
Revenue	15.2%	8.1%	(14.6%)	(20.3%)	(10.5%)	2.0%	2.1%	1.2%	(2.1%)	0.3%	2.1%
Expenses	1.0%	5.6%	5.2%	(3.1%)	(6.1%)	(14.5%)	6.7%	2.4%	(0.7%)	4.4%	1.1%
Admissions	(3.8%)	(2.1%)	(20.6%)	(27.0%)	(24.2%)	(11.9%)	(10.5%)	(11.1%)	(12.5%)	(11.4%)	(1.6%)
Emergency Room Visits	(3.3%)	5.5%	(25.0%)	(49.1%)	(40.5%)	(25.2%)	(25.3%)	(19.3%)	(25.0%)	(19.1%)	(15.5%)
Referred Outpatient Visits	8.7%	8.2%	(23.5%)	(55.9%)	(35.6%)	5.8%	16.0%	12.4%	24.2%	15.7%	17.4%
OR cases	8.3%	0.7%	(27.5%)	(62.0%)	(39.2%)	(6.7%)	3.9%	(10.5%)	3.1%	(8.9%)	(9.0%)

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The Corporation cannot predict the likelihood or the severity of the ultimate impact of the COVID-19 outbreak on the Corporation's operations or financial condition, though such impact could be material and adverse. The Corporation is monitoring developments with respect to the COVID-19 outbreak and intends to follow recommendations of the CDC and other applicable federal, state and local regulatory agencies.

Market Disruption and Investment Portfolio

The outbreak has resulted in substantial volatility in global investment markets, U.S. domestic debt and equity capital markets, travel and commerce generally. As a result, the value of the Corporation's and Foundation's investment portfolio decreased from February 2020 to March 2020 by 9% ($231.4 million to $209.6 million) however, by June 30, 2020, the Corporation's and Foundation's portfolio rebounded and exceeded February 2020 by approximately 16% ($235.1 million compared to $231.4 million). The Corporation's investment policy is designed to support growth and reasonable risk, while maintain a strong liquidity cushion in the event of financial distress or immediate liquidity needs. See "**OTHER FINANCIAL INFORMATION — Investment Policy**" herein.

As with nearly all industries and companies, the Corporation expects to encounter further disruption in its operations and volatility in its investment portfolio. As the outbreak continues, and potentially increases in severity or experiences intermittent surges, it may adversely affect (i) the capacity and utilization of the Corporation's hospital and other health care facilities, (ii) the Corporation's ability to conduct it operations and the cost of its operations, and (iii) the return on and value of the Corporation's investments.

Government Actions

A variety of federal, state and local government efforts have been initiated in response to the COVID-19 outbreak. On March 27, 2020, the approximately $2 trillion Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") was enacted into law to provide stimulus to individuals and businesses impacted by the COVID-19 outbreak. The CARES Acts includes a number of provisions important to health care providers, including provisions for certain emergency funds, making available $175 billion under the Public Health and Social Services Emergency Fund (the "Provider Relief Fund") to reimburse eligible health care providers for health care related expenses or lost revenues, not otherwise reimbursed, that are directly attributable to COVID-19. Eligible providers include Medicare or Medicaid enrolled suppliers and providers, for-profit entities and nonprofit entities in the United States that provide diagnoses, testing or care for individuals with possible or actual cases of COVID-19.

During Fiscal 2020, the Corporation has recognized within other operating income approximately $4.4 million in grant funds from the CARES Act program and accelerated payment from Medicare of approximately $18.6 million pursuant to the CMS Accelerate and Advance Payment Program. The $18.6 million of CMS accelerated funds were recorded as a liability within the June 30, 2020 balance sheet and as of November 30, 2020, the Corporation has received no additional grants from the CARES Act program and has not received any additional accelerated/advanced payments from CMS.

The impact each month of the CMS advanced payments and CARES Act funds on days cash on hand for the Obligated Group is highlighted in the table below through November 2020.

Unaudited Days Cash on Hand and CMS Advance/CARES Act Funds
Eleven-Months Ended November 30, 2020

	January	February	March	April	May	June	July	August	September	October	November
Days Cash on Hand without Advance Payments / CARES Act Funds	475.2	453.1	412.6	429.7	443.0	444.3	419.9	428.2	417.4	405.7	436.3
Days Cash on Hand with Advance Payments / CARES Act Funds [(1)]	475.2	453.1	412.6	471.2	485.1	487.1	461.2	469.9	459.0	447.0	477.8

[(1)] The Corporation received a one-time grant under the CARES Act program of $4,391,120 and a one-time advanced payment from CMS of $18,598,722 during the month of April 2020.

The Corporation is working with federal, state and local health authorities to respond to COVID-19 cases in the communities it serves and is taking or supporting measures to try to limit the spread of the virus and to mitigate the burden on the health care system. The Corporation is closely tracking its costs and monitoring federal and state legislation, including the CARES Act, so that it will be able to apply for any applicable government relief funding related to business interruption costs as well as repayment for costs related to the outbreak. There is no assurance that such relief will be available to the Corporation or if available, the amount of any such relief. It is not possible to predict the scope or effect of any future legislative or regulatory actions enacted in response to the COVID-19 outbreak on the operations and financial.

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HISTORICAL UTILIZATION STATISTICS

The following table sets forth certain utilization statistics for the Corporation for the three Fiscal Years ended June 30, 2018, 2019, and 2020, and for the five-month period ended November 30, 2019 and 2020.

	Period Ending June 30,			Period Ending November 30,	
	2018	**2019**	**2020**	**2019**	**2020**
Licensed Beds	176	176	169	176	169
Admissions	9,333	8,938	8,181	3,637	3,292
Patient Days	36,383	34,289	32,874	14,187	13,145
Average Length of Stay	3.9	3.8	4.0	3.9	4.0
Births	1,128	1,076	944	421	406
Observation Cases	1,039	1,049	1,176	490	538
Surgical Procedures – Inpatient	2,032	1,914	1,819	822	750
Surgical Procedures - Outpatient	4,857	3,894	3,068	1,431	1,401
Emergency Department Visits	31,178	29,872	26,032	12,030	9,512
Outpatient Visits	137,378	134,885	124,426	57,628	67,465
Outpatient Laboratory Procedures	1,005,905	1,000,347	922,843	408,587	400,081
Outpatient Radiology Procedures	76,628	76,819	69,910	34,025	32,443
Outpatient Rehabilitation Procedures	67,394	88,511	82,807	40,619	43,110
Medicare Case Mix Index	1.56	1.49	1.59	1.54	1.69

Total patient volumes within the Corporation decreased during the Fiscal Year 2018 through Fiscal Year 2020 period between 1% and 21% with an average decrease during the three-year period of 7.7%. Prior to COVID-19 and as of February 2020 year to date, the Corporation experienced increased patient volumes when compared to the same periods for the preceding two fiscal years. Due to COVID-19 preparations and government mandated closures for the period beginning March 2020 through June 2020 patient volumes decreased. With the start of Fiscal Year 2021 and with the first five months ended November 30, 2020, the Corporation's patient volumes rose, most notably in outpatient visits.

SOURCES OF REVENUE (PAYOR MIX)

The table below shows the percentage of net patient service revenue by categories of payor for the Corporation for Fiscal Years ended June 30, 2018, 2019 and 2020.

Inpatient & Outpatient	**2018**	**2019**	**2020**
Medicare	34.0%	33.2%	32.7%
Medicare Managed Care	10.5%	10.4%	10.7%
Medicare Advantage	1.8%	1.6%	1.7%
Medicaid	3.9%	4.4%	4.7%
Commercial and Other	49.8%	50.4%	50.2%
Total	**100.0%**	**100.0%**	**100.0%**

Managed Care Contracts

The Corporation entered contracts with a variety of commercial and commercial managed care organizations. Commercial and commercial managed care represents approximately 48% of net patient service revenue for the most recent Fiscal Year ended June 30, 2020. Independence Blue Cross is the largest commercial payor at 28% for the most recent Fiscal Year ended June 30, 2020. The Corporation has entered contracts with a variety of other commercial and managed care organizations, including but not limited to, Aetna and United Healthcare. These contracts automatically renew annually unless either party decides to terminate. Medicaid Traditional / Managed Care is 3% and Medicare Traditional/ Managed Care is 46% of total patient service revenue for the most recent Fiscal Year ended June 30, 2020. The basis for reimbursement for covered services, depending on the payor contract, can range from case rates, DRGs, fee schedules and discounts from billed charges. All payments are subject to co-pay and deductible provisions of the policyholders.

HISTORICAL FINANCIAL RESULTS

Set forth on the following pages are comparative consolidated statements of operations for the Corporation and its subsidiaries for each of the three Fiscal Years ended June 30, 2018 through 2020. The financial results for the three fiscal years were derived from the audited consolidated financial statements of the Foundation and its subsidiaries. The summary information below should be read in conjunction with their consolidated financial statements, supplementary information, and report of independent certified public accountants for the Fiscal Years ended June 30, 2019 and 2020 and the notes thereto, attached to this Official Statement as Appendix B. In 2020, the Foundation adopted a new accounting standard, the FASB ASU No. 2016-01, Recognition and Measurement of Financial Assets and Financial Liabilities ("ASU No. 2016-01"). The new standard changed the consolidated statement of operations and changes in net assets by recognizing unrealized gains and losses on investments as a component of both nonoperating revenues and the performance indicator in 2020. Prior to the adoption of ASU No. 2016-01, unrealized gains and losses on the Foundation's equity investments were excluded from its performance indicator. As a result, comparability of total nonoperating revenues and revenues in excess of (or less than) expenses from 2020 to 2019 have been affected.

The following table also provides a summary of the consolidated statement of operations of the Foundation and its subsidiaries for the five-month periods ended November 30, 2019 and 2020. The information for these interim periods has been derived by management from internally-prepared unaudited financial statements prepared in accordance with Generally Accepted Accounting Principles ("GAAP"), applied on a basis substantially consistent with that of the Fiscal Year 2020 audited financial statements of the Foundation and its subsidiaries. They do not include all the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all adjustments considered necessary for a fair presentation have been included. Results for the five months ended November 30, 2020 are not necessarily indicative of results that may be expected for the entire Fiscal Year ended June 30, 2021. The information should be read in conjunction with the audited consolidated financial statements, related notes and other financial information included herein.

Comparative consolidated balance sheets for the Foundation and its controlled affiliates at June 30 for each of the three Fiscal Years 2018 through 2020 are set forth on the following page. The financial results for the three fiscal years were derived from the audited consolidated financial statements of the Foundation and its controlled affiliates. The summary information below should be read in conjunction with the Foundation's consolidated financial statements, supplementary information, and report of independent certified public accountants for the Fiscal Years ended June 30, 2019 and 2020 and the notes thereto.

The following table also provides a summary of the consolidated balance sheets of the Foundation and its controlled affiliates as of November 30, 2019 and 2020. The information for these interim periods has been derived by management from internally-prepared unaudited financial statements prepared in accordance with GAAP, applied on a basis substantially consistent with that of the Fiscal Year 2020 audited financial statements of the Foundation and its controlled affiliates. They do not include all the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all adjustments considered necessary for a fair presentation have been included. Results for the five months ended November 30, 2020 are not necessarily indicative of results that may be expected for the entire Fiscal Year ended June 30, 2021. The information should be read in conjunction with the audited consolidated financial statements, related notes and other financial information included herein.

As of and for the Fiscal Year ended June 30, 2020, the Corporation accounted for substantially all assets and unrestricted revenues and other support of the Foundation and its controlled affiliates.

Summary of Consolidated Statements of Operations and Changes in Net Assets

($ in thousands)	Audited Twelve Month Period Year Ended June 30,			Unaudited Five Month Period Ended Nov 30,	
	2018	**2019**	**2020**	**2019**	**2020**
Revenues, Gains, and Other Support					
Patient service revenues	$ 189,224	$ 193,685	$ 190,360	$ 82,463	$ 83,102
Other revenues	3,671	4,898	8,398	1,612	1,558
Total revenues, gains, and other support	**192,895**	**198,583**	**198,758**	**84,075**	**84,660**
Expenses					
Salaries and benefits	116,532	123,140	125,073	52,012	51,694
Supplies and other	26,357	26,665	26,688	12,043	12,544
Purchased Services	29,938	34,624	36,824	14,992	16,608
Drugs	5,159	4,690	4,193	1,977	1,881
Professional Fees	284	367	234	126	142
Utilities / Fuels	2,040	1,821	1,905	810	771
Depreciation	12,830	13,506	14,219	6,075	7,158
Interest	3,697	3,686	3,463	1,455	1,150
Total expenses	**196,837**	**208,499**	**212,599**	**89,490**	**91,948**
Operating loss	***$ (3,942)***	***$ (9,916)***	***$ (13,841)***	***$ (5,415)***	***$ (7,288)***
Other Income / (Loss)					
Investment income	15,142	14,092	14,923	7,897	9,271
Net periodic pension credit	-	996	1,593	-	-
Equity loss in unconsolidated affiliates and partnerships	(1,493)	(2,810)	(2,165)	(815)	(957)
Total other income / (loss)	**13,649**	**12,278**	**14,351**	**7,082**	**8,314**
Revenues (less than) / in excess of expenses before unrealized net changes	**9,707**	**2,362**	**510**	**1,667**	**1,026**
Unrealized Net Changes					
Change in fair value of derivative financial instruments	3,011	(2,132)	(2,448)	(518)	691
Change in net unrealized gains and losses on equity securities	-	-	(15,760)	-	-
Total unrealized net changes	**3,011**	**(2,132)**	**(18,208)**	**(518)**	**691**
Revenue (less than) / in excess of expenses	***$ 12,718***	***$ 230***	***$ (17,698)***	***$ 1,149***	***$ 1,717***

Summary of Consolidated Balance Sheets

($ in thousands)	Audited June 30,			Unaudited Nov 30,	
	2018	**2019**	**2020**	**2019**	**2020**
Assets					
Current Assets					
Cash and cash equivalents	$ 19,071	$ 18,888	$ 27,568	$ 17,605	$ 16,806
Assets whose use is limited	4,702	5,340	5,161	5,284	5,641
Accounts receivable, patient, net of estimated allowance for doubtful collections	18,606	18,336	18,722	19,841	21,283
Inventories of drugs and supplies	4,376	4,510	4,851	5,625	7,553
Estimated third-party payor settlements	-	467	-	-	-
Other current assets	1,145	9,922	1,838	-	-
Total current assets	**47,900**	**57,463**	**58,140**	**48,355**	**51,283**
Assets Whose Use is Limited	250,879	245,914	236,410	246,847	247,966
Property and Equipment, Net	83,146	77,924	87,731	76,823	87,313
Pension Asset	8,967	7,055	-	7,095	-
Other Investments	2,806	2,423	1,446	6,338	4,730
Professional Insurance Recoveries Receivable	4,877	3,431	3,763	3,431	3,762
Total assets	***$ 398,375***	***$ 394,210***	***$ 387,490***	***$ 388,889***	***$ 395,074***
Liabilities and Net Assets					
Current Liabilities					
Current maturities of long-term debt	$ 4,405	$ 4,895	$ 4,750	$ 4,750	$ 5,315
Accounts payable and accrued liabilities	11,160	12,523	9,545	11,750	9,489
Accounts payable, construction	3,344	1,226	756	-	-
Accrued payroll and related liabilities	8,862	10,187	11,034	8,943	10,270
Accrued interest	224	281	266	294	121
Estimated third-party payor settlements	764	-	20,971	2,125	21,146
Total current liabilities	**28,759**	**29,112**	**47,322**	**27,862**	**46,341**
Long-Term Debt	107,406	102,568	97,872	97,839	92,481
Pension Liability	-	-	3,540	-	3,007
Estimated Professional Insurance Liability	6,542	5,096	5,303	5,096	5,303
Estimated Third-Party Payor Settlements	9,910	7,683	6,305	6,305	6,304
Derivative Financial Instruments	6,627	8,759	11,207	9,277	10,516
Total liabilities	**159,244**	**153,218**	**171,549**	**146,379**	**163,952**
Net Assets					
Without donor restrictions	235,961	237,991	212,922	239,509	228,103
With donor restrictions	2,929	3,001	3,019	3,001	3,019
Non-controlling interests	441	-	-	-	-
Total net assets	**239,331**	**240,992**	**215,941**	**242,510**	**231,122**
Total liabilities and net assets	***$ 398,575***	***$ 394,210***	***$ 387,490***	***$ 388,889***	***$ 395,074***

MANAGEMENT DISCUSSION/ANALYSIS OF FINANCIAL PERFORMANCE

Fiscal Year 2018

In Fiscal Year 2018, the Foundation and its controlled affiliates generated an operating loss of $3.9 million compared to an operating loss from operations of $4.5 million during the prior fiscal year. The increase in operating performance was primarily due to decreases in expenses.

In Fiscal Year 2018, net patient revenue was basically flat compared to the prior fiscal year. Admissions increased to 9,333 in Fiscal Year 2018 from 9,250 the prior fiscal year while outpatient visits were relatively flat with 168,556 in Fiscal Year 2018 compared to 169,652 in the prior fiscal year. Total surgeries decreased 3% from the prior fiscal year with 6,907 in Fiscal Year 2018 compared to 7,122 in the prior fiscal year.

In Fiscal Year 2018, total full-time equivalents ("FTE"), decreased by 46 from 1,396 to 1,350 compared to the prior fiscal year and total salary expense decreased by $656,000 from $102.92 million to $102.27 million.

Actuarially-determined pension expense decreased by $440,000 to a credit of $83,000 compared to the prior fiscal year.

Patient related supplies decreased by $273,000 from the prior fiscal year due, for the most part, to decreased surgeries.

Depreciation expense increased by $377,000 from $12.5 million to $12.8 million due primarily to additions of routine capital expenditures.

In Fiscal Year 2018, unrestricted investment income was $13.6 million. Interest and dividends were $5.9 million and realized gains from the sale of investments were $9.2 million and the equity loss in unconsolidated affiliates and partnerships was $1.5 million. Revenues in Excess of Expenses in Fiscal Year 2018, before unrealized activity, were $9.7 million.

Fiscal Year 2019

In Fiscal Year ended June 30, 2019, the Foundation and its controlled affiliates generated an operating loss of $9.9 million compared to an operating loss from operations of $3.9 million during the prior fiscal year. The decrease in operating performance was primarily due to increases in expenses. In May of Fiscal Year 2018, the Corporation added orthopedic physicians to its service line. Fiscal Year 2019 reflects 12 months of cost associated with that strategic initiative versus only two months in the prior fiscal year.

Total net patient service revenue increased by 2.2% due to increases in payor performance contracts. Decreases ranging from 2% to 16% were seen in admissions, surgeries and outpatient visits compared to the prior fiscal year.

In Fiscal Year 2019, and compared to the prior fiscal year, total FTE's, were relatively flat, while salaries and wages increased by 6.5% due to additional employment of orthopedic physicians and the annual wage increase to all staff.

Actuarially-determined pension expense increased by $402,000 compared to the prior fiscal year.

Patient related supplies increased by $308,000 in Fiscal Year 2019 compared to the prior fiscal year due to the increase in supplies associated with the da Vinci and Mako robots purchased during the late Winter and early Spring of 2019.

In Fiscal Year 2019 depreciation expense increased by $676,000 compared to the prior fiscal year primarily due to additions of routine capital expenditures and the purchase of the da Vinci and Mako robots.

In Fiscal Year 2019 purchased services increased by $4.7 million compared to the prior fiscal year due in large part to new independent (not employed by the Corporation) physician and staff contracts associated with orthopedics' and pulmonary services totaling approximately $3.3 million with the balance of the increase related to strategic initiatives and the applicable expense associated with marketing and outside consulting.

In Fiscal Year 2019 unrestricted investment income was $12.3 million. Interest and dividends were $6.4 million, realized gains from the sale of investments were $7.7 million and net periodic pension credit was $996,000. Equity loss in unconsolidated affiliates and partnerships was $2.8 million. Revenues in Excess of Expenses in Fiscal Year 2019, before unrealized activity was $2.4 million.

Fiscal Year 2020

In Fiscal Year ended June 30, 2020, the Foundation and its controlled affiliates generated an operating loss of $13.8 million compared to an operating loss from operations of $9.9 million during the prior fiscal year. The decrease in operating performance was primarily due to decreases in net patient service revenue and increases in expenses — all related to COVID-19. Prior to COVID-19, and for the eight months ended as of February 2020 YTD, the operating loss from operations was $5.6 million. The additional operating losses of $8.2 million were incurred during the months of March 2020 through June 2020 and were a direct result of COVID-19 impacting operations.

In Fiscal Year 2020, net patient revenue decreased by $3.3 million compared to the prior fiscal year and was primarily due to COVID-19 resulting in lower admissions, lower outpatient visits as well as lower surgical volumes, all of which was driven by COVID-19 preparations and government-mandated closures. These unfavorable variances were minimally mitigated by favorable case rates and better than average reimbursements. For the eight months ended February 2020, net patient service revenue was 6.1% higher than the eight months ended in February 2019 with increases in patient volumes and visits seen in most of the clinical areas.

In Fiscal Year 2020, other revenues increased by $3.5 million compared to the prior fiscal year due mostly to the stimulus grant of $4.4 million received under the Coronavirus Aid, Relief and Economic Security Act (the "Cares Act").

Total FTEs were relatively flat compared to the prior fiscal year with 1,330 in Fiscal Year 2020 compared to 1,332 in Fiscal Year 2019 as the Corporation did not implement layoffs of existing staff during COVID-19 but rather redeployed them to assist front line staff with COVID-19 staff, patient and visitor needs.

Actuarially-determined pension expense decreased by $537,000 compared to the prior fiscal year and the defined benefit pension plan was 99.9% funded due to the hedging strategy of matching pension assets to pension liabilities.

In Fiscal Year 2020 and compared to the prior fiscal year, patient related supplies were basically flat with less patient supplies required during the latter part of Fiscal Year 2020 due to COVID-19, but

those decreases were then offset with additional purchases of personal protective equipment and supplies for clinical staff related to COVID-19.

In Fiscal Year 2020, and compared to the prior fiscal year, depreciation expense increased by $713,000 primarily due to additions of routine capital expenditures.

In Fiscal Year 2020 and compared to the prior fiscal year, purchased services increased by $2.2 million due in large part to marketing expenses related to COVID-19, additional IT expense associated with non-clinical staff working remotely and the addition of non-employed physician expenses associated with a 24/7 new Cath Lab that started operations in November 2019.

In Fiscal Year 2020, unrestricted investment income was $14.4 million. Interest and dividends were $5.4 million, realized gains from the sale of investments were $9.5 million and net periodic pension credit was $1.6 million. Equity loss in unconsolidated affiliates and partnerships was $2.2 million. Revenues in Excess of Expenses in Fiscal Year 2020, before unrealized activity, was $510,000.

Five Months Ended November 30, 2020

In the five-month period ended November 30, 2020,[*] the Foundation and its controlled affiliates generated an operating loss of $7.3 million compared to an operating loss from operations of $5.4 million during the five-month period ended November 2019. The decrease in operating performance was primarily due to increases in COVID-19 related patient supplies and lab services as well as strategic initiatives related to the start of the Trauma program in January 2021.

In the five-month period ended November 30, 2020, net patient revenue increased by .8% (approximately $639,000) compared to the five-month period ended November 30, 2019 and was primarily due to increased outpatient volumes as well higher patient acuity.

In the five-month period ended November 30, 2020, total FTEs decreased by 16 FTEs compared to the five-month period ended November 30, 2019.

Actuarially-determined pension expense decreased by $493,000 for the five-month period ended November 30, 2020 compared to the five-month period ended November 30, 2019 and the defined pension plan was 103.1% funded due to the hedging strategy of matching pension assets to pension liabilities.

In the five-month period ended November 30, 2020 compared to the five-month period ended November 30, 2019, patient related supplies increased by $517,000 and was a result of increased outpatient volumes and COVID-19 related supplies for both patients and staff.

Depreciation expense increased $1.1 million primarily due to additions of routine capital expenditures and the opening of a new outpatient orthopedic center – approximately 10 miles south of the Main Campus.

In the five-month period ended November 30, 2020 and compared to the five month period ended November 30, 2019, purchased services increased by $1.6 million due in large part to outside consultants working with the hospital to become Level II trauma-ready by January 2021.

[*] Unaudited. *Source*: Corporation.

OTHER FINANCIAL INFORMATION

Other Outstanding Indebtedness and Swaps

Upon the issuance of the Series 2021 Bonds, the Corporation will have no other long-term debt instruments outstanding.

Also, two existing fixed payer swaps which served as interest rate hedges for the Series 2008A and Series 2008B Bonds to be refunded with the Series 2021 Bonds will be terminated on or about the date on which the Series 2021 Bonds are issued. Series 2021 Bond proceeds or Corporation cash reserves will be applied to pay the swaps termination cost which was estimated to be $9.9 million as of February 1, 2021.

Liquidity

The following table sets forth liquidity for the Foundation and its controlled affiliates measured by unrestricted and board-designated cash and investments as of June 30, 2018, 2019 and 2020 and as of November 30, 2019 and 2020. As of and for the Fiscal Year ended June 30, 2020, the Corporation accounted for substantially all unrestricted cash and investments of the Foundation and its controlled affiliates.

Historical Liquidity

($ in thousands)

	June 30,			November 30,	
	2018	**2019**	**2020**	**2019**	**2020**
Cash and cash equivalents	$19,071	$18,888	$27,568	$17,605	$16,806
Board designated funds	250,879	245,914	236,410	246,847	247,964
Unrestricted Cash and Investments	$269,950	$264,802	$263,978	$264,452	$264,770
Operating expenses	$196,837	$208,499	$212,599	$89,490	$91,948
Less: Depreciation and amortization	(12,830)	(13,506)	(14,219)	(6,075)	(7,158)
Adjusted operating expenses	$184,007	$194,993	$198,380	$83,415	$84,790
Days in period	365	365	366	153	153
Daily Cash Expenses	$504	$534	$542	$545	$554
Days Cash on Hand [(1)]	535	496	487	485	478

[(1)] Equals Unrestricted Cash and Investments divided by Daily Cash Expenses rounded to the nearest day.

Investment Policy

All Corporation and Foundation investments are governed by certain investment policies that were developed and are overseen by the Investment Committee of the Corporation Board. This committee is comprised of several Corporation Board members who are community leaders with banking and business experience. The committee meets with its investment consultant periodically to review the investments of the Corporation and its consolidated subsidiaries and their performance and to ensure compliance with the asset allocation guidelines.

The Corporation has retained an investment consultant to oversee its investments in different classes of securities according to asset allocation targets that are set in conjunction with the Corporation's overall strategic and financial plan. In addition, the consultant provides recommendations on investment manager performance and selection of new managers. The various investment portfolios have investment guidelines for style, objectives, concentration limitations, credit quality, performance benchmarks, and allowable/non-allowable investment. The target allocations of the investment funds in the Corporation and Foundation portfolios are as follows:

Corporation Investment Portfolio

	Board Approved Asset Allocations		Actual Allocations
	Ranges	**Targets**	**As of 6/30/2020**
Domestic Equities	45% - 65%	55%	58%
International Equities	25% - 45%	35%	37%
Other	0% - 15%	10%	5%
Cash Equivalents	0% - 10%	0%	0%
TOTAL		100%	100%

Foundation Investment Portfolio

	Board Approved Asset Allocations		Actual Allocations
	Ranges	**Targets**	**As of 6/30/2020**
Domestic Equities	30% - 40%	35%	34%
International Equities	15% - 25%	20%	20%
Fixed Income	35% - 45%	40%	45%
Cash Equivalents	0% - 10%	5%	1%
TOTAL		100%	100%

Historic and Pro Forma Debt Service Long-Term Capitalization

The following table sets forth the Historic and Pro Forma Capitalization Ratios based on the consolidated financial statements of the Foundation and its Controlled Affiliates for the Fiscal Years ended June 30, 2018, 2019 and 2020, and for the five months ended November 30, 2020 taking into account the $285,000,000 aggregate principal amount of the Series 2021 Bonds.

Debt and Capitalization

($ in thousands)	Fiscal Year Ended June 30, 2018	Fiscal Year Ended June 30, 2019	Fiscal Year Ended June 30, 2020	Actual November 30, 2020	Pro-Forma November 30, 2020
Long-Term Debt					
Series 2008A & 2008B	$ 111,811	$ 107,463	$ 102,622	$ 97,796	$ -
Series 2021 Bonds [1]	-	-	-	-	285,000
Total Long-Term Debt	$ 111,811	$ 107,463	$ 102,622	$ 97,796	$ 285,000
Net Assets Without Donor Restrictions	$ 235,961	$ 237,991	$ 212,922	$ 228,103	$ 228,103
Total Capitalization	$ 347,772	$ 345,454	$ 315,544	$ 325,899	$ 513,103
Ratio of Long-Term Debt to Capitalization	**32.2%**	**31.1%**	**32.5%**	**30.0%**	**55.5%**

(1) This Series of Bonds is offered pursuant to this Official Statement

Historical and Pro Forma Debt Service Coverage Ratio

The following table sets forth (i) the Historical and Pro Forma Debt Service Coverage Ratios based on the consolidated financial statements of the Foundation and Controlled Affiliates for the Fiscal Years ended June 30, 2018, 2019 and 2020, and (ii) the Income Available for Debt Service for the Foundation and Controlled Affiliates for the Fiscal Years ending June 30, 2022 through 2028, as included in management's calculations supporting the debt service coverage ratios disclosed on page 67 of the Feasibility Study dated February 11, 2021.

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Schedule of Debt Service Coverage Ratio

($ in thousands)	Fiscal Year Ended June 30, 2018	2019	2020[5]	Five Months Ended November 30, 2020[3]	Fiscal Year Ending June 30, 2022	2023	2024	2025	2026	2027	2028
Revenues in excess of (less than) expenses	$ 12,718	$ 230	$ (1,938)[1]	$ 1,717	$ (577)	$ 5,921	$ (7,731)	$ (3,581)	$ 22	$ 2,862	$ 5,360
Depreciation	12,830	13,506	14,219	7,158	14,621	14,243	22,766	22,268	21,707	22,007	23,183
Interest Expense	3,697	3,686	3,463	1,150	4,535	4,535	13,080	13,080	12,888	12,686	12,472
Loss on joint venture investments	-	-	-	-	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Capital contributed to joint ventures	-	-	-	-	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Change in fair value of derivative financial agreements	(3,011)	2,132	2,448	(691)	-	-	-	-	-	-	-
Income Available for Debt Service	**$ 26,234**	**$ 19,554**	**$ 18,192**	**$ 9,334**	**$ 18,579**	**$ 24,699**	**$ 28,115**	**$ 31,767**	**$ 34,617**	**$ 37,555**	**$ 41,015**
Historic Maximum Annual Debt Service	$ 8,460	$ 8,539	$ 8,268								
Historic Debt Service Coverage Ratio[2]	3.10x	2.29x	2.20x								
Pro Forma Maximum Annual Debt Service[4][6]					$ 3,669	$ 4,554	$ 4,532	$ 17,287	$ 17,287	$ 17,287	$ 17,287
Pro Forma Debt Service Coverage Ratio[2]					5.05x	5.42x	6.20x	1.84x	2.00x	2.17x	2.37x

(1) Excludes the change in net unrealized losses on equity securities of $15,760,000.

(2) Calculated in accordance with the Master Trust Indenture dated as of March 1, 2021.

(3) Fiscal Year 2021 represents the (5) months ended November 30, 2020.

(4) Pro Forma Maximum Annual Debt Service is calculated as Principal & Interest less interest amounts funded with the proceeds from the Series 2021 Bonds.

(5) Prior to the adoption of ASU No. 2016-01, unrealized gains and losses on equity investments were excluded from revenues in excess of (less than) expenses. ASU No. 2016-01 does not allow for the restatement of the 2019 and 2018 consolidated financial statements for the impact of the new standard. As a result, 2020 revenues in excess of (less than) expenses was adjusted for purposes of this analysis to conform to the 2018 and 2019 reporting format.

(6) Maximum Annual Debt Service in Fiscal 2022 through 2024 is equal to the annual debt service (interest) requirements on the Series 2021 Bonds, less interest amounts funded with the proceeds from the Series 2021 Bonds. Maximum Annual Debt Service in Fiscal 2025 through Fiscal 2028 is equal to the Maximum Annual Debt Service (principal and interest) requirements on the Series 2021 Bonds.

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INFORMATION SYSTEMS AND TECHNOLOGY

In 2002, the Corporation implemented MEDITECH's electronic medical records system ("EMR") for all patient encounters in acute, emergency room, ambulatory and telehealth settings of care to provide a single, fully-integrated record and patient portal in a cloud environment. The shared health-related information streamlines the workflow for physicians, improves communication and coordination among providers and improves patient safety and the overall patient experience. The Corporation achieved all stages of Medicare and Medicaid Meaningful Use Monies beginning in the fourth quarter of Fiscal Year 2011 for the Corporation, resulting in payments of $6.0 million over the first four payment years. No further Meaningful Use Monies have been received. Using Intersystem Health Share's Information Exchange, the system exchanges ADT messages, DIRECT messages and continuity of care documents between the Corporation and other care providers in the greater Philadelphia area as well as with Pennsylvania's health information exchange. Intersystem Health Share is a healthcare informatics platform for hospitals, integrated delivery networks and regional and national health information exchanges. The Corporation's on-premise applications are housed in a state-of-the-art data center located on the Corporation's Main Campus which was completed in April 2020 with data replication and colocation at a disaster recovery center for approximately 100 applications outside of the MEDITECH EMR.

The Corporation plans to upgrade the EMR in the spring of 2021 from MEDITECH 6.1.5 to EXPANSE, MEDITECH's most advanced and newest web-based platform.

The Corporation uses an array of security practices and controls to meet the necessary requirements of security regulations and standards (i.e. NIST, HIPAA, PCI). These controls allow the Corporation to protect and maintain the confidentially, integrity and availability of the entity's information technology assets, including data.

The Corporation spends on average approximately $7.0 million annually to support new technology innovations as well as replace existing to ensure the delivery of the highest quality patient care, as well as employee and patient satisfaction and engagement.

EMPLOYEES

As of November 30, 2020, the full-time, part-time, and casual (per diem, float pool) employees of the Corporation are classified as follows.

Role	Count
Administrative & Management	66
Professional	776
Technical	303
Clerical	230
Support & Service	411
Total Employees	**1,786**

As of November 30, 2020, the Corporation employed approximately 1,328 full time equivalents ("FTEs") of which approximately 439.5 FTEs (662 individuals) are in direct care nursing as registered nurses and clinical support roles. Of those direct care roles, 314.7 FTE were registered nurses. During the 12 months ending June 30, 2020, the turnover rate for all employees, including registered nurses was 16.72% and the vacancy rate specific to our registered nurses was 12.4% during this period. The organization has several initiatives to fill and retain talent in key roles including a competitive benefit program, opportunities for advancement and functioning as educational host sites for local schools and

training programs. To ensure competitiveness in wages and benefit programs, the Corporation participates in local and regional surveys to benchmark and make changes to programs as appropriate.

Employee Benefits

The Corporation offers a comprehensive benefit program and monitors the benefits offered by other employers in the region to ensure competitiveness. The Corporation administers a self-insured health insurance program that promotes domestic steerage in several ways. This plan design, as well as a recent vendor change to Independence Blue Cross has been successful at maintaining flattening health care expense for both the Corporation and the employees. In addition, the Corporation offers its employees dental insurance, vision insurance, life insurance, short/long term disability, flexible spending programs, critical illness and hospital indemnity plans, retirement plans, tuition reimbursement program and other voluntary benefit offerings.

Retirement Benefit Plans

Eligible employees also participate in a 403(b) plan, administered through Vanguard, one of the world's largest investment management companies. Employees are eligible to contribute their own funds into the plan upon hire and are auto-enrolled at a 2% contribution rate at hire. In addition, the Corporation utilizes an escalation of 1% for participating employees each year to help provide retirement savings. The Corporation matches $0.25 per dollar contributed by the employee up to 8% of base salary. Employees will become vested in the Corporation's contributions after four (4) vesting years.

Additionally, the Corporation continues to maintain a Defined Benefit Pension program for employees who meet eligibility requirements. The plan contributes 1% of W-2 earnings per year, however, employees hired prior to January 1, 2018 are grandfathered into a contribution of 2% of W-2 earnings. Employees must obtain four (4) vesting years. The Defined Benefit Pension benefit plan uses a hedging strategy of matching assets to liabilities and as of November 30, 2020, the plan was 103.1% funded.

The Corporation does not offer a post-retirement health benefit plan for its employees.

Collective Bargaining

At the present time, there are no Corporation employees covered by collective bargaining agreements, nor is management aware of any union organizing activities among employees. The Corporation believes that employee relations are satisfactory.

COMMUNITY BENEFITS AND OUTREACH

Improving the health of the community is fundamental to the mission of the Corporation and therefore, the Corporation conducts a Community Health Needs Assessment ("CHNA") every three years as part of its planning and strategy process. This assessment includes a comprehensive review and analysis of the data gathered regarding the health needs of Bucks County, Pennsylvania and the Corporation's service area. As a part of the CHNA, a broad coalition of community leaders and providers from Bucks, Montgomery, Chester and Philadelphia counties joined in a collaborative discussion in 2019 to design the data gathering process and analyze the results of the assessment. Based on the results of the assessment the Corporation convened an implementation team to execute a plan to meet the needs identified in the assessment. In addition, the Corporation is engaged with the Bucks County Health Care Improvement Partnership (BCHIP), which was created by the respective chief executive officers of the Corporation and the other five (5) hospitals in Bucks County. BCHIP has goals like the CHNA and collaborates with all

stakeholders to include the CHNA results to strategically set priorities and initiatives, develop interventions and commit resources to improve the community's health.

The Corporation integrates a commitment to community service into management and governance structures as well as strategic and operational plans, and monitors and evaluates progress on community health goals. The Corporation continues to develop and maintain relationships with a range of collaborative partners and community organizations including: Bucks County Health Department, BCHIP and the chambers of commerce throughout central and upper Bucks County and central and upper Montgomery County. The Corporation also participates in several community-building activities, provides outreach to the community through educational offerings, offers wellness screenings that address needs identified by the CHNA and provides support groups for many healthcare conditions prevalent in the community.

In Fiscal Year 2019, the Corporation provided $16.2 million in net community benefit expense towards meeting the health needs of people living in its service area. The Corporation strives to meet the needs of the underserved and underinsured by contributing funds to provide free, reduced-cost or subsidized services.

INSURANCE

The Corporation maintains commercial insurance policies for professional and general liability, including umbrella and excess liability coverage.

The Corporation also carries insurance for automobile, helipad, kidnap, ransom, extortion, cyber security and privacy, directors and officers, property, environmental and workers compensation.

The Corporation also carries liability insurance for its subsidiaries.

Limits of coverage are reviewed and updated on a regular basis. Management believes that the current levels of insurance are sufficient.

LICENSURE, MEMBERSHIP AND ACCREDITATION

The Corporation is accredited by The Joint Commission, which granted the Corporation a three-year accreditation decision in June 2018. This accreditation provides the Corporation with deemed status through Medicare. The Joint Commission granted the hospital laboratory a two-year accreditation decision in September 2020. The Joint Commission awarded the Corporation their initial Disease Specific Care Certifications for Primary Stroke in December 2007, Joint Replacement Hip and Knee in December 2009, and for Advanced Heart Failure and Advanced Primary Stroke in February 2012. Recertification occurs every two years with the last recertification in October 2020 for Joint Replacement Hip and Knee, Advanced Primary Stroke and Advanced Heart Failure in May 2018. The Cardiac Catheterization Laboratory received accreditation by Corazon, Inc. in October 2019 and was reaccredited in August 2020. The Corporation received Accreditation by the National Accreditation Program for Breast Centers ("NAPBC") and in 2018, received Commission on Cancer accreditation for commitment to providing high quality, multidisciplinary, patient-centered cancer care. The American College of Emergency Physicians accredited the Corporation as a Geriatric Emergency Department in 2019.

LITIGATION

The nature of the Corporation's business generates claims and litigation against the Corporation arising in the ordinary course of its activities. The Corporation is a defendant in various civil actions seeking damages for alleged medical malpractice, workers compensation or other civil litigation. These actions are

being defended by the Corporation's insurance carrier, Cassatt RRG and outside counsel selected by the insurance carrier and/or the Corporation. Counsel to the Corporation in those matters and the Corporation's General Counsel are of the opinion that failure of the Corporation to prevail in these various actions will not materially adversely affect the financial position of the Corporation.

The healthcare industry is subject to numerous federal, state and local laws, ordinances and regulations. See "BONDHOLDERS' RISKS" in the forepart of this Official Statement for more information regarding the regulatory environment. Compliance with these laws is subject to government review and interpretation. The Corporation is involved from time to time in a variety of compliance and regulatory matters.

The Corporation's billings are likely to be the subject of review by a Recovery Audit Contractor ("RAC") team. The RAC program is a CMS-initiated project to recover provider overpayments. As part of its continuing regulatory compliance efforts, the Corporation conducts selective self-audits of its Medicare coding and billing functions.

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APPENDIX B

AUDITED FINANCIAL STATEMENTS FOR THE
FISCAL YEARS ENDED JUNE 30, 2020 AND 2019

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Grand View Health Foundation, Inc. and Controlled Affiliates

Consolidated Financial Statements
and Supplementary Information

June 30, 2020 and 2019

Grand View Health Foundation, Inc. and Controlled Affiliates

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June 30, 2020 and 2019

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Independent Auditors' Report

To the Board of Trustees of
Grand View Health Foundation, Inc. and Controlled Affiliates

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Grand View Health Foundation, Inc. and Controlled Affiliates, which comprise the consolidated balance sheets as of June 30, 2020 and 2019, and the related consolidated statements of operations and changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Grand View Health Foundation, Inc. and Controlled Affiliates as of June 30, 2020 and 2019, and the results of their operations and changes in net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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Emphasis of Matters

As discussed in Note 2 to the consolidated financial statements, in 2020, Grand View Health Foundation, Inc. and Controlled Affiliates adopted new accounting guidance related to the Financial Accounting Standards Board's Accounting Standard Update (ASU) No. 2016-01, *Recognition and Measurement of Financial Assets and Financial Liabilities,* ASU No. 2017-07, *Compensation - Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Costs and Net Periodic Postretirement Benefit Cost* and ASU No. 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash*. Our opinion is not modified with respect to these matters.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information presented on pages 30 through 32 is presented for purposes of additional analysis rather than to present the financial position and results of operations and changes in net assets of the individual entities and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.



Philadelphia, Pennsylvania
October 22, 2020

Grand View Health Foundation, Inc. and Controlled Affiliates

Consolidated Balance Sheets
June 30, 2020 and 2019
(In Thousands)

	2020	2019
Assets		
Current Assets		
Cash and cash equivalents	$ 27,568	$ 18,888
Assets whose use is limited	5,161	5,340
Accounts receivable, patients	18,722	18,336
Inventories of drugs and supplies	4,851	4,510
Estimated third-party payor settlements	-	467
Other current assets	1,838	9,922
Total current assets	58,140	57,463
Assets Whose Use is Limited	236,410	245,914
Property and Equipment, Net	87,731	77,924
Pension Asset	-	7,055
Other Investments	1,446	2,423
Professional Insurance Recoveries Receivable	3,763	3,431
Total assets	$ 387,490	$ 394,210

See notes to consolidated financial statements

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Grand View Health Foundation, Inc. and Controlled Affiliates

Consolidated Balance Sheets
June 30, 2020 and 2019
(In Thousands)

	2020	2019
Liabilities and Net Assets		
Current Liabilities		
Current maturities of long-term debt	$ 4,750	$ 4,895
Accounts payable and accrued liabilities	9,545	12,523
Accounts payable, construction	756	1,226
Accrued payroll and related liabilities	11,034	10,187
Accrued interest	266	281
Estimated third-party payor settlements	20,971	-
Total current liabilities	47,322	29,112
Long-Term Debt	97,872	102,568
Pension Liability	3,540	-
Estimated Professional Insurance Liability	5,303	5,096
Estimated Third-Party Payor Settlements	6,305	7,683
Derivative Financial Instruments	11,207	8,759
Total liabilities	171,549	153,218
Net Assets		
Without donor restrictions	212,922	237,991
With donor restrictions	3,019	3,001
Total net assets	215,941	240,992
Total liabilities and net assets	$ 387,490	$ 394,210

See notes to consolidated financial statements

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Grand View Health Foundation, Inc. and Controlled Affiliates

Consolidated Statements of Operations and Changes in Net Assets
Years Ended June 30, 2020 and 2019
(In Thousands)

	2020	2019
Revenues, Gains and Other Support		
Patient service revenues	$ 190,360	$ 193,685
Other revenues	8,398	4,898
Total revenues, gains and other support	198,758	198,583
Expenses		
Salaries and wages	111,059	108,944
Employee benefits	14,014	14,196
Supplies and other	26,688	26,665
Purchased services	36,824	34,624
Drugs	4,193	4,690
Professional fees	234	367
Utilities/fuels	1,905	1,821
Depreciation	14,219	13,506
Interest	3,463	3,686
Total expenses	212,599	208,499
Operating loss	(13,841)	(9,916)
Other Income (Loss)		
Investment income	12,758	11,282
Net periodic pension credit	1,593	996
Change in net unrealized losses on equity securities	(15,760)	-
Changes in fair value of derivative financial instruments	(2,448)	(2,132)
Revenues (less than) in excess of expenses	$ (17,698)	$ 230

See notes to consolidated financial statements

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Grand View Health Foundation, Inc. and Controlled Affiliates

Consolidated Statements of Operations and Changes in Net Assets
Years Ended June 30, 2020 and 2019
(In Thousands)

	2020	2019
Net Assets Without Donor Restrictions		
Revenues (less than) in excess of expenses	$ (17,698)	$ 230
Change in net unrealized gains on debt securities	3,063	-
Change in net unrealized gains on investments	-	2,241
Changes in pension obligation	(10,730)	(1,510)
Net assets released from restrictions used for property and equipment	306	310
Other gains and losses	(10)	527
Noncontrolling interest in net loss of partnerships	-	(209)
(Decrease) increase in net assets without donor restrictions	(25,069)	1,589
Net Assets With Donor Restrictions		
Contributions	324	171
Restricted income on investments	-	211
Net assets released from restrictions	(306)	(310)
Increase in net assets with donor restrictions	18	72
(Decrease) increase in net assets	(25,051)	1,661
Net Assets, Beginning	240,992	239,331
Net Assets, Ending	$ 215,941	$ 240,992

See notes to consolidated financial statements

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Grand View Health Foundation, Inc. and Controlled Affiliates

Consolidated Statements of Cash Flows
Years Ended June 30, 2020 and 2019
(In Thousands)

	2020	2019 (As Adjusted)
Cash Flows From Operating Activities		
(Decrease) increase in net assets	$ (25,051)	$ 1,661
Adjustments to reconcile (decrease) increase in net assets to net cash provided by operating activities:		
Increase in pension obligation	10,730	1,510
Depreciation	14,219	13,506
Amortization of bond discount and deferred financing costs	54	57
Equity in losses of joint ventures	2,164	1,856
Gain on disposal of property and equipment	(43)	(82)
Net realized and unrealized gains and losses on assets whose use is limited	(12,596)	(9,942)
Restricted contributions and investment income received	(324)	(382)
Changes in net unrealized gains and losses on derivative financial instruments	2,448	2,132
Changes in assets and liabilities:		
Accounts receivable, patients	(386)	270
Inventories of drugs and supplies and other assets	14,933	(3,175)
Accounts payable, accrued expenses and other liabilities	9,994	(311)
Net cash provided by operating activities	16,142	7,100
Cash Flows From Investing Activities		
Purchases of property and equipment	(23,983)	(16,056)
Change in other investments	(1,187)	(1,472)
Change in assets whose use is limited	22,805	14,414
Net cash used in investing activities	(2,365)	(3,114)
Cash Flows From Financing Activities		
Restricted contributions and investment income received	324	382
Repayments of long-term debt	(4,895)	(4,405)
Net cash used in financing activities	(4,571)	(4,023)
Net increase (decrease) in cash, cash equivalents and restricted cash and cash equivalents	9,206	(37)
Cash, Cash Equivalents and Restricted Cash and Cash Equivalents, Beginning	19,107	19,144
Cash, Cash Equivalents and Restricted Cash and Cash Equivalents, Ending	$ 28,313	$ 19,107
Supplemental Disclosure of Cash Flow Information		
Interest paid	$ 3,424	$ 3,572
Supplemental Disclosure of Noncash Investing Activity		
Obligations incurred for the acquisition of property and equipment	$ 756	$ 1,226
Reconciliation of Cash, Cash Equivalents and Restricted Cash and Cash Equivalents to Consolidated Balance Sheets		
Cash and cash equivalents	$ 27,568	$ 18,888
Cash and cash equivalents included in assets whose use is limited	745	219
Total cash, cash equivalents and restricted and cash equivalents	$ 28,313	$ 19,107

See notes to consolidated financial statements

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1. Organizational Structure and Nature of Operations

Grand View Health Foundation, Inc. (the Parent), is a not-for-profit entity which coordinates all fundraising activities for Grand View Hospital. The Parent exercises control over the Hospital through the election of its Board of Trustees and a requirement that any amendments of the Hospital's Articles of Incorporation and Bylaws are subject to the Parent's approval. Grand View Hospital (the Hospital) is a 169 bed, not-for-profit, acute-care hospital serving the eastern Montgomery County and upper Bucks County areas of Pennsylvania. The Hospital is a controlled entity of the Parent. The Hospital alone coordinates, manages and performs the operations related to the delivery of health care and all expenses incurred by the Hospital are related to the delivery of health care services.

Another related party of the Parent and the Hospital is Trinity Health Care Alliance, LLC (Trinity), a Pennsylvania limited partnership. Trinity was originally formed in 1997 to promote health care in Montgomery and Bucks Counties of Pennsylvania. The Hospital is the sole owner of Trinity, which is consolidated into the Hospital's results.

Grand View Healthcare Partnership, LLC (GVHP) was established in 2016 as an integrated delivery network which seeks to improve the health of patients and reward participating providers by improving outcomes, reducing costs and improving the overall health and experience of populations that are served by GVHP.

Grand View Urgent Care, LLC (Urgent Care) was established to own and operate urgent care centers. The Hospital is the sole member of Urgent Care.

Grand View Surgery Center at Harleysville, LLC (GVSC) was established in July 2016 to own and operate a hospital-physician free standing, multi-specialty ambulatory surgical facility. GVSC began operations in April 2018. In June 2019, the Hospital sold its majority interest in GVSC to physician investors. The sale of the majority investment resulted in a gain on transfer of ownership of $602 during 2019, which is included in other gains and losses in the consolidated statements of operations and changes in net assets.

The consolidated financial statements of Grand View Health Foundation, Inc. and Controlled Affiliates include the Parent, the Hospital, Trinity, GVHP, GVSC (through June 2019) and Urgent Care (collectively, the Foundation). All significant intercompany transactions have been eliminated.

2. Summary of Significant Accounting Policies

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents and restricted cash and cash equivalents include certain investments in highly liquid debt investments purchased with an original maturity of three months or less. Restricted cash and cash equivalents include assets whose use is limited restricted from trust indenture and workers' compensation agreements.

Accounts Receivable, Patients

Accounts receivable, patients are recorded at net realizable value at the transaction price based on standard charges for services provided, reduced by contractual adjustment provided to third-party payors, discounts provided to uninsured or underinsured patients in accordance with the Foundation's policies, and/or implicit price concessions provided to uninsured or underinsured patients and do not bear interest. Subsequent changes to the estimate of the transaction price (determined on a portfolio basis when applicable) are generally recorded as adjustments to patient revenues in the period of the change.

Inventories of Drugs and Supplies

Inventories of drugs and supplies are stated at the lower of cost (first-in, first-out method) or net realizable value.

Other Current Assets

Other current assets include certain prepaid expenses and amounts due from GVSC at June 30, 2020 and 2019. At June 30, 2019, GVSC owed the Hospital $8,753, which was paid to the Hospital in September 2019.

Investments and Investment Risk

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the consolidated balance sheets. Investment income or loss (including realized gains and losses on investments and interest and dividends) and unrealized gains and losses on equity securities are included in revenues (less than) in excess of expenses unless the income or loss is restricted by donor or law. Unrealized gains and losses on debt securities are excluded from the determination of revenues (less than) in excess of expenses. In July 2019, the Foundation adopted Accounting Standards Update (ASU) No. 2016-01. Prior to the adoption of ASU No. 2016-01, unrealized gains and losses on equity securities were excluded from the determination of revenues in excess of expenses.

The Foundation's investments are comprised of a variety of financial instruments and are managed by investment advisors. The fair values reported in the consolidated balance sheets are subject to various risks, including changes in the equity markets, the interest rate environment and general economic conditions. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the fair value of investment securities, it is reasonably possible that the amounts reported in the accompanying consolidated financial statements could change materially in the near term.

Assets Whose Use is Limited

Assets whose use is limited include assets set aside by the Board of Trustees (the Board) for future capital improvements, over which the Board retains control and may, at its discretion, subsequently use for other purposes, assets held by a bond trustee under trust indentures, and assets held by trustee under the terms of the Foundation's self-insured workers' compensation program. Amounts available to meet current liabilities have been classified as current assets in the accompanying consolidated balance sheets.

Property and Equipment

Property and equipment acquisitions are recorded at cost. Depreciation is provided on the straight-line method over the estimated useful lives of the assets, which range from 3 to 50 years. Interest cost, net, incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets.

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Gifts of long-lived assets such as land, buildings or equipment are reported as net assets without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as net assets with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

Deferred Financing Costs

Deferred financing costs are reported on the Foundation's consolidated balance sheets as a direct reduction to long-term debt and are being amortized over the term of the related debt, which approximates the effective interest method.

Contributions

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received. The gifts are reported as net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets.

Net Assets

Net assets, revenues, gains and other support are classified based on the existence or absence of donor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restriction - net assets available for use in general operations and not subject to donor restrictions. All revenues not restricted by donors and donor restricted contributions whose restrictions are met in the same period in which they are received are accounted for in net assets without donor restriction.

Net Assets With Donor Restrictions - net assets subject to donor imposed restrictions. Some donor imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. All revenues restricted by donors as to either timing or purpose of the related expenditures or required to be maintained in perpetuity as a source of investment income are accounted for in net assets with donor restrictions. When a donor restriction expires, that is when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions. The Foundation had net assets restricted for capital improvements of $2,058 and $2,040 at June 30, 2020 and 2019, respectively. The Foundation had net assets restricted in perpetuity of $961 at June 30, 2020 and 2019.

Measure of Operations

The Foundation's operating loss includes all operating revenues and expenses that are an integral part of its program and supporting activities. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be more unusual and nonrecurring in nature.

Revenues (Less Than) in Excess of Expenses

The Foundation's performance indicator is revenues (less than) in excess of expenses. Changes in net assets without donor restrictions which are excluded from such amounts, consistent with industry practice, include change in unrealized gains and losses on investments (debt securities only subsequent to the adoption of ASU No. 2016-01), pension liability adjustments, net assets released from restriction for purchase of property and equipment.

Net Patient Service Revenues

Net patient service revenues are recognized at the amount that reflects the consideration to which the Foundation expects to be entitled in exchange for providing patient care. These amounts are due from patients, third-party payors (including commercial and governmental programs) and others and includes variable consideration for retroactive revenue adjustments due to settlement of audits, reviews and investigations. Generally, the Foundation bills the patients and third-party payors several days after the services are performed and/or the patient is discharged from the facility. Revenues are recognized as performance obligations are satisfied.

Performance obligations are determined based on the nature of the services provided by the Foundation. Revenues for performance obligations satisfied over time are recognized based on actual charges incurred in relation to total expected (or actual) charges. The Foundation believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Generally, performance obligations satisfied over time relate to Hospital patients receiving inpatient acute care services. The Foundation measures the performance obligation from admission into the Hospital, or the commencement of an outpatient service, to the point when it is no longer required to provide services to that patient, which is generally at the time of discharge or completion of the outpatient services. Revenues for performance obligations satisfied at a point in time is generally recognized when goods or services are provided and the Foundation does not believe it is required to provide additional services to the patient.

All of the Foundation's performance obligations relate to patient contracts with a duration of less than one year, therefore the Foundation has elected to apply the optional exemptions provided in Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 606-10-50-14(a) and as a result is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. The unsatisfied or partially unsatisfied performance obligations referred to above are primarily related to inpatient acute care services at the end of the reporting period. The performance obligations for these contracts are generally completed when the patients are discharged, which generally occurs within days or weeks of the end of the reporting period.

The Foundation determines the transaction price based on standard charges for services provided, reduced by contractual adjustments provided to third-party payors, discounts provided to uninsured or underinsured patients in accordance with the Foundation's policies and/or implicit price concessions provided to uninsured or underinsured patients. The Foundation determines its estimates of contractual adjustments and discounts based on contractual agreements, its discount policies and historical experience. The Foundation determines its estimates of implicit price concessions based on its historical collection experience with a respective classification of patient.

The Foundation has elected the practical expedient allowed under FASB ASC No. 606-10-32-18 and does not adjust the promised amount of consideration from patients and third-party payors for the effects of a significant financing component due to the Foundation's expectation that the period between the time the service is provided to a patient and the time that the patient or a third-party payor pays for that service will be one year or less. The Foundation does, in certain instances, enter into payment agreements with patients that allow payments in excess of one year however in these cases the financing component is not deemed to be significant to the contract.

Other Revenues

Other revenues are primarily comprised of amounts received from federal funding sources related to the COVID-19 pandemic. The Foundation accounts for this funding in accordance with ASC No. 958-605 guidance for conditional contributions and accordingly, revenues are recognized when conditions are substantially met.

In March 2020, the Coronavirus Aid, Relief and Economic Security (CARES) Act was signed into law to combat the financial effects of COVID-19. The CARES Act created a Provider Relief Fund to provide financial support for hospitals and other healthcare providers. The Foundation received approximately $4,391 in 2020 related to this funding. In accordance with the original terms and conditions, the Foundation could apply the funding against lost revenues and eligible expenses. Noncompliance with the terms and conditions could result in repayment of some or all of the support, which can be subject to government review and interpretation. The Department of Health and Human Services has indicated Relief Fund payments are subject to future reporting and audit requirements, and in September 2020, HHS released updated guidance on the reporting and use of the funds. The substantive changes in the updated guidance are that lost revenues are now represented as a negative change in year-over-year net patient care operating income rather than any revenue a health care provider lost due to coronavirus, applying the funds to eligible expenses before lost revenues, and the reporting period for determination of eligible amounts is set at a calendar year keeping the measurement period open until then. Accordingly, there is a reasonable possibility these changes could result in claw-back or reversal of amounts previously recognized. The Foundation is assessing the impact of the updated guidance on their consolidated financial statements and whether amounts recognized in the year ended June 30, 2020 could change or become repayable in subsequent periods; however, an estimate of the possible financial effect cannot be made as of the date these consolidated financial statements were issued. In addition, it's unknown whether there will be further developments in the regulatory guidance.

The Foundation has incurred lost revenues in accordance with the original terms and conditions of the Provider Relief Fund and as of June 30, 2020 recognized revenue of $4,391, which is included in other revenues in the accompanying consolidated statements of operations and changes in net assets.

The CARES Act also included provisions to expand the Centers for Medicare and Medicaid Services Accelerated and Advance Payment Program in order to improve cash flows for providers impacted by the COVID-19 pandemic. Recoupment of payments received will begin 120-days after payment. Claims submitted after the 120-day period will be automatically offset against the payments received until fully repaid. In April 2020, the Foundation received $18,599 in payments under this program, which is included in estimated third-party payor settlements in the accompanying consolidated balance sheet at June 30, 2020. The Foundation expects services rendered during the recoupment period to be sufficient to offset the payments received.

Charity Care

The Hospital provides care to patients who meet certain criteria under its patient financial assistance policy without charge or at amounts less than its established rates. Because the Hospital does not pursue collection of amounts determined to qualify as charity care, they are not reported as patient service revenues.

Derivative Financial Instruments

The Foundation has entered into interest rate swap agreements, which are considered derivative financial instruments, to manage its interest rate exposure on certain long-term debt. The interest rate swap agreements are reported at fair value in the consolidated balance sheets. The related changes in fair value of the derivatives are reported in the consolidated statements of operations and changes in net assets within revenues (less than) in excess of expenses.

Estimated Professional Insurance Liability

The provision for estimated professional liability insurance claims includes estimates of the ultimate costs for both reported claims and claims incurred but not reported, including costs associated with litigating or settling claims. Anticipated insurance recoveries associated with reported claims are reported separately in the Foundation's consolidated balance sheets at net realizable value.

Investments in Joint Ventures

Investments in joint ventures are accounted for using the equity method of accounting if the investment gives the Foundation the ability to exercise significant influence, but not control, over the investee. Significant influence is generally deemed to exist if the Foundation has an ownership interest in the voting stock of the investee between 20 percent and 50 percent, although other factors, such as representation on the investee's Board of Directors and the impact of commercial arrangements are considered in determining whether the equity method of accounting is appropriate. The Foundation records its investment in equity-method investees on the consolidated balance sheets in other investments and its share of the investee's income or loss as investment income in the consolidated statements of operations and changes in net assets.

Income Taxes

The Parent and the Hospital are not-for-profit corporations as described in Section 501(c)(3) of the Internal Revenue Code (IRC) and are exempt from federal income tax on their exempt income under Section 501(a) of the IRC.

Trinity, GVHP and Urgent Care are limited liability companies and do not pay federal or state income taxes. The activity for Trinity, GVHP and Urgent Care is included in the Hospital's federal Exempt Organization Business Income Tax Return. GVHV is a for-profit entity that files their income tax returns on the accrual basis of accounting for federal and state income tax purposes.

Accounting principles generally accepted in the United States of America require the Foundation to evaluate tax positions taken by the Foundation and recognize a tax liability (or asset) if the Foundation has taken an uncertain position that more likely than not would be sustained upon examination by the Internal Revenue Service. The Foundation has concluded that as of June 30, 2020 and 2019, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the consolidated financial statements.

New Accounting Standards

Financial Instruments

In 2020, the Foundation adopted the FASB ASU No. 2016-01, *Recognition and Measurement of Financial Assets and Financial Liabilities.* The provisions of ASU No. 2016-01: (a) requires equity investments (except those accounted for under the equity method of accounting or those that result in consolidation of the investee) to be measured at fair value with changes in fair value recognized in revenues (less than) in excess of expenses (the performance indicator); (b) eliminates the requirement to disclose the fair value of financial instruments measured at amortized cost for entities that are not public business entities; (c) eliminates the requirement for public business entities to disclose the method(s) and significant assumptions used to estimate the fair value that is required to be disclosed for financial instruments measured at amortized cost on the balance sheet. The Foundation has adjusted the presentation of these consolidated financial statements accordingly.

The new standard changed the consolidated statement of operations and changes in net assets by recognizing unrealized gains and losses on investments as a component of both nonoperating revenues and the performance indicator in 2020. The adoption of ASU No. 2016-01 did not result in a change in the Foundation's net assets as of July 1, 2019.

Prior to the adoption of ASU No. 2016-01, unrealized gains and losses on the Foundation's equity investments were excluded from its performance indicator. ASU No. 2016-01 does not allow for the restatement of the Foundation's 2019 consolidated financial statements for the impact of the new standard. As a result, comparability of total nonoperating revenues and revenues (less than) in excess of expenses from 2020 to 2019 have been affected.

Pension Accounting

In 2020, the Foundation adopted the FASB's ASU No. 2017-07, *Compensation - Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Costs and Net Periodic Postretirement Benefit Cost.* ASU No. 2017-07 was issued to provide guidance on the presentation of net periodic pension and net periodic postretirement benefit cost on the statement of operations and the components that are eligible for capitalization in assets. ASU No. 2017-07 requires that an employer report the service cost component of net periodic pension and net periodic postretirement benefit cost in the same line items used to record other compensation expense for the related employees during the period. The other components are required to be presented in the statement of operations separately from the service cost component and outside a subtotal of income from operations, if one is presented. The Foundation was required to retrospectively adopt the guidance in ASU No. 2017-07 for the year ended June 30, 2020.

The Foundation now presents the service cost component of net periodic pension benefit cost within employee benefits in the consolidated statements of operations and changes in net assets, which also includes employee compensation expense. The other components of net periodic pension benefit cost are presented separately from the service cost component and outside of the operating income and included within net periodic pension (costs) credit to the consolidated statements of operations and changes in net assets. The effects of the retrospective application of ASU No. 2017-07 on the consolidated statements of operations and changes in net assets was the reclassification of the other components of net periodic pension benefit costs from employee benefits and total expenses. The effect of this change was an increase in operating loss and increase in net periodic pension (costs) credit of $996 in the consolidated statement of operations and changes in net assets in 2019.

In August 2018, FASB issued ASU No. 2018-14, *Disclosure Framework - Changes to the Disclosure Requirements for Defined Benefit Plans.* ASU No. 2018-15 modifies and clarifies the disclosure requirements for employers that sponsor defined benefit pension and other postretirement plans. These amendments remove disclosures that are no longer considered cost beneficial, clarify the specific requirements of disclosures and add disclosure requirements identified as relevant. The Foundation will be requirement to retrospectively adopt the guidance in ASU No. 2018-14 for its fiscal year ending June 30, 2022, with early adoption permitted. The Foundation is currently assessing the effect that ASU No. 2018-14 will have on their consolidated financial statements.

Restricted Cash

In 2020, the Foundation retrospectively adopted the FASB's ASU No. 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash.* The amendments in this update require that a statement of cash flows explain the change during the period in total of cash, cash equivalents and amounts generally described as restricted cash or restricted cash equivalents. Amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. Changes in assets whose use is limited and net cash used in investing activities decreased on the consolidated statement of cash flows for the year ended June 30, 2019 by $145 as a result of this change in accounting principle. In addition, cash, cash equivalents and restricted cash and cash equivalents on the consolidated statement of cash flows for the year ended June 30, 2019 was increased by $219.

Reclassifications

Certain reclassifications were made to the 2019 consolidated financial statements to conform to the 2020 presentation.

Subsequent Events

The Foundation evaluated subsequent events for recognition or disclosure through October 22, 2020, the date the consolidated financial statements were issued.

3. Charity Care

The Hospital maintains records to identify and monitor the level of charity care and community support it provides. A patient is classified as a charity care patient by reference to established policies of the Hospital. These policies utilize the Department of Health and Human Services' Poverty Levels as guidelines for eligibility for charity care. Because the Hospital does not pursue collections of amounts determined to qualify as charity care, they are not reported as revenue. The costs associated with the charity care services provided are estimated by applying a cost-to-charge ratio to the amount of gross uncompensated charges for the patients receiving charity care. The cost of charity care provided by the Hospital amounted to approximately $1,075 in 2020 and $1,230 in 2019.

4. Net Patient Service Revenues

Agreements with third-party payors typically provide for payments at amounts less than established charges. A summary of payment arrangements with major third-party payors follows:

- **Medicare:** Inpatient acute care, rehabilitation services and outpatient services rendered to Medicare program beneficiaries are paid at prospectively determined rates. These rates vary according to patient classification systems that are based on clinical, diagnostic and other factors. In addition, the Hospital is reimbursed for certain cost reimbursable items at tentative interim rates, with final settlement determined after submission of annual costs reports and audits thereof by the Medicare fiscal intermediary. The Hospital's Medicare cost reports have been settled through June 30, 2017.

- **Medicaid:** Inpatient acute care services rendered to Medicaid program beneficiaries are paid at prospectively determined rates per discharge based on severity of illness. These rates vary according to a patient classification system that is based on clinical, diagnostic and other factors. Outpatient services are paid based on a published fee schedule. The Hospital's Medicaid cost reports have been settled through June 30, 2017.

- **Other:** The Foundation has also entered into payment arrangements with certain managed care and commercial insurance carriers, health maintenance organizations and preferred provider organizations. The basis for payment under these agreements includes prospectively determined rates per discharge, discounts from established charges and prospectively determined daily rates.

Settlements with third-party payors for retroactive adjustments due to audits, reviews or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care. These settlements are estimated based on the terms of the payment agreement with the payor, correspondence with the payor and the Foundation's historical settlement activity, including an assessment to ensure that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements are reconciled in future periods as adjustments become known (that is, new information becomes available), or as years are settled or no longer subject to such audits, reviews and investigations. Adjustments arising from a change in the transaction price were not significant in 2020 or 2019.

Revenues received under third-party arrangements are subject to audit and retroactive adjustments. Net patient services revenues include favorable adjustments to prior year estimated third-party settlements of approximately $1,010 and $1,100 in 2020 and 2019, respectively, related to final settlements and/or adjustments of prior year cost reports and other third-party payor adjustments.

Generally, patients who are covered by third-party payors are responsible for related deductibles and coinsurance, which vary in amount. The Foundation also provides services to uninsured patients, and offers those uninsured or underinsured patients a discount, either by policy or law, from standard charges. The Foundation estimates the transaction price for patients with deductibles and coinsurance and from those who are uninsured based on historical experience and current market conditions. The initial estimate of the transaction price is determined by reducing the standard charges by any contractual adjustment, discounts and implicit price concessions. Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to net patient service revenues in the period of the change. Subsequent changes that are determined to be the result of an adverse change in the patient's ability to pay are recorded as provision for bad debts.

Consistent with the Foundation's mission, care is provided to patients regardless of their ability to pay. Therefore, the Foundation has determined it has provided implicit price concessions to uninsured patients and other patient balances (for example, copays and deductibles). The implicit price concessions included in estimating the transaction price represent the difference between amounts billed to patients and the amounts the Foundation expects to collect based on its collection history with those patients.

The Foundation disaggregates revenues from contracts with customers by type of service and payor source as this depicts the nature, amount, timing and uncertainty of its revenue and cash flows as affected by economic factors. Tables providing details of these factors are presented below.

The composition of net patient service revenues by primary payor for the years ended June 30 is as follows:

	2020	2019
Medicare, Medicare Managed Care	47 %	47 %
Commercial managed care, other	48	47
Medicaid, Medicaid Managed Care	3	4
Self-pay/uninsured	2	2
Total	100 %	100 %

Revenues from patients' deductibles and coinsurance are included in the categories presented above based on the primary payor. The composition of net patient service revenues by service type for the years ended June 30 is as follows:

	2020	2019
Inpatient	41 %	40 %
Outpatient	34	35
Physician services	13	13
Other	11	11
Urgent care	1	1
Total	100 %	100 %

5. Fair Value Measurements and Financial Instruments

The Foundation measures the fair value of its assets whose use is limited and derivative financial instruments on a recurring basis in accordance with accounting principles generally accepted in the United States of America.

Fair value is defined as the price that would be received to sell an asset or the price that would be paid to transfer a liability in an orderly transaction between market participants at the measurement date. The framework that the authoritative guidance establishes for measuring fair value includes a hierarchy used to classify the inputs used in measuring fair value. The hierarchy prioritizes the inputs used in determining valuations into three levels. The level in the fair value hierarchy within which the fair value measurement falls is determined based on the lowest level input that is significant to the fair value measurement.

The levels of the fair value hierarchy are as follows:

Level 1 - Fair value is based on unadjusted quoted prices in active markets that are accessible to the Foundation for identical assets. These generally provide the most reliable evidence and are used to measure fair value whenever available.

Level 2 - Fair value is based on significant inputs, other than Level 1 inputs, that are observable either directly or indirectly for substantially the full term of the asset through corroboration with observable market data. Level 2 inputs include quoted market prices in active markets for similar assets, quoted market prices in markets that are not active for identical or similar assets and other observable inputs.

Level 3 - Fair value would be based on significant unobservable inputs. Examples of valuation methodologies that would result in Level 3 classification include option pricing models, discounted cash flows and other similar techniques.

The following table presents financial instruments measured at fair value at June 30, 2020 and 2019, by caption on the consolidated balance sheets.

	2020			
	Total	**Level 1**	**Level 2**	**Level 3**
Reported at Fair Value				
Assets whose use is limited:				
Board of Trustees:				
Corporate bonds, investment grade	$ 78,901	$ -	$ 78,901	$ -
U.S. government securities	3,952	-	3,952	-
Marketable equity securities:				
Domestic	79,218	79,218	-	-
International	24,070	24,070	-	-
Certificates of deposit	1,661	1,661	-	-
Mutual funds:				
International equity mutual funds	4,379	4,379	-	-
Fixed income	9,076	9,076	-	-
Exchange traded funds	28,150	28,150	-	-
Total assets whose use is limited	$ 229,407	$ 146,554	$ 82,853	$ -
Liabilities				
Derivative financial instruments	$ 11,207	$ -	$ 11,207	$ -

	2019			
	Total	**Level 1**	**Level 2**	**Level 3**
Reported at Fair Value				
Assets whose use is limited:				
Board of Trustees:				
Corporate bonds, investment grade	$ 85,422	$ -	$ 85,422	$ -
U.S. government securities	665	-	665	-
Marketable equity securities:				
Domestic	85,024	85,024	-	-
International	21,647	21,647	-	-
Certificates of deposit	1,806	1,806	-	-
Mutual funds:				
International equity mutual funds	11,271	11,271	-	-
Fixed income	3,058	3,058	-	-
Exchange traded funds	30,973	30,973	-	-
Total assets whose use is limited	$ 239,866	$ 153,779	$ 86,087	$ -
Liabilities				
Derivative financial instruments	$ 8,759	$ -	$ 8,759	$ -

The assets included on the consolidated balance sheets at June 30, 2020 and 2019 are as follows:

	2020	**2019**
Assets whose use is limited:		
Board of Trustees:		
Measured in the fair value hierarchy	$ 229,407	$ 239,866
Cash and cash equivalents	11,419	11,169
Under bond indenture agreement, debt service and sinking fund:		
Cash and cash equivalents	600	55
Under workers' compensation agreement:		
Cash and cash equivalents	145	164
Total assets whose use is limited	241,571	251,254
Less current portion	5,161	5,340
Assets whose use is limited	$ 236,410	$ 245,914

Investment Income

Unrestricted investment income, gains and losses from assets whose use are limited and cash and cash equivalents are comprised of the following in 2020 and 2019:

	2020	2019
Other revenues:		
Interest income	$ 287	$ 306
Investment income, net:		
Interest and dividend income	$ 5,390	$ 5,437
Equity in losses of joint ventures	(2,165)	(1,855)
Realized gains, net	9,533	7,700
Total	$ 12,758	$ 11,282
Other changes in net assets without donor restrictions:		
Change in net unrealized losses on equity securities	$ (15,760)	$ -
Change in net unrealized gains on debt securities	$ 3,063	$ -
Change in net unrealized gains on investments	$ -	$ 2,241

Fair Value of Financial Instruments

U.S. government securities, corporate bonds, marketable equity securities, certificates of deposit and preferred equity securities, are stated at fair value, which are the amounts reported in the consolidated balance sheets in assets whose use is limited, based on quoted market prices, if available, or estimated using quoted market prices of similar securities.

Mutual funds and exchange-traded funds are valued at the net asset value of shares held by the Foundation at year-end.

The fair value of the interest rate swap derivative financial instruments is determined by an independent third-party valuation specialist based on proprietary models of discounted cash flow. The fair value takes into consideration the prevailing interest rate environment and the specific terms and conditions of the derivative financial instruments and the credit risk of the Foundation. The value represents the estimated exit price the Foundation would pay or receive upon termination of the agreements.

The fair value of long-term debt is calculated based on quoted market prices, if available, or estimated using quoted market prices of similar securities, which approximates carrying value.

Derivative Financial Instruments

The Hospital entered into various swap and forward-rate purchase agreements with certain investment companies, which reduced its exposure to volatility of interest rates on debt. With the exception of two swaps issued in connection with the issuance of the Series 2004 Bonds as described below, the difference between the rates paid by the Hospital and the investment company is accrued and recorded in other income in the accompanying consolidated statements of operations and changes in net assets.

In connection with the issuance of the Series 2004 Bonds, the Hospital entered into two interest rate swap agreements in the aggregate notional amount of $78,375 (the swaps) to manage its risk related to changes in cash flow associated with the Series 2004 Bonds. The swaps provide for payments by the Hospital of fixed rates of 3.66 percent and 3.91 percent in exchange for variable interest payments by the counterparty which were intended to approximate the interest payments on the Series 2004A Bonds. The same agreements were extended for the Series 2008 Bonds.

The Hospital has included the fair market value of these derivative financial instruments as a liability of $11,207 and $8,759 in the accompanying consolidated balance sheets as of June 30, 2020 and 2019, respectively.

The net changes in the fair value of derivative financial instruments is a loss of $2,448 for the year ended June 30, 2020 and a loss of $2,132 for the year ended June 30, 2019, which is included in other income (loss) within the consolidated statements of operations and changes in net assets.

Certain interest rate swap agreements contain cash collateral requirements which require the Hospital to pledge cash or investments to the swap counterparty if the liability position of the swaps exceeds a certain threshold. At June 30, 2020, the Hospital was not required to pledge any cash or investments as collateral to the swap counterparties. In September 2020, the Hospital was required to post approximately $3,500 in cash collateral.

The following schedule outlines the terms and fair market values of the derivative financial instruments at June 30, 2020 and 2019:

Bond Issues	Notional Amount	Fair Value	Fixed Rate	Variable Rate	Period
Series 2004 Bonds, Swap #1	$ 37,500	$ 8,405	3.91 %	66.5% of LIBOR plus 0.32%	February 2004 to July 2034
Series 2004 Bonds, Swap #2	19,025	2,802	3.66	66.5% of LIBOR plus 0.32%	March 2004 to July 2029

6. Property and Equipment

Property and equipment and accumulated depreciation at June 30, 2020 and 2019 are as follows:

	2020	2019
Land and improvements	$ 6,076	$ 6,076
Buildings and improvements	156,452	145,013
Equipment	89,816	89,196
Total	252,344	240,285
Less accumulated depreciation	(171,637)	(165,022)
Total	80,707	75,263
Construction in progress	7,024	2,661
Property and equipment, net	$ 87,731	$ 77,924

7. Pension Plans

The Hospital provides pension benefits for substantially all full-time employees under a noncontributory defined benefit pension plan (the Plan). Benefits are determined based on credited service and the employee's compensation. Effective July 1, 2009, the Plan was amended and converted to a defined benefit cash balance plan and each participant who is active during the year is credited with an interest credit of 4 percent of the participant's compensation as of the last day of each plan year. Effective January 1, 2015, the interest credit was changed to 2 percent. The Hospital is not required to make contributions to the Plan since the Plan's ERISA minimum funding requirements have been met. The measurement date of the Plan is June 30.

The components of the net periodic benefit cost for the Plan are as follows:

	2020	2019
Components of net periodic benefit cost (credit):		
Operating:		
Service cost	$ 1,458	$ 1,398
Nonoperating:		
Interest cost	6,367	6,668
Expected return on plan assets	(10,102)	(9,867)
Amortization of prior service credit	(1,421)	(1,421)
Amortization of net loss	3,563	3,624
Net periodic pension (credit) cost	$ (135)	$ 402

	2020	2019
Assumptions:		
Weighted-average assumptions used to determine benefit obligations at June 30:		
Discount rate	2.71 %	3.81 %
Rate of compensation increase	3.00	3.00
Weighted-average assumptions used to determine net periodic benefit cost for years ended June 30:		
Discount rate	3.81 %	4.44 %
Expected long-term return on plan assets	5.80	6.20
Rate of compensation increase	3.00	3.00

The expected long-term rate of return on plan assets assumption is developed as a weighted average rate based on the target asset allocation of the Plan and the long-term capital market assumptions. The overall return for each asset class was developed by combining a long-term inflation component and the associated expected real rates. The development of the capital market assumptions utilized a variety of methodologies, including, but not limited to, historical analysis, stock valuation models such as dividend discount models and earnings yields' models, expected economic growth outlook and market yields analysis.

The following table presents a reconciliation of the beginning and ending balances of the Plan's projected benefit obligation and fair value of plan assets and funded status of the Plan:

	2020	2019
Changes in benefit obligation:		
Projected benefit obligation, beginning of year	$ 171,133	$ 153,678
Service cost	1,459	1,399
Interest cost	6,367	6,668
Benefits paid	(6,907)	(5,359)
Actuarial loss	26,858	14,749
Projected benefit obligation, end of year	$ 198,910	$ 171,135
Accumulated benefit obligation	$ 198,910	$ 171,135
Changes in plan assets:		
Fair value of plan assets, beginning of year	$ 178,190	$ 162,645
Actual return on plan assets	24,087	20,904
Benefits paid	(6,907)	(5,359)
Fair value of plan assets, end of year	$ 195,370	$ 178,190
Funded status of the Plan	$ (3,540)	$ 7,055
Other changes in plan assets and benefit obligation recognized in net assets:		
Net loss	$ 12,871	$ 3,712
Recognized loss	(3,562)	(3,623)
Prior service credit	1,421	1,421
Total	$ 10,730	$ 1,510

Amounts recognized in accumulated net assets consist of an actuarial loss of $65,918 and $56,609 in 2020 and 2019, respectively, and a prior service credit of $(3,210) and $4,631 in 2020 and 2019, respectively.

The actuarial loss in 2020 was primarily attributable to a decrease in the discount rate and a change in the mortality rates.

The estimated prior service credit that is expected to be amortized from other changes in net assets without donor restrictions into net periodic benefit cost for the next year is $1,421.

Plan Assets

The Plan's actual weighted-average asset allocations and target asset allocations, by asset category at June 30 are as follows:

	Target Asset Allocation	2020	2019
Fixed income securities	85 %	86 %	86 %
Equity securities	15	14	14
		100 %	100 %

The Hospital with the following goals:

a) maintain the overfunded status of the plan,

b) to achieve an actuarial long-term rate of return of at least 6 percent, and

c) be able to take advantage of an expected increase in interest rates

The purpose of the LDI strategy is to very closely duration-match assets with liabilities so that fluctuations in interest rates will have little impact on the funded status of the Plan. The goal of the strategy is for 100 percent of the defined benefit pension plan liabilities to be duration matched.

The following table sets forth the composition, by level, within the fair value hierarchy, of the Plan's assets at fair value as of June 30, 2020 and 2019:

	Assets at Fair Value as of June 30, 2020			
	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Total
Pooled separate accounts:				
Large-cap equity	$ -	$ 26,911	$ -	$ 26,911
Long-term fixed income	-	10,073	-	10,073
Short-term fixed income	-	6,872	-	6,872
Intermediate fixed income	-	39,511	-	39,511
Money market funds	1,370	-	-	1,370
Municipal obligations	-	209	-	209
U.S. government securities	-	17,341	-	17,341
Corporate bonds:				
Domestic	-	78,349	-	78,349
International	-	13,318	-	13,318
General investment contract	-	-	1,416	1,416
Total	$ 1,370	$ 192,584	$ 1,416	$ 195,370

	Assets at Fair Value as of June 30, 2019			
	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Total
Pooled separate accounts:				
Large-cap equity	$ -	$ 25,040	$ -	$ 25,040
Long-term fixed income	-	9,139	-	9,139
Short-term fixed income	-	8,658	-	8,658
Intermediate fixed income	-	37,430	-	37,430
Money market funds	3,246	-	-	3,246
U.S. government securities	-	29,263	-	29,263
Corporate bonds:				
Domestic	-	52,870	-	52,870
International	-	11,044	-	11,044
General investment contract	-	-	1,500	1,500
Total	$ 3,246	$ 173,444	$ 1,500	$ 178,190

Changes in Level 3 instruments in 2020 and 2019 are as follows:

	General Investment Contract
Balance, June 30, 2018	$ 1,290
Sales, net of purchases	150
Unrealized loss	60
Balance, June 30, 2019	1,500
Purchases, net of sales	(228)
Unrealized loss	144
Balance, June 30, 2020	$ 1,416

The Plan's general investment contract is valued at an amount the Hospital would receive if withdrawing funds from this participating contract. Fair value is calculated using a cash-out factor based on an associated pool of general account assets. The value of the assets is determined on a book value basis. When a fund transfer occurs the contract provides it must be based on current market value, an approximation of fair value. The cash-out factor is a ratio of asset investment value to asset book value. The cash-out factor is used to adjust fair value of supported liabilities impacting amounts the Plan receives at measurement date. For each category of asset, cash flows are projected. This is done using contractual provisions for the assets, with adjustment for expected prepayments and call provisions. Projected cash flows are discounted to present value for each asset category.

Interest rates for discounting are based on current rates on similar new assets in the general account based on asset category.

The following is a description of the valuation methodologies used for the Plan's assets measured at fair value:

General investment contract - Valued by an independent advisor and is calculated using a cash-out factor based on an associated pool of general account assets.

*Pooled separate account*s - Large-cap equity, long-term fixed income, short-term fixed income and intermediate fixed income - Based on quoted market prices, if available, or estimated using quoted market prices of similar securities.

Money market funds - The carrying amounts approximate fair value because of the short-term nature of these instruments

U.S. government securities and corporate bonds - Stated at fair value based on quoted market prices, if available, or estimated using quoted market prices of similar securities.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Cash Flows

Contributions

The Hospital does not expect to contribute to the Plan in fiscal 2021.

Estimated Future Benefit Payments

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid in future periods:

Years ending June 30:	
2021	$ 8,740
2022	8,780
2023	9,331
2024	9,649
2025	9,947
2026 - 2030	54,269

Defined Contribution Plan

Effective January 1, 2009, the Foundation established a 403(b) defined contribution plan (the 403(b) plan) which has an elective deferral option. The 403(b) plan allows for employee contributions under a salary reduction agreement. Effective January 1, 2016, the 403(b) plan was amended to include a match by the Foundation of 25 percent of employees' salary, up to a maximum contribution of 8 percent. The 403(b) plan expense was $1,291 and $1,247 in 2020 and 2019, respectively, and is included in employee benefits in the consolidated statements of operations and changes in net assets.

8. Long-Term Debt

Long-term debt at June 30, 2020 and 2019 consisted of the following:

	2020	2019
Bucks County Industrial Development Authority, Hospital Revenue Bonds, Series of 2008	$ 103,070	$ 107,965
Less current portion	(4,750)	(4,895)
Less bond discount	(78)	(87)
Less deferred financing costs	(370)	(415)
Total	$ 97,872	$ 102,568

On November 1, 2008, the Bucks County Industrial Development Authority (the Authority), on behalf of Grand View Hospital, issued $144,740 of Hospital Revenue Bonds Series of 2008 (Series 2008 Bonds). Approximately $131,400 of bond proceeds were used to refund all of the outstanding Hospital Revenue Bonds (Grand View Hospital) Series of 2004 (the Series of 2004 Bonds) and certain loans made in 1999 and 2007 pursuant to the financial program known as the "VHA Pennsylvania Cooperative, Inc. Capital Asset Financing Program". Approximately $12,000 of the proceeds of the Series 2008 Bonds were deposited into the Construction Fund and the remaining proceeds were used to fund various capital projects and pay the costs associated with the issuance of the Series 2008 Bonds.

The Series 2008 Bonds include $60,440 principal amount of Series A Bonds and $51,930 principal amount of Series B Bonds. The Series 2008 Bonds bear interest at a variable rate, adjusted on a weekly basis as defined under the Series 2008 Bond Agreements. Under no circumstances shall the interest rate exceed 10 percent. The interest rate on the Series A Bonds was 0.09 percent and 1.73 percent at June 30, 2020 and 2019, respectively. The interest rate on the Series B Bonds was 0.08 percent and 1.76 percent at June 30, 2020 and 2019, respectively.

The Series 2008A and B Bonds were issued under Trust Indenture Agreements, both dated as of November 1, 2008 (the Indentures), between the Authority and Bank of New York Mellon Trust Company, National Association, as trustee (the Trustee). Pursuant to the Indentures, the Authority has assigned and pledged to the Trustee, as security for the Series 2008 Bonds, the Trust Estate, which includes all of its right, title and interest in and to the Loan Agreements and the Master Notes described below and the payments due thereunder, excluding certain rights to payment of fees, expenses and indemnification and amounts held in certain funds created under the Indentures.

The Authority has loaned the proceeds of the Series 2008A and B Bonds to the Hospital pursuant to Loan Agreements dated as of November 1, 2008 (the Loan Agreements), between the Authority and the Hospital, to be applied for the purposes described above. To evidence its obligation to repay such loans, the Hospital executed and delivered to the Trustee a Series 2008 A Master Note and a Series 2008 B Master Note, both dated November 1, 2008 (the Master Notes). The Master Notes were issued and secured under a Master Trust Indenture, dated as of July 1, 1993, as supplemented through the Sixth Supplemental Master Indenture dated as of November 1, 2008 (collectively, the Master Indenture), between the Hospital and Grand View Health Foundation, Inc., as members of the Obligated Group and Bank of New York Mellon Trust Company, National Association, as trustee. As security for their obligations under the Master Indenture, members of the Obligated Group have pledged their Gross Revenues. Payment of the principal and interest on each series of 2008 Bonds, and the tender price of each series of 2008 Bonds tendered pursuant to the Indentures and not remarketed, is further secured by and payable from draws by the Trustee under a Letter of Credit and Reimbursement Agreement with TD Bank, NA for the Series 2008A Bonds and a Letter of Credit and Reimbursement Agreement with PNC Bank, National Association for the Series 2008B Bonds. The Letter of Credit and Reimbursement Agreement with TD Bank, NA, expires November 19, 2021 and the Letter of Credit and Reimbursement Agreement with PNC Bank, NA expires November 19, 2022. In addition to requiring the Hospital to maintain these letters of credit, the Loan Agreements and Master Notes require the Hospital to make payments sufficient to provide for the full payment of principal and premium (if any) and interest on the Series 2008 Bonds. Under the Master Indenture, all members of the Obligated Group jointly and severally guarantee the payment of all obligations under the Master Indenture including the Master Notes.

The Master Indenture permits other parties to become members of the Obligated Group under certain circumstances, and permits members of the Obligated Group to be released from their obligations under the Master Indenture under certain circumstances.

The Master Indenture requires the Obligated Group to generate income available for debt service of not less than 1.15 times maximum annual debt service requirements with respect to all long-term debt, as defined in the Master Indenture. Additional long-term, short-term or alternative debt is permitted only in accordance with terms of the agreement. Under certain circumstances, the Hospital may be required to deposit cash in a debt service reserve fund. Additionally, as long as the Letter of Credit and Reimbursement Agreements with TD Bank, NA and PNC Bank, NA are in effect, the Obligated Group is required to maintain a minimum Long-Term Debt Service Coverage Ratio of 1.25, a minimum Days of Unrestricted Cash on Hand of 150 days and a ratio of Indebtedness to Capitalization at or below 60 percent.

Maturities of all long-term debt are as follows:

Years ending June 30:		
2021	$	4,750
2022		5,315
2023		5,285
2024		5,650
2025		5,920
Thereafter		76,150
Total	$	103,070

9. Professional Liability Insurance Coverage

The Hospital is insured for medical malpractice incidents through retrospectively rated primary and excess insurance policies on a claims-made basis. The primary and certain excess medical malpractice insurance are through a multi-provider captive insurance company (Cassatt Insurance Company, Ltd.) in which the Hospital owns a 6 percent interest. In addition, the Hospital obtains excess coverage from the Medical Care Availability and Reduction of Error Fund (MCARE Fund).

Premiums are based primarily on the experience of a group of hospitals, and are accrued based on the ultimate cost of the experience to date of the group with a stop-loss provision. The Hospital's total premiums paid to Cassatt Insurance Company, Ltd. were approximately $884 in fiscal 2020 and $913 in fiscal 2019.

The MCARE Act was enacted by the Pennsylvania legislature in 2002. The Act created the MCARE Fund, which replaced the Pennsylvania Medical Professional Liability Catastrophe Loss Fund (CAT Fund) as the state-mandated funding mechanism for the payment of medical malpractice claims exceeding the primary layer of professional liability insurance carried by the Hospital and other health care providers practicing in the state. The cost of MCARE Fund coverage is recognized as expense in the period incurred. Increases in annual surcharges and concerns over the MCARE Fund's ability to manage and pay claims continue to result in proposals to reform or restructure the MCARE Fund. MCARE Fund coverage is currently scheduled to be reduced in 2020, unless the State Insurance Commissioner determines that additional primary insurance capacity is not available at that time, and eliminated three years after such reduction. The Hospital will be required to purchase additional primary insurance to take the place of the MCARE Fund coverage if it is reduced. Depending upon the ultimate resolution of this matter, the Hospital may incur additional insurance costs.

The total amount recorded for the Hospital's estimated professional insurance liability is $5,303 and $5,096 at June 30, 2020 and 2019, respectively. The Hospital has recorded a receivable, and related claim liability, for anticipated insurance recoveries of $3,763 and $3,431 at June 30, 2020 and 2019, respectively. The discount rate used in determining the Hospital's estimated professional insurance claims liability was 3.5 percent at June 30, 2020 and 2019. It is reasonably possible that the estimates used could change materially in the near term.

10. Other Investments

Other investments at June 30, 2019 consist primarily of the Hospital's investment in Quakertown Health Ventures, LLC (Health Ventures), a joint venture which the Hospital owns equally with Lehigh Valley Health Network, Inc. and the Hospital's investment in Grand View-Lehigh Valley Health Services (GVLVHS), a joint venture which the Hospital also owns equally with Lehigh Valley Health Network, Inc. Health Ventures was established to provide diagnostic and imaging services and GVLVHS was established to provide professional and diagnostic cardiology services to residents of the primary and secondary service areas of the Hospital.

The investment in Health Ventures is accounted for under the equity method of accounting by the Hospital. The equity loss related to their investment in Health Ventures was $343 for the years ended June 30, 2020 and 2019, and is included in investment income in the accompanying consolidated statements of operations and changes in net assets. The Hospital made contributions of $120 to Health Ventures in 2020 and 2019. The carrying value of the Hospital's investment in Health Ventures as of June 30, 2020 and 2019 was $1,464 and $1,687, respectively.

The investment in GVLVHS is accounted for under the equity method of accounting by the Hospital. The equity loss related to their investment in GVLVHS for the years ended June 30, 2020 and 2019 was $1,822 and $1,512, respectively, and is included in investment income in the accompanying consolidated statements of operations and changes in net assets. The Hospital contributed $1,718 and $1,490 to GVLVHS in 2020 and 2019, respectively. The carrying value of the Hospital's investment in GVLVHS as of June 30, 2020 and 2019 was $97 and $201, respectively.

The Hospital's investment in GVSC is also included within other investments. As of June 30, 2020, the Hospital owns 49 percent of GVSC.

Also included within other investments is the Hospital's investment in Hospital Billing & Collection Service, Ltd. (HBCS). During 2011, HBCS converted to a for-profit entity and all member hospitals were given the opportunity to exchange membership interests for preferred stock ownership interests. As a member hospital, the Foundation elected this option and received Series A Preferred Stock. The carrying value of the Hospital's investment in HBCS was $355 and $444 at June 30, 2020 and 2019, respectively. The Hospital's ownership interest in HBCS represents approximately 5 percent. The Hospital accounts for its investment in HBCS under the cost method of accounting.

11. Significant Group Concentrations of Credit Risk

The Foundation grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements.

The Foundation maintains its cash and cash equivalents with several financial institutions. Cash and cash equivalents on deposit with any one financial institution are insured up to $250,000.

12. Contingencies

The health care industry is subject to numerous laws and regulations of federal, state and local governments. Compliance with these laws and regulations is subject to future government review and interpretation as well as regulatory actions unknown or unasserted at this time. Government activity continues to increase with respect to investigations and allegations concerning possible violations by health care providers of fraud and abuse statutes and regulations, which could result in the imposition of significant fines and penalties as well as significant repayments for patient services previously billed. Management is not aware of any material incidents of noncompliance; however, the possible future financial effects of this matter on the Foundation, if any, are not presently determinable.

13. Liquidity and Availability of Resources

Financial assets available for general expenditure within one year of the consolidated balance sheets date, consist of the following at June 30:

	2020	2019
Cash and cash equivalents	$ 27,568	$ 18,888
Accounts receivable, patient	18,722	18,336
Assets whose use is limited by the Board	236,410	245,914
Total	$ 282,700	$ 283,138

As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. The Foundation invests excess cash in investments. Additionally, as indicated in Note 1, the Hospital received $8,753 from GVSC in September 2019.

14. Functional Expenses

The Foundation provides healthcare and related services to individuals within its geographic location. Expenses related to providing these services at June 30 are as follows:

	2020			
	Healthcare	General and Administrative	Fundraising	Total
Salaries and wages	$ 106,016	$ 4,778	$ 265	$ 111,059
Employee benefits	11,763	2,251	-	14,014
Supplies and other	25,768	742	178	26,688
Purchased services	33,038	2,976	810	36,824
Drugs	4,193	-	-	4,193
Professional fees	-	234	-	234
Utilities/fuels	1,810	95	-	1,905
Depreciation	13,506	713	-	14,219
Interest	3,428	-	35	3,463
Total	$ 199,522	$ 11,789	$ 1,288	$ 212,599

	2019			
	Healthcare	General and Administrative	Fundraising	Total
Salaries and wages	$ 104,361	$ 4,361	$ 222	$ 108,944
Employee benefits	12,672	1,524	-	14,196
Supplies and other	25,479	1,067	119	26,665
Purchased services	32,428	1,386	810	34,624
Drugs	4,690	-	-	4,690
Professional fees	-	367	-	367
Utilities/fuels	1,748	73	-	1,821
Depreciation	12,965	541	-	13,506
Interest	3,651	-	35	3,686
Total	$ 197,994	$ 9,319	$ 1,186	$ 208,499

Grand View Health Foundation, Inc. and Controlled Entities

Consolidating Balance Sheet
June 30, 2020 (With Comparative Totals for 2019)
(In Thousands)

	Grand View Hospital	Grand View Urgent Care, LLC	Grand View Healthcare Partnership, LLC	Grand View Sports Medicine Center	Consolidated Trinity Health Care Alliance	Eliminations	Total Consolidated Grand View Hospital	Grand View Health Foundation, Inc.	Eliminations	Total Consolidated Grand View Health Foundation, Inc. and Controlled Entities	2019 Consolidated
Assets											
Current Assets											
Cash and cash equivalents	$ 26,749	$ 535	$ 59	$ -	$ 111	$ -	$ 27,454	$ 114	$ -	$ 27,568	$ 18,888
Assets whose use is limited	5,161	-	-	-	-	-	5,161	-	-	5,161	5,340
Accounts receivable, patients	18,578	144	-	-	-	-	18,722	-	-	18,722	18,336
Inventories of drugs and supplies	4,851	-	-	-	-	-	4,851	-	-	4,851	4,510
Estimated third-party payor settlements	-	-	-	-	-	-	-	-	-	-	467
Other current assets	1,713	-	114	-	11	-	1,838	-	-	1,838	9,922
Total current assets	57,052	679	173	-	122	-	58,026	114	-	58,140	57,463
Assets Whose Use is Limited	214,966	-	-	-	-	-	214,966	21,444	-	236,410	245,914
Property and Equipment, Net	85,378	1,310	-	-	1,043	-	87,731	-	-	87,731	77,924
Beneficial Interest in Foundation	21,399	-	-	-	-	-	21,399	-	(21,399)	-	-
Due From Affiliates	8,245	-	-	-	-	(8,086)	159	147	(306)	-	-
Pension Asset	-	-	-	-	-	-	-	-	-	-	7,055
Other Investments	(3,518)	-	-	-	-	4,964	1,446	-	-	1,446	2,423
Professional Insurance Recoveries Receivable	3,763	-	-	-	-	-	3,763	-	-	3,763	3,431
Total assets	$ 387,285	$ 1,989	$ 173	$ -	$ 1,165	$ (3,122)	$ 387,490	$ 21,705	$ (21,705)	$ 387,490	$ 394,210

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Grand View Health Foundation, Inc. and Controlled Entities

Consolidating Balance Sheet
June 30, 2020 (With Comparative Totals for 2019)
(In Thousands)

	Grand View Hospital	Grand View Urgent Care, LLC	Grand View Healthcare Partnership, LLC	Grand View Sports Medicine Center	Consolidated Trinity Health Care Alliance	Eliminations	Total Consolidated Grand View Hospital	Grand View Health Foundation, Inc.	Eliminations	Total Consolidated Grand View Health Foundation, Inc. and Controlled Entities	2019 Consolidated
Liabilities and Net Assets											
Current Liabilities											
Current maturities of long-term debt	$ 4,750	$ -	$ -	$ -	$ -	$ -	$ 4,750	$ -	$ -	$ 4,750	$ 4,895
Accounts payable and accrued liabilities	9,348	32	114	-	51	-	9,545	-	-	9,545	12,523
Accounts payable, construction	756	-	-	-	-	-	756	-	-	756	1,226
Accrued payroll and related liabilities	11,016	18	-	-	-	-	11,034	-	-	11,034	10,187
Accrued interest	266	-	-	-	-	-	266	-	-	266	281
Estimated third-party payor settlements	20,971	-	-	-	-	-	20,971	-	-	20,971	-
Total current liabilities	47,107	50	114	-	51	-	47,322	-	-	47,322	29,112
Long-Term Debt	97,872	-	-	-	-	-	97,872	-	-	97,872	102,568
Pension Liability	3,540	-	-	-	-	-	3,540	-	-	3,540	-
Due to Affiliates	-	7,059	1,026	-	-	(8,085)	-	306	(306)	-	-
Estimated Third-Party Payor Settlements	6,305	-	-	-	-	-	6,305	-	-	6,305	7,683
Estimated Professional Insurance Liability	5,303	-	-	-	-	-	5,303	-	-	5,303	5,096
Derivative Financial Instruments	11,207	-	-	-	-	-	11,207	-	-	11,207	8,759
Total liabilities	171,334	7,109	1,140	-	51	(8,085)	171,549	306	(306)	171,549	153,218
Net Assets											
Without donor restriction	214,779	(5,120)	(967)	-	1,114	4,963	214,769	18,822	(20,669)	212,922	237,991
With donor restriction	1,172	-	-	-	-	-	1,172	2,577	(730)	3,019	3,001
Total net assets	215,951	(5,120)	(967)	-	1,114	4,963	215,941	21,399	(21,399)	215,941	240,992
Total liabilities and net assets	$ 387,285	$ 1,989	$ 173	$ -	$ 1,165	$ (3,122)	$ 387,490	$ 21,705	$ (21,705)	$ 387,490	$ 394,210

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Grand View Health Foundation, Inc. and Controlled Entities

Consolidating Statement of Operations and Changes in Net Assets
June 30, 2020 (With Comparative Totals for 2019)
(In Thousands)

	Grand View Hospital	Grand View Urgent Care, LLC	Grand View Healthcare Partnership, LLC	Grand View Sports Medicine Center	Consolidated Trinity Health Care Alliance	Eliminations	Total Consolidated Grand View Hospital	Grand View Health Foundation, Inc.	Eliminations	Total Consolidated Grand View Health Foundation, Inc. and Controlled Entities	2019 Consolidated
Revenues, Gains and Other Support											
Patient service revenues	$ 188,074	$ 1,885	$ 487	$ -	$ -	$ (86)	$ 190,360	$ -	$ -	$ 190,360	$ 193,685
Other revenues	7,762	-	-	-	509	(263)	8,008	390	-	8,398	4,898
Total revenues, gains and other support	195,836	1,885	487	-	509	(349)	198,368	390	-	198,758	198,583
Expenses											
Salaries and wages	108,663	1,910	221	-	-	-	110,794	265	-	111,059	108,944
Employee benefits	13,828	154	32	-	-	-	14,014	-	-	14,014	14,196
Supplies and other	26,294	381	2	-	96	(263)	26,510	178	-	26,688	26,665
Purchased services	35,090	333	446	-	231	(86)	36,014	810	-	36,824	34,624
Drugs	4,193	-	-	-	-	-	4,193	-	-	4,193	4,690
Professional fees	234	-	-	-	-	-	234	-	-	234	367
Utilities/fuels	1,829	-	-	-	76	-	1,905	-	-	1,905	1,821
Depreciation	13,686	267	-	-	266	-	14,219	-	-	14,219	13,506
Interest	3,427	-	-	-	-	-	3,427	36	-	3,463	3,686
Total expenses	207,244	3,045	701	-	669	(349)	211,310	1,289	-	212,599	208,499
Operating loss	(11,408)	(1,160)	(214)	-	(160)	-	(12,942)	(899)	-	(13,841)	(9,916)
Other Income (Loss)											
Investment income	10,738	-	-	-	-	1,534	12,272	444	42	12,758	11,282
Net periodic pension credit	1,593	-	-	-	-	-	1,593	-	-	1,593	996
Change in net unrealized gains and losses on equity securities	(16,173)	-	-	-	-	-	(16,173)	413	-	(15,760)	-
Change in fair value of derivative financial instruments	(2,448)	-	-	-	-	-	(2,448)	-	-	(2,448)	(2,132)
Revenues (less than) in excess of expenses	(17,698)	(1,160)	(214)	-	(160)	1,534	(17,698)	(42)	42	(17,698)	230
Other Changes in Net Assets Without Donor Restrictions											
Change in net unrealized gains on investments	-	-	-	-	-	-	-	-	-	-	2,241
Change in net unrealized gains on debt securities	3,063	-	-	-	-	-	3,063	-	-	3,063	-
Net assets transfers	306	-	-	-	-	-	306	(306)	-	-	-
Member contributions (distributions)	-	-	-	-	(124)	124	-	-	-	-	-
Pension liability adjustment	(10,730)	-	-	-	-	-	(10,730)	-	-	(10,730)	(1,510)
Net assets released from restrictions used for property and equipment	-	-	-	-	-	-	-	306	-	306	310
Other gains and losses	-	-	-	(10)	-	-	(10)	-	-	(10)	527
Noncontrolling interest in net loss of partnerships	-	-	-	-	-	-	-	-	-	-	(209)
(Decrease) increase in net assets without donor restrictions	(25,059)	(1,160)	(214)	(10)	(284)	1,658	(25,069)	(42)	42	(25,069)	1,589
Net Assets With Donor Restrictions											
Contributions	18	-	-	-	-	-	18	306	-	324	171
Restricted income on investments	-	-	-	-	-	-	-	-	-	-	211
Net assets released from restrictions	-	-	-	-	-	-	-	(306)	-	(306)	(310)
Increase in net assets with donor restrictions	18	-	-	-	-	-	18	-	-	18	72
(Decrease) increase in net assets	(25,041)	(1,160)	(214)	(10)	(284)	1,658	(25,051)	(42)	42	(25,051)	1,661
Net Assets, Beginning	240,992	(3,960)	(753)	10	1,398	3,305	240,992	21,441	(21,441)	240,992	239,331
Net Assets, Ending	$ 215,951	$ (5,120)	$ (967)	$ -	$ 1,114	$ 4,963	$ 215,941	$ 21,399	$ (21,399)	$ 215,941	$ 240,992

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APPENDIX C

FINANCIAL FEASIBILITY STUDY

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Grand View Health Foundation, Inc. and Controlled Affiliates

Financial Feasibility Study
For the Five Years Ending
June 30, 2025
and
Independent Accountants' Feasibility Study Report

Grand View Health Foundation, Inc. and Controlled Affiliates

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Independent Accountants' Feasibility Study Report

To the Boards of Trustees of
Grand View Health Foundation, Inc. and Controlled Affiliates:

We have prepared a financial feasibility study of the plans of Grand View Hospital (the Corporation) to finance a new inpatient care building and renovations to 7,000 square feet of existing space (collectively, the Project). The new inpatient care building will be a 190,000 square foot, 6-story structure connected to the Corporation's existing hospital building complex and will include the following:

- *First Floor*: Emergency Department; imaging services; lobby; main entrance; and amenities;
- *Second Floor*: Procedural platform for surgery; cardiac catheterization laboratory; and other interventional services;
- *Third Floor*: Flexible acuity unit with 26 intensive care and progressive care beds;
- *Fourth and Fifth Floors*: Space for future expansion of progressive care and additional medical/surgical units; and
- *Rooftop*: Mechanical equipment and new helipad.

Management of the Corporation (Management) anticipates that the Project will be completed and placed in service in July 2023. The estimated total cost of the Project, including costs associated with the proposed issuance of bonds that are assumed to be the primary source of financing for the Project, is disclosed in Table 1 in the section titled "Summary of Significant Forecast Assumptions and Accounting Policies."

The study was undertaken to evaluate the ability of Grand View Health Foundation, Inc. (the Foundation) and Controlled Affiliates (including the Corporation and, collectively, the Health System) to generate sufficient funds to meet its operating expenses, working capital needs, and other financial requirements, including the debt service requirements associated with the proposed $287,425,000 Bucks County Industrial Development Authority (the Authority) Hospital Revenue Bonds (Grand View Hospital Project), Series 2021 (Series 2021 Bonds). The proposed Series 2021 Bonds are assumed to be outstanding throughout the forecast period.

The terms of the proposed Series 2021 Bonds are assumed to be as follows:

- $110,585,000 serial bonds due in varying annual installments beginning July 2025 through July 2041, issued at an annual interest rate of 5.00 percent;
- $54,855,000 term bonds due in varying annual installments beginning July 2042 through July 2046, issued at an annual interest rate of 5.00 percent;
- $70,445,000 term bonds due in varying annual installments beginning July 2047 through July 2051, issued at an annual interest rate of 5.00 percent; and
- $51,540,000 term bonds due in varying annual installments beginning July 2052 through July 2054, issued at an annual interest rate of 5.00 percent.

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The proceeds from the sale of the proposed Series 2021 Bonds, together with a cash contribution of $24,450,000 by the Corporation, will be used to:

- Pay for construction and other costs associated with the Project;
- Refund the Authority's Hospital Revenue Bonds, Series A and B of 2008;
- Pay for the termination of two outstanding interest rate swap agreements;
- Fund a Debt Service Reserve Fund for the proposed Series 2021 Bonds;
- Fund interest on the portion of the proposed Series 2021 Bonds related to the Project through December 31, 2023; and
- Pay all costs of issuance of the proposed Series 2021 Bonds.

The responsibility for payment of debt service on the proposed Series 2021 Bonds is solely that of the Foundation and the Corporation (the Obligated Group).

Our procedures included analysis of the following:

- The Corporation's history and objectives, and Project timing and financing;
- The future demand for the Corporation's services, including consideration of the following:
    - Economic and demographic characteristics of the Corporation's primary and secondary service areas;
    - Locations, capacities, and competitive information pertaining to other existing and planned hospital providers in the Corporation's primary and secondary service areas;
    - Market share information;
    - Physician support for the Corporation and its programs and services; and
    - Historical utilization levels.
- Impact of COVID-19 on the Corporation's operations;
- Project planning and regulatory applications and approvals;
- Construction and equipment costs, debt service requirements, and estimated financing costs;
- Staffing patterns and other operating considerations;
- Revenue, expense, and volume relationships; and
- Applicable legislation and regulations currently in effect.

We also participated in gathering other information, assisted Management in identifying and formulating its assumptions, and assembled the accompanying financial forecast based upon those assumptions.

The accompanying financial forecast for each of the five years ending June 30, 2025 is based on assumptions that were provided by, or reviewed with and approved by, Management. The financial forecast includes the Health System's:

- Forecasted Consolidated Balance Sheets;
- Forecasted Consolidated Statements of Operations and Changes in Net Assets; and
- Forecasted Consolidated Statements of Cash Flows.

We have examined the accompanying financial forecast of the Health System, based on the guidelines for the presentation of a forecast established by the American Institute of Certified Public Accountants (AICPA). Management is responsible for preparing and presenting the forecast in accordance with the guidelines for the presentation of a forecast established by the AICPA. Our responsibility is to express an opinion on the forecast based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the forecast is presented in accordance with the guidelines for the presentation of a forecast established by the AICPA, in all material respects. An examination involves performing procedures to obtain evidence about the forecast. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the forecast, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Legislation and regulations at all levels of government have affected and may continue to affect the revenues and expenses of healthcare systems. The financial forecast is based on legislation and regulations currently in effect. If future legislation or regulations affecting the Health System are enacted, such legislation or regulations could have a material effect on future operations.

The interest rates, principal payments, Project costs, and other financing assumptions are described in the section titled "Summary of Significant Forecast Assumptions and Accounting Policies." If actual interest rates, principal payments, or funding requirements are different from those assumed, the amount of the proposed Series 2021 Bonds and debt service requirements would need to be adjusted accordingly from those indicated in the forecast. If such interest rates, principal payments, and funding requirements are lower than those assumed, such adjustments would not adversely affect the forecast.

Our conclusions are presented as follows:

- In our opinion, the accompanying forecast is presented, in all material respects, in accordance with guidelines for presentation of a forecast established by the AICPA.
- In our opinion, the underlying assumptions are suitably supported and provide a reasonable basis for Management's forecast. However, there will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.
- The accompanying financial forecast indicates that sufficient funds could be generated to meet the Health System's operating expenses, working capital needs, and other financial requirements, including the debt service requirements associated with the proposed Series 2021 Bonds during the forecast periods. However, the achievement of any financial forecast is dependent on future events, the occurrence of which cannot be assured.

The accompanying forecasted schedule of debt service coverage ratio, days cash on hand, and operating cash flow margin is presented for purposes of additional analysis and is not a required part of the financial forecast. Such information has been subjected to procedures applied in the examination of the financial forecast and, in our opinion, is fairly stated in all material respects in relation to the financial forecast taken as a whole. However, there will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Baker Tilly US, LLP

Philadelphia, Pennsylvania
February 11, 2021

Grand View Health Foundation, Inc. and Controlled Affiliates

Forecasted Schedule of Debt Service Coverage Ratio, Days Cash on Hand, and Operating Cash Flow Margin
As of and For Each of the Years Ending June 30, 2021 - 2025
(In thousands of dollars)

	2021	2022	2023	2024	2025
Debt Service Coverage Ratio					
Income available for debt service:					
Revenues in excess of (less than) expenses	$ (12,622)	$ (977)	$ 5,515	$ (9,129)	$ (5,019)
Depreciation	15,368	14,621	14,243	22,866	22,368
Interest	3,789	4,942	4,942	14,372	14,372
Loss on refunding	413	-	-	-	-
Loss on joint venture investments	2,000	2,000	2,000	2,000	2,000
Capital contributed to joint ventures	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Change in value of derivative financial instruments	(359)	-	-	-	-
Income available for debt service	$ 6,589	$ 18,586	$ 24,700	$ 28,109	$ 31,721
Maximum annual debt service[1]		$ 3,950	$ 4,904	$ 4,907	$ 18,500
Debt service coverage ratio[2]		4.71	5.04	5.73	1.71
Days Cash on Hand					
Total expenses	$ 231,779	$ 243,160	$ 250,145	$ 275,981	$ 283,196
Less:					
Depreciation	(15,368)	(14,621)	(14,243)	(22,866)	(22,368)
Amortization of debt issuance costs	(40)	(34)	(34)	(99)	(99)
Amortization of bond discount	(6)	-	-	-	-
Accretion of bond premium	101	302	302	879	879
Total cash operating expenses	216,466	228,807	236,170	253,895	261,608
365/366 days	365	365	365	366	365
Daily cash operating expenses	$ 593	$ 627	$ 647	$ 694	$ 717
Unrestricted cash and investments:					
Cash and cash equivalents	$ 23,716	$ 25,045	$ 25,852	$ 27,663	$ 28,584
Board-designated assets whose use is limited	202,124	190,833	203,704	213,121	217,024
Total unrestricted cash and investments	$ 225,840	$ 215,878	$ 229,556	$ 240,784	$ 245,608
Days cash on hand[3]	381	344	355	347	343
Operating Cash Flow Margin:					
Operating loss	$ (22,423)	$ (9,643)	$ (3,229)	$ (18,495)	$ (14,716)
Plus:					
Depreciation	15,368	14,621	14,243	22,866	22,368
Interest	3,789	4,942	4,942	14,372	14,372
Operating cash flow	$ (3,266)	$ 9,920	$ 15,956	$ 18,743	$ 22,024
Operating revenues	$ 209,356	$ 233,517	$ 246,916	$ 257,486	$ 268,480
Operating cash flow margin[4]	-1.6%	4.2%	6.5%	7.3%	8.2%

Notes:

(1) Maximum annual debt service in Fiscal 2022 through 2024 is equal to the annual debt service (interest) requirements on the Series 2021 Bonds, less interest amounts funded with the proceeds from the Series 2021 Bonds. Maximum annual debt service in Fiscal 2025 is equal to the maximum annual debt service (principal and interest) requirements on the Series 2021 Bonds.

(2) The debt service coverage ratio is calculated by dividing income available for debt service by maximum annual debt service, as defined, on the Series 2021 Bonds. Although the annual debt service coverage ratio requirement is not effective until Fiscal 2025, the debt service coverage ratios for Fiscal 2022 through 2024 are presented for purposes of additional analysis.

(3) Days cash on hand is calculated by dividing unrestricted cash and investments by daily cash operating expenses.

(4) Operating cash flow margin is calculated by dividing operating cash flow by operating revenues.

See summary of significant forecast assumptions and accounting policies

Grand View Health Foundation, Inc. and Controlled Affiliates

Forecasted Consolidated Balance Sheets
June 30, 2021 - 2025
(In thousands of dollars)

	2021	2022	2023	2024	2025
Assets					
Current Assets					
Cash and cash equivalents	$ 23,716	$ 25,045	$ 25,852	$ 27,663	$ 28,584
Assets whose use is limited	4,391	7,186	7,186	7,093	11,323
Accounts receivable, patients	19,710	21,989	23,266	24,206	25,318
Inventories of drugs and supplies	5,116	5,604	5,877	6,143	6,411
Other current assets	2,162	2,280	2,365	2,454	2,543
Total current assets	55,095	62,104	64,546	67,559	74,179
Assets Whose Use is Limited					
Board-designated	202,124	190,833	203,704	213,121	217,024
Under trust indenture, held by trustee	205,357	116,212	23,121	18,500	18,500
Other	145	145	145	145	145
Property and Equipment, Net	108,715	187,838	271,211	254,345	238,977
Other Investments	1,446	1,446	1,446	1,446	1,446
Professional Insurance Recoveries Receivable	3,763	3,763	3,763	3,763	3,763
Total assets	$ 576,645	$ 562,341	$ 567,936	$ 558,879	$ 554,034
Liabilities and Net Assets					
Current Liabilities					
Current maturities of long-term debt	$ -	$ -	$ -	$ -	$ 4,230
Accounts payable and accrued liabilities	12,973	13,682	14,192	14,724	15,257
Accrued payroll and related liabilities	10,989	11,537	11,887	12,207	12,628
Accrued interest	4,391	7,186	7,186	7,186	7,186
Medicare advance payments	16,599	-	-	-	-
Total current liabilities	44,952	32,405	33,265	34,117	39,301
Long-Term Debt, Net	312,915	312,135	311,355	310,575	305,565
Pension Liability	3,540	3,540	3,540	3,540	3,540
Estimated Professional Insurance Liability	5,303	5,303	5,303	5,303	5,303
Estimated Third-Party Payor Settlements	6,616	6,616	6,616	6,616	6,616
Total liabilities	373,326	359,999	360,079	360,151	360,325
Net Assets					
Without donor restrictions	200,300	199,323	204,838	195,709	190,690
With donor restrictions	3,019	3,019	3,019	3,019	3,019
Total net assets	203,319	202,342	207,857	198,728	193,709
Total liabilities and net assets	$ 576,645	$ 562,341	$ 567,936	$ 558,879	$ 554,034

See summary of significant forecast assumptions and accounting policies

Grand View Health Foundation, Inc. and Controlled Affiliates

Forecasted Consolidated Statements of Operations and Changes in Net Assets
For Each of the Years Ending June 30, 2021 - 2025
(In thousands of dollars)

	2021	2022	2023	2024	2025
Net Assets Without Donor Restrictions					
Revenues:					
Patient service revenues	$ 205,547	$ 229,314	$ 242,633	$ 253,123	$ 264,035
Other revenues	3,809	4,203	4,283	4,363	4,445
Total revenues	209,356	233,517	246,916	257,486	268,480
Expenses:					
Salaries, wages, and payroll taxes	118,831	124,445	127,965	131,505	135,399
Employee benefits	14,872	15,919	16,661	17,421	18,245
Supplies and other	29,598	32,431	34,014	35,657	37,078
Purchased services	42,755	43,723	44,965	46,075	47,339
Drugs	4,354	4,762	4,985	5,221	5,466
Professional fees	242	265	277	291	304
Utilities/fuels	1,970	2,052	2,093	2,573	2,625
Depreciation	15,368	14,621	14,243	22,866	22,368
Interest	3,789	4,942	4,942	14,372	14,372
Total expenses	231,779	243,160	250,145	275,981	283,196
Operating loss	(22,423)	(9,643)	(3,229)	(18,495)	(14,716)
Other Income (Loss):					
Investment income	11,855	10,666	10,744	11,366	11,697
Loss on joint venture investments	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Loss on refunding	(413)	-	-	-	-
Change in value of derivative financial instruments	359	-	-	-	-
Revenues in excess of (less than) expenses and change in net assets	(12,622)	(977)	5,515	(9,129)	(5,019)
Net Assets, Beginning	215,941	203,319	202,342	207,857	198,728
Net Assets, Ending	$ 203,319	$ 202,342	$ 207,857	$ 198,728	$ 193,709

See summary of significant forecast assumptions and accounting policies

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Grand View Health Foundation, Inc. and Controlled Affiliates

Forecasted Consolidated Statements of Cash Flows
For Each of the Years Ending June 30, 2021 - 2025
(In thousands of dollars)

	2021	2022	2023	2024	2025
Cash Flows from Operating Activities					
Change in net assets	$ (12,622)	$ (977)	$ 5,515	$ (9,129)	$ (5,019)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:					
Depreciation	15,368	14,621	14,243	22,866	22,368
Amortization of debt issuance costs	40	34	34	99	99
Amortization of bond discount	6	-	-	-	-
Accretion of bond premium	(101)	(302)	(302)	(879)	(879)
Loss on joint venture investments	2,000	2,000	2,000	2,000	2,000
Loss on refunding	413	-	-	-	-
Change in value of derivative financial instruments	(359)	-	-	-	-
Changes in assets and liabilities:					
Accounts receivable, patients	(988)	(2,279)	(1,277)	(940)	(1,112)
Inventories of drugs and supplies	(265)	(488)	(273)	(266)	(268)
Other current assets	(324)	(118)	(85)	(89)	(89)
Accounts payable and accrued liabilities	3,428	709	510	532	533
Accrued payroll and related liabilities	(45)	548	350	320	421
Accrued interest	1,244	961	-	4,715	-
Estimated third-party payor settlements	(4,061)	(16,599)	-	-	-
Net cash provided by (used in) operating activities	3,734	(1,890)	20,715	19,229	18,054
Cash Flows from Investing Activities					
Net (purchases) sales of assets whose use is limited	(170,446)	97,641	80,220	(4,703)	(8,133)
Capital contributed to joint ventures	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Purchase of property and equipment	(33,641)	(92,422)	(98,128)	(10,715)	(7,000)
Net cash provided by (used in) investing activities	(206,087)	3,219	(19,908)	(17,418)	(17,133)
Cash Flows from Financing Activities					
Proceeds from long-term debt	207,267	-	-	-	-
Repayment of long-term debt	(4,750)	-	-	-	-
Payment of construction accounts payable	(756)	-	-	-	-
Payment of debt issuance costs	(3,260)	-	-	-	-
Net cash provided by financing activities	198,501	-	-	-	-
Net increase (decrease) in cash and cash equivalents	(3,852)	1,329	807	1,811	921
Cash and Cash Equivalents, Beginning	27,568	23,716	25,045	25,852	27,663
Cash and Cash Equivalents, Ending	$ 23,716	$ 25,045	$ 25,852	$ 27,663	$ 28,584
Supplemental Disclosure of Cash Flow Information					
Interest paid, net of capitalized interest	$ 2,545	$ 3,981	$ 4,942	$ 9,657	$ 14,372
Noncash Investing and Financing Activities					
Proceeds from long-term debt used to repay long-term debt	$ 98,320	$ -	$ -	$ -	$ -
Proceeds from long-term debt used to make payments to terminate interest rate swap agreements	$ 10,848	$ -	$ -	$ -	$ -
Accrued interest, capitalized	$ 2,881	$ 4,715	$ 4,715	$ -	$ -
Debt issuance costs, capitalized	$ 22	$ 65	$ 65	$ -	$ -
Accretion of bond premium, capitalized	$ 192	$ 577	$ 577	$ -	$ -

See summary of significant forecast assumptions and accounting policies

Basis of Presentation

The accompanying financial forecast presents, to the best of the knowledge and belief of management of Grand View Health Foundation, Inc. and Controlled Affiliates (Management), the expected financial position, results of operations, changes in net assets, and cash flows of Grand View Health Foundation, Inc. and Controlled Affiliates (collectively, the Health System) for the forecast period. Accordingly, the forecast reflects Management's judgment as of February 11, 2021, the date of this forecast, of the expected conditions and Management's expected course of action. The assumptions disclosed herein are those Management believes are significant to the financial forecast. There will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

The Health System's forecasted consolidated financial statements include Grand View Health Foundation, Inc. (the Foundation), Grand View Hospital (the Corporation), Grand View Urgent Care, LLC (GVUC), Grand View Healthcare Partnership (GVHP), and Trinity Healthcare Alliance (Trinity).

Background of Grand View Health Foundation, Inc. and Controlled Affiliates

Grand View Health Foundation, Inc.

The Foundation is a not-for-profit corporation organized primarily for the purpose of charitable fundraising for the Hospital. The Foundation is the sole member of the Hospital.

Governance of the Foundation is vested in a self-perpetuating Board of Trustees (the Foundation Board). The Foundation's bylaws specify that the number of Trustees on the Foundation Board shall be not fewer than 20 and no more than 40. Ten members of the Corporation's Board of Trustees are currently members of the Foundation Board. The term of office of a Foundation Board Trustee is five years; each Trustee is eligible to serve up to two consecutive terms.

Grand View Hospital

The Corporation is a not-for-profit corporation that owns and operates an acute care community hospital (the Hospital) and several outpatient and urgent care centers at various locations throughout its suburban Philadelphia service area. The Hospital is licensed for 169 beds. The Corporation's Main Campus (the Main Campus) is located on an approximately 59-acre site in West Rockhill Township (near the Borough of Sellersville), a suburban area in Bucks County, Pennsylvania, approximately 40 miles north of the City of Philadelphia and one mile north of the Montgomery County line. Additional property is owned or leased throughout the Corporation's service area to ensure that its healthcare delivery services reach the broader community, including portions of both Bucks and Montgomery counties.

The Corporation has served the residents of Bucks and Montgomery counties in southeastern Pennsylvania for over 100 years. The Corporation does business under the name "Grand View Health" to better reflect the breadth of the Corporation's operations and services, beyond that of just an acute care hospital. Grand View Health is a comprehensive healthcare system providing a broad continuum of care to its service area residents, reflective of its mission to lead the community to a healthier future.

The Corporation's major inpatient service lines include cardiology (including interventional cardiology); general and vascular surgery; women and children's health (including maternity, Level 2 NICU, and pediatric units); oncology; orthopedics; and post-acute care services. Outpatient services provided at the Main Campus include diagnostic imaging, nuclear medicine, cardiac testing, laboratory, rehabilitation services, interventional cardiology, and vascular procedures.

The Corporation operates a multi-specialty medical group practice doing business as Grand View Medical Practices (GVMP). Medical services currently provided by GVMP include primary care (internal and family medicine), hospitalists, infectious disease, cardiology, orthopedic surgery, general surgery, vascular surgery, and obstetrics and gynecology.

The Corporation also provides a variety of healthcare services at six outpatient centers, which are all located within the Corporation's primary service area. The six outpatient centers are as follows:

- Grand View Health Orthopedic Center. Services provided at this center include diagnostic imaging, concussion treatment, athletic training, sports performance, and physical therapy. This site has office and clinical space for Corporation-employed orthopedic physicians.

- Harleysville Outpatient Center. Services provided at this center include cardiac testing, diagnostic imaging, laboratory, physical and occupational therapy, and occupational medicine. The site also has office and clinical space for Corporation-employed physicians and four (4) operating rooms operated by GVSC.

- Health Center at Chalfont. Services provided at this center include diagnostic imaging, laboratory, and occupational medicine. The site also has office and clinical space for Corporation-employed family medicine and other physicians.

- Health Center at Quakertown. Services provided at this center include cardiac testing, diagnostic imaging, and laboratory. The site also has office and clinical space for Corporation-employed family medicine and other physicians.

- Pennsburg Outpatient Center. Services provided at this center include cardiac testing, diagnostic imaging, and laboratory. The site also has office and clinical space for Corporation-employed physicians.

- Sellersville Outpatient Center. This center houses the Corporation's Breast Care Center and certain other healthcare services, including cardiac rehabilitation, diagnostic imaging, weight management, laboratory, physical and occupational therapy, pulmonary testing and rehabilitation, and occupational medicine. The site also has office and clinical space for Corporation-employed physicians, as well as wound care, hematology, and oncology physician groups who are not employed by the Corporation and lease space at this center.

The Corporation also provides home health and hospice services, durable medical equipment and respiratory services, and pre-hospital emergency and transportation services.

The Corporation has a strategic affiliation agreement with University of Pennsylvania Health System (UPHS), as well as service-line specific partnerships with certain other regional healthcare systems. The strategic affiliation agreement is scheduled to expire on August 31, 2021; however, management expects the strategic affiliation agreement to be extended through the forecast period. UPHS is a major multi-hospital health system headquartered in Philadelphia, Pennsylvania and together with the Perelman School of Medicine at the University of Pennsylvania comprise "Penn Medicine." The strategic affiliation agreement with Penn Medicine provides the Corporation with the exclusive rights to all Penn Medicine clinical affiliations in Bucks, Montgomery, and Lehigh counties in Pennsylvania. Currently, the Corporation has clinical affiliations with Penn Medicine for orthopedics, oncology, and trauma. The Corporation also has clinical affiliations with the Lehigh Valley Health Network for its cardiac catheterization lab, St. Luke's University Health Network for maternal-fetal medicine and neurology, and Children's Hospital of Philadelphia for pediatrics and the neonatal intensive care unit.

Governance of the Corporation is vested in a self-perpetuating Board of Trustees (the Corporation Board). The Corporation Board's bylaws specify that the number of Trustees shall be not fewer than eight and no more than 11. The President and CEO of the Corporation serves as an *ex-officio* Trustee. The term of office of a Corporation Board Trustee is three years; each Trustee is eligible to serve up to three consecutive terms.

Grand View Urgent Care, LLC

GVUC is a professional limited liability company. GVUC currently owns and operates two urgent care centers located in Kulpsville and Quakertown, Pennsylvania. The Corporation is the sole member of GVUC. These urgent care centers offer diagnostic imaging and point-of-care laboratory services. They are staffed by family practice and emergency physicians, registered nurses, radiology technicians, and patient care technicians.

Grand View Healthcare Partnership

GVHP is a limited liability company. The Corporation is the sole member of GVHP. GVHP was formed as an integrated delivery network to align the local community with triple aim goals, thereby improving care outcomes and becoming more attractive to payors of healthcare services. GVHP is an alliance formed with other local, independent, self-governing primary care providers who are participants in GVHP through participation agreements.

Trinity Healthcare Alliance, LLC

Trinity is a limited liability company that owns the building located in New Britain Township, Pennsylvania, which is leased to the Health Center at Chalfont, which is operated by the Corporation. The Corporation is the sole member of Trinity.

Description of the Project

The Corporation completed a strategic and master facility planning process in 2018. This planning process identified the need for immediate and long-term strategic facility investments for the Corporation to remain financially sustainable and provide new and improved healthcare services. Following the analysis, the Corporation made a commitment to upgrade and expand the Hospital on the Main Campus through construction of a new inpatient care building and renovations to 7,000 square feet of existing space (collectively, the Project).

The new inpatient care building will be a 190,000 square foot, 6-story structure connected to the Hospital and will include the following:

- *First Floor*: Emergency Department; imaging services; lobby; main entrance; and amenities;
- *Second Floor*: Procedural platform for surgery; cardiac catheterization laboratory; and other interventional services;
- *Third Floor*: Flexible acuity unit with 26 intensive care and progressive care beds;
- *Fourth and Fifth Floors*: Space for future expansion of progressive care and additional medical/surgical units; and
- *Rooftop*: Mechanical equipment and new helipad.

The Project is core to the Corporation's growth strategy. It will provide a modern procedural platform to accommodate high-acuity surgical procedures; state-of-the-art equipment and functionality in order to offer the highest quality healthcare services; and a larger, modern emergency department equipped with trauma bays to support the Level 2 Trauma Care Center accreditation, which is expected to occur in October 2021. The Hospital's inpatient bed complement will remain the same with 169 licensed beds, reflective of the trend of decreasing utilization of inpatient services. However, it does provide for all private inpatient rooms, which will be equipped with cardiac monitoring capabilities, allowing for the most flexibility when placing patients.

In summary, the Project will enable the Corporation to (a) better serve the growing population in the Corporation's primary service area (PSA) and secondary service area (SSA), (b) provide more specialized inpatient care services, (c) satisfy consumer expectations of more modern healthcare facilities, and (d) respond more effectively to the competitive environment.

The Corporation anticipates that the Project will be completed and placed in service by July 2023.

The Corporation engaged a senior project manager from Penn Medicine's Real Estate, Design, and Construction Department (the Project Manager) to provide guidance and oversight throughout the entire planning and construction process. The senior project manager has over 40 years' experience in architectural design, construction, and project management. Penn Medicine's project management experience includes the design and development of six major medical centers in the Philadelphia region including the most recent completion of a 250,000 square foot expansion of Penn Medicine's Chester County Hospital.

Other Strategic Initiatives

In addition to the Project, the Corporation is also in the process of executing Other Strategic Initiatives, including the following:

Level 2 Trauma Care Center

In an effort to strategically enhance its emergency clinical service line and attract higher acuity patient volume and elective surgical procedures, the Corporation began an evaluation period to receive accreditation as a Level 2 Trauma Care in its Emergency Department in January 2021. The Corporation expects to be officially accredited as a Level 2 Trauma Care Center in October 2021, following completion of a required review by the Pennsylvania Trauma Systems Foundation (PTSF), the accrediting body for Trauma Care Centers in the Commonwealth of Pennsylvania.

A Level 2 Trauma Care Center can initiate definitive care for all injured patients. Elements of Level 2 Trauma Care Centers include 24-hour immediate coverage by trauma surgeons, as well as coverage by the specialties of orthopedics, neurosurgery, anesthesiology, emergency medicine, radiology, and critical care.

In connection with the pursuit of Level 2 Trauma Care Center accreditation, the Corporation executed a Trauma Management Services Agreement (the Agreement) with UPHS in March 2020. Under the terms of the Agreement, UPHS is (i) assisting the Corporation in obtaining accreditation as a Level 2 Trauma Center, (ii) managing the Trauma Care Center, and (iii) providing trauma surgeons to staff the Trauma Care Center. The Agreement was effective January 1, 2020 and will continue through June 30, 2025. The Agreement shall be automatically renewed for a period of two years provided that neither party has given written notice of its intention not to renew at least twelve months in advance of the end of the Initial Term or any Renewal Term. The Agreement requires the Corporation to compensate UPHS for its management and professional services in two components:

- The Corporation will reimburse UPHS for the cost of its physician and non-physician personnel necessary to operate the Trauma Care Center, and
- The Corporation will pay UPHS a Trauma Care Center Management Fee of $700,000 per year.

Management developed the revenue and expense related assumptions for the Level 2 Trauma Care Center in consultation with representatives from UPHS.

Below is a summary of the characteristics of the different Levels of Trauma Care Centers that PTSF designates in the Commonwealth of Pennsylvania, per PTSF's 2018 Annual Report:

Level 1 Trauma Care Centers
- Multidisciplinary treatment and comprehensive, specialized resources for the most severe trauma patients.
- Trauma research.
- Surgical residency program.
- Volume requirement for critically injured patients.

Level 2 Trauma Care Centers
- The same quality of care as a Level 1 trauma center with fewer required comprehensive services. No requirement for: Cardiac Surgery, Hand Surgery, Vascular Re-Implantation capabilities, Neurology, Physiatry, and Psychiatry.
- Volume requirement for critically injured patients.

Level 3 Trauma Care Centers

- Smaller, community hospitals that care for patients with moderate injuries and have the ability to stabilize the severe trauma patient in preparation for transport to a higher-level trauma center.
- Fewer physician specialists than Level 1 and 2 Trauma Care Centers. Surgical specialist requirements are Trauma and Orthopedic Surgery. The only required medical physician specialists are Emergency Medicine and Anesthesiology.

Level 4 Trauma Care Centers

- Provide enhanced trauma services with a focus on optimizing trauma care within the Emergency Department.
- Provide initial care and stabilization of traumatic injury while arranging transfer to a higher level of trauma care.

Cardiac Catheterization Lab Expansion

Effective November 2019, the Corporation expanded the operations of its cardiac catheterization lab to a 24 hours a day, 7 days a week operation. Previously, the Corporation generally operated its cardiac catheterization lab 8 hours a day, 5 days a week. Heart specialists from Lehigh Valley Health Network are providing coverage for the expansion of cardiac catheterization lab services. Procedures performed in the cardiac catheterization lab include:

- Diagnostic imaging and treatment of coronary artery disease, and
- Coronary interventional procedures, including cardiac catheterization, balloon angioplasty, and stenting.

The cardiac catheterization lab received accreditation by Corazon, Inc. in October 2019 and was reaccredited in August 2020. Forecasted purchases of property and equipment in Fiscal 2021 include approximately $1,200,000 related to the purchase a new cardiac catheterization lab equipment.

Grand View Health Orthopedic Center

The Corporation opened Grand View Orthopedic Center in July 2020 in Hatfield Township, Montgomery County. The opening of this 12,000 square foot facility, which is owned by the Corporation, aligns with the Corporation's growth strategy, which includes the expansion of ambulatory care services in the Corporation's PSA and SSA. The center has office and clinical space for Upper Bucks Orthopedics, which is owned and operated by the Corporation (as part of GVMP). Services provided at this center include diagnostic imaging, concussion treatment, athletic training, sports performance, and physical therapy.

Dublin Outpatient Center

The Corporation is currently in the process of building a seventh outpatient center located in Dublin Borough, Bucks County. This 12,000 square foot facility, which will be owned by the Corporation, also aligns with the Corporation's growth strategy, which includes the expansion of ambulatory care services in the Corporation's PSA and SSA. This new outpatient center is scheduled to open in April 2021. Services to be provided at this center will include diagnostic imaging and laboratory. The site will also have office and clinical space for primary care and specialty physicians who will not be employed by the Corporation and will lease space at this center.

Project Financing

Management assumed that, on or around March 11, 2021, the Bucks County Industrial Development Authority (the Authority) will issue, on behalf of the Corporation, $287,425,000 Hospital Revenue Bonds (Grand View Hospital Project), Series 2021 (Series 2021 Bonds). The proceeds from the proposed Series 2021 Bonds, together with a cash contribution of $24,450,000 by the Corporation, are assumed to be used to finance the construction and equipping of the Project, refund the Authority's Hospital Revenue Bonds, Series A and B of 2008 (Series 2008 Bonds), pay for the termination of two outstanding interest rate swap agreements, fund a Debt Service Reserve Fund for the proposed Series 2021 Bonds, fund interest on the portion of the proposed Series 2021 Bonds related to the Project through December 31, 2023, and pay all costs of issuance of the proposed Series 2021 Bonds.

A summary of the estimated sources and uses of funds for the proposed Series 2021 Bonds, as provided by Management and BofA Securities (the Underwriter) is presented in the following table:

Table 1
Estimated Sources and Uses of Funds
(in thousands of dollars)

Sources of Funds		
Proposed Series 2021 Bonds[(1)]	$	287,425
Premium		29,010
Interest earnings on trustee held funds[(2)]		1,177
Cash contribution[(3)]		24,450
Total source of funds	$	342,062
Uses of Funds		
Capital expenditures:		
Construction costs[(4)]	$	129,310
Furnishings and equipment[(5)]		41,420
Architect and other[(5)]		13,270
Total capital expenditures		184,000
Other uses of funds:		
Refund Series 2008 Bonds[(6)]		98,894
Termination of interest rate swap agreements[(7)]		10,848
Debt Service Reserve Fund[(8)]		18,500
Funded interest[(9)]		26,560
Financing costs[(10)]		3,260
Total other uses of funds		158,062
Total uses of funds	$	342,062

Source: Management and Underwriter.

Notes:
(1) The proposed Series 2021 Bonds are assumed to have an average annual interest rate of 5.0 percent.
(2) Amount includes interest earnings on the Project Fund, Funded Interest Fund, and Debt Service Reserve Fund during the construction period.
(3) The Corporation will use $24,450,000 of its cash as a source of funding.
(4) Construction costs are primarily based on estimates provided to Management by L.F. Driscoll Company, LLC, the construction manager for the Project. The estimated construction costs include a contractor's reserve of $4,985,000 and an estimating contingency of $3,100,000.
(5) Furnishings and equipment costs and architect and other costs represent estimates by Management based on discussions with the architect, construction manager, and Project Manager.
(6) The proceeds from the proposed Series 2021 Bonds are assumed to be used to refund the outstanding principal balance of $98,320,000 and accrued interest of $574,000 on the proposed Series 2021 Bonds.
(7) The proceeds from the proposed Series 2021 Bonds and the cash contribution by the Corporation are assumed to be used to terminate two outstanding interest rate swap agreements.
(8) The proceeds from the proposed Series 2021 Bonds are assumed to be used to fund a Debt Service Reserve Fund for the proposed Series 2021 Bonds. The amount deposited in the Debt Service Reserve Fund will equal Maximum Annual Debt Service, as defined, on the proposed Series 2021 Bonds.
(9) Funded interest represents interest costs forecasted to be incurred during the period February 4, 2021 through December 31, 2023 on the portion of the proposed Series 2021 Bonds related to the Project.
(10) Financing costs include estimated underwriting fees, legal fees, financial feasibility study fees, and other fees related to issuance of the proposed Series 2021 Bonds.

Characteristics of the Service Area

Assumptions for the future utilization of the Corporation's services are based on an analysis of the following factors which may affect the demand for services:

- Site description and general area analysis;
- Defined primary and secondary service areas for the Corporation;
- Demographic and economic characteristics of the primary and secondary service areas;
- Description of existing comparable acute care providers;
- The Corporation's utilization and market share analysis; and
- Perceptions of the Corporation's full complement of services and utilization among affiliated physicians.

The utilization of the Corporation's services by patients is discretionary and is impacted by many factors, including:

- Location of the Corporation's facilities;
- Reputation of Management and medical staff;
- Accessibility;
- Physician admitting privileges;
- Consumer insurance;
- Changes in services offered at the Corporation's facilities; and
- Availability of alternative care options, including emergency, inpatient, and outpatient services.

The objective of this market assessment was to compile and analyze data to support the assumptions related to market depth and utilization of the Corporation's services.

Site Description

The Main Campus is located in Sellersville, Bucks County, Pennsylvania. The Corporation's PSA and SSA also encompass portions of Montgomery County, Pennsylvania. The site is located approximately 40 driving miles North from Philadelphia, and 20 miles South from Allentown, Pennsylvania. The immediate neighborhood surrounding the site includes other medical facilities such as physician offices, an elementary school, an assisted living facility and residential single-family homes.

General Area Analysis

This section of the report describes the relevant characteristics of Sellersville and Bucks and Montgomery Counties.

Highways

The Main Campus is located along State Route 309, which runs north-to-south and connects to US Interstate 78 to the north and US Interstate 276 to the south. US Interstate 476 is the largest highway that runs through the primary and secondary service areas. State Route 611 also runs through the eastern side of the secondary service area.

Public Transportation

Bucks and Montgomery Counties are served by the Southeastern Pennsylvania Transportation Authority (SEPTA). The closest regional rail line is the Lansdale/Doylestown Line, with stops located within the primary and secondary service areas, excluding Sellersville. The closest Amtrak station is located approximately ten miles from the Main Campus in Quakertown, Pennsylvania.

Primary and Secondary Service Areas

Based on the addresses of patients admitted to the Hospital in 2019, Management has defined the PSA and SSA as a combined 28-zip code area surrounding the Main Campus. The combined PSA and SSA spans approximately 33 miles from west to east at the widest point and 34 miles from north to south at the longest point.

The PSA encompasses 15 zip codes and is primarily located in Bucks County, with portions crossing into Montgomery County. The SSA encompasses 13 zip codes spanning both Bucks and Montgomery Counties, with smaller portions crossing into Berks and Lehigh Counties. The following tables summarize the zip codes and corresponding cities included in the PSA and SSA:

Table 2
PSA Zip Codes

Zip code	City/Town
18041	East Greenville
18054	Green Lane
18073	Pennsburg
18076	Red Hill
18917	Dublin
18932	Line Lexington
18944	Perkasie
18951	Quakertown
18955	Richlandtown
18960	Sellersville
18964	Souderton
18969	Telford
19438	Harleysville
19440	Hatfield
19446	Lansdale

Source: Management.

Table 3
SSA Zip Codes

Zip code	City/Town
18036	Coopersburg
18070	Palm
18074	Perkiomenville
18901	Doylestown
18902	Doylestown
18914	Chalfont
18923	Fountainville
18930	Kintnersville
18942	Ottsville
19426	Collegeville
19454	North Wales
19473	Schwenksville
19504	Barto

Source: Management.

The following table profiles the results of an analysis of the patient admissions to the Hospital in 2019 by area of origin. Approximately 84.2 percent of the patients resided within the PSA, 8.8 percent resided in the SSA and an additional 7.0 percent resided in other areas within or outside Pennsylvania.

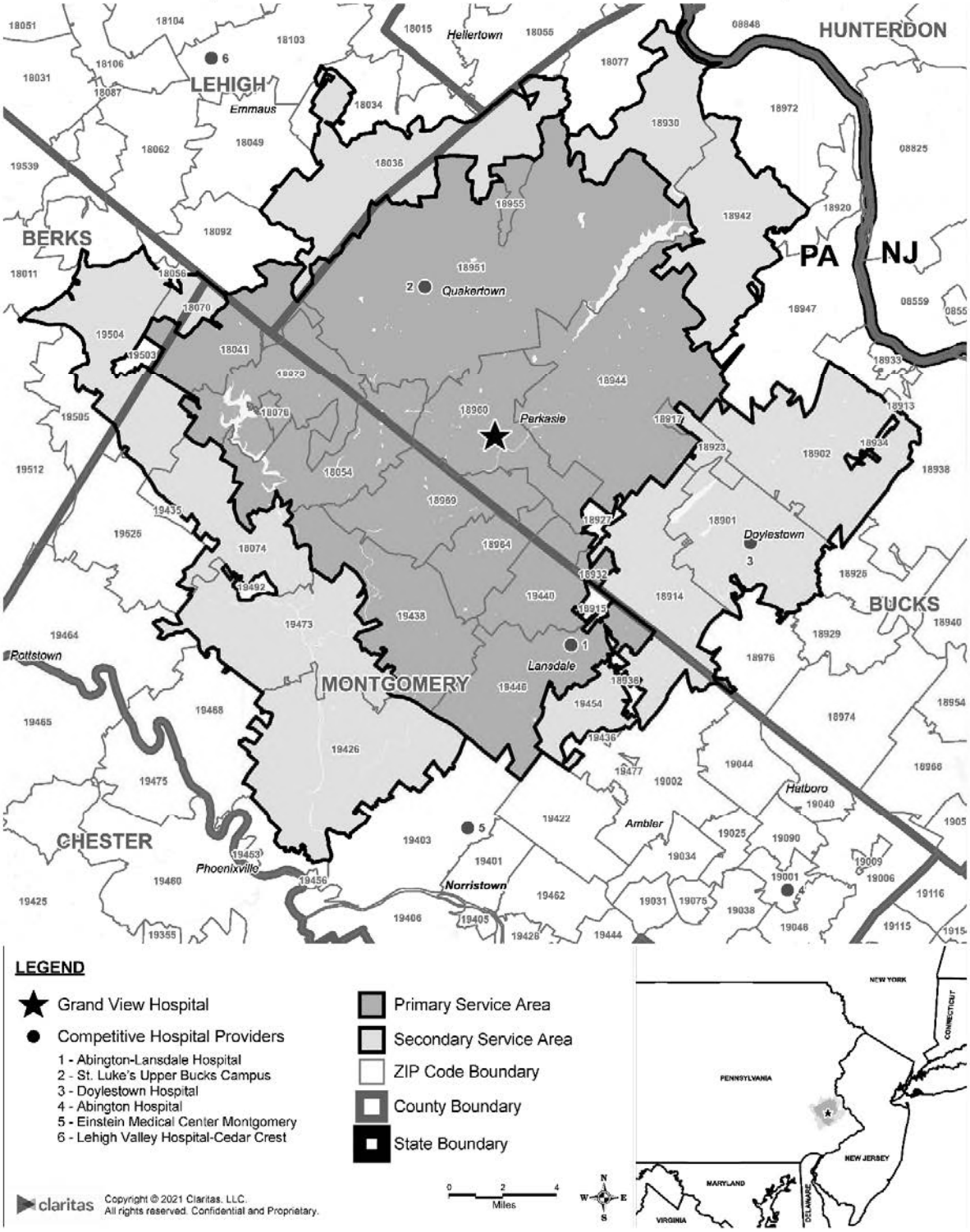
Table 4
Hospital Admissions Origin Analysis

Area of Origin	Number of Admissions	Percent of Total
PSA	6,855	84.2%
SSA	718	8.8%
Other areas within or outside Pennsylvania	568	7.0%
Total	8,141	100.0%

Source: Management.

The following map depicts the PSA, SSA, the location of the Main Campus, and competitive hospital providers within and outside the PSA or SSA, as identified by Management.

Primary and Secondary Service Areas for Grand View Hospital



Economic Profile of the Surrounding Area

Because certain statistical information is accumulated by various governmental offices and agencies, economic data is presented, as available, by county, city, or metropolitan region. For the purposes of this study, economic data is presented for Bucks and Montgomery Counties, Pennsylvania (PA) and the United States (US).

Unemployment Rates

The unemployment rates (not seasonally adjusted) for Bucks and Montgomery Counties, PA and the US are shown in the following table, as recorded by the Bureau of Labor Statistics:

Table 5
Unemployment Trends

	2017	2018	2019	2020[1]
Bucks County	4.2%	3.7%	3.8%	8.7%
Montgomery County	3.8%	3.4%	3.5%	8.0%
PA	4.9%	4.2%	4.4%	9.3%
US	4.4%	3.9%	3.7%	8.2%

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Note:
(1) Data through November 2020.

Major Employers

The following are the top ten employers within Bucks and Montgomery Counties, as recorded by the Pennsylvania Department of Labor & Industry Center for Workforce Information & Analysis:

Table 6
Top Ten Employers

Bucks County		Montgomery County	
Employer	**Industry**	**Employer**	**Industry**
Giant Food Stores, LLC	Retail Trade	Merck Sharp & Dohme Corp.	Pharmaceutical
Central Bucks School District	Education	Abington Hospital	Healthcare
Bucks County	Government	Main Line Hospitals, Inc.	Healthcare
Saint Mary Medical Center	Healthcare	State Government	Government
Doylestown Hospital	Healthcare	SmithKline Beecham Corp.	Pharmaceutical
Northtec, LLC	Warehousing	Albert Einstein Medical Center	Healthcare
Woods Services	Healthcare	Giant Food Stores, LLC	Retail Trade
Wal-Mart Associates, Inc.	Retail Trade	SEI Investments Company	Financial
Pennsbury School District	Education	Montgomery County	Government
Grand View Health	Healthcare	Lockheed Martin Corp.	Aerospace and Defense

Source: Pennsylvania Department of Labor & Industry Center for Workforce Information & Analysis.

Demographic Characteristics Within the Service Area

The following is a summary of demographic characteristics for the PSA and SSA benchmarked to PA and the US. The 2020 and 2025 data are estimates and projections as provided by ESRI, which bases its estimated 2020 and projected 2025 data on a combination of 2010 US census data and the American Community Survey.

As shown in the following tables, there are 439,945 persons projected to be residing in the Total Service Area (inclusive of both the PSA and SSA) in 2025. The total population is projected to increase 2.4 percent in the PSA and 2.1 percent in the SSA from 2020 to 2025, exceeding statewide projected population growth of 0.9 percent. Population growth within the PSA and SSA from 2000 to 2020, 15.1 percent and 20.1 percent respectively, also exceeded statewide population growth of 5.8 percent.

The following table presents total population data and the percentage change projected between 2020 and 2025, by zip code, within the PSA and SSA:

Table 7
Demographic Trends – Population Change

	2000 (Census)	2010 (Census)	2020 (Estimated)	2025 (Projected)	Percentage Change 2000-2020	Percentage Change 2020-2025
PSA						
18041, East Greenville	5,265	5,352	5,372	5,414	2.0%	0.8%
18054, Green Lane	4,115	4,286	4,554	4,678	10.7%	2.7%
18073, Pennsburg	6,658	9,116	10,487	10,937	57.5%	4.2%
18076, Red Hill	2,393	2,667	2,666	2,657	11.4%	-0.4%
18917, Dublin	2,014	2,087	2,200	2,249	9.2%	2.2%
18932, Line Lexington	309	406	411	414	33.0%	0.8%
18944, Perkasie	21,797	24,653	26,378	26,939	21.0%	2.1%
18951, Quakertown	32,150	36,272	37,480	38,791	16.6%	3.5%
18955, Richlandtown	1,198	1,206	1,203	1,209	0.4%	0.5%
18960, Sellersville	11,640	12,709	12,893	13,016	10.8%	1.0%
18964, Souderton	13,061	13,917	14,400	14,801	10.3%	2.8%
18969, Telford	14,415	15,373	16,144	16,429	12.0%	1.8%
19438, Harleysville	21,377	23,845	25,790	26,501	20.6%	2.8%
19440, Hatfield	16,765	17,864	19,059	19,508	13.7%	2.4%
19446, Lansdale	51,272	53,349	56,332	57,397	9.9%	1.9%
PSA Total	**204,429**	**223,102**	**235,369**	**240,940**	**15.1%**	**2.4%**
SSA						
18036, Coopersburg	11,632	12,349	13,484	13,853	15.9%	2.7%
18070, Palm	865	851	883	898	2.1%	1.7%
18074, Perkiomenville	5,694	6,122	6,393	6,502	12.3%	1.7%
18901, Doylestown	28,606	28,675	28,902	29,133	1.0%	0.8%
18902, Doylestown	19,224	21,002	22,269	22,761	15.8%	2.2%
18914, Chalfont	17,223	20,204	21,596	22,099	25.4%	2.3%
18923, Fountainville	716	1,020	1,108	1,147	54.7%	3.5%
18930, Kintnersville	2,809	2,708	2,774	2,816	-1.2%	1.5%
18942, Ottsville	2,630	2,664	2,825	2,891	7.4%	2.3%
19426, Collegeville	30,127	36,216	39,903	41,160	32.4%	3.1%
19454, North Wales	23,717	27,448	28,898	29,471	21.8%	2.0%
19473, Schwenksville	13,541	19,052	20,040	20,379	48.0%	1.7%
19504, Barto	5,537	5,539	5,792	5,895	4.6%	1.8%
SSA Total	**162,321**	**183,850**	**194,867**	**199,005**	**20.1%**	**2.1%**
Total Service Area	**366,750**	**406,952**	**430,236**	**439,945**	**17.3%**	**2.3%**
PA	**--**	**--**	**--**	**--**	**5.8%**	**0.9%**
US	**--**	**--**	**--**	**--**	**18.6%**	**3.7%**

Source: ESRI.

Table 8 below presents total population data by age group, and the percentage change projected between 2020 and 2025, within the PSA, SSA, PA, and the US.

Pennsylvania overall has an older population than the nation with a higher percentage of senior residents age 65 or over. The PSA and SSA will have a similar percentage of seniors age 65 or over in 2025 as PA. Approximately 21.2 percent of individuals in the PSA and 20.2 percent of individuals in the SSA will be 65 years of age or older in 2025 compared to 21.8 percent across PA and 18.7 percent across the US. The senior population is projected to increase 18.0 percent in the PSA and 20.0 percent in the SSA from 2020 to 2025, exceeding statewide and national projected growth of 14.1 percent and 16.7 percent, respectively. The population age 25 to 44 is also projected to increase in the PSA and SSA from 2020 to 2025; all other population age groups are projected to decline.

Despite an older demographic, fewer individuals in the PSA and SSA report a disability (physical or cognitive). Approximately 20.9 percent of households in the PSA and 19.1 percent of households in the SSA have one or more individuals with a disability compared to 27.2 percent for PA and 25.5 percent for the US (Source: American Community Survey, 2014-2018).

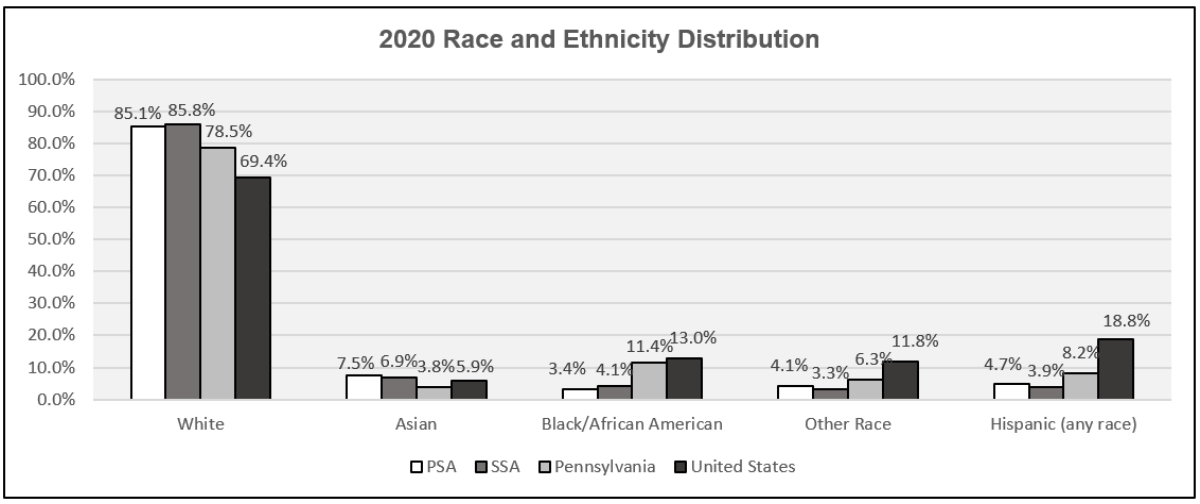
Table 8
Demographic Trends – Age Groups

	2020 (Estimated)		2025 (Projected)		Percentage Change 2020-2025
	Count	Percent of Total	Count	Percent of Total	
PSA					
Age 0-14	41,975	17.8%	41,375	17.2%	-1.4%
Age 15-24	25,398	10.8%	24,770	10.3%	-2.5%
Age 25-44	57,841	24.6%	60,098	24.9%	3.9%
Age 45-64	66,788	28.4%	63,519	26.4%	-4.9%
Age 65 or over	43,367	18.4%	51,178	21.2%	18.0%
SSA					
Age 0-14	34,210	17.6%	33,396	16.8%	-2.4%
Age 15-24	23,625	12.1%	22,196	11.2%	-6.0%
Age 25-44	45,278	23.2%	48,240	24.2%	6.5%
Age 45-64	58,300	29.9%	55,019	27.6%	-5.6%
Age 65 or over	33,454	17.2%	40,154	20.2%	20.0%
PA					
Age 0-14	2,146,016	16.5%	2,125,039	16.2%	-1.0%
Age 15-24	1,651,989	12.7%	1,606,334	12.2%	-2.8%
Age 25-44	3,205,790	24.7%	3,245,318	24.8%	1.2%
Age 45-64	3,484,283	26.8%	3,273,922	25.0%	-6.0%
Age 65 or over	2,503,289	19.3%	2,856,739	21.8%	14.1%
US					
Age 0-14	61,314,060	18.4%	62,607,579	18.1%	2.1%
Age 15-24	43,293,601	13.0%	43,201,182	12.5%	-0.2%
Age 25-44	88,841,687	26.6%	92,816,790	26.8%	4.5%
Age 45-64	84,894,426	25.4%	82,661,787	23.9%	-2.6%
Age 65 or over	55,449,333	16.6%	64,733,944	18.7%	16.7%

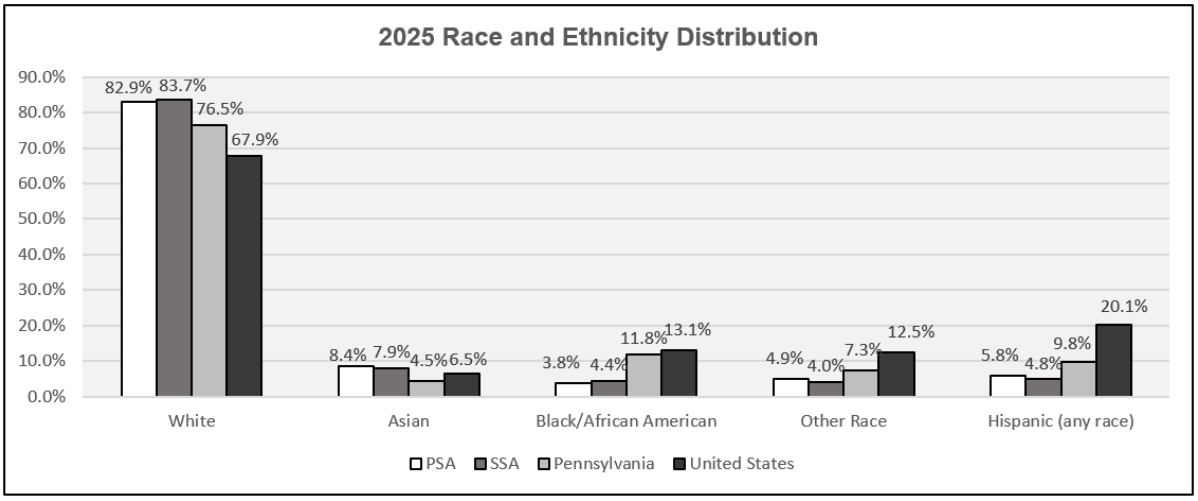
Source: ESRI.

The graphs below present the percentage of total population by race and ethnicity within the PSA, SSA, PA, and the US.

The PSA and SSA are less diverse overall with a higher proportion of White individuals than PA and US averages. Of the total population in 2025, approximately 82.9 percent of individuals in the PSA and 83.7 percent of individuals in the SSA will identify as White compared to 76.5 percent for PA and 67.9 percent for the US. Population diversity within the PSA and SSA is projected to increase by 2025. Within the PSA and SSA, the White population as a percentage of the total population will decline 2.2 percentage points and 2.1 percentage points, respectively, from 2020 to 2025.



Source: ESRI.



Source: ESRI.

The following table presents the percentage of the population age 25 or over by educational attainment within the PSA, SSA, PA and the US. A higher proportion of individuals in the PSA and SSA attain a bachelor's or graduate/professional degree compared to PA and the US.

Table 9
Demographic Trends – Educational Attainment

	2020 (Estimated) Population[1]	
	Count	**Percent of Total[2]**
PSA		
High school diploma	45,968	27.4%
Bachelor's degree	41,919	25.0%
Graduate/Professional degree	25,977	15.5%
SSA		
High school diploma	27,081	19.8%
Bachelor's degree	41,492	30.3%
Graduate/Professional degree	29,340	21.4%
PSA Bachelor's degree or higher	**40.5%**	
SSA Bachelor's degree or higher	**51.7%**	
PA Bachelor's degree or higher	**32.3%**	
US Bachelor's degree or higher	**33.1%**	

Source: ESRI.

Notes:
(1) Represents population age 25 and older.
(2) Reflects percent of total only for the categories listed (does not add up to 100%).

Income and Poverty

The following tables present median household income and the percentage of households living in poverty for the total population in the PSA and SSA. Median household income is higher in the PSA and SSA than PA and the US and is projected to increase from 2020 to 2025. Approximately 6.4 percent of households in the PSA and 5.1 percent of households in the SSA live in poverty compared to 12.3 percent for PA and 13.4 percent for the US.

Table 10
Median Household Income

	2020 (Estimated Year)	**2025 (Projected Year)**	**Percentage Change 2020-2025**
PSA	$84,020	$90,850	8.1%
SSA	$107,481	$115,562	7.5%
PA	$60,671	$65,067	7.2%
US	$62,203	$67,325	8.2%

Source: ESRI.

Table 11
Households in Poverty (Year 2014-2018)[1][2]

	Count	Percent of Total
PSA	5,587	6.4%
SSA	3,464	5.1%
PA	620,019	12.3%
US	16,027,481	13.4%

Source: ESRI.

Notes:
(1) Based on most recent available statistics from the American Community Survey.
(2) Poverty is defined at the family level. Households are classified as poor when the total income of the householder's family is below the appropriate poverty threshold. The income of people living in the household who are unrelated to the householder is not considered when determining the poverty status of a household, nor does their presence affect the family size in determining the appropriate threshold. The poverty thresholds vary depending on three criteria: size of family, number of related children, and, for 1- and 2-person families, age of householder.

Net worth is a measure of economic position, calculated as assets minus debts owed. Median net worth in the PSA and SSA is higher than the median net worth for PA and the US.

Table 12
Demographic Trends – Estimated Net Worth (Year 2020)

	PSA		SSA	
	Count	Percent of Total	Count	Percent of Total
Total Households	89,973	100.0%	70,141	100.0%
less than $15,000	13,829	15.4%	7,656	10.9%
$15,000-$34,999	5,469	6.1%	2,868	4.1%
$35,000-$49,999	3,015	3.3%	1,667	2.4%
$50,000-$74,999	4,791	5.3%	2,695	3.8%
$75,000-$99,999	4,978	5.5%	2,879	4.1%
$100,000-$149,999	6,995	7.8%	4,576	6.5%
$150,000-$249,999	9,332	10.4%	6,299	9.0%
$250,000-$499,999	13,317	14.8%	9,584	13.7%
$500,000-$999,999	11,136	12.4%	10,763	15.3%
$1,000,000 or greater	17,111	19.0%	21,154	30.2%
2020 PSA Median		**$204,773**		
2020 SSA Median		**$389,898**		
2020 PA Median		**$111,271**		
2020 US Median		**$ 96,701**		

Source: ESRI.

Housing

Homeownership is also a measure of economic position and stability. Homeownership within the PSA and SSA, based on 2020 ESRI estimates, was reported as 71.7 percent and 80.6 percent, respectively. Homeownership in the PSA and SSA is higher than PA and US percentages.

Table 13
Homeownership (Year 2020)

	Owner-Occupied Housing	Renter-Occupied Housing
PSA	71.7%	28.3%
SSA	80.6%	19.4%
PA	67.6%	32.4%
US	63.6%	36.4%

Source: ESRI.

Regulatory Environment

The Pennsylvania Department of Health (DOH) licenses and regulates hospitals under the Health Care Facilities Act. Hospitals are required to submit an annual Hospital Questionnaire to the DOH, pass on-site surveys, and submit quarterly reports to the Pennsylvania Health Care Cost Containment Council.

PTSF is the accrediting body for Trauma Care Centers in the Commonwealth of Pennsylvania. The final determination of Trauma Care Center accreditation status occurs at the annual PTSF Board deliberation meetings. Information collected from surveyors who conduct Trauma Care Center site surveys are reviewed by the PTSF Board of Directors. All site survey/accreditation information is blinded and a strict conflict of interest policy is enforced.

Competitive Hospital Providers

There are two acute care hospitals located in the PSA, in addition to the Hospital, and one acute care hospital located in the SSA. Management also identified three competitive acute care hospitals located outside of the PSA and SSA based on market share draw and similar service offerings.

Abington-Lansdale Hospital

Abington-Lansdale Hospital, located in the PSA, is part of the Jefferson Health system and is an acute care general hospital that includes a 24-hour emergency department, an 18-bed orthopedic and spine institute, a pain center, sleep center and wound care center. Other clinical programs include interventional radiology, physical rehabilitation, outpatient surgery, cardiology, ophthalmology, podiatry, oral surgery and a hernia repair program.

St. Luke's Upper Bucks Campus

St. Luke's Upper Bucks Campus, also located in the PSA, opened in Quakertown, Pennsylvania in December 2019. The new campus features an 80-bed acute care hospital and a state-of-the-art emergency department. St. Luke's Upper Bucks Campus is accredited as a Level 3 Trauma Care Center by the PTSF. Upon opening the St. Luke's Upper Bucks Campus, St. Luke's Health Network transferred many of the services previously offered at St. Luke's Quakertown Campus, including emergency, medical, surgical, and intensive care beds, to the St. Luke's Upper Bucks Campus. The St. Luke's Quakertown Campus is anticipated to undergo renovation, allowing for a greater emphasis on outpatient services.

Doylestown Hospital

Doylestown Hospital, located in the SSA, is an acute care hospital operated by Doylestown Health. The hospital is a comprehensive, community-focused healthcare facility offering heart and vascular care, maternity care, pediatric care, emergency medicine, critical care, cancer care, radiation oncology, interventional radiology, orthopedics, gastroenterology, pulmonology urology, rehabilitation and robotic surgery.

Abington Hospital

Abington Hospital is acute care hospital that is part of Jefferson Health and is a regional referral center for cancer care, cardiac care, orthopedic surgery, and neurosurgery. Abington Hospital is accredited as a Level 2 Trauma Care Center by the PTSF. It is also a teaching hospital and currently sponsors five residency programs. Abington Hospital became the first acute care hospital in the Philadelphia region to receive Magnet designation, one of the highest forms of recognition for nursing excellence.

Einstein Medical Center Montgomery

Einstein Medical Center Montgomery is an acute care hospital that is part of the Einstein Healthcare Network. Services offered include minimally invasive and robotic surgery, maternity care, intensivist services, cardiac care, emergency care, women's center, cancer care, orthopedics, bariatric surgery, diagnostic testing and physical and medical rehabilitation provided by MossRehab. The hospital has all private rooms.

Lehigh Valley Hospital-Cedar Crest

Lehigh Valley Hospital-Cedar Crest is Lehigh Valley Health Network's flagship acute care hospital, serving as the hub for many specialty services including cancer care, pediatric care, minimally invasive and open heart services and comprehensive burn care. The hospital also offers a dedicated inpatient rehabilitation center, specialty physician practices and a diagnostic care center. The hospital is accredited as a Level 1 Trauma Care Center by the PTSF.

Table 14
Competitive Hospitals Located Within and Outside the PSA and SSA

Hospital Name	Location	Distance From Grand View Hospital (in Miles)	2019 Licensed Beds[1]	2019 Staffed Beds[1]	2017 Occupancy[2]	2018 Occupancy[2]	2019 Occupancy[2]
Inside the PSA							
Grand View Hospital[3]	Sellersville	--	176	176	55%	53%	50%
Abington-Lansdale Hospital[4]	Lansdale	10.6	140	71	36%	40%	82%
St. Luke's Upper Bucks Campus[5][10]	Quakertown	7.2	59	59	73%	83%	69%
Total Beds			375	306			
Weighted Average Occupancy					51%	53%	61%
Inside the SSA							
Doylestown Hospital[6]	Doylestown	15.9	239	239	55%	60%	55%
Total Beds			239	239			
Weighted Average Occupancy					55%	60%	55%
Outside the PSA / SSA							
Abington Hospital[7]	Abington	22.8	667	574	69%	63%	68%
Einstein Medical Center Montgomery[8]	East Norriton	19.1	191	191	69%	73%	71%
Lehigh Valley Hospital-Cedar Crest[9]	Allentown	20.9	1,149	967	93%	78%	84%
Total Beds			2,007	1,732			
Weighted Average Occupancy					82%	72%	77%
Grand Totals							
Total Beds			2,621	2,277			
Weighted Average Occupancy					73%	68%	73%

Source: Management, Pennsylvania DOH and internet research.

Notes:

(1) Licensed and staffed beds derived from the January 1 to December 31, 2019 Annual Hospital Questionnaire (most recent data available).
(2) Occupancy percentages derived from the Annual Hospital Questionnaire for the applicable calendar year and do not consider newborn patient days. Staffed beds generally used in denominator to calculate occupancy percentages.
(3) Licensed beds were reduced to 169 in 2020. To calculate occupancy, 176 beds used as the denominator each year.
(4) To calculate occupancy, 140 beds used as the denominator in 2017 and 2018; 71 beds used as the denominator in 2019.
(5) To calculate occupancy, 57 beds used as the denominator in 2017 and 2018; 59 beds used as the denominator in 2019.
(6) To calculate occupancy, 230 beds used as the denominator in 2017; 217 beds used as the denominator in 2018; 239 beds used as the denominator in 2019.
(7) To calculate occupancy, 542 beds used as the denominator in 2017; 611 beds used as the denominator in 2018; 574 beds used as the denominator in 2019.
(8) To calculate occupancy, 171 beds used as the denominator in 2017 and 2018; 191 beds used as the denominator in 2019.
(9) To calculate occupancy, 813 beds used as the denominator in 2017; 1,000 beds used as the denominator in 2018; 967 beds used as the denominator in 2019.
(10) St. Luke's Upper Bucks Campus opened in Quakertown, Pennsylvania in December 2019. Upon opening, all emergency, medical, surgical, and intensive care beds were transferred from the St. Luke's Quakertown Campus to the new Upper Bucks Campus facility. Data reported through 2019, including bed counts and occupancy, reflect St. Luke's Quakertown Campus statistics.

Planned Hospital Activity

According to the Pennsylvania DOH, county planning departments, area hospitals and other internet research, the following planned hospital activity has been identified within the PSA, SSA, or at the competing hospitals:

- St. Luke's Quakertown Campus recently relocated most inpatient services, including emergency, medical, surgical, and intensive care beds to the new Upper Bucks campus that opened in December 2019. The St. Luke's Quakertown Campus is anticipated to undergo renovations, allowing for a greater emphasis on outpatient services, and an expansion of the inpatient behavioral health unit. The timeline of the Quakertown Campus renovations has been extended due to the current pandemic of the novel coronavirus (COVID-19) public health emergency; according to a hospital representative, they are hopeful for completion within a year (end of 2021).
- Doylestown Hospital has been constructing a multi-phased Cardiovascular and Critical Care Pavilion; upcoming expansions include an outpatient cardiac suite and a 32-bed universal room intensive care/intermediate unit. The surgical suite is also expanding, with construction beginning in September 2020.
- Lehigh Valley Hospital-Cedar Crest is expanding adult and children's emergency rooms with observation units; all plans are anticipated to be completed in 2021.

Market Share Analysis

The following tables present inpatient Market Share for the Corporation and the competitive hospitals as identified by management. Market Share is calculated based on the number of admissions at each hospital over the total admissions by individuals residing within the PSA or SSA. The Corporation's historical inpatient Market Share has ranged from 29.6 percent to 27.9 percent over the past three years in the PSA, and 4.0 percent to 4.3 percent over the past three years in the SSA.

Table 15
Inpatient Market Share – Admissions[(1)(2)]

	2017	2018	2019	Change 2017-2019
PSA				
Grand View Hospital	7,376	7,125	6,855	(521)
Abington-Lansdale Hospital	3,478	3,448	3,487	9
Doylestown Hospital	1,939	1,975	2,066	127
St. Luke's Upper Bucks Campus[(3)]	1,825	1,929	1,949	124
Abington Hospital	1,506	1,516	1,562	56
Lehigh Valley Hospital-Cedar Crest	1,422	1,400	1,371	(51)
Einstein Medical Center Montgomery	971	1,075	1,066	95
All Others	6,396	6,174	6,213	(183)
Total Admissions From The PSA	**24,913**	**24,642**	**24,569**	**(344)**
SSA				
Grand View Hospital	676	715	718	42
Abington-Lansdale Hospital	933	983	1,004	71
Doylestown Hospital	4,733	4,666	4,790	57
St. Luke's Upper Bucks Campus[(3)]	279	267	295	16
Abington Hospital	1,312	1,249	1,285	(27)
Lehigh Valley Hospital-Cedar Crest	1,047	1,090	1,130	83
Einstein Medical Center Montgomery	1,092	1,199	1,245	153
All Others	6,691	6,354	6,269	(422)
Total Admissions From The SSA	**16,763**	**16,523**	**16,736**	**(27)**
Total Service Area				
Grand View Hospital	8,052	7,840	7,573	(479)
Abington-Lansdale Hospital	4,411	4,431	4,491	80
Doylestown Hospital	6,672	6,641	6,856	184
St. Luke's Upper Bucks Campus[(3)]	2,104	2,196	2,244	140
Abington Hospital	2,818	2,765	2,847	29
Lehigh Valley Hospital-Cedar Crest	2,469	2,490	2,501	32
Einstein Medical Center Montgomery	2,063	2,274	2,311	248
All Others	13,087	12,528	12,482	(605)
Total Admissions From PSA and SSA	**41,676**	**41,165**	**41,305**	**(371)**

Source: Pennsylvania Health Care Cost Containment Council.

Notes:
(1) Inpatient market share data as provided by the Pennsylvania Health Care Cost Containment Council. Data is reported by calendar year and reflects admissions by individuals residing in the PSA or SSA.
(2) Inpatient admissions exclude newborns.
(3) The St. Luke's Upper Bucks Campus opened in Quakertown, Pennsylvania in December 2019. Upon opening, all emergency, medical, surgical and intensive care beds were transferred from St. Luke's Quakertown Campus to the new Upper Bucks facility. Data reported through 2019 reflects St. Luke's Quakertown Campus statistics.

Table 16
Inpatient Market Share – Percent of Total Admissions[1]

	2017	2018	2019	Change 2017-2019
PSA				
Grand View Hospital	29.6%	28.9%	27.9%	-1.7%
Abington-Lansdale Hospital	14.0%	14.0%	14.2%	0.2%
Doylestown Hospital	7.8%	8.0%	8.4%	0.6%
St. Luke's Upper Bucks Campus[2]	7.3%	7.8%	7.9%	0.6%
Abington Hospital	6.0%	6.2%	6.4%	0.4%
Lehigh Valley Hospital-Cedar Crest	5.7%	5.7%	5.6%	-0.1%
Einstein Medical Center Montgomery	3.9%	4.4%	4.3%	0.4%
All Others	25.7%	25.0%	25.3%	-0.4%
Totals	**100.0%**	**100.0%**	**100.0%**	
SSA				
Grand View Hospital	4.0%	4.3%	4.3%	0.3%
Abington-Lansdale Hospital	5.6%	6.0%	6.0%	0.4%
Doylestown Hospital	28.2%	28.2%	28.6%	0.4%
St. Luke's Upper Bucks Campus[2]	1.7%	1.6%	1.8%	0.1%
Abington Hospital	7.8%	7.6%	7.7%	-0.1%
Lehigh Valley Hospital-Cedar Crest	6.3%	6.6%	6.8%	0.5%
Einstein Medical Center Montgomery	6.5%	7.3%	7.4%	0.9%
All Others	39.9%	38.4%	37.4%	-2.5%
Totals	**100.0%**	**100.0%**	**100.0%**	
Total Service Area				
Grand View Hospital	19.3%	19.1%	18.3%	-1.0%
Abington-Lansdale Hospital	10.6%	10.8%	10.9%	0.3%
Doylestown Hospital	16.0%	16.1%	16.6%	0.6%
St. Luke's Upper Bucks Campus[2]	5.0%	5.3%	5.4%	0.4%
Abington Hospital	6.8%	6.7%	6.9%	0.1%
Lehigh Valley Hospital-Cedar Crest	5.9%	6.1%	6.1%	0.2%
Einstein Medical Center Montgomery	5.0%	5.5%	5.6%	0.6%
All Others	31.4%	30.4%	30.2%	-1.2%
Totals	**100.0%**	**100.0%**	**100.0%**	

Source: Pennsylvania Health Care Cost Containment Council.

Notes:
(1) Inpatient market share data as provided by the Pennsylvania Health Care Cost Containment Council. Data is reported by calendar year and reflects admissions by individuals residing in the PSA or SSA.
(2) The St. Luke's Upper Bucks Campus opened in Quakertown, Pennsylvania in December 2019. Upon opening, all emergency, medical, surgical and intensive care beds were transferred from the St. Luke's Quakertown Campus to the new Upper Bucks facility. Data reported through 2019 reflects St. Luke's Quakertown Campus statistics.

The Corporation's major inpatient service lines include cardiology (including interventional cardiology); general and vascular surgery; women and children's health (including maternity, Level 2 NICU, and pediatric units); oncology; orthopedics; and post-acute care services. Outpatient services provided at the Main Campus include diagnostic imaging, nuclear medicine, cardiac testing, laboratory, rehabilitation services, interventional cardiology, and vascular procedures.

The following table presents inpatient Market Share for the Corporation within the PSA and SSA for the key service lines.

The Corporation saw an improvement in orthopedic surgery market share in 2019, after a decline in 2018. In June 2018, the Hospital purchased Upper Bucks Orthopedics. The Corporation initiated several investment initiatives as a result of the purchase, including new, updated office space at the Sellersville Outpatient Center, the recent construction of the Grand View Health Orthopedic Center, the purchase of a Mako orthopedic surgical robot, and the addition of physicians.

Table 17
Grand View Hospital Inpatient Market Share by Key Service Line[1]

	2017		2018		2019	
	Admissions	Market Share	Admissions	Market Share	Admissions	Market Share
PSA						
Cardiac and Vascular						
Cardiology[2]	778	30.1%	727	27.7%	714	27.8%
Vascular – Medical	20	20.2%	32	28.6%	26	25.5%
Vascular – Surgical	72	27.6%	63	21.6%	57	19.7%
Oncology						
Medical	95	19.3%	95	20.8%	89	17.9%
Surgical	14	6.1%	11	4.8%	7	3.2%
Orthopedics						
Medical	180	40.5%	148	37.6%	161	37.0%
Surgical	552	28.3%	495	27.3%	593	30.8%
General Surgery	239	28.4%	255	28.8%	189	24.8%
Women's and Children's						
Gynecology	39	27.9%	17	15.6%	22	21.0%
Neonate	426	43.9%	396	39.3%	368	36.6%
Obstetrics	988	41.6%	939	39.9%	861	38.4%
SSA						
Cardiac and Vascular						
Cardiology[2]	53	3.2%	60	3.5%	61	3.5%
Vascular – Medical	6	8.2%	2	2.9%	3	4.2%
Vascular – Surgical	10	4.5%	10	5.0%	6	2.8%
Oncology						
Medical	8	2.2%	3	0.9%	11	3.1%
Surgical	0	0.0%	0	0.0%	3	1.6%
Orthopedics						
Medical	18	6.9%	12	4.2%	14	4.7%
Surgical	43	2.8%	52	3.9%	70	5.1%
General Surgery	26	4.4%	24	4.9%	24	5.1%
Women's and Children's						
Gynecology	3	3.1%	3	3.0%	1	1.3%
Neonate	62	11.3%	61	9.9%	49	7.6%
Obstetrics	137	9.1%	134	9.1%	127	8.6%

Source: Pennsylvania Health Care Cost Containment Council.

Notes:
(1) Inpatient market share data as provided by the Pennsylvania Health Care Cost Containment Council. Data is reported by calendar year and reflects admissions by individuals residing in the PSA or SSA.
(2) Data includes DRG service lines of electrophysiology, interventional, and medical.

Physician Survey

The Corporation conducted an online survey with physicians employed or affiliated with the organization to assess their perceptions of the Corporation's services, facilities, and market performance. A total of 26 physicians completed the survey out of the 35 invited to participate. The physicians represented the Corporation's medical staff leadership, key service lines, new providers, and/or large area practices. The following table presents a breakdown of select participant demographics.

The largest proportion of respondents had admitting privileges at the Hospital (57.7%) and had been affiliated with the Corporation for more than ten years (69.2%). Respondents were predominantly between the ages of 46 and 65 (80.8%) and were male (69.2%). Respondents represented diverse medical specialties, including 15 practice areas.

Table 18
Physician Survey Respondent Demographics

	Count	Percent
Employment Status		
Physician employed by the Corporation	11	42.3%
Physician with admitting privileges at the Hospital	15	57.7%
Length of Affiliation with the Corporation		
Less than 1 year	3	11.5%
1-3 years	3	11.5%
4-5 years	1	3.9%
6-10 years	1	3.9%
More than 10 years	18	69.2%
Age		
35 or under	0	0.0%
36-45	4	15.4%
46-55	11	42.3%
56-65	10	38.5%
66 or older	1	3.8%
Gender		
Female	8	30.8%
Male	18	69.2%
Specialty Practice		
Bariatrics	1	3.8%
Cardiology	1	3.8%
Critical care	1	3.8%
Emergency medicine	2	7.7%
Family medicine	5	19.6%
General surgery	2	7.7%
Hospital medicine	2	7.7%
Neurology	2	7.7%
Obstetrics	1	3.8%
Orthopedics	2	7.7%
Otolaryngology	1	3.8%
Pediatrics	3	11.5%
Podiatry	1	3.8%
Pulmonary medicine	1	3.8%
Radiology	1	3.8%

Source: 2020 Grand View Health Physician Perception Survey.

A summary of key findings from the survey is included below:

- Approximately 76.9% (n=20) of respondents agreed or strongly agreed that the new patient pavilion to be constructed by the Corporation improves their perception of the Corporation's services and facilities. Approximately 96.2% (n=25) of respondents agreed or strongly agreed that the patient pavilion will improve the region's access to high-quality, affordable healthcare, and 80.8% (n=21) agreed or strongly agreed that it will address healthcare service delivery gaps in the region.
- Approximately 26.9% (n=7) of respondents indicated that they plan to admit more patients to the Hospital as a result of the new patient pavilion. Among these individuals, 42.9% (n=3) projected an annual increase in admissions of 5-10% and 57.1% (n=4) projected an annual increase of more than 10%. Three-quarters (65.4%, n=17) of respondents were unsure if the new patient pavilion would increase their patient admissions, and 7.7% (n=2) indicated the new pavilion would not increase their admissions. Note: Of the surveyed physicians, 19 (73%) are either employed by the Corporation or work exclusively with the Corporation. The Corporation anticipates that higher market share as a result of the new patient pavilion will naturally increase admissions among surveyed physicians.
- Approximately 19.2% (n=5) of respondents indicated that they plan to increase the number of outpatient or operating procedures that they perform at the Corporation's facilities as a result of the new patient pavilion. Among these individuals, 16.7% (n=1) projected an annual increase in procedures of less than 5%; 50.0% (n=3) projected an annual increase of 5-10%; and 33.3% (n=2) projected an annual increase of more than 10%. Approximately 61.5% (n=16) of respondents were unsure if the new patient pavilion would increase their outpatient volumes at the Corporation's facilities, and 19.2% (n=5) indicated the new pavilion would not increase their outpatient volume. Note: The majority of surveyed physicians do not perform outpatient procedures directly, referring to satellite locations. The Corporation anticipates that higher overall market share as a result of the new patient pavilion will naturally increase outpatient referrals among surveyed physicians.
- Open-ended comments by respondents indicated that the new patient pavilion and addition of trauma services may increase admissions to the Hospital for pediatric and rehab patients, while addressing a need for local trauma care. Admissions may also increase with the addition of new specialty practices and higher acuity patient offerings. Several respondents indicated that the pavilion is likely to improve patient experience, and allow the Corporation to better compete with regional acute care providers.
- Approximately 80.8% (n=21) of respondents agreed or strongly agreed that there is a need for local trauma care in the Corporation's service area, and 84.6% (n=22) of respondents agreed or strongly agreed that the addition of a Level 2 Trauma Care Center will greatly improve access and timely delivery of trauma care. Approximately 84.6% (n=22) of respondents agreed or strongly agreed that the Main Campus is well positioned geographically to provide trauma care services, and 69.2% (n=18) agreed or strongly agreed that the Corporation is well positioned as an organization (e.g. specialty physician providers, leadership).
- Open-ended comments by respondents indicated that the addition of a Level 2 Trauma Care Center on the Main Campus will positively impact the system's competitive edge in the region, as well as increase exposure to other service lines, resulting in increased inpatient volumes, expanded service offerings and greater market draw. Respondents shared that the success of the trauma service line will hinge in part on adequate staffing (e.g. training, availability).
- When asked if they would recommend the Corporation to other physicians, all answering respondents (n=25) selected "Yes."

- Approximately 76.0% (n=19) of respondents rated the overall quality of care provided by the Corporation as above average compared to other regional acute care providers, and 24% (n=5) rated it as average. The quality of existing facilities was rated as above average by 24.0% (n=6) of respondents, average by 52.0% (n=13) respondents and below average by 20.0% (n=5) of respondents. The quality of medical equipment or devices was rated as above average by 36.0% (n=9) of respondents, average by 56.0% (n=14) of respondents and below average by 4.0% (n=1) of respondents. Available clinical services was rated as above average by 44.0% (n=11) of respondents and average by 52.0% (n=13) of respondents. One individual (4.0%) selected “N/A” or “not applicable” for each of these four measures.
- Approximately 92.0% (n=23) of respondents rated their overall satisfaction with the Corporation as good or excellent. The majority of respondents also rated the Corporation’s facilities and services as good or excellent: facility that is clean and well-maintained (84.0%, n=21); equipment that is available and functioning (80.0%, n=20); efficiency of admission process (76.0%, n=19); scope of support services offered (76.0%, n=19); timely and coordinated discharge planning (72.0%, n=18); availability of beds for emergency admissions (68.0%, n=17); ability to schedule surgeries, procedures, tests, and special orders within a reasonable time (64.0%, n=16); and timeliness and accuracy of medical record service (64.0%, n=16).
- When asked what the Corporation’s top strengths or market differentiators are in comparison to other regional acute care providers, respondents indicated community and patient focused care, dedicated and caring staff, strong relationships and communication among staff and providers, organizational culture, strategic plans for growth and expansion, alignment with Penn Medicine and geographical location, among other items.
- When asked what the Corporation’s top challenges or weaknesses are as an acute care provider in the region, respondents indicated lack of affiliation with a reputable, more resourced system, aging facilities, limited surgical and sub-specialty service offerings (e.g., advanced oncology and cardiovascular care), history of outsourcing higher acuity or complex patient population, market share competition, quality of inpatient hospitalist services, staffing, and lack of “stand out” service lines, among others.

Summary of Market Analysis

The future utilization of the Corporation’s services depends on various factors, including:

- Certain economic and demographic factors within the PSA and SSA which could affect the future utilization of the Corporation’s services and availability of physician and other staffing;
- Management’s ability to effectively market and promote the benefits of the Corporation’s services over the services offered at the competitive providers and the ability to distinguish itself from the variety of healthcare options available in the local marketplace;
- Maintaining and strengthening relationships with local referral sources, including local physicians, skilled nursing facilities, and other preferred healthcare providers;
- Reporting high quality of care outcomes, initiating best practices ,and responding to the changing demands of the marketplace;
- Management’s ability to provide an attractive, competitive, patient care environment allowing the Corporation to effectively compete against the comparable existing providers within the PSA and SSA;
- The future effects of COVID-19 on the Corporation’s operations;
- The Corporation’s success at securing its Level 2 Trauma Care Center accreditation in October 2021; and
- Management’s ability to effectively manage and execute the Project, and leverage the results of the Project to achieve higher volumes of inpatient and outpatient services.

Utilization

The historical and forecasted utilization for the Corporation's inpatient beds is presented in the following tables:

Table 19
Utilization Summary[1]

	Average Beds	Average Occupied Beds	Total Average % Occupancy	Discharges[1]	Average Length of Stay	Patient Days[1]
Historical:						
2018	176	100	57%	9,328	3.9	36,383
2019	176	94	53%	8,973	3.8	34,289
2020	169	90	53%	8,158	4.0	32,874
Forecasted:						
2021[2]	169	93	55%	8,367	4.0	33,783
2022	169	106	63%	9,583	4.1	38,856
2023	169	111	66%	9,958	4.1	40,409
2024[3]	169	113	67%	10,163	4.1	41,238
2025	169	115	68%	10,374	4.1	42,090

Source: Management.

Notes:
(1) Includes newborns.
(2) Year-to-date occupancy through November 30, 2020 approximated 51 percent.
(3) The Project is forecasted to be completed and placed in service on July 1, 2023.

Table 20
Utilization Details

	Hospital, Excluding Other Strategic Initiatives			Other Strategic Initiatives: Level 2 Trauma Care Center			Other Strategic Initiatives: Cardiac Catheterization Lab Expansion		
	Discharges[1]	Average Length of Stay	Patient Days[1]	Discharges	Average Length of Stay	Patient Days	Discharges[2]	Average Length of Stay	Patient Days[2]
Historical:									
2018	9,328	3.9	36,383	-	-	-	-	-	-
2019	8,973	3.8	34,289	-	-	-	-	-	-
2020	8,158	4.0	32,874	-	-	-	-	-	-
Forecasted:									
2021	8,117	4.0	32,710	200	4.4	887	50	3.7	187
2022	8,888	4.0	35,817	635	4.4	2,815	60	3.7	224
2023	9,066	4.0	36,533	822	4.4	3,615	70	3.7	261
2024	9,247	4.0	37,264	836	4.4	3,676	80	3.7	298
2025	9,432	4.0	38,009	852	4.4	3,745	90	3.7	336

Source: Management.

Note:
(1) Includes newborns.
(2) Discharges and patient days for the Cardiac Catheterization Lab Expansion represent the incremental increase, above and beyond Fiscal 2020, in discharges and patient days forecasted as a result of the expansion of the operations of the Corporation's cardiac catheterization lab to 24 hours a day, 7 days a week.

Patient Service Revenues

Patient service revenues are primarily generated from fees received from patients and third-party payors for various healthcare related services, primarily inpatient, outpatient, physician, and home health and hospice services. Patient service revenues have been forecasted based upon historical operating experience and anticipated changes as a result of the Project and the Other Strategic Initiatives.

Agreements with third-party payors typically provide for payments at amounts less than established charges. A summary of payment arrangements with major third-party payors follows:

- **Medicare:** Inpatient, outpatient, physician, home health, and hospice services rendered to Medicare program beneficiaries are paid at prospectively determined rates. These rates vary according to patient classification systems that are based on clinical, diagnostic, and other factors.

- **Medicaid:** Inpatient services rendered to Medicaid program beneficiaries are paid at prospectively determined rates per discharge based on severity of illness. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. Outpatient services are paid based on a published fee schedule.

- **Other:** The Corporation has also entered into payment arrangements with certain managed care and commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment under these agreements includes prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates.

Generally, patients who are covered by third-party payors are responsible for related deductibles and coinsurance, which vary in amount. The Corporation also provides services to uninsured patients, and offers those uninsured or underinsured patients a discount, either by policy or law, from standard charges.

Consistent with the Corporation’s mission, care is provided to patients regardless of their ability to pay.

The Health System's historical and forecasted patient service revenues are summarized in the following table:

Table 21
Patient Service Revenues
(in thousands of dollars)

	Historical			Forecasted				
	2018	2019	2020	2021	2022	2023	2024	2025
Inpatient[1]	$ 78,400	$ 75,180	$ 76,057	$ 79,721	$ 89,256	$ 93,100	$ 97,086	$ 101,236
Outpatient[1]	70,902	69,970	65,865	71,595	77,284	81,486	85,922	90,583
Total	149,302	145,150	141,922	151,316	166,540	174,586	183,008	191,819
Amounts paid to other healthcare providers[2]	(3,680)	(3,733)	(3,269)	(3,702)	(4,075)	(4,272)	(4,478)	(4,693)
Pay for Performance Incentives[3]	989	1,961	2,315	1,000	1,000	1,000	1,000	1,000
Capitation payments[4]	892	704	704	700	700	700	700	700
Prior year settlements	318	925	2,388	2,061	-	-	-	-
Other Patient Service Revenues:								
Physician related revenues[5][6]	20,211	26,690	25,626	26,587	27,309	27,866	28,434	29,015
Home Health and Hospice	14,414	14,299	13,822	14,099	14,381	14,669	14,962	15,261
Durable medical equipment	2,433	2,889	3,043	3,104	3,166	3,229	3,294	3,360
Emergency transportation	1,373	1,414	1,437	1,466	1,495	1,525	1,556	1,587
Grand View Urgent Care, LLC	1,846	2,542	1,885	1,923	1,961	2,000	2,040	2,081
Grand View Healthcare Partnership	258	844	487	497	507	517	527	538
Other	868			-	-	-	-	-
Total	41,403	48,678	46,300	47,676	48,819	49,806	50,813	51,842
Other Strategic Initiatives Patient Service Revenues:[7]								
Level 2 Trauma Care Center	-	-	-	3,783	12,310	16,158	16,776	17,417
Cardiac Catheterization Lab Expansion	-	-	-	1,099	1,335	1,581	1,835	2,100
Grand View Health Orthopedic Center	-	-	-	1,381	1,656	1,947	2,241	2,520
Dublin Outpatient Center	-	-	-	233	1,029	1,127	1,228	1,330
Total	-	-	-	6,496	16,330	20,813	22,080	23,367
Patient service revenues	$ 189,224	$ 193,685	$ 190,360	$ 205,547	$ 229,314	$ 242,633	$ 253,123	$ 264,035

Source: Management.

Notes:

(1) See Tables 22 through 31 for additional information related to inpatient and outpatient revenues.
(2) Amounts are included in inpatient and outpatient revenue amounts and represent payments required to be made to other healthcare providers as part of contractual arrangements (e.g., bundled payments). Amounts have been forecasted based upon historical operating experience and future expectations. Forecasted amounts approximate 2.45 percent of inpatient and outpatient revenues each year during the forecast period.
(3) In Fiscal 2018 through 2020, the Corporation received pay for performance incentive payments from two commercial payors. The pay for performance arrangement with one of these commercial payors expired at the end of Fiscal 2020. Therefore, amounts have been forecasted based upon historical operating experience with the remaining commercial payor and future expectations.
(4) Amounts have been forecasted based upon historical operating experience and future expectations.
(5) Includes primary care and specialty physician offices, Hospital-based physician / mid-level departments (e.g., hospitalists, infectious disease), Aldefer & Travis Cardiology, Grand View Surgical Associates, and Upper Bucks Orthopedics.
(6) In June 2018, the Corporation acquired Upper Bucks Orthopedics, which is operating as a component of GVMP. This acquisition was the primary reason for the increase in revenues in Fiscal 2019, as compared to Fiscal 2018.
(7) See Tables 32 through 35 for additional information related to the Other Strategic Initiatives patient service revenues.

Inpatient and Outpatient Revenues

Inpatient and Outpatient Revenues by Payor

The historical and forecasted inpatient and outpatient revenues by payor are presented in the following table:

Table 22
Inpatient and Outpatient Revenues by Payor(1)
(in thousands of dollars)

	Historical			Forecasted				
	2018	2019	2020	2021	2022	2023	2024	2025
Inpatient:								
Medicare	$ 30,383	$ 29,155	$ 28,675	$ 30,527	$ 34,099	$ 35,478	$ 36,911	$ 38,401
Medicare Managed Care	10,104	9,524	9,995	10,296	11,491	11,953	12,448	12,940
Medicare Advantage	1,791	1,376	1,478	1,521	1,697	1,766	1,837	1,910
Medicaid	3,899	4,343	4,537	4,672	5,223	5,431	5,646	5,878
Commercial Plan A	11,708	11,164	11,646	12,339	13,919	14,620	15,362	16,135
Commercial Plan B	6,877	7,251	7,246	7,349	8,209	8,549	8,888	9,250
Other	13,638	12,367	12,480	13,017	14,618	15,303	15,994	16,722
Total	$ 78,400	$ 75,180	$ 76,057	$ 79,721	$ 89,256	$ 93,100	$ 97,086	$ 101,236
Outpatient:								
Medicare	$ 20,334	$ 18,964	$ 17,736	$ 19,109	$ 20,542	$ 21,608	$ 22,720	$ 23,880
Medicare Managed Care	5,537	5,577	5,216	5,611	6,039	6,343	6,666	7,002
Medicare Advantage	839	942	942	1,014	1,091	1,146	1,203	1,263
Medicaid	1,852	2,016	2,111	2,270	2,443	2,567	2,698	2,836
Commercial Plan A	14,795	14,687	14,836	16,445	17,876	18,955	20,109	21,342
Commercial Plan B	10,756	11,867	9,384	10,097	10,861	11,415	11,993	12,595
Other	16,789	15,917	15,640	17,049	18,432	19,452	20,533	21,665
Total	$ 70,902	$ 69,970	$ 65,865	$ 71,595	$ 77,284	$ 81,486	$ 85,922	$ 90,583
Inpatient and Outpatient:								
Medicare	$ 50,717	$ 48,119	$ 46,411	$ 49,636	$ 54,641	$ 57,086	$ 59,631	$ 62,281
Medicare Managed Care	15,641	15,101	15,211	15,907	17,530	18,296	19,114	19,942
Medicare Advantage	2,630	2,318	2,420	2,535	2,788	2,912	3,040	3,173
Medicaid	5,751	6,359	6,648	6,942	7,666	7,998	8,344	8,714
Commercial Plan A	26,503	25,851	26,482	28,784	31,795	33,575	35,471	37,477
Commercial Plan B	17,633	19,118	16,630	17,446	19,070	19,964	20,881	21,845
Other	30,427	28,284	28,120	30,066	33,050	34,755	36,527	38,387
Total	$ 149,302	$ 145,150	$ 141,922	$ 151,316	$ 166,540	$ 174,586	$ 183,008	$ 191,819
Inpatient and Outpatient:								
Medicare	34.0%	33.2%	32.7%	32.8%	32.8%	32.7%	32.6%	32.5%
Medicare Managed Care	10.5%	10.4%	10.7%	10.5%	10.5%	10.5%	10.4%	10.4%
Medicare Advantage	1.8%	1.6%	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%
Medicaid	3.9%	4.4%	4.7%	4.6%	4.6%	4.6%	4.6%	4.5%
Commercial Plan A	17.8%	17.8%	18.7%	19.0%	19.1%	19.2%	19.4%	19.5%
Commercial Plan B	11.8%	13.2%	11.7%	11.5%	11.5%	11.4%	11.4%	11.4%
Other	20.2%	19.4%	19.8%	19.9%	19.8%	19.9%	19.9%	20.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Management.

Note:
(1) Excludes revenues related to Other Strategic Initiatives, which include the Level 2 Trauma Care Center, Cardiac Catheterization Lab Expansion, Grand View Health Orthopedic Center, and Dublin Outpatient Center.

Inpatient Discharges by Clinical Classification

The historical and forecasted inpatient discharges by clinical classification are presented in the following table:

Table 23
Inpatient Discharges by Clinical Classification[1]

	Historical			Forecasted				
	2018	2019	2020[2]	2021[3]	2022	2023	2024	2025
Medical-Surgical	5,501	5,354	4,765	4,748	5,199	5,304	5,409	5,518
ICU	573	509	688	682	747	762	777	792
Rehabilitation	358	343	347	341	373	381	388	396
Pediatrics	501	467	346	341	373	381	388	396
Maternity	1,213	1,168	1,022	1,015	1,111	1,133	1,156	1,179
NICU	54	56	46	49	53	54	55	57
Newborn	1,128	1,076	944	941	1,032	1,051	1,074	1,094
Total	9,328	8,973	8,158	8,117	8,888	9,066	9,247	9,432
Medical-Surgical	59.0%	59.5%	58.5%	58.5%	58.5%	58.5%	58.5%	58.5%
ICU	6.1%	5.7%	8.4%	8.4%	8.4%	8.4%	8.4%	8.4%
Rehabilitation	3.8%	3.8%	4.2%	4.2%	4.2%	4.2%	4.2%	4.2%
Pediatrics	5.4%	5.2%	4.2%	4.2%	4.2%	4.2%	4.2%	4.2%
Maternity	13.0%	13.1%	12.5%	12.5%	12.5%	12.5%	12.5%	12.5%
NICU	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%
Newborn	12.1%	12.1%	11.6%	11.6%	11.6%	11.6%	11.6%	11.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Management.

Notes:
(1) Includes newborns and excludes inpatient discharges related to Other Strategic Initiatives, which include the Level 2 Trauma Care Center and Cardiac Catheterization Lab Expansion.
(2) For the period July 1, 2019 through March 31, 2020 (considered by Management to be the pre-COVID-19 period), inpatient discharges were 6,508. Annualized, this volume of discharges would have resulted in 8,662 inpatient discharges for Fiscal 2020 (as compared to the actual inpatient discharges for Fiscal 2020 of 8,158). Management believes the decrease in inpatient volumes during the last three months of Fiscal 2020 was primarily attributable to COVID-19.
(3) For the period July 1, 2020 through November 30, 2020, inpatient discharges approximated 3,300.

Inpatient Discharges by Payor

The historical and forecasted inpatient discharges by payor are presented in the following table:

Table 24
Inpatient Discharges by Payor[(1)]

	Historical			Forecasted				
	2018	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Medicare	3,050	2,915	2,568	2,555	2,798	2,854	2,911	2,969
Medicare Managed Care	1,075	1,054	1,067	1,062	1,162	1,185	1,210	1,233
Medicare Advantage	216	181	182	181	198	202	206	210
Medicaid	1,128	1,159	986	981	1,075	1,096	1,117	1,140
Commercial Plan A	1,338	1,187	1,161	1,155	1,265	1,290	1,316	1,342
Commercial Plan B	803	817	698	694	760	776	791	807
Other	1,718	1,660	1,496	1,489	1,630	1,663	1,696	1,731
Total	9,328	8,973	8,158	8,117	8,888	9,066	9,247	9,432
Medicare	32.7%	32.5%	31.5%	31.5%	31.5%	31.5%	31.5%	31.5%
Medicare Managed Care	11.5%	11.7%	13.1%	13.1%	13.1%	13.1%	13.1%	13.1%
Medicare Advantage	2.3%	2.0%	2.2%	2.2%	2.2%	2.2%	2.2%	2.2%
Medicaid	12.1%	12.9%	12.1%	12.1%	12.1%	12.1%	12.1%	12.1%
Commercial Plan A	14.3%	13.2%	14.2%	14.2%	14.2%	14.2%	14.2%	14.2%
Commercial Plan B	8.6%	9.1%	8.6%	8.5%	8.6%	8.6%	8.6%	8.6%
Other	18.5%	18.6%	18.3%	18.4%	18.3%	18.3%	18.3%	18.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Management.

Note:
(1) Includes newborns and excludes inpatient discharges related to Other Strategic Initiatives, which include the Level 2 Trauma Care Center and Cardiac Catheterization Lab Expansion.

Forecasted Change in Inpatient Discharges

The forecasted change in inpatient discharges is attributable to the factors outlined in the following table:

Table 25
Forecasted Change in Inpatient Discharges[1]

	2021	2022	2023	2024	2025
Population growth[2]	1.5 %	1.5 %	1.5 %	1.5 %	1.5 %
Market share[3]	0.0 %	0.5 %	1.0 %	1.0 %	1.0 %
Utilization shift–Inpatient to Outpatient	-0.5 %	-0.5 %	-0.5 %	-0.5 %	-0.5 %
Other[4]	-1.5 %	8.0 %	0.0 %	0.0 %	0.0 %
Total	-0.5 %	9.5 %	2.0 %	2.0 %	2.0 %

Source: Management.

Notes:
(1) Excludes changes in inpatient discharges related to Other Strategic Initiatives, which include the Level 2 Trauma Care Center and Cardiac Catheterization Lab Expansion.
(2) Management considered the projected growth in the senior population (age 65 or over) in the PSA and SSA between 2020 and 2025 to arrive at the population growth assumption each year during the forecast period. Approximately 47.0 percent of the Corporation's inpatient volumes are forecasted to be related to Medicare program beneficiaries each year during the forecast period. The growth in the senior population in the PSA and SSA is projected to be 18.0 percent and 20.0 percent, respectively, between 2020 and 2025.
(3) Management assumed that the execution of the Project and the Corporation's Other Strategic Initiatives will result in an increase in market share in Fiscal 2022 through 2025.
(4) The other category primarily includes the impact of COVID-19. Management assumed that the impact of COVID-19 would result in a decrease in inpatient discharges in Fiscal 2021. Management also assumed that the Corporation's inpatient operations will stabilize in Fiscal 2022 as it relates to COVID-19 and, as a result, the Corporation's inpatient discharges will revert back to pre-COVID-19 volumes.

Inpatient Average Rates per Discharge by Payor

The historical and forecasted inpatient average rates per discharge by payor are presented in the following table:

Table 26
Inpatient Average Rates per Discharge by Payor[1]

	Historical			Forecasted				
	2018	2019	2020	2021	2022	2023	2024	2025
Medicare	$ 9,962	$ 10,002	$ 11,166	$ 11,948	$ 12,187	$ 12,431	$ 12,680	$ 12,934
Medicare Managed Care	9,399	9,036	9,367	9,695	9,889	10,087	10,288	10,495
Medicare Advantage	8,292	7,602	8,121	8,403	8,571	8,743	8,917	9,095
Medicaid	3,457	3,747	4,601	4,762	4,859	4,955	5,055	5,156
Commercial Plan A	8,750	9,405	10,031	10,683	11,003	11,333	11,673	12,023
Commercial Plan B	8,564	8,875	10,381	10,589	10,801	11,017	11,236	11,462
Other	7,938	7,450	8,342	8,742	8,968	9,202	9,430	9,660
Total weighted average rate	8,405	8,378	9,323	9,821	10,042	10,269	10,499	10,733

Source: Management.

Note:
(1) Does not include consideration of inpatient average rates per discharge related to Other Strategic Initiatives, which include the Level 2 Trauma Care Center and Cardiac Catheterization Lab Expansion.

Outpatient Claims by Type

The historical and forecasted outpatient claims by type are presented in the following table:

Table 27
Outpatient Claims by Type[1]

	Historical			Forecasted				
	2018	2019	2020[2]	2021[3]	2022	2023	2024	2025
Clinical[4]	112,808	112,770	103,690	109,449	115,469	118,933	122,502	126,177
Emergency Department	25,004	24,062	20,453	21,606	22,794	23,478	24,182	24,908
Observation	821	789	878	995	1,050	1,081	1,114	1,147
Recurring[5]	3,686	3,937	3,331	3,554	3,749	3,861	3,977	4,097
Referred	461	631	748	853	900	927	955	983
Surgical Day Care, primarily Short Procedure Unit	8,085	6,786	5,632	5,685	5,998	6,179	6,363	6,554
Total	150,865	148,975	134,732	142,142	149,960	154,459	159,093	163,866
Clinical	74.8%	75.7%	77.0%	77.0%	77.0%	77.0%	77.0%	77.0%
Emergency Department	16.6%	16.2%	15.2%	15.2%	15.2%	15.2%	15.2%	15.2%
Observation	0.5%	0.5%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%
Recurring	2.4%	2.6%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Referred	0.3%	0.4%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%
Surgical Day Care, primarily Short Procedure Unit	5.4%	4.6%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Management.

Notes:
(1) Excludes outpatient claims related to Other Strategic Initiatives, which include the Level 2 Trauma Care Center, Cardiac Catheterization Lab Expansion, Grand View Health Orthopedic Center, and Dublin Outpatient Center.
(2) For the period July 1, 2019 through March 31, 2020 (considered by Management to be the pre-COVID-19 period), outpatient claims were 111,594. Annualized, this volume of claims would have resulted in 148,521 outpatient claims for Fiscal 2020 (as compared to the actual outpatient claims for Fiscal 2020 of 134,732). Management believes the decrease in outpatient volumes during the last three months of Fiscal 2020 was primarily attributable to COVID-19.
(3) For the period July 1, 2020 through November 30, 2020, outpatient claims approximated 60,000.
(4) Clinical category primarily includes laboratory, diagnostic imaging, and cardiac testing services.
(5) Recurring category primarily includes physical and occupational therapy, radiation oncology, and wound care.

Outpatient Claims by Payor

The historical and forecasted outpatient claims by payor are presented in the following table:

Table 28
Outpatient Claims by Payor[(1)]

	Historical			Forecasted				
	2018	2019	2020	2021	2022	2023	2024	2025
Medicare	55,447	54,167	49,085	51,785	54,633	56,272	57,960	59,699
Medicare Managed Care	9,712	10,043	9,612	10,141	10,698	11,020	11,350	11,690
Medicare Advantage	2,152	2,331	2,409	2,541	2,681	2,762	2,845	2,930
Medicaid	11,166	11,015	9,285	9,795	10,335	10,645	10,964	11,293
Commercial Plan A	25,674	24,935	22,526	23,765	25,072	25,824	26,599	27,397
Commercial Plan B	14,468	15,031	12,462	13,147	13,871	14,287	14,715	15,157
Other	32,246	31,453	29,353	30,968	32,670	33,649	34,660	35,700
Total	150,865	148,975	134,732	142,142	149,960	154,459	159,093	163,866
Medicare	36.8%	36.4%	36.4%	36.4%	36.4%	36.4%	36.4%	36.4%
Medicare Managed Care	6.4%	6.7%	7.1%	7.1%	7.1%	7.1%	7.1%	7.1%
Medicare Advantage	1.4%	1.6%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%
Medicaid	7.4%	7.4%	6.9%	6.9%	6.9%	6.9%	6.9%	6.9%
Commercial Plan A	17.0%	16.7%	16.7%	16.7%	16.7%	16.7%	16.7%	16.7%
Commercial Plan B	9.6%	10.1%	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%
Other	21.4%	21.1%	21.9%	21.9%	21.9%	21.9%	21.9%	21.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Management.

Note:
(1) Excludes outpatient claims related to Other Strategic Initiatives, which include the Level 2 Trauma Care Center, Cardiac Catheterization Lab Expansion, Grand View Health Orthopedic Center, and Dublin Outpatient Center.

Forecasted Growth in Outpatient Claims

The forecasted growth in outpatient claims is attributable to the factors outlined in the following table:

Table 29
Forecasted Growth in Outpatient Claims[1]

	2021	2022	2023	2024	2025
Population growth[2]	1.5 %	1.5 %	1.5 %	1.5 %	1.5 %
Market share[3]	0.0 %	0.5 %	1.0 %	1.0 %	1.0 %
Utilization shift–Inpatient to Outpatient	0.5 %	0.5 %	0.5 %	0.5 %	0.5 %
Other[4]	3.5 %	3.0 %	0.0 %	0.0 %	0.0 %
Total	5.5 %	5.5 %	3.0 %	3.0 %	3.0 %

Source: Management.

Notes:
(1) Excludes changes in outpatient claims related to Other Strategic Initiatives, which include the Level 2 Trauma Care Center, Cardiac Catheterization Lab Expansion, Grand View Health Orthopedic Center, and Dublin Outpatient Center.
(2) Management considered the projected growth in the senior population (age 65 or over) in the PSA and SSA between 2020 and 2025 to arrive at the population growth assumption each year during the forecast period. Approximately 45.0 percent of the Corporation's outpatient claims are forecasted to be related to Medicare program beneficiaries each year during the forecast period. The growth in the senior population in the PSA and SSA is projected to be 18.0 percent and 20.0 percent, respectively, between 2020 and 2025.
(3) Management assumed that the execution of the Project and the Corporation's Other Strategic Initiatives will result in an increase in market share in Fiscal 2022 through 2025.
(4) The other category primarily includes the impact of COVID-19. Management assumed that the impact of COVID-19 would result in an increase in outpatient claims in Fiscal 2021. Management also assumed that the Corporation's outpatient operations will stabilize in Fiscal 2022 as it relates to COVID-19 and, as a result, the Corporation's outpatient claims will revert back to pre-COVID-19 volumes.

Outpatient Average Rates per Claim by Payor

The historical and forecasted outpatient average rates per claim by payor are presented in the following table:

Table 30
Outpatient Average Rates per Claim by Payor[1]

	Historical			Forecasted				
	2018	2019	2020	2021	2022	2023	2024	2025
Medicare	$ 367	$ 350	$ 361	$ 369	$ 376	$ 384	$ 392	$ 400
Medicare Managed Care	570	555	543	553	564	576	587	599
Medicare Advantage	390	404	391	399	407	415	423	431
Medicaid	166	183	227	232	236	241	246	251
Commercial Plan A	576	589	659	692	713	734	756	779
Commercial Plan B	743	790	753	768	783	799	815	831
Other	521	506	533	551	564	578	592	607
Total weighted average rate	470	470	489	504	515	528	540	553

Source: Management.

Note:
(1) Does not include consideration of outpatient average rates per claim related to Other Strategic Initiatives, which include the Level 2 Trauma Care Center, Cardiac Catheterization Lab Expansion, Grand View Health Orthopedic Center, and Dublin Outpatient Center.

Inflationary and Other Increases

Management assumed that inpatient and outpatient rates will generally increase each year during the forecast period as presented in the following table:

Table 31
Forecasted Increase in Rates by Payor

	Inpatient		Outpatient	
	2021	2022-2025	2021	2022-2025
Medicare[1]	7.0 %	2.0 %	2.0 %	2.0 %
Medicare Managed Care[2]	3.5 %	2.0 %	2.0 %	2.0 %
Medicare Advantage[2]	3.5 %	2.0 %	2.0 %	2.0 %
Medicaid[2]	3.5 %	2.0 %	2.0 %	2.0 %
Commercial Plan A[3]	6.5 %	3.0 %	5.0 %	3.0 %
Commercial Plan B[4]	2.0 %	2.0 %	2.0 %	2.0 %
Other[5]	5.0 %	2.5 %	3.5 %	2.5 %

Source: Management.

Notes:
(1) The forecasted increase in the Fiscal 2021 inpatient rate is comprised to two components; a 2.0 percent inflationary rate increase and a 5.0 percent increase attributable to an increase in the Corporation's Medicare Case Mix Index. All other inpatient and outpatient increases each year during the forecast period are inflationary only.
(2) The forecasted increase in the Fiscal 2021 inpatient rate is comprised to two components; a 2.0 percent inflationary rate increase and a 1.5 percent increase attributable to an increase in the Corporation's Case Mix Index. All other inpatient and outpatient increases each year during the forecast period are inflationary only.
(3) The forecasted increase in the Fiscal 2021 inpatient rate is comprised to two components; a 5.0 percent inflationary (contractual) rate increase and a 1.5 percent increase attributable to an increase in the Corporation's Case Mix index. All other inpatient and outpatient increases each year during the forecast period are inflationary (contractual) only.
(4) Inpatient and outpatient increases each year during the forecast period are inflationary only.
(5) The forecasted increase in the Fiscal 2021 inpatient rate is comprised to two components; a 3.5 percent inflationary (contractual) rate increase and a 1.5 percent increase attributable to an increase in the Corporation's Case Mix Index. All other inpatient and outpatient increases each year during the forecast period are inflationary (contractual) only.

Other Patient Service Revenues

Management assumed that the rates for other patient service revenues will generally increase 2.0 percent each year during the forecast period. Management also assumed the volumes throughout the forecast period for other patient service revenues would generally remain consistent with Fiscal 2020, with the exception of volumes in Fiscal 2021 for Upper Bucks Orthopedics. Management assumed Upper Bucks Orthopedics volumes would increase 8.0 percent in Fiscal 2021. These volumes were negatively impacted by COVID-19 during the fourth quarter of Fiscal 2020. During the first six months of Fiscal 2021, Upper Bucks Orthopedics has experienced an increase in volumes.

Other Strategic Initiatives Patient Service Revenues

The Corporation's forecasted patient service revenues as a result of executing the Other Strategic Initiatives are summarized in the following table:

Table 32
Other Strategic Initiatives Patient Service Revenues
(in thousands of dollars)

	Forecasted				
	2021	**2022**	**2023**	**2024**	**2025**
Level 2 Trauma Care Center:					
Inpatient[1]	$ 3,425	$ 11,088	$ 14,516	$ 15,056	$ 15,644
Outpatient	111	417	585	623	634
Physician	247	805	1,057	1,097	1,139
Total	3,783	12,310	16,158	16,776	17,417
Cardiac Catheterization Lab Expansion:[2]					
Inpatient	787	964	1,147	1,337	1,534
Outpatient	263	313	365	419	475
Physician	49	58	69	79	91
Total	1,099	1,335	1,581	1,835	2,100
Grand View Health Orthopedic Center:[3]					
Outpatient	594	711	836	963	1,082
Physician	787	945	1,111	1,278	1,438
Total	1,381	1,656	1,947	2,241	2,520
Dublin Outpatient Center,[4]					
Outpatient	233	1,029	1,127	1,228	1,330
Total	$ 6,496	$ 16,330	$ 20,813	$ 22,080	$ 23,367

Source: Management.

Notes:
(1) See Tables 33 through 35 for additional information regarding the Level 2 Trauma Care Center's inpatient revenues.
(2) Management forecasted the Cardiac Catheterization Lab Expansion volumes based on the expected increase in volume as a result of expanding the operations of the cardiac catheterization lab to a 24 hours a day, 7 days a week operation, effective in November 2019. Previously, the Corporation generally operated the cardiac catheterization lab 8 hours a day, 5 days a week. Management forecasted rates for cardiac catheterization lab services based on an analysis of average payments received by the Corporation for these services in Fiscal 2020.
(3) Management considered historical utilization data from Fiscal 2017 through Fiscal 2020 for Upper Bucks Orthopedics to arrive at the forecasted outpatient and physician volume assumptions. Grand View Health Orthopedic Center will be operating as an extension of the Upper Bucks Orthopedics practice. Since Grand View Orthopedic Center opened in July 2020, Fiscal 2021 volumes through November 2020 were also considered by Management. Further, Management forecasted rates for outpatient and physician services based on an analysis of average payments received by the Corporation for these services in Fiscal 2020.
(4) The Dublin Outpatient Center is forecasted to open in April 2021. Management considered historical volumes for similar Outpatient Centers operated by the Corporation to arrive at the forecasted outpatient volumes. Further, Management forecasted rates for Dublin Outpatient Centers' laboratory and diagnostic imaging services based on an analysis of average payments received by the Corporation for these services in Fiscal 2020.

Forecasted Inpatient Revenues - Level 2 Trauma Care Center Initiative

The Corporation's forecasted inpatient revenues for the Level 2 Trauma Care Center Initiative are summarized in the following table:

Table 33
Forecasted Inpatient Revenues
Level 2 Trauma Care Center Initiative
(in thousands of dollars)

	Forecasted				
	2021	**2022**	**2023**	**2024**	**2025**
Level 2 Trauma Care Center:					
Non-surgical	$ 1,222	$ 3,975	$ 5,628	$ 5,852	$ 6,095
Surgical	1,252	4,087	5,762	5,995	6,235
Elective Neurosurgery	951	3,026	3,126	3,209	3,314
Total	$ 3,425	$ 11,088	$ 14,516	$ 15,056	$ 15,644

Source: Management.

Forecasted Inpatient Admissions - Level 2 Trauma Care Center Initiative

The Corporation's forecasted inpatient admissions for the Level 2 Trauma Care Center Initiative are summarized in the following table:

Table 34
Forecasted Inpatient Admissions
Level 2 Trauma Care Center Initiative

	Forecasted				
	2021	**2022**	**2023**	**2024**	**2025**
Trauma Care Center Admissions:[1]					
Non-surgical	105	335	465	474	484
Surgical[2]	45	144	199	203	207
Elective Neurosurgery Admissions[3]	50	156	158	159	161
Total	200	635	822	836	852

Source: Management.

Notes:
(1) Management utilized information obtained from the PTSF as the basis for the forecasted volume of Level 2 Trauma Care Center admissions. Further, Management consulted with representatives from Penn Medicine while developing the forecasted volume of Level 2 Trauma Care Center admissions.
(2) Management utilized the historical (Fiscal 2016 through 2020) non-surgical / surgical trauma case ratios provided by Penn Medicine (for Penn Medicine's Trauma Care Centers) to arrive at the forecasted surgical case volumes (which equate to approximately 30 percent of the Corporation's total Level 2 Trauma Care Center case volume each year during the forecast period).
(3) Management considered the prior four years of historical case volume of the senior neurosurgeon that joined the Corporation in December 2020 to arrive at the forecasted elective neurosurgery case volumes.

In calendar 2019, based on information received from the PTSF, there were 409 and 389 admissions (798 in total) to Pennsylvania accredited Trauma Care Centers related to individuals that resided in zip codes primarily represented by the Corporation's PSA and SSA that suffered injuries in Bucks County and Montgomery County, Pennsylvania, respectively. Management believes that, if the Corporation was accredited as a Level 2 Trauma Care Center in calendar 2019, the Corporation would have provided care to a significant percentage of these 798 individuals.

Management used this metric (798 individuals) as the basis for its Fiscal 2021 through 2025 forecast of Level 2 Trauma Care Center admissions. Management assumed that the Corporation's annual admissions would approximate 80.0 percent of the metric after the Corporation obtains its Level 2 Trauma Care Center accreditation in October 2021. This resulted in 479 admissions in Fiscal 2022 (798 X 80 percent X 9 months / 12 months). Management also assumed that the annual admissions volume would increase approximately 2.0 percent each year in Fiscal 2023 through 2025 (i.e., Fiscal 2023 admissions approximate 798 X 80 percent X 1.02). Further, during Fiscal 2021, as the Corporation is pursuing its Level 2 Trauma Care Center accreditation, Management assumed total admissions of 150.

Based on information received from the PTSF, Management believes that the volume of Level 2 Trauma Care Center admissions in 2017 and 2018 related to individuals that resided in zip codes primarily represented by the Corporation's PSA and SSA that suffered injuries in Bucks County and Montgomery County, Pennsylvania was relatively consistent with 2019 admissions.

Forecasted Average Inpatient Rates per Discharge - Level 2 Trauma Care Center Initiative

The Corporation's forecasted average inpatient rates per discharge for the Level 2 Trauma Care Center Initiative are summarized in the following table:

Table 35
Forecasted Average Inpatient Rates per Discharge[(1)]
Level 2 Trauma Care Center Initiative

	Forecasted				
	2021	**2022**	**2023**	**2024**	**2025**
Trauma Care Center Discharges:					
Non-surgical	$ 11,634	$ 11,867	$ 12,104	$ 12,346	$ 12,593
Surgical	27,829	28,385	28,953	29,532	30,123
Elective Neurosurgery Discharges	19,016	19,397	19,785	20,180	20,584

Source: Management.

Note:
(1) The forecasted rates for the Level 2 Trauma Care Center represent average blended rates for all payors and were based on Management's analysis of the Corporation's current Medicare base rates and commercial payor rates, as adjusted for the acuity and severity levels of the Level 2 Trauma Care Center cases, and the Corporation's Fiscal 2020 payor mix. Further, Management consulted with representatives from Penn Medicine while developing the forecasted rate assumptions for the Level 2 Trauma Care Center.

Inflationary and Other Increases

Management assumed that the rates for Other Strategic Initiatives patient service revenues will generally increase 2.0 percent each year during the forecast period. Further, strategic initiatives patient service revenues are also assumed to increase each year during the forecast period as a result of an increase in volumes.

Other Revenues

Management assumed that other revenues will generally increase 2.0 percent each year during the forecast period.

Investment Return

Investment income is forecasted to be comprised of interest, dividends, and realized gains on sales of investments each year during the forecast period. Management has not forecasted any unrealized gains or losses on assets whose use is limited in the forecasted consolidated financial statements.

Management assumed that investment income will equal 5.5 percent of the average balance in Board-designated assets whose use is limited each year during the forecast period based on historical experience and future expectations.

Management assumed that investment income will equal 0.35 percent of the balance in the Project Fund and Funded Interest Fund, and 1.0 percent of the balance in the Debt Service Reserve Fund for the proposed Series 2021 Bonds. The Project Fund is forecasted to be fully utilized by May 2023. The Funded Interest Fund is forecasted to be fully utilized by January 2024.

Expenses

Operating expenses have been forecasted based upon Management's anticipated costs at the forecasted volume levels, historical operating experience, and anticipated changes as a result of the Other Strategic Initiatives and the Project.

Management assumed that there will be a net increase of 112.1 full-time equivalent (FTE) employees between Fiscal 2020 and 2025. Salaries and wages, which were forecasted based on historical operating experience and anticipated changes as a result of the Project and the Other Strategic Initiatives, were assumed to increase at a rate of 2.0 percent each year during the forecast period. Payroll taxes and employee benefit costs, which were forecasted based on historical operating experience and future expectations, were assumed to equal approximately 20.0 percent, 20.25 percent, 20.50 percent, 20.75 percent, and 21.0 percent in Fiscal 2021 through 2025, respectively. Payroll taxes are included as a component of salaries, wages, and payroll taxes on the forecasted consolidated statements of operations and changes in net assets.

All other operating expenses were generally assumed to have an inflationary increase of 2.0 percent each year during the forecast period.

The following is a schedule of actual FTEs for 2020 and forecasted FTEs for 2025:

Table 36
Forecasted Staffing Levels (FTEs)

	Actual FTEs 2020	Incremental FTEs	Forecasted FTEs 2025
Grand View Hospital:			
Hospital Departments[1]	909.0	53.9	962.9
GVMP[2]	186.7	4.0	190.7
Outpatient Centers	61.5	3.4	64.9
Home Health	70.1	-	70.1
Hospice	41.3	-	41.3
Durable Medical Equipment	23.2	-	23.2
Pre-Hospital Emergency Transportation	23.9	-	23.9
	1,315.7	61.3	1,377.0
Other Strategic Initiatives:			
Level II Trauma Care Center	-	32.1	32.1
Cardiac Catheterization Lab Expansion	-	2.6	2.6
Grand View Health Orthopedic Center	-	11.3	11.3
Dublin Outpatient Center	-	4.8	4.8
	-	50.8	50.8
Total - Grand View Hospital	1,315.7	112.1	1,427.8
Grand View Health Foundation, Inc.	3.6	-	3.6
Grand View Urgent Care, LLC	8.0	-	8.0
Grand View Healthcare Partnership	1.0	-	1.0
Total FTEs	1,328.3	112.1	1,440.4

Source: Management

Notes:
(1) Excludes hospital-based physician / mid-level departments (e.g., hospitalists, infectious disease).
(2) Includes primary care and specialty physician offices, hospital-based physician / mid-level departments, Aldefer & Travis Cardiology, Grand View Surgical Associates, and Upper Bucks Orthopedics.

Summary of Significant Accounting Policies

Cash and Cash Equivalents

For purposes of the forecasted consolidated financial statements, cash and cash equivalents include certain investments in highly liquid debt investments purchased with an original maturity of three months or less. For purposes of the forecasted consolidated statements of cash flows, Management assumed that there would be no restricted cash and cash equivalents maintained by the Health System during the forecast period.

Accounts Receivable

Accounts receivable, patients are recorded at net realizable value at the transaction price based on standard charges for services provided, reduced by contractual adjustments provided to third-party payors, discounts provided to uninsured or underinsured patients in accordance with the Health System's policies, and/or implicit price concessions provided to uninsured or underinsured patients and do not bear interest.

Inventories of Drugs and Supplies

Inventories of drugs and supplies are stated at the lower of cost (first-in, first-out method) or net realizable value.

Assets Whose Use is Limited

Assets whose use is limited include assets set aside by the Boards of Trustees for future capital improvements, over which the Board retains control and may, at its discretion, subsequently use for other purposes, assets held by a bond trustee under a trust indenture for the proposed Series 2021 Bonds, and assets held by trustee under the terms of the Health System’s self-insured workers' compensation program. Amounts available to meet current liabilities have been classified as current assets in the forecasted consolidated balance sheets.

Investments and Investment Risk

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the forecasted consolidated balance sheets. Investment income or loss (including realized gains and losses on investments and interest and dividends) and unrealized gains and losses on equity securities are included in revenues in excess of (less than) expenses unless the income or loss is restricted by donor or law. Unrealized gains and losses on debt securities are excluded from the determination of revenues in excess of (less than) expenses.

The Health System's investments are comprised of a variety of financial instruments and are managed by investment advisors. The fair values reported in the forecasted consolidated balance sheets are subject to various risks, including changes in the equity markets, the interest rate environment, and general economic conditions. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the fair value of investment securities, it is reasonably possible that the amounts reported in the forecasted consolidated financial statements could change materially during the forecast period.

Property and Equipment

Property and equipment acquisitions are recorded at cost. Depreciation is provided on the straight-line method over the estimated useful lives of the related assets. Interest costs incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets.

Gifts of long-lived assets such as land, buildings, or equipment are reported as net assets without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as net assets with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

Impairment of Property and Equipment

Property and equipment will be evaluated for impairment whenever events or changes in circumstances indicate the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. If expected cash flows are less than the carrying value, an impairment loss is recognized equal to an amount by which the carrying value exceeds the fair value of the assets. Management has not forecasted any impairment losses during the forecast period.

Investments in Joint Ventures

Investments in joint ventures are accounted for using the equity method of accounting if the investment gives the Corporation the ability to exercise significant influence, but not control, over the investee. Significant influence is generally deemed to exist if the Corporation has an ownership interest in the voting stock of the investee between 20 percent and 50 percent, although other factors, such as representation on the investee's Board of Directors and the impact of commercial arrangements, are considered in determining whether the equity method of accounting is appropriate. The Corporation records its investment in equity-method investees on the forecasted consolidated balance sheets in other investments. The Corporation also records its share of the each investee's forecasted loss as loss on joint venture investments in the forecasted consolidated statements of operations and changes in net assets.

Debt Issuance Costs

Debt issuance costs include costs incurred in connection with the proposed Series 2021 Bonds. Debt issuance costs are presented in the forecasted consolidated balance sheets as a direct reduction of long-term debt. The debt issuance costs are amortized over the term of the related debt using the straight-line method, which approximates the effective interest method.

The Corporation also incurred debt issuance costs in connection with the Authority’s Series 2008 Bonds. Amortization of these debt issuance costs is forecasted to be $25,000 in 2021. Further, in connection with the proposed refunding of the Series 2008 Bonds in 2021, Management has forecasted that the remaining balance of the debt issuance costs related to the Series 2008 Bonds ($341,000) will be written off; the write off is reported as a component of loss on refunding in the forecasted consolidated statements of operations and changes in net assets.

Estimated Professional Insurance Liability

The Corporation is insured for medical malpractice incidents through retrospectively rated primary and excess insurance policies on a claims-made basis. The primary and certain excess medical malpractice insurance are through a multi-provider captive insurance company (Cassatt Insurance Company, Ltd.) in which the Corporation owns a 6 percent interest. Premiums are based primarily on the experience of a group of hospitals, and are accrued based on the ultimate cost of the experience to date of the group with a stop-loss provision. In addition, the Corporation obtains excess coverage from the Medical Care Availability and Reduction of Error Fund (MCARE Fund).

The provision for estimated professional liability insurance claims includes estimates of the ultimate costs for both reported claims and claims incurred but not reported, including costs associated with litigating or settling claims. Anticipated insurance recoveries associated with reported claims are reported separately in the Health System’s forecasted consolidated balance sheets at net realizable value. Management has assumed that there will not be any change to the estimated professional insurance liability and the related professional insurance recoveries receivable during the forecast period.

Derivative Financial Instruments

The Corporation entered into interest-rate swap agreements, which are considered derivative financial instruments, to manage its interest rate risk on certain long-term debt. The objective of the swap agreements was to minimize the risks associated with financing activities by reducing the impact of changes in the interest rates on variable rate debt. The swap agreements are contracts to exchange variable rate for fixed rate payments over the term of the swap agreements without the exchange of the underlying notional amount. The notional amounts of the swap agreements are used to measure the interest to be paid or received and do not represent the amount of exposure to credit loss.

The net cash paid or received under the swap agreements is recognized as an adjustment to interest expense in the forecasted consolidated statements of operations and changes in net assets. The swap agreements are forecasted to be terminated in connection with the issuance of the proposed Series 2021 Bonds.

Net Assets

Net assets, revenues, gains, and other support are classified based on the existence or absence of donor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - net assets available for use in general operations and not subject to donor restrictions. All revenues not restricted by donors and donor restricted contributions whose restrictions are met in the same period in which they are received are accounted for in net assets without donor restrictions.

Net Assets With Donor Restrictions - net assets subject to donor imposed restrictions. Some donor imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. All revenues restricted by donors as to either timing or purpose of the related expenditures or required to be maintained in perpetuity as a source of investment income are accounted for in net assets with donor restrictions. When a donor restriction expires, that is when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Patient Service Revenues

Patient service revenues are recognized at the amount that reflects the consideration to which the Health System expects to be entitled in exchange for providing patient care. These amounts are due from patients, third-party payors (including commercial and governmental programs), and others and include variable consideration for retroactive revenue adjustments due to settlement of audits, reviews, and investigations. Generally, the Health System bills the patients and third-party payors several days after services are performed and/or the patients are discharged. Revenues are recognized as performance obligations are satisfied.

Performance obligations are determined based on the nature of the services provided by the Health System. Revenues for performance obligations satisfied over time are recognized based on actual charges incurred in relation to total expected (or actual) charges. The Health System believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Generally, performance obligations satisfied over time relate to patients receiving inpatient acute care services. The Health System measures the performance obligation from admission into the Hospital, or the commencement of an outpatient service, to the point when it is no longer required to provide services to that patient, which is generally at the time of discharge or completion of the outpatient services. Revenues for performance obligations satisfied at a point in time are generally recognized when goods or services are provided and the Health System does not believe it is required to provide additional services to the patient.

The Health System determines the initial transaction price based on standard charges for services provided, reduced by contractual adjustments provided to third-party payors, discounts provided to uninsured or underinsured patients in accordance with the Health System's policies, and/or implicit price concessions provided to uninsured or underinsured patients. The Health System determines its estimates of contractual adjustments and discounts based on contractual agreements, its discount policies, and historical collection experience. The Health System has determined it has provided implicit price concessions to uninsured patients, underinsured patients, and patients with deductibles and coinsurance. The implicit price concessions included in determining the transaction price represent the difference between amounts billed to patients and the amounts the Health System expects to collect based on its collection history with those patients. The Health System determines its estimates of implicit price concessions based on historical collection experience and current market conditions.

Subsequent changes to the initial estimate of the transaction price (determined on a portfolio basis when applicable) are generally recorded as adjustments to patient service revenues in the period of the change. Subsequent changes that are determined to be the result of an adverse change in the patient's ability to pay are recorded as provision for bad debts.

The Health System disaggregates revenues from contracts with customers by type of service and payor source as this depicts the nature, amount, timing, and uncertainty of its revenue and cash flows as affected by economic factors.

All of the Health System's performance obligations relate to patient contracts with a duration of less than one year, therefore the Health System has elected to apply the optional exemptions provided in Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 606-10-50-14(a) and, as a result, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. The unsatisfied or partially unsatisfied performance obligations referred to above are primarily related to inpatient acute care services at the end of the reporting period. The performance obligations for these contracts are generally completed when the patients are discharged, which generally occurs within days or weeks of the end of the reporting period.

The Health System has also elected the practical expedient allowed under FASB ASC No. 606-10-32-18 and does not adjust the promised amount of consideration from patients and third-party payors for the effects of a significant financing component due to the Health System's expectation that the period between the time the service is provided to a patient and the time that the patient or a third-party payor pays for that service will be one year or less. The Health System does, in certain instances, enter into payment agreements with patients that allow payments in excess of one year, however, in these cases the financing component is not deemed to be significant to the contract.

Estimated Third-Party Payor Settlements

Revenues received under third-party arrangements are subject to audit and retroactive adjustments. Settlements with third-party payors for retroactive adjustments due to audits, reviews, or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care. These settlements are estimated based on the terms of the payment agreement with the payor, correspondence with the payor, and the Health System’s historical settlement activity, including an assessment to ensure that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements are reconciled in future periods as adjustments become known (that is, new information becomes available), or as years are settled or no longer subject to such audits, reviews and investigations.

Patient service revenues are forecasted to include favorable adjustments to prior year estimated third-party settlements of approximately $2,061,000 in 2021, related to final settlements and/or adjustments of prior year cost reports and other third-party payor adjustments. There are no other favorable or negative prior year third-party payor settlements assumed by Management during the forecast period.

In March 2020, the Coronavirus Aid, Relief and Economic Security (CARES) Act was signed into law to combat the financial effects of COVID-19. In addition to creating a Provider Relief Fund to provide financial support for hospitals and other healthcare providers, the CARES Act also included provisions to expand the Centers for Medicare & Medicaid Services Accelerated and Advance Payment Program in order to improve cash flows for providers impacted by the COVID-19 pandemic. In April 2020, the Corporation received $18,599,000 in advances under this program. The advances received are reported as estimated third-party payor settlements in the forecasted consolidated balance sheets. Beginning in May 2021, 25 percent of Medicare payments will be withheld to repay the advances. Beginning in April 2022, 50 percent of Medicare payments will be withheld to repay the advances. The advances are required to be repaid in full by September 2022. Management assumed that $2,000,000 and $16,599,000 of the advances will be repaid during 2021 and 2022, respectively.

Charity Care

The Corporation provides care to patients who meet certain criteria under its patient financial assistance policy without charge or at amounts less than its established rates. Because the Corporation does not pursue collection of amounts determined to qualify as charity care, they are not reported as patient service revenues.

Measure of Operations

The Health System's operating loss includes all operating revenues and expenses that are an integral part of its program and supporting activities. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be more unusual and nonrecurring in nature.

Revenues in Excess of (Less than) Expenses

The Health System's performance indicator is revenues in excess of (less than) expenses. Changes in net assets without donor restrictions which are excluded from such amounts, consistent with industry practice, include change in unrealized gains and losses on debt securities, pension liability adjustments, and net assets released from restrictions for purchase of property and equipment.

Income Taxes

The Foundation and the Corporation are not-for-profit corporations as described in Section 501(c)(3) of the Internal Revenue Code (IRC) and are exempt from federal income tax on their exempt income under Section 501(a) of the IRC.

GVUC, GVHP, and Trinity are limited liability companies and do not pay federal or state income taxes. The activity for these entities care is included in the Corporation's federal Exempt Organization Business Income Tax Return.

Assets Whose Use is Limited

Assets whose use is limited assumed to be held by a bond trustee under a trust indenture for the proposed Series 2021 Bonds are listed below.

Project Fund

At closing, a portion of the proceeds from the proposed Series 2021 Bonds is forecasted to be deposited into a Project Fund to pay a portion of the construction and equipping of the Project. Management assumed that the Project Fund will be fully utilized by May 2023.

Funded Interest Fund

At closing, a portion of the proceeds from the proposed Series 2021 Bonds is forecasted to be deposited into a Funded Interest Fund to pay interest costs incurred on the portion of the proposed Series 2021 Bonds related to the Project through January 1, 2024.

Debt Service Reserve Fund

At closing, a portion of the proceeds from the proposed Series 2021 Bonds is forecasted to be deposited into a Debt Service Reserve Fund. The amount deposited is forecasted to equal Maximum Annual Debt Service, as defined, on the proposed Series 2021 Bonds, $18,500,000.

Debt Service Funds

The Corporation is required to make semi-annual bond interest and annual bond principal deposits into the respective bond interest and bond principal funds at amounts equal to the next semi-annual interest payment and the next annual principal payment due on the proposed Series 2021 Bonds. Through January 1, 2024, the semi-annual deposits into the bond interest fund will be reduced since a portion of the interest costs incurred on the proposed Series 2021 Bonds was funded with bond proceeds.

Property and Equipment

Management assumed the useful lives of depreciable assets range from 3 to 50 years. For purposes of the forecast, Management assumed a weighted average useful life of approximately 21 years for assets related to the Project and approximately 7 years for other capital expenditures. The following is a summary of property and equipment, capital expenditures, and depreciation expense as of and for the years ending June 30:

Table 37
Property and Equipment, Capital Expenditures, and Depreciation Expense
(in thousands of dollars)

	2021	2022	2023	2024	2025
Property and equipment:					
Land and land improvements	$ 6,076	$ 6,076	$ 6,076	$ 16,076	$ 16,076
Buildings and building improvements	169,418	171,918	174,418	331,122	334,622
Equipment	97,882	100,382	102,882	145,882	149,382
Construction in progress	22,344	111,088	203,704	-	-
Subtotal	295,720	389,464	487,080	493,080	500,080
Accumulated depreciation	(187,005)	(201,626)	(215,869)	(238,735)	(261,103)
Property and equipment, net	$ 108,715	$ 187,838	$ 271,211	$ 254,345	$ 238,977
Capital expenditures:					
Project related assets	$ 21,344	$ 88,744	$ 92,616	$ -	$ -
Other capital expenditures	15,008	5,000	5,000	6,000	7,000
Total	$ 36,352	$ 93,744	$ 97,616	$ 6,000	$ 7,000
Depreciation expense	$ 15,368	$ 14,621	$ 14,243	$ 22,866	$ 22,368

Source: Management.

Management assumed that interest expense capitalized into property and equipment was $2,881,000 during Fiscal 2021 and $9,430,000 during Fiscal 2022 and 2023.

Management assumed that accretion of the bond premium of $192,000 during Fiscal 2021 and $577,000 during Fiscal 2022 and 2023 will be capitalized into property and equipment.

Management assumed that investment income earned on the proposed Series 2021 Bonds Project Fund and Funded Interest Fund of $82,000, $560,000, and $201,000 during Fiscal 2021, 2022, and 2023, respectively, will be capitalized into property and equipment.

Management assumed that amortization of debt issuance costs capitalized into property and equipment was $22,000 during Fiscal 2021 and $65,000 during Fiscal 2022 and 2023.

Project related assets were transferred out of construction in progress and placed in service in July 2023.

Other Investments

Other investments in the forecasted consolidated balance sheets include investments in the following entities:

- *Quakertown Health Ventures, LLC (QHV)*: QHV is a limited liability company owned and controlled by the Corporation and Lehigh Valley Health Network, Inc. (Lehigh Valley). The Corporation and Lehigh Valley each own 50 percent of QHV. QHV leases the Health Center at Quakertown. In turn, QHV subleases space in the Health Center at Quakertown to the Corporation and Lehigh Valley or their affiliates. The Corporation provides various outpatient services at this site including cardiac testing, diagnostic imaging, and laboratory. Further, this site has office and clinical space for Corporation-employed family medicine and other physicians. Lehigh Valley also provides other subspecialty services at this site. The investment in QHV is accounted for under the equity method of accounting by the Corporation. The carrying value of the Corporation's investment in QHV as of June 30, 2020 was $1,464,000.

- *Grand View-Lehigh Valley Health Services (GVLVHS)*: GVLVHS is a non-profit corporation controlled by the Corporation and Lehigh Valley. The Corporation and Lehigh Valley have 66.7 percent and 33.3 percent membership interests in GVLVHS, respectively; however, the Corporation and Lehigh Valley each have 50 percent voting rights. GVLVHS was established to provide professional and diagnostic cardiology services near the Main Campus. The investment in GVLVHS is accounted for under the equity method of accounting by the Corporation. The carrying value of the Corporation's investment in GVLVHS as of June 30, 2020 was $97,000. Further, the Corporation owed GVLVHS $470,000 at June 30, 2020; this amount is recorded as a component of other investments.

- *Hospital Billing & Collection Service, Ltd. (HBCS)*: HBCS is a for-profit entity. As a member hospital, the Corporation received Series A Preferred Stock. The carrying value of the Corporation's investment in HBCS was $355,000 at June 30, 2020. The Corporation's ownership interest in HBCS represents approximately 5 percent, which is accounted for under the cost method of accounting.
- *Grand View Surgery Center at Harleysville, LLC (GVSC)*: GVSC was established by the Corporation in July 2016 to own and operate a hospital-physician free standing, multi-specialty ambulatory surgical facility. GVSC began operations in April 2018. Specialties using GVSC include podiatry, plastics, ophthalmology, general surgery, gynecology, otolaryngology (ENT), and orthopedics. In June 2019, the Corporation sold its majority interest in GVSC to physician investors. Subsequent to the sale transaction, the Corporation owns 49 percent of GVSC.

Management assumed that the Corporation’s share of the losses in QHV and GVLVHS would be $2,000,000 each year during the forecast period; this amount is recorded as loss on joint venture investments in the forecasted consolidated statements of operations and changes in net assets. Further, Management assumed that the Corporation would contribute capital of $2,000,000 to QHV and GVHVHS each year during the forecast period. These assumptions are based on historical operating experience and future expectations.

Management assumed that the Corporation’s share of the income or losses in HBCS and GVSC would be insignificant each year during the forecast period and, as such, did not reflect any income or losses in these entities in the forecasted consolidated statements of operations and changes in net assets. Further, Management assumed that the Corporation would not receive any distributions from, or contribute any capital to, these entities during the forecast period.

Long-Term Debt and Interest Expense

Management assumed that, on or around March 11, 2021, the Authority will issue, on behalf of the Corporation, the proposed Series 2021 Bonds totaling $287,425,000. The proposed Series 2021 Bonds are assumed to be issued at a premium of $29,010,000. The proceeds from the proposed Series 2021 Bonds, together with a cash contribution of $24,450,000 by the Corporation, are assumed to be used to finance the construction and equipping of the Project, refund the Series 2008 Bonds, pay for the termination of two outstanding interest rate swap agreements, fund a Debt Service Reserve Fund for the proposed Series 2021 Bonds, fund interest on the portion of the proposed Series 2021 Bonds related to the Project through December 31, 2023, and pay all costs of issuance of the proposed Series 2021 Bonds.

The terms of the proposed Series 2021 Bonds are assumed to be as follows:

- $110,585,000 serial bonds due in varying annual installments beginning July 2025 through July 2041, issued at an annual interest rate of 5.00 percent;
- $54,855,000 term bonds due in varying annual installments beginning July 2042 through July 2046, issued at an annual interest rate of 5.00 percent;
- $70,445,000 term bonds due in varying annual installments beginning July 2047 through July 2051, issued at an annual interest rate of 5.00 percent; and
- $51,540,000 term bonds due in varying annual installments beginning July 2052 through July 2054, issued at an annual interest rate of 5.00 percent.

The proposed Series 2021 Bonds will be issued under the terms of a Master Trust Indenture (MTI). The Corporation and the Foundation will be the initial members of the Obligated Group for the proposed Series 2021 Bonds. The proposed Series 2021 Bonds will be secured by (a) certain funds and accounts established under the MTI for the proposed Series 2021 Bonds; (b) all right, title, and interest of the Authority in and to the Loan Agreement for the proposed Series 2021 Bonds, and all Revenues (as defined) payable to the Authority; and (c) Grand View Health Obligated Group Obligation No. 1 issued under the MTI (the Series 2021 Obligation).

The Series 2021 Obligation will be secured by a pledge of Gross Receivables (as defined) of the Obligated Group and a mortgage lien on and security interest in the Main Campus.

Under the terms of the Master Trust Indenture, the Obligated Group is required to maintain a Debt Service Coverage Ratio, as defined, of at least 1.10:1.00, commencing with Fiscal 2025. Further, under the terms of the Supplemental Master Indenture, the Obligated Group is required to maintain Days Cash on Hand, as defined, of at least 40 days at the end of each Fiscal Year.

Long-Term Debt Summary

The following is a summary of long-term debt as of June 30:

Table 38
Summary of Long-Term Debt
(in thousands of dollars)

	2021	2022	2023	2024	2025
Proposed Series 2021 Bonds	$ 287,425	$ 287,425	$ 287,425	$ 287,425	$ 287,425
Add (Deduct):					
Current maturities of long-term debt	-	-	-	-	(4,230)
Bond premium, net	28,717	27,838	26,959	26,080	25,201
Debt issuance costs, net	(3,227)	(3,128)	(3,029)	(2,930)	(2,831)
Long- term debt	$ 312,915	$ 312,135	$ 311,355	$ 310,575	$ 305,565

Source: Management.

Annual Principal and Interest Payments

The following table presents the forecasted annual principal and interest payments on the proposed Series 2021 Bonds:

Table 39
Forecasted Annual Debt Service
Proposed Series 2021 Bonds
(in thousands of dollars)

	Principal	Interest	Total Debt Service
Years Ending June 30:			
2021	$ -	$ -	$ -
2022[1]	-	11,577	11,577
2023[2]	-	14,372	14,372
2024[3]	-	14,372	14,372
2025	-	14,372	14,372
Thereafter	287,425	267,489	554,914
Total	$ 287,425	$ 322,182	$ 609,607

Source: Management.

Notes:
(1) $7,596,000 of the interest payments in Fiscal 2022 are forecasted to be capitalized.
(2) $9,430,000 of the interest payments in Fiscal 2023 are forecasted to be capitalized.
(3) $4,715,000 of the interest payments in Fiscal 2024 are forecasted to be capitalized

Pension Plans

The Corporation provides pension benefits for substantially all full-time employees under a noncontributory defined benefit pension plan (the Plan). Benefits are determined based on credited service and the employee's compensation. Effective July 1, 2009, the Plan was amended and converted to a defined benefit cash balance plan and each participant who is active during the year is credited with an interest credit of 4 percent of the participant's compensation as of the last day of each plan year. Effective January 1, 2015, the interest credit was changed to 2 percent. The Corporation is not required to make contributions to the Plan since the Plan's ERISA minimum funding requirements have been met. The measurement date of the Plan is June 30.

As of June 30, 2020, the Plan’s accumulated benefit obligation was $198,910,000 and the fair value of Plan assets was $195,370,000. Management assumed that the funded status of the Plan as of June 30, 2020, ($3,540,000), will remain consistent throughout the forecast period.

Effective January 1, 2009, the Corporation established a 403(b) defined contribution plan (the 403(b) plan) which has an elective deferral option. The 403(b) plan allows for employee contributions under a salary reduction agreement and also includes a match by the Corporation of 25 percent of employees' salary, up to a maximum contribution of 8 percent.

Contingencies

Healthcare Industry

The Corporation is subject to numerous laws and regulations of federal, state, and local governments. Compliance with these laws and regulations is subject to future government review and interpretation as well as regulatory actions unknown or unasserted at this time. Government activity continues to increase with respect to investigations and allegations concerning possible violations by healthcare providers of fraud and abuse statutes and regulations, which could result in the imposition of significant fines and penalties as well as significant repayments for patient services previously billed. Management is not aware of any material incidents of noncompliance; however, the possible future financial effects of this matter on the Corporation, if any, are not presently determinable.

The Corporation is subject to numerous laws and regulations of the federal and state governmental agencies that administer the Medicare and Medicaid reimbursement programs. These agencies have broad discretion to alter or eliminate programs that may adversely affect the operations of the Corporation, including the Corporation's ability to effectively compete for patients, the levels of reimbursement the Corporation receives for services rendered, and the Corporation's operating costs. The possible future financial effects of this matter, if any, are not presently determinable

In summary, the healthcare industry is subject to various factors that may limit the Corporation's ability to meet its debt service obligations on the proposed Series 2021 Bonds, a number of which are beyond the control of the Corporation.

Health Care Reform

In March 2010, the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010 (collectively referred to herein as Health Care Reform) became law. This legislation has and will continue to alter healthcare delivery systems and the reimbursement landscape for healthcare providers, which may have a significant impact on the utilization of healthcare services. Health Care Reform includes, among other things, programs that link Medicare payments for hospitals and physicians with quality outcomes and the development of new patient care models that stress primary care and community-based care. The objective of these programs is to manage chronic diseases more effectively and to reduce inpatient admissions and other high cost care provided by healthcare facilities, such as hospitals.

In addition to the numerous potential impacts of Health Care Reform, budgetary pressures at the federal level have the potential to limit funding for Medicare reimbursement for healthcare services. While there is anecdotal information available on the potential impacts to the industry in general as a result of Health Care Reform, and the potential impacts resulting from government budgetary pressures, very little specific information is available as of the date of this report to estimate the specific impact on an individual provider or entity. Therefore, Management has relied upon historical operating experience, as well as information currently available, to forecast future demand for the Corporation's services and future reimbursement rates for healthcare services rendered.

COVID-19 Global Pandemic

COVID-19 continues to cause numerous and varied medical, economic, and social impacts, any and all of which may adversely affect the Corporation's business and financial results.

During 2020, healthcare providers, including the Corporation, cancelled or delayed non-urgent appointments and procedures, and although restrictions on elective procedures were lifted in the Corporation's service area, further restrictions on the provision of healthcare services may be re-introduced. These restrictions may result in a continued reduction in overall patient volume.

COVID-19 may also result in additional costs being incurred by the Corporation related to staffing, including overtime wages, wages paid to employees who are unable to work due to quarantine, and utilization of more expensive contract staff to provide care. Further, throughout the US, healthcare providers have been experiencing, or expect to experience, shortages of pharmaceuticals, personal protective equipment, testing materials, medical equipment, and blood. Even if the Corporation finds alternate sources for such products, alternates may adversely impact profitability and the financial condition of the Corporation.

Healthcare providers and facilities, including the Corporation, may become overburdened as the number of COVID-19 cases grows, limiting their ability to provide comprehensive care to patients, which may lead to diversion of medical resources and priorities toward the treatment of COVID-19 patients. This may impact the Corporation's ability to effectively execute the Project and the Other Strategic Initiatives.

Management cannot presently quantify or estimate the impact of COVID-19 on the Corporation's future operations, business, and financial results due to the dynamic nature of COVID-19, including uncertainties relating to its duration and severity, as well as actions that may be taken by governmental authorities and others to contain or mitigate its impact. The future effects of COVID-19 could severely affect the Corporation's ability to conduct normal business operations and, as a result, the operating results of the Corporation during the forecast period could be materially adversely affected.

Construction Risk

The Project is subject to the usual risks including, but not limited to, delays in issuance of required building permits or other necessary approvals, strikes, shortages of materials, and adverse weather conditions. Such events may impose financial burdens on the Corporation and reduce revenue produced by the Corporation's facilities during the forecast period. Management assumed that the proceeds from the sale of the proposed Series 2021 Bonds, together with the Corporation's cash contribution, will be sufficient to complete the construction and equipping of the Project, based upon the estimated Project costs provided to Management by the construction manager and outlined in Table 1 in the Summary of Significant Forecast Assumptions and Accounting Policies. However, there can be no assurance that the estimated Project costs provided by the construction manager will not increase prior to the execution of a guaranteed maximum price (GMP) construction contract for the Project, or that cost overruns for the Project will not occur due to change orders and other factors. The possible future financial effects of these matters on the Corporation, if any, are not presently determinable.

Provider Relief Fund

The CARES Act created a Provider Relief Fund to provide financial support for hospitals and other healthcare providers. The Corporation received approximately $4,391,000 of this funding in Fiscal 2020. In accordance with the terms and conditions, the Corporation could apply the funding against eligible COVID-19 expenses incurred and lost revenues, as defined. As such, the Corporation recognized other revenues of $4,391,000 in Fiscal 2020 to offset eligible COVID-19 expenses incurred and lost revenues. Noncompliance with the terms and conditions could result in repayment of some or all of this funding. Compliance with the requirements of the funding can be subject to future government review and interpretation. Further, it is unknown whether there will be further developments in the regulatory guidance and requirements, or whether additional funding will be provided to healthcare providers. The possible future financial effects of these matters on the Corporation, if any, are not presently determinable.

Level 2 Trauma Care Center

The Corporation expects to be officially accredited as a Level 2 Trauma Care Center in October 2021, following completion of a required review by the PTSF. There is, however, a possibility that the Level 2 Trauma Care Center accreditation will not be approved. If this were to happen, it would have an adverse effect on the accompanying forecast.

Supplemental Information Related to Periods Beyond the Forecast Period

A financial forecast is ordinarily suitable for up to a five-year prospective period. Accordingly, the following information for the three-year period ending June 30, 2028 is not considered to be a financial forecast. However, Management believes that the following information is necessary for users to make a meaningful analysis of the forecasted results.

Management's forecast anticipates the operations of the Health System during the five-year period ending June 30, 2025. Current plans are to continue operations beyond that period. The following tables illustrate the estimated effects on the schedule of debt service coverage ratio, days cash on hand, and operating cash flow margin; estimated consolidated balance sheets; estimated consolidated statements of operations and changes in net assets; and estimated consolidated statements of cash flows for the Health System, as of and for each of the three years ending June 30, 2028 based on the continuation of the significant assumptions and accounting policies described in the accompanying forecast during the periods beyond the financial forecast period; however, Management did not assume any market share increase for inpatient discharges or outpatient claims described in Tables 25 and 29 during the periods beyond the financial forecast period.

This information is less reliable than the information presented in the financial forecast and accordingly, is presented for analysis purposes only. Furthermore, there can be no assurance that the events and circumstances described in this analysis will occur.

Estimated Schedule of Debt Service Coverage Ratio, Days Cash on Hand, and Operating Cash Flow Margin
As of and For Each of the Years Ending June 30, 2026 - 2028
(In thousands of dollars)

	2026	2027	2028
Debt Service Coverage Ratio			
Income available for debt service:			
Revenues in excess of (less than) expenses	$ (1,454)	$ 1,344	$ 3,800
Depreciation	21,807	22,107	23,283
Interest	14,160	13,938	13,702
Loss on joint venture investments	2,000	2,000	2,000
Capital contributed to joint ventures	(2,000)	(2,000)	(2,000)
Income available for debt service	$ 34,513	$ 37,389	$ 40,785
Maximum annual debt service	$ 18,500	$ 18,500	$ 18,500
Debt service coverage ratio[1]	1.87	2.02	2.20
Days Cash on Hand			
Total expenses	$ 289,334	$ 296,482	$ 304,459
Less:			
Depreciation	(21,807)	(22,107)	(23,283)
Amortization of debt issuance costs	(99)	(99)	(99)
Accretion of bond premium	879	879	879
Total cash operating expenses	268,307	275,155	281,956
365/366 days	365	365	366
Daily cash operating expenses	$ 735	$ 754	$ 770
Unrestricted cash and investments:			
Cash and cash equivalents	$ 29,318	$ 30,068	$ 30,730
Board-designated assets whose use is limited	223,012	230,860	241,169
Total unrestricted cash and investments	$ 252,330	$ 260,928	$ 271,899
Days cash on hand[2]	343	346	353
Operating Cash Flow Margin			
Operating loss	$ (11,416)	$ (8,988)	$ (7,018)
Plus:			
Depreciation	21,807	22,107	23,283
Interest	14,160	13,938	13,702
Operating cash flow	$ 24,551	$ 27,057	$ 29,967
Operating revenues	$ 277,918	$ 287,494	$ 297,441
Operating cash flow margin[3]	8.8%	9.4%	10.1%

Notes:

(1) The debt service coverage ratio is calculated by dividing income available for debt service by maximum annual debt service, as defined, on the Series 2021 Bonds.

(2) Days cash on hand is calculated by dividing unrestricted cash and investments by daily cash operating expenses.

(3) Operating cash flow margin is calculated by dividing operating cash flow by operating revenues.

Estimated Consolidated Balance Sheets
June 30, 2026 - 2028
(In thousands of dollars)

	2026	2027	2028
Assets			
Current Assets			
Cash and cash equivalents	$ 29,318	$ 30,068	$ 30,730
Assets whose use is limited	11,437	11,551	11,673
Accounts receivable, patients	26,215	27,125	27,994
Inventories of drugs and supplies	6,630	6,847	7,048
Other current assets	2,616	2,690	2,758
Total current assets	76,216	78,281	80,203
Assets Whose Use is Limited			
Board-designated	223,012	230,860	241,169
Under trust indenture, held by trustee	18,500	18,500	18,500
Other	145	145	145
Property and Equipment, Net	225,170	212,063	198,780
Other Investments	1,446	1,446	1,446
Professional Insurance Recoveries Receivable	3,763	3,763	3,763
Total assets	$ 548,252	$ 545,058	$ 544,006
Liabilities and Net Assets			
Current Liabilities			
Current maturities of long-term debt	$ 4,450	$ 4,675	$ 4,915
Accounts payable and accrued liabilities	15,697	16,141	16,547
Accrued payroll and related liabilities	12,976	13,335	13,650
Accrued interest	7,080	6,969	6,851
Total current liabilities	40,203	41,120	41,963
Long-Term Debt, Net	300,335	294,880	289,185
Pension Liability	3,540	3,540	3,540
Estimated Professional Insurance Liability	5,303	5,303	5,303
Estimated Third-Party Payor Settlements	6,616	6,616	6,616
Total liabilities	355,997	351,459	346,607
Net Assets			
Without donor restrictions	189,236	190,580	194,380
With donor restrictions	3,019	3,019	3,019
Total net assets	192,255	193,599	197,399
Total liabilities and net assets	$ 548,252	$ 545,058	$ 544,006

Estimated Consolidated Statements of Operations and Changes in Net Assets
For Each of the Years Ending June 30, 2026 - 2028
(In thousands of dollars)

	2026	2027	2028
Net Assets Without Donor Restrictions			
Revenues:			
Patient service revenues	$ 273,389	$ 282,880	$ 292,739
Other revenues	4,529	4,614	4,702
Total revenues	277,918	287,494	297,441
Expenses:			
Salaries, wages, and payroll taxes	138,849	142,406	145,875
Employee benefits	19,029	19,842	20,661
Supplies and other	38,332	39,568	40,812
Purchased services	48,500	49,691	50,915
Drugs	5,665	5,872	6,087
Professional fees	315	327	339
Utilities/fuels	2,677	2,731	2,785
Depreciation	21,807	22,107	23,283
Interest	14,160	13,938	13,702
Total expenses	289,334	296,482	304,459
Operating loss	(11,416)	(8,988)	(7,018)
Other Income (Loss):			
Investment income	11,962	12,332	12,818
Loss on joint venture investments	(2,000)	(2,000)	(2,000)
Revenues in excess of (less than) expenses and change in net assets	(1,454)	1,344	3,800
Net Assets, Beginning	193,709	192,255	193,599
Net Assets, Ending	$ 192,255	$ 193,599	$ 197,399

Estimated Consolidated Statements of Cash Flows
For Each of the Years Ending June 30, 2026 - 2028
(In thousands of dollars)

	2026	2027	2028
Cash Flows from Operating Activities			
Change in net assets	$ (1,454)	$ 1,344	$ 3,800
Adjustments to reconcile change in net assets to net cash provided by operating activities:			
Depreciation	21,807	22,107	23,283
Amortization of debt issuance costs	99	99	99
Accretion of bond premium	(879)	(879)	(879)
Loss on joint venture investments	2,000	2,000	2,000
Changes in assets and liabilities:			
Accounts receivable, patients	(897)	(910)	(869)
Inventories of drugs and supplies	(219)	(217)	(201)
Other current assets	(73)	(74)	(68)
Accounts payable and accrued liabilities	440	444	406
Accrued payroll and related liabilities	348	359	315
Accrued interest	(106)	(111)	(118)
Net cash provided by operating activities	21,066	24,162	27,768
Cash Flows from Investing Activities			
Net purchases of assets whose use is limited	(6,102)	(7,962)	(10,431)
Capital contributed to joint ventures	(2,000)	(2,000)	(2,000)
Purchase of property and equipment	(8,000)	(9,000)	(10,000)
Net cash used in investing activities	(16,102)	(18,962)	(22,431)
Cash Flows Used in Financing Activities			
Repayment of long-term debt	(4,230)	(4,450)	(4,675)
Net increase in cash and cash equivalents	734	750	662
Cash and Cash Equivalents, Beginning	28,584	29,318	30,068
Cash and Cash Equivalents, Ending	$ 29,318	$ 30,068	$ 30,730
Supplemental Disclosure of Cash Flow Information			
Interest paid	$ 14,266	$ 14,049	$ 13,820

Independent Accountants' Report on Supplemental Information

To the Boards of Trustees of
Grand View Health Foundation, Inc. and Controlled Affiliates:

Our examination of the financial forecast presented in the preceding section of this document was made for the purpose of forming an opinion on whether the financial forecast is presented in accordance with AICPA guidelines for presentation of a forecast and the underlying assumptions are suitably supported and provide a reasonable basis for the forecast. The accompanying supplemental information is presented for purposes of additional analysis and is not a required part of the financial forecast. Such information has been subjected to procedures applied in the examination of the financial forecast and, in our opinion, is fairly stated in all material respects in relation to the financial forecast taken as a whole. However, there will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Baker Tilly US, LLP

Philadelphia, Pennsylvania
February 11, 2021

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Sensitivity Analysis

Management provided the following sensitivity analysis related to the financing related assumptions that are believed to be sensitive.

This sensitivity analysis reflects a favorable change in the Project Financing, as disclosed in Table 1 in the preceding section of this document. Under this more favorable financing scenario, the principal amount of the proposed Series 2021 Bonds decreased from $287,425,000 to $261,600,000, and maximum annual debt service on the proposed Series 2021 Bonds decreased from $18,500,000 to $16,838,000.

The below table reflects a revised estimated sources and uses of funds for the favorable change in the Project Financing:

Sensitivity Analysis
Revised Estimated Sources and Uses of Funds
(in thousands of dollars)

Sources of Funds		
Proposed Series 2021 Bonds	$	261,600
Premium		50,302
Interest earnings on trustee held funds		1,135
Cash contribution		24,450
Total source of funds	$	337,487
Uses of Funds		
Capital expenditures:		
Construction costs	$	129,310
Furnishings and equipment		41,420
Architect and other		13,270
Total capital expenditures		184,000
Other uses of funds:		
Refund Series 2008 Bonds		98,894
Termination of interest rate swap agreements		10,848
Debt Service Reserve Fund		16,838
Funded interest		23,948
Financing costs		2,959
Total other uses of funds		153,487
Total uses of funds	$	337,487

Source: Management and Underwriter.

The below table provides a comparison between forecasted revenues in excess of (less than) expenses and the debt service coverage ratio to revenues in excess of (less than) expenses and the debt service coverage that reflect the favorable change in the Project Financing:

Forecasted Results Compared to Sensitivity Analysis
For Each of the Years Ending June 30,

	2022	2023	2024	2025
Revenues in excess of (less than) expenses:[1]				
Forecasted	$ (977)	$ 5,515	$ (9,129)	$ (5,019)
Sensitivity Analysis	(577)	5,921	(7,731)	(3,581)
Debt service coverage ratio:				
Forecasted	4.71	5.04	5.73	1.71
Sensitivity Analysis	5.07	5.44	6.19	1.89

Source: Management

Note:
(1) In thousands of dollars.

The below table provides a comparison between estimated revenues in excess of (less than) expenses and the debt service coverage ratio to revenues in excess of expenses and the debt service coverage that reflect the favorable change in the Project Financing for periods beyond the forecast period:

Estimated Results Compared to Sensitivity Analysis
For Each of the Years Ending June 30,

	2026	2027	2028
Revenues in excess of (less than) expenses:[1]			
Estimated	$ (1,454)	$ 1,344	$ 3,800
Sensitivity analysis	22	2,862	5,360
Debt service coverage ratio:			
Estimated	1.87	2.02	2.20
Sensitivity analysis	2.06	2.23	2.44

Source: Management

Note:
(1) In thousands of dollars.

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APPENDIX D

SUMMARIES OF THE INDENTURE AND LOAN AGREEMENT

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DEFINITIONS OF CERTAIN TERMS AND SUMMARIES OF THE INDENTURE AND LOAN AGREEMENT

The following are definitions of certain terms used in the Indenture and the Loan Agreement and summaries of certain provisions of such documents. The summaries set forth below should not be regarded as full statements of the documents themselves, or of the portions summarized. Copies of the of the Indenture and the Loan Agreement are on file at the principal corporate trust office of the Trustee.

"**Account**" or "**Accounts**" means, as the case may be, each or all of the accounts established in the Section of the Indenture under the heading "Establishment of Funds and Account."

"**Act**" means the Pennsylvania Economic Development Financing Law, the Act of August 23, 1967, P.L. 251, as amended.

"**Alternate Credit Facility**" means a letter of credit, including, if applicable, a confirming letter of credit, bond insurance policy or similar credit facility issued and delivered to the Bond Trustee or Tender Agent, as appropriate, by a commercial bank, savings institution, insurer, pension fund or other financial institution, which by its terms shall constitute the irrevocable undertaking of the issuer thereof to pay the principal of and interest on the Bonds when due, delivered to the Bond Trustee or Tender Agent, as appropriate, pursuant to the section of Loan Agreement under the heading "The Liquidity Facility; Alternate Liquidity Facility" and the section of the Indenture under the heading "Credit Facility and .Liquidity Facility" which replaces a Credit Facility then in effect, in each case as from time to time amended, supplemented or modified.

"**Alternate Liquidity Facility**" means a line of credit, letter of credit, standby purchase agreement or similar liquidity facility issued by one or more commercial banks, pension funds or other financial institutions and delivered or otherwise made available to the Tender Agent in accordance with the section of the Loan Agreement under the heading "The Liquidity Facility; Alternate Liquidity Facility" and the section of the Indenture under the heading "Credit Facility and .Liquidity Facility" which replaces a Liquidity Facility then in effect, in each case as from time to time amended, supplemented or modified.

"**Alternate Rate**" means, on any Rate Determination Date for any Interest Rate Mode, and for any current long-term unenhanced ratings assigned by S&P to the Parity Debt of the Obligated Group (for purposes of this definition, a "Parity Debt Rating"), the rate per annum set forth in the following tables. The Tender Agent shall make the determinations required by this definition, upon notification from the Issuer, if there is no Remarketing Agent, if the Remarketing Agent fails to make any such determination or if the Remarketing Agent has suspended its remarketing efforts in accordance with the Remarketing Agreement.

Prior to a Determination of Taxability:

Prior to a Determination of Taxability:		
Tier	**If the Parity Debt Rating level (S&P) equals:**	**The Alternate Rate shall equal the greater of:**
1	AAA	110% of SIFMA and 1.00%
2	AA+	125% of SIFMA and 2.00%
3	AA- or higher (but lower than Tier 2)	150% of SIFMA and 3.00%
4	A- or higher (but lower than Tier 3)	175% of SIFMA and 4.00%
5	BBB+	225% of SIFMA and 6.00%
6	BBB	250% of SIFMA and 7.00%
8	BBB-	300% of SIFMA and 8.00%
9	Below BBB-	400% of SIFMA and 12.00%

`"**Amortization End Date**" has the meaning set forth in the Bank Credit Agreement, if any.

`"**Amortization Payment Date**" has the meaning set forth in the Bank Credit Agreement, if any.

`"**Amortization Period**" means, if provided for in the Bank Credit Agreement, in the event the Bonds are not purchased or remarketed on a Bank Purchase Date and the conditions set forth in the Bank Credit Agreement, if any, are satisfied, the period commencing on such Bank Purchase Date and ending on the Amortization End Date.

"**Applicable Elected Representative**" means any Person constituting an "applicable elected representative" within the meaning given to the term in Section 147(f)(2)(E) of the Code.

"**Applicable Factor**" means, during a Bank Index Rate Period, 68% or such other percentage as may be designated in writing by the Obligated Group Representative or by the Market Agent as the Applicable Factor for such Bank Index Rate Period pursuant to paragraph (c) of the section of the Indenture under the heading "Bank Index Rates; Conversion to Bank Index Rate Periods."

"Applicable Spread" means, with respect to any Bank Index Rate Period, the number of basis points or schedule of basis points determined by the Market Agent in accordance with paragraph (c) of the section of the Indenture under the heading "Bank Index Rates; Conversion to Bank Index Rate Periods" (which may include a schedule for the Applicable Spread based upon the credit rating or ratings then assigned to the Parity Debt of the Obligated Group).

"**Authorized Denomination**" means (i) with respect to Bonds in a Daily Mode, a Weekly Mode, a Flexible Index Mode, an Index Mode, a Term Rate Mode during a Three Month Term Rate Period or a Window Mode, $100,000 and any integral multiple of $5,000 in excess thereof, (ii) with respect to Bonds in a Flexible Mode, $100,000 and any integral multiple of $1,000 in excess thereof, (iii) with respect to Bonds in a Long-Term Mode, $5,000 and any integral multiple thereof, and (iv) with respect to Bonds bearing interest at the Bank Index Rate, $250,000 and any integral multiple of $1,000 in excess thereof or, if the aggregate principal amount of Bonds Outstanding is at any time less than $250,000, the aggregate principal amount of Bonds then Outstanding.

"**Authorized Officer**" means: (i) in the case of the Issuer, the Chair, Vice Chair, Executive Director, or any other duly authorized officer of the Issuer, and when used with reference to any act or document also means any other person authorized by Resolution of the Issuer to perform such act or execute such document; (ii) in the case of the Corporation, the Chief Executive Officer or Senior Vice President, Finance/Chief Financial Officer and any other person or persons authorized by resolution of the Corporation or another Member of the Obligated Group to perform any act or execute any document; and (iii) in the case of the Bond Trustee, means any officer in its corporate trust administration department, and when used with reference to any act or document also means any other person authorized to perform any act or sign any document by or pursuant to a resolution of the governing body of the Bond Trustee.

"**Automatic Termination Event**" means an event of default set forth in a Reimbursement Agreement between the Obligated Group and a Liquidity Facility Provider which would result in the immediate termination or suspension of the Liquidity Facility prior to its stated expiration date without prior notice from the Liquidity Facility Provider to the Tender Agent.

"**Available Amount**" means the amount available under the Credit Facility or Liquidity Facility, as applicable, to pay the principal of and interest on the Bonds or the Purchase Price of the Bonds, as applicable.

"**Available Moneys**" means (i) moneys held by the Bond Trustee (other than in the Rebate Fund or the Bond Purchase Fund) under the Indenture for a period of at least 123 days and not commingled with any moneys so held for less than said period and during which period no petition in bankruptcy was filed by or against, and no receivership, insolvency, assignment for the benefit of creditors or other similar proceeding has been commenced by or against, the Issuer or a Member of the Obligated Group, unless such petition or proceeding was dismissed and all applicable appeal periods have expired without an appeal having been filed, (ii) investment income derived from the investment of moneys described in clause (i) above, (iii) proceeds of refunding bonds or (iv) any moneys with respect to which an opinion of Bond Counsel or other nationally recognized bankruptcy counsel has been received by the Bond Trustee to the effect that payments by the Bond Trustee in respect of the Bonds, as provided herein, derived from such moneys should not constitute transfers avoidable under 11 U.S.C. §547(b) and recoverable from the Owners under 11 U.S.C. §550(a) should the Issuer or a Member of the Obligated Group be the debtor in a case under Title 11 of the United States Code, as amended.

"**Bank**" means, during any Bank Index Rate Period: (i) so long as the Bank Credit Agreement remains in effect, the Original Purchaser (as such party may change from time to time in accordance with the Bank Credit Agreement); and (ii) during such time as the Bank Credit Agreement is of no force or effect, "Bank" means Holders or Beneficial Owners owning a majority of the aggregate principal amount of the Bonds then Outstanding.

"**Bank Credit Agreement**" means, during any Bank Index Rate Period, any agreement between one or more Members of the Obligated Group and a Bondholder relating to the Bonds.

"**Bank Default Rate**" has the same meaning as the term "Default Rate" set forth in the Bank Credit Agreement, if any, provided that such rate shall not exceed the Maximum Rate.

"**Bank Direct Payment Period**" means the period described in Section 2.3(b) of the Indenture.

"**Bank Index Agent**" means the Person described in paragraph (e) of the section of the Indenture under the heading "Bank Index Rates; Conversion to Bank Index Rate Periods."

"**Bank Index Bond**" means a Bond in the Bank Index Rate Period.

"**Bank Index Computation Date**" means, during a Bank Index Period, (a) if the Bank Index is SIFMA, Wednesday of each week, or if such day is not a Business Day, the next succeeding Business Day and (b) if the Bank Index is LIBOR, the date which is two London Banking Days prior to the first Business Day of each month.

"**Bank Index Mode**" means the Interest Rate Mode during which the Bonds bear interest at a Bank Index Rate.

"**Bank Index Rate Conversion Date**" means a date on which the Bonds begin to bear interest at a Bank Index Rate and includes a change from one Bank Index Rate Period to another Bank Index Rate Period.

"**Bank Index Rate Period**" means each period from and including a Bank Index Rate Conversion Date to but excluding the earliest of (i) the immediately succeeding Bank Purchase Date, (ii) the immediately succeeding Conversion Date, (iii) the date on which the Bonds are redeemed in full, and (iv) the Maturity Date.

"**Bank Index Rate**" means for any Bond in the Bank Index Rate Period, the interest rate calculated as provided in the section of the Indenture under the heading "Bank Index Rates; Conversion to Bank Index Rate Periods" and includes the Bank Default Rate, the Taxable Rate and the Purchaser Rate.

"**Bank Index Reset Date**" means the first Business Day of each calendar month, or such other day or days as shall be specified by the Obligated Group Representative pursuant to paragraph (d) of the section of the Indenture under the heading "Bank Index Rates; Conversion to Bank Index Rate Periods."

"**Bank Index**" means SIFMA or LIBOR as determined in accordance with the section of the Indenture under the heading "Bank Index Rates; Conversion to Bank Index Rate Periods."

"**Bank Purchase Date**" means (i) during a Bank Index Rate Period, the date designated by the Obligated Group Representative pursuant to the section of the Indenture under the heading "Bank Index Rates; Conversion to Bank Index Rate Periods," and (ii) the date which is seven calendar days (or if such seventh calendar day is not a Business Day, the next Business Day) after the date on which the Bond Trustee receives written notice from the Bank under a Bank Credit Agreement, if any, which (x) advises the Bond Trustee of the occurrence and continuance of an "Event of Default" under and as defined in such Bank Credit Agreement, if any, and (y) directs the Bond Trustee to cause a mandatory tender of the Bonds by reason of such "Event of Default."

"**Beneficial Owner**" shall mean whenever used with respect to a Bond, the Person in whose name such Bond is recorded as the beneficial owner of such Bond by a participant on the records of such participant or such Person's subrogee.

"**Bond Counsel**" means the law firm of Saul Ewing Arnstein & Lehr LLP or an attorney or firm of attorneys designated by the Issuer and having a national reputation in the field of municipal finance whose opinions are generally accepted by purchasers of municipal bonds.

"**Bond Trustee**" means The Bank of New York Mellon Trust Company, N.A. and its successor or successors and any other entity which may at any time be substituted in its place as described herein.

"**Bond Year**" means a period of twelve (12) consecutive months beginning on July 1 in any calendar year and ending on June 30 of the succeeding calendar year.

"**Bondowner**" or "**Owner**" or "**Holder**" or any similar term, when used with reference to a Bond or Bonds, means any person who shall be the registered owner of any Bond.

"**Bonds**" means the Issuer's $285,000,000 Hospital Revenue Bonds (Grand View Hospital Project), Series 2021, authorized, issued and secured pursuant to the Indenture.

"**Business Day**" means any day other than (i) a Saturday or a Sunday; (ii) a day on which the New York Stock Exchange is closed; or (iii) a day on which banking institutions are authorized or required by law or executive order to be closed for commercial banking purposes in New York, the Commonwealth or such other state where the applicable corporate trust office of the Bond Trustee is located, or where the principal office of the Credit Facility Provider, the Liquidity Facility Provider or the Remarketing Agent is located or in which the documents are required to be delivered to draw upon the Credit Facility or the Liquidity Facility.

"**Calculation Agent**" means an agent appointed by the Obligated Group Representative to calculate the FRN Rate.

"**Call Protection Date**" means, with respect to a Tender Period, the date determined pursuant to paragraphs (f), (o) or (w) of the applicable section of the Indenture under the heading

"Determination of Index Tender Rates and Interest Accrual Periods for Bonds in Index Mode or Flexible Interest Mode."

"**Capitalized Interest Fund**" shall mean the Capitalized Interest Fund created pursuant to Sections 5.1 and 5.8 of the Indenture."

"**Code**" means the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

"**Commonwealth**" means the Commonwealth of Pennsylvania.

"**Construction Period**" means the period from the date of issuance of the Bonds through and including July 1, 2023, the date of completion of the Project.

"**Consumer Price Index**" or "**CPI-U**" means the non-seasonally adjusted U.S. City Average All Items Consumer Price Index for All Urban Consumers as released monthly by the U.S. Department of Labor, Bureau of Labor Statistics. If a previously reported CPI-U index rate is revised, the CPI-U will continue to be the previously reported CPI-U for purposes of calculating interest payments. If CPI-U is rebased to a different year during a FRN Rate Period, Bonds using the CPI-U will continue to use the CPI-U based on the base reference year in effect on the first day of such FRN Rate Period. If the applicable methodology for computing the CPI-U in effect on the first day of the then-current FRN Rate Period is discontinued or altered and if the U.S. Treasury, in response to such discontinuance or alteration, substitutes an alternative index, and associated method of application ("Substitute Index and Methodology"), for the CPI-U for purposes of calculation of the inflation adjustment for the Treasury Inflation-Protection Securities, Bonds using the CPI-U will use the Substitute Index and Methodology for calculating the FRN Rate for such Bonds. Typically the CPI-U for a particular month is reported by the last date of the following month. If the CPI-U for a particular month is not reported by the last day of the following month, the U.S. Treasury has indicated it will announce an index number based on the last available twelve-month change in the CPI-U. Any calculations of interest on the Bonds that rely on that month's CPI-U will be based on the index number that the U.S. Treasury has announced. This index number will be used for all subsequent calculations that rely on that month's index number and will not be replaced by the actual CPI-U when it is reported.

"**Continuing Disclosure Agreement**" means the Continuing Disclosure Undertaking, executed by the Corporation, dated as of March 1, 2021, relating to the Bonds, pertaining to disclosure of future material events and annual financial information in accordance with Rule 15c2-12 of the Securities Exchange Commission.

"**Conversion**" has the meaning set forth in paragraph (b) of the section of the Indenture under the heading " Calculation and Payment of Interest; Change in Interest Rate Mod; Maximum Rate."

"**Conversion Date**" means with respect to the Bonds in a particular Interest Rate Mode, the day on which the interest rate on the Bonds changes to another Interest Rate Mode or from one Term Rate Period to a Term Rate Period of different duration or to another Fixed Rate Period at the end of the Initial Fixed Rate Period.

"**Conversion Notice**" means the notice from the Obligated Group Representative to the other Notice Parties of the Obligated Group Representative's intention to change the Interest Rate Mode with respect to the Bonds.

"**Corporation**" means Grand View Hospital, a not-for-profit corporation formed under the laws of the Commonwealth of Pennsylvania.

"**Corporation Documents**" means, collectively, the Loan Agreement, the Continuing Disclosure Agreement, the Letter of Representation and Indemnification, any Credit Facility Documents, any Liquidity Facility Documents, the Remarketing Agreement, the Tax Regulatory Agreement, and the Master Indenture including all supplements thereto.

"**Corporation Purchase Account**" means the account by that name created in Section 4.23 of the Indenture.

"**Cost of Issuance Account**" means the account for the Bonds so designated, created and established pursuant to that section of the Indenture under the heading "Establishment of Funds and Accounts."

"**Cost of Issuance**" means all costs and expenses of the Issuer incurred in connection with the authorization, issuance, sale and delivery of the Bonds including, but not limited to, legal fees and expenses, financial advisory fees, Bond Trustee's acceptance fees and expenses under the Indenture and initial (including first annual) fees, fiscal or escrow agent fees, printing fees and travel expenses.

"**Cost"** or **"Costs"** means, as applied to the Project or any portion thereof financed with the proceeds of bonds issued under the provisions of the Act, as approved by the Issuer, all or any part of the cost of acquisition of the Premises, but shall not include such items which are customarily deemed to result in a current operating charge

"**Credit Facility**" means a letter of credit, including, if applicable, a confirming letter of credit, bond insurance policy or similar credit facility issued and delivered to the Bond Trustee or Tender Agent, as appropriate, by a commercial bank, savings institution, insurer, pension fund or other financial institution, which by its terms shall constitute the irrevocable undertaking of the issuer thereof to pay the principal of and interest on the Bonds when due, delivered to the Bond Trustee or Tender Agent, as appropriate, pursuant to Section 2.9 of the Loan Agreement, or, in the event of the delivery of an Alternate Credit Facility, such Alternate Credit Facility.

"**Credit Facility Agreement**" means any agreement between the Corporation and a Credit Facility Provider pursuant to which a Credit Facility is issued, together with any and all supplements to any such agreement.

"**Credit Facility Default Purchase Date**" shall mean any Business Day specified by the Bond Trustee for mandatory tender of the Bonds that is at least seven (7) and no more than ten (10) days following receipt by the Bond Trustee of written notice from the Credit Facility Provider that an Event of Default has occurred and is continuing under the Credit Facility Agreement and directing the Bond Trustee to call the Bonds for mandatory tender.

"**Credit Facility Documents**" means the Credit Facility and the Credit Facility Agreement and any and all other documents, pledge agreements or custodian agreements which the Corporation or any other party or parties or their representatives, have executed and delivered or may hereafter execute and deliver to evidence or secure the Credit Facility Provider Payment Obligations, or any part thereof, or in connection therewith, together with any and all supplements thereto.

"**Credit Facility Expiration Date**" means the stated expiration date of the Credit Facility, as extended from time to time.

"**Credit Facility Provider Bonds**" means any Bond registered in the name of the Credit Facility Provider or its nominee pursuant to the Indenture or otherwise owned by or pledged to the Credit Facility Provider as security for the Credit Facility Provider Payment Obligations.

"**Credit Facility Provider Failure**" or "**Liquidity Facility Provider Failure**" means a failure of the Credit Facility Provider or Liquidity Facility Provider, as applicable, to pay a properly presented and conforming draw or request for advance under the Credit Facility or Liquidity Facility, as applicable, or the filing or commencement of any bankruptcy or insolvency proceedings by or against the Credit Facility Provider or Liquidity Facility Provider, as applicable, or the Credit Facility Provider or Liquidity Facility Provider, as applicable, shall declare a moratorium on the payment of its unsecured debt obligations or shall repudiate the Credit Facility or Liquidity Facility, as applicable.

"**Credit Facility Provider Payment Obligations**" means, with respect to a Credit Facility Provider, any loans, advances, debts, liabilities, obligations, contingent obligations, covenants and duties owing by the Corporation to the Credit Facility Provider under the Credit Facility Documents, including, but not limited to, amounts due under the Credit Facility Agreement or with respect to the Credit Facility Provider Bonds. The amount of the Credit Facility Provider Payment Obligations shall be established or calculated by the Credit Facility Provider from time to time and furnished to the Bond Trustee in writing denominating the interest portion of such Credit Facility Provider Payment Obligations and the principal portion of such Credit Facility Provider Payment Obligations, such establishment or calculation being conclusive of the amount due, absent manifest error.

"**Credit Facility Provider Rate**" means the rate of interest applicable to the Credit Facility Provider Bonds as may be established pursuant to the Credit Facility Documents.

"**Credit Facility Provider**" means the commercial bank, savings institution, insurer, pension fund, or other financial institution issuing a Credit Facility or an Alternate Credit Facility.

"**Credit Facility Substitution Date**" means the effective date on which an Alternate Credit Facility is to be substituted for an existing Credit Facility, which shall be no later than the date that is two (2) days prior to the Credit Facility Termination Date (or if such day is not a Business Day, the Business Day preceding such day) for the Credit Facility then being terminated or expiring and being replaced with the Alternate Credit Facility.

"**Credit Facility Termination Date**" means the Credit Facility Expiration Date or any earlier date on which the Credit Facility is terminated by the Corporation.

"**Credit Group**" has the meaning set forth in the Master Indenture.

"**Credit/Liquidity Enhancement Fee Account**" means the account for the Bonds so designated, created and established pursuant to that section of the Indenture under the heading "Establishment of Funds and Accounts."

"**Current Mode**" has the meaning set forth in clause (i) of paragraph (b) of that section of the Indenture under the heading ""Conversion of Interest Rate Modes."

"**Daily Mode**" means the Interest Rate Mode during which the Bonds bear interest at the Daily Rate.

"**Daily Rate Period**" means the period during which a Bond in the Daily Mode shall bear interest at a Daily Rate, which shall be from the Business Day upon which a Daily Rate is set to but not including the next succeeding Business Day.

"**Daily Rate**" means the per annum interest rate on any Bond in the Daily Mode determined pursuant to paragraph (a) of that section of the Indenture under the heading ""Determination of Interest Rates During the Daily Mode and the Weekly Mode."

"**Debt Service Fund**" means the fund so designated, created and established pursuant to that section of the Indenture under the heading "Establishment of Funds and Accounts."

'**Debt Service Reserve Fund**" means the fund so designated, created and established pursuant to that section of the Indenture under the heading "Establishment of Funds and Accounts.".

"**Debt Service Reserve Fund Credit Facility**" means any Credit Facility held to the credit of the Debt Service Reserve Fund.

"**Debt Service Reserve Fund Requirement**" means as of any day of calculation, the least of the following (i) 10% of the par amount of the Bonds (if the net original issue discount on the Bonds is less than 2% of the stated redemption price of the Bonds at maturity), or 10% of the issue price of the Bonds if the net original issue discount of the Bonds or net original issue premium exceeds 2% of the stated redemption price at maturity, (ii) 125% of the average annual debt service on the Bonds or (iii) the Maximum Annual Debt Service coming due on the Bonds in the then current or any future Fiscal Year

"**Defeasance Obligations**" means: (i) non-callable direct obligations of, or obligations the timely payment of principal of and interest on which are unconditionally guaranteed by, the United States of America; and (ii) any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local government unit of any such state (a) which are not callable prior to maturity or as to which irrevocable instructions have been given to the Bond Trustee of such bonds or other obligations by the obligor to give due notice of redemption and to call such bonds for redemption on the date or dates specified in such

instructions, (b) which are secured as to principal and interest and redemption premium by a fund consisting only of cash or bonds or other obligations of the character described in clause (i) hereof which fund may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the redemption date or dates specified in the irrevocable instructions referred to in subclause (a) of this clause (ii), as appropriate, (c) as to which the principal of and interest on the bonds and obligations of the character described in clause (i) hereof which have been deposited in such fund along with any cash on deposit in such fund are sufficient to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this clause (ii) on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to in subclause (a) of this clause (ii) as appropriate, and (d) which are rated "AAA" by Standard & Poor's or "Aaa" by Moody's.

"**Delayed Remarketing Period**" has the meaning set forth in paragraph (a) of that section of the Indenture under the heading "Insufficient Funds for Tender."

"**Determination of Taxability**" means, and shall occur when, (i) the Bond Trustee receives written notice from the Obligated Group Representative or the Issuer, supported by an opinion of Bond Counsel selected and approved by the Obligated Group Representative, that interest on the Bonds is includable in the gross income of Bondholders for federal income tax purposes or (ii) the Bond Trustee receives a copy of a written adverse determination sent to the Issuer or a bondholder by the Internal Revenue Service asserting that interest on the Bonds is includable in the gross income of Bondholders for federal income tax purposes, which adverse determination results in the right to seek administrative appeal before the IRS Office of Appeals; provided, however, that such a claim shall not be deemed a Determination of Taxability unless the Obligated Group Representative and the Issuer are afforded reasonable opportunity (at the Obligated Group's sole expense and for a period not to exceed six months) to pursue any judicial or administrative remedy available to the Members of the Obligated Group or the Issuer with respect to such claim and such judicial or administrative actions have resulted in a final determination that it is taxable.

"**DTC**" means The Depository Trust Company, New York, New York, a New York State limited purpose trust company, subject to regulation by the Securities and Exchange Commission, the Board of Governors of the Federal Reserve System and the New York State Banking Department, or its successors appointed under the Indenture.

"**Earliest Redemption Date**" means, with respect to Bank Purchase Rate Bonds, Term Rate Bonds, Fixed Rate Bonds, SIFMA-Based Bonds, and LIBOR-Based Bonds, the earliest date, if any, on which any such Bonds may be called for optional redemption, as specified in the applicable Bond Terms Certificate.

"**Electronic Means**" means telecopy, telegraph, facsimile transmission, e-mail, or other similar electronic means of communication, including a telephonic communication confirmed in writing or written transmission.

"**Eligible Bonds**" means any Bonds other than Credit Facility Provider Bonds, Liquidity Facility Bonds or any other Bonds owned by, for the account of, or on behalf of, the Issuer or the Corporation.

Event of Default" means, with respect to the Loan Agreement, any of the events of default set forth in that section of the Loan Agreement under the heading "Events of Default," and, with respect to the Indenture, any of the events of default set forth in that section of the Indenture under the heading "Events of Default."

"**Expiration Date**," when used with respect to a Liquidity Facility or a Credit Facility, means (i) the date upon which the Liquidity Facility or Credit Facility is scheduled to expire (taking into account any extensions of such Expiration Date by virtue of extensions of a particular Liquidity Facility or Credit Facility, from time to time) in accordance with its terms and (ii) a Liquidity Facility Cancellation Date.

"**Facility**" means the property of the Corporation and the Project Users financed and refinanced with the proceeds of the Bonds.

"**Favorable Opinion of Bond Counsel**" means an opinion of Bond Counsel addressed to the Issuer, the Corporation and the Bond Trustee to the effect that the action proposed to be taken is authorized or permitted by the Indenture and the Act and will not result in the inclusion of interest on the Bonds in gross income for federal income tax purposes.

"**Fed Funds Rate**" means the rate labeled Federal Funds (effective) as published in the Federal Reserve Bank Publication H.15.

"**Fiscal Year**" means the fiscal year of the Corporation, currently from July 1 to June 30.

"**Fitch**" means Fitch, Inc., a corporation organized and existing under the laws of the State of New York, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Fitch" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer, by notice to the Bond Trustee.

"**Fixed Rate Bond**" means a Bond in the Fixed Rate Mode.

"**Fixed Rate Mode**" means the Interest Rate Mode during which the Bonds bear interest at the Fixed Rate.

"**Fixed Rate Period**" means (i) the period from the Conversion Date upon which the Bonds were converted to the Fixed Rate Mode to but not including the earlier to occur of the Conversion Date and the final Maturity Date for the Bonds, and (ii) the Initial Fixed Rate Period.

"**Fixed Rate**" means the per annum interest rate on any Bond determined pursuant to paragraph (b) of that section of the Indenture under the heading "Determination of Term Rates and Fixed Rates."

"**Flexible Index Interest Period**" means the period during which a Bond shall bear interest in the Flexible Index Mode, as provided in that section of the Indenture under the heading "Determination of Index Tender Rates and Interest Accrual Periods for Bonds in Index Mode or Flexibles Index Mode."

"**Flexible Index Mode**" means the Interest Rate Mode in which the interest rate payable with respect to the Bonds is adjusted pursuant to that section of the Indenture under the heading "Determination of Index Tender Rates and Interest Accrual Periods for Bonds in Index Mode or Flexibles Index Mode," and the Tender Period of which does not exceed 270 days.

"**Flexible Mode**" means the Interest Rate Mode during which the Bonds bear interest at the Flexible Rate.

"**Flexible Rate Bond**" means a Bond in the Flexible Mode.

"**Flexible Rate Period**" means the period of a duration of one to 270 calendar days (which period must end on a day preceding a Business Day) during which a Flexible Rate Bond shall bear interest at a Flexible Rate, as established by the Remarketing Agent pursuant to that section of the Indenture under the heading "Determination of Flexible Rates and Interest Periods During Flexible Mode." The Bonds in the Flexible Mode may be in different Flexible Rate Periods.

"**Flexible Rate**" means the per annum interest rate on a Bond in the Flexible Mode determined for such Bond pursuant to that section of the Indenture under the heading "Determination of Flexible Rates and Interest Periods During Flexible Mode." The Bonds in the Flexible Mode may bear interest at different Flexible Rates.

"**Foundation**" means The Grand View Hospital Foundation.

"**FRN Rate Mode**" means the Interest Rate Mode during which the Bonds bear interest at a FRN Rate.

"**FRN Rate Percentage**" means, with respect to any Conversion of the Bonds to a FRN Rate Period, the percentage determined by the Remarketing Agent on or prior to the Conversion Date pursuant to Section paragraph (a) of that section of the Indenture under the heading "FRN Rate and FRN Rate Period."

"**FRN Rate Period**" means each period during which a FRN Rate is in effect.

"**FRN Rate Spread**" means, with respect to any Conversion of the Bonds to a FRN Rate Period, the spread determined by the Remarketing Agent on or prior to the Conversion Date pursuant to paragraph (a) of that section of the Indenture under the heading "FRN Rate and FRN Rate Period."

"**FRN Rate**" means a variable interest rate on the Bonds established in accordance with the section of the Indenture under the heading "FRN Rate and FRN Rate Period."

"**Fund**" or "**Funds**" means, as the case may be, each or all of the funds established in the section of the Indenture under the heading "Establishment of Funds and Accounts."

"**Hazardous Substance**" means, without limitation, any flammable, explosive, radon, radioactive materials, asbestos, urea formaldehyde foam insulation, polychlorinated biphenyls, petroleum constituents, petroleum products, methane, hazardous materials, hazardous wastes, hazardous or toxic substances or related materials, pollutants, or toxic pollutants, as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Sections 9601, et seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Sections 6901, et seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. Sections 1801, et seq.), the Toxic Substances Control Act, as amended (15 U.S.C. Sections 2601, et seq.), the Federal Water Pollution Control Act, as amended (33 U.S.C. Sections 1251, et seq.), or any other applicable Environmental Law and the regulations promulgated thereunder.

"**ICE**" means Intercontinental Exchange, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns, or, if such corporation shall be dissolved or liquidated or shall no longer determine LIBOR, any other generally recognized LIBOR benchmark determination agency designated by the Obligated Group Representative by notice in writing to the Issuer and the Bond Trustee.

"**Immediate Notice**" means notice by Electronic Means to such address or number, as applicable, as the addressee shall have directed in writing, promptly followed by written notice by first class mail postage prepaid to such address as the addressee shall have directed in writing.

"**Indenture**" means the Trust Indenture between the Issuer and the Bond Trustee, dated as of March 1, 2021, as the same may from time to time be amended or supplemented by a Supplemental Indenture or Indentures.

"**Independent Insurance Consultant**" means a person or firm who is not a director, Bond Trustee, employee or officer of a Member of the Obligated Group or a director, Bond Trustee, employee or member of the Issuer, appointed by an Authorized Officer of a Member of the Obligated Group and satisfactory to the Issuer, qualified to survey risks and to recommend insurance coverage for healthcare facilities and services and organizations engaged in like operations and having a favorable reputation for skill and experience in such surveys and such recommendations, and who may be a broker or agent with whom the Obligated Group transacts business.

"**Index Interest Period**" means the period during which a Bond shall bear interest in the Index Mode, as provided in the section of the Indenture under the heading "Determination of Index Tender Rates and Interest Accrual Periods for Bonds in the Interest Rate Periods."

"**Index Mode**" means the Interest Rate Mode in which the interest rate payable with respect to the Bonds is adjusted pursuant to the section of the Indenture under the heading "Determination of Index Tender Rates and Interest Accrual Periods for Bonds in the Interest Rate Periods."

"**Index Spread**" means a fixed per annum rate determined by the Remarketing Agent in accordance with paragraph (p) or (x) hereof, as applicable in the section of the Indenture under the heading ".Determination of Index Tender Rates and Index Accrual Periods for Bonds In Index Mode of Flexible Index Mode."

"**Index Tender Rate**" means the rate of interest, determined for any Interest Accrual Period, equal to the sum of (a) the SIFMA Average Index Rate calculated for such Interest Accrual Period and (b) the Index Spread applicable for the related Tender Period.

"**Index**" means any of (a) One Month LIBOR, (b) Three Month LIBOR, (c) SIFMA, (d) the Consumer Price Index or (e) any other index chosen by the Obligated Group Representative in consultation with the Remarketing Agent.

"**Initial Fixed Rate Period**" means the Fixed Rate Period commencing on the Date of Issuance and ending the earlier to occur of a Conversion Date or the final Maturity Date of the Bonds.

"**Initial Window Spread**" means, with respect to any Conversion to a Window Rate Period, the spread determined by the Remarketing Agent on or prior to the Conversion Date pursuant to paragraph (b) of that section of the Indenture under the heading "Determination of Three Month LIBOR Index Rates."

"**Interest Account**" means the account so designated, created and established in the Debt Service Fund pursuant to that section of the Indenture under the heading "Establishment of Funds and Accounts."

"**Interest Accrual Date**" means with respect to any period during which Bonds bear interest at an Index Tender Rate, the first day of each Tender Period and, thereafter, each Interest Payment Date during that Tender Period.

"**Interest Accrual Period**" means the period during which a Bond accrues interest payable on the next Interest Payment Date applicable thereto. Each Interest Accrual Period shall commence on (and include) the last Interest Payment Date to which interest has been paid (or, if no interest has been paid, from the Date of Issuance) to, but not including, (a) the next Interest Payment Date on which interest is to be paid, or (b) any Redemption Date, as applicable. If, at the time of authentication of any Bond, interest is in default or overdue on the Bonds, such Bond shall bear interest from the date to which interest has previously been paid in full or made available for payment in full on Outstanding Bonds.

"**Interest Component**" means the maximum amount stated in the Liquidity Facility or Credit Facility, as applicable (as reduced and reinstated from time to time in accordance with the terms thereof), which may be drawn for the payment of accrued interest on the Bonds, or the portion of the Purchase Price of tendered Bonds corresponding to interest accrued on the tendered Bonds.

"**Interest Coverage Rate**" means the rate per annum which is used in the Liquidity Facility or Credit Facility, as applicable, to calculate the Interest Component of such Liquidity Facility or Credit Facility, as applicable.

"**Interest Payment Date**" means each date on which interest is to be paid and is: (i) with respect to the Bonds in the Flexible Mode, each Mandatory Purchase Date applicable thereto; (ii) with respect to the Bonds in the Daily Mode, the Weekly Mode, the Flexible Index Mode, the FRN Rate Mode, the Bank Index Mode, or the Index Mode, the first Business Day of each calendar month, (and with respect to Bonds in a Bank Index Mode, any Conversion Date for such Bonds from the Bank Index Mode); (iii) with respect to the Bonds during the Initial Fixed Rate Period, each January 1 and July 1, commencing July 1, 2021; (iv) with respect to the Bonds in a Term Rate Mode (other than during a Three Month Term Rate Period) or a Fixed Rate Mode (other than during the Initial Fixed Rate Period), the first January 1 or July 1 following the month in which such Term Rate Mode or a Fixed Rate Mode (other than during the Initial Fixed Rate Period) takes effect, and the 15th day of each sixth calendar month thereafter or, upon the receipt by the Bond Trustee of a Favorable Opinion of Bond Counsel, any other six-month interval chosen by the Obligated Group Representative (beginning with the first such day which is at least three months after the Conversion Date) and the final day of the current Interest Period if other than a regular six-month interval; (v) with respect to the Bonds in the Three Month LIBOR Indexed Mode or a Term Rate Mode during a Three Month Term Rate Period, each January 1, April 1, July 1 and October 1 (beginning with the first such day after the applicable Conversion Date) or, with respect to a Three Month Term Rate Period, the first day of such other three calendar month intervals as may be selected by the Obligated Group Representative prior to the first Rate Determination Date applicable to such Three Month Term Rate Period (following a special Three Month Term Rate Period of either two calendar months or four calendar months in duration in order to accommodate the alternate three calendar month intervals selected by the Obligated Group Representative); (vi) with respect to Bonds in the Window Mode, the first Thursday of each calendar month, or if the first Thursday is not a Business Day, the next succeeding Business Day; (vii) (without duplication as to any Interest Payment Date listed above) each Maturity Date, Mandatory Purchase Date and Redemption Date; (viii) each Unscheduled Mandatory Tender Date on which all Outstanding Bonds are purchased as provided in paragraph (y) of that section of the Indenture under the heading "Determination of Index Tender Rates and Index Accrual Periods for Bonds In Index Mode of Flexible Index Mode"; (ix) each Scheduled Mandatory Tender Date; (x) with respect to any Liquidity Facility Bonds, the dates set forth in the Reimbursement Agreement; and (xi) with respect to any Bank Index Bonds during the Amortization Period, if any, the dates set forth in the Bank Credit Agreement, if any, and if no Bank Credit Agreement is in effect, the dates described in clause (ii) of this definition.

"**Interest Period**" means, for the Bonds in a particular Interest Rate Mode, the period of time that the Bonds bear interest at the rate (per annum) which becomes effective at the beginning of such period, and shall include a Flexible Rate Period, a Daily Rate Period, a Weekly Rate Period, a Three Month LIBOR Interest Period, a Term Rate Period, a Fixed Rate Period, a Flexible Index Interest Period, an Index Interest Period, a Bank Index Rate Period, a FRN Rate Period and a Window Rate Period.

"**Interest Rate Mode**" means, as the context may require, the Flexible Mode, the Daily Mode, the Weekly Mode, the Term Rate Mode, the Fixed Rate Mode, the Three Month LIBOR Indexed Mode, the Flexible Index Mode, the Index Mode, the Bank Index Mode, the FRN Rate Mode or the Window Mode.

"**Investment Agreement**" means an agreement for the investment of moneys held by the Bond Trustee or the Issuer pursuant to the Indenture with a Qualified Financial Institution (which may include the entity acting as Bond Trustee).

"**Issuer**" means (i) the Bucks County Industrial Development Authority, its successors and assigns, and (ii) any local governmental body resulting from or surviving any consolidation or merger to which the Issuer or its successors may be a party.

"**Letter of Representation and Indemnification**" means the Letter of Representation and Indemnification of the Corporation to the Issuer and the initial underwriter of the Bonds, dated the date of the sale of the Bonds.

"**LIBOR**" means, on each Bank Index Reset Date, a fluctuating rate of interest per annum equal to the London Interbank Offered Rate, as published on the applicable Bloomberg (or other commercially available source providing such quotations of such rate as selected by the Bank from time to time), as determined by the Bank Index Agent at approximately 11:00 A.M. on the Bank Index Computation Date, for U.S. Dollar deposits (for delivery on the Bank Index Reset Date) with a one-month term; provided that if at any time, for any reason, LIBOR is no longer available or suitable for use by reason of circumstances affecting the Eurodollar market generally, then, immediately upon notice to the Obligated Group Representative, LIBOR shall be a comparable replacement index designed to measure average costs of borrowing by banks (and where feasible on loans from other banks) recommended by the Bank at such time in a commercially reasonable manner, provided that such replacement rate must be based upon an interest index, variations in the value of which reflect contemporaneous variations in the costs of newly-borrowed funds in U.S. dollars. In the event that LIBOR is less than zero on any Bank Index Reset Rate, LIBOR shall be deemed to be zero on such Bank Index Reset Date.

"**Liquidity Facility Bonds**" means Bonds purchased with moneys drawn under (or otherwise obtained pursuant to the terms of) a Liquidity Facility, but excluding Bonds no longer considered to be Liquidity Facility Bonds in accordance with the terms of the Liquidity Facility.

"**Liquidity Facility Cancellation Date**" means the effective date of the cancellation of a Liquidity Facility pursuant to that section of the Indenture under the heading "Liquidity Facility Not Required In Certain Circumstances.".

"**Liquidity Facility Provider**" means any commercial bank, insurance company, pension fund or other financial institution which provides a Liquidity Facility or Alternate Liquidity Facility for the Bonds.

"**Liquidity Facility Purchase Account**" means the account by that name created in that section of the Indenture under the heading "Purchase Fund."

"**Liquidity Facility**" means a line of credit, a standby bond purchase agreement, letter of credit or similar liquidity facility issued by a commercial bank, savings institution, pension fund or other financial institution which, by its terms, shall provide for the payment of the Purchase Price of Bonds tendered and not remarketed, and delivered to the Bond Trustee pursuant to Section 2.10 of the Loan Agreement, or, in the event of the delivery of an Alternate Liquidity Facility, such Alternate Liquidity Facility.

"**Loan Agreement**" means the Loan Agreement between the Issuer and the Corporation, dated as of March 1, 2021, as the same may from time to time be amended or supplemented by a Supplemental Loan Agreement or Agreements.

"**Loan Repayments**" means the payments so designated and required to be made by the Obligated Group pursuant to Section 2.2 of the Loan Agreement.

"**Loan Term**" means the duration of the loan term created in the Loan Agreement.

"**London Banking Day**" means any day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency) in the City of London, United Kingdom.

"**Long-Term Mode**" means a Three Month LIBOR Indexed Mode, a Term Rate Mode (except during a Three Month Term Rate Period), a FRN Rate Mode or a Fixed Rate Mode.

"**Mandatory Purchase Date**" means: (i) with respect to a Flexible Rate Bond the first Business Day following the last day of each Flexible Rate Period with respect to such Bond; (ii) for Bonds in the Term Rate Mode or the FRN Rate Mode, the first Business Day following the last day of each Term Rate Period or each FRN Rate Period, as applicable; (iii) any Conversion Date (except a Conversion between the Daily Mode and the Weekly Mode); (iv) any Substitution Date; (v) the fifth Business Day prior to the Expiration Date; (vi) the date specified by the Bond Trustee following the occurrence of an event of default (other than as a result of an Automatic Termination Event) under the Reimbursement Agreement, which date shall be a Business Day selected by the Bond Trustee and shall be the earliest practicable date: (A) not later than the Business Day preceding the termination date specified by the Credit Facility Provider or the Liquidity Facility Provider and (B) not more than 20 days after the Bond Trustee's receipt of notice of such event of default from the Credit Facility Provider or the Liquidity Facility Provider; (vii) the date specified by the Bond Trustee following receipt of notice by the Bond Trustee from the Credit Facility Provider that the Credit Facility will not be reinstated following a drawing to pay interest on the Bonds (other than interest on Bonds no longer Outstanding after such drawing) which date shall be a Business Day not more than five days after the Bond Trustee's receipt of such notice; (viii) for Bonds in the Daily Mode or Weekly Mode, any Business Day specified by the Obligated Group Representative not less than 20 days after the Bond Trustee's receipt of a notice from the Obligated Group Representative of its intent to exercise the option to cause a mandatory tender of the Bonds and in no event later than the day preceding the Expiration Date; (ix) a Window Mandatory Tender Date; and (x) each Bank Purchase Date.

"**Mandatory Tender Date**" means each date on which the Bonds are subject to mandatory tender as provided in that section of the Indenture under the heading "Bank Index Rates; Conversions To Bank Index Rate Periods" or the article under the Indenture under the heading "Redemption, Tender And Remarketing Of Bonds" and shall include a Bank Purchase Date.

"**Mandatory Tender Window**" means, during a Window Rate Period, (i) a period of 210 days, beginning on the Business Day a Window Optional Tender Notice is received by the

Remarketing Agent, or (ii) a period of such other number of days specified by the Remarketing Agent, with the consent of the Obligated Group Representative, in a written notice to the Issuer, the Bond Trustee, the Tender Agent, the Liquidity Facility Provider (if any) and the Credit Facility Provider (if any). Any change in the Mandatory Tender Window shall become effective only on a Window Mandatory Tender Date or any other Mandatory Purchase Date for all of the Bonds that occurs during such Window Rate Period.

"**Market Agent**" means any Person appointed by the Obligated Group Representative to serve as market agent in connection with a conversion to a Bank Index Rate Period, which may be the Bank Index Agent (which may include the Original Purchaser or an Original Purchaser Affiliate thereof).

"**Master Indenture Obligation**" has the meaning of the term "Obligation" as set forth in the Master Indenture.

"**Master Indenture**" means the Master Indenture, among Grand View Hospital, The Grand View Foundation, and such other Organizations as from time to time are Members of the Obligated Group thereunder and The Bank of New York Mellon Trust Company, N.A. dated as of March 1, 2021, as it may from time to time be supplemented, modified or amended in accordance with the terms thereof.

"**Master Trustee**" means The Bank of New York Mellon Trust Company, N.A. and its successor or successors and any other entity which may at any time be substituted in its place pursuant to the Master Indenture.

"**Maturity Date**" means each of the Maturity Dates established for the Bonds or if established pursuant to clause (v) of paragraph (c) of that section of the Indenture under the heading "Conversion Of Interest Rate Modes" upon a change to a new Fixed Rate Mode, any Serial Maturity Date established thereunder.

"**Maximum Rate**" means (i) with respect to all Bonds other than Liquidity Facility Bonds or Bank Index Bonds, a rate of interest of 12% per annum, or, if lower, the highest rate allowed by law, (ii) with respect to Liquidity Facility Bonds, the rate specified in the Liquidity Facility, and (iii) with respect to the Bank Index Bonds and Unremarketed Bonds, the lesser of (A) the maximum rate permitted by applicable law or (B) 25%.

"**Members of the Obligated Group**" means the Corporation, the Foundation and any other Members of the Obligated Group as defined in the Master Indenture.

"**MMI Procedures**" means the Securities Depository's Operational Arrangements and the Issuing/Paying Agent General Operating Procedures for Money Market Instruments as the same may be amended and modified from time to time.

"**Moody's**" means Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, or, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, any other nationally recognized securities rating agency designated by the Obligated Group Representative by notice in writing to the Issuer and the Bond Trustee.

"**New Mode**" has the meaning set forth in clause (i) of paragraph (b) of that section of the Indenture under the heading "Conversion Of Interest Rate Modes.".

"**Notice Parties**" means the Bond Trustee, the Tender Agent, the Remarketing Agent, the Paying Agent, the Credit Facility Provider, the Liquidity Facility Provider, the Bank, and the Obligated Group Representative.

"**Obligated Group**" means the Members of the Obligated Group from time to time.

"**Obligated Group Representative**" means the Corporation or any other Person designated as the "Obligated Group Representative" pursuant to the Master Indenture.

"**Obligation**" means Obligation No. 1 issued under the Master Indenture and the Supplement.

"**Officer's Certificate**" means a certificate signed by an Authorized Officer of the Corporation.

"**Official Statement**" means the Official Statement of the Issuer or, as applicable, a Remarketing Memorandum, relating to the Bonds, containing information, data and statistics concerning the Issuer, the Obligated Group, the Credit Group, the Bonds and other information, and the appendices thereto, including a letter from the Obligated Group.

"**One Month LIBOR**" means the rate for deposits in U.S. dollars with one-month maturity as published by Reuters (or such other service as may be nominated by ICE, for the purpose of displaying London interbank offered rates for U.S. dollar deposits) as of 11:00 A.M., London time, on the Rate Determination Date, except that, if such rate is not available on the Rate Determination Date, One Month LIBOR means a rate determined on the basis of the rates at which deposits in U.S. dollars for a one-month maturity and in a principal amount of at least U.S. $1,000,000 are offered at approximately 11:00 A.M., London time, on the Rate Determination Date, to prime banks in the London interbank market by the Reference Banks (as defined in "Three Month LIBOR" below). The Quotation Agent shall request the principal London office of each of such Reference Banks to provide a quotation of its rate. If at least two such quotations are provided, One Month LIBOR will be the arithmetic mean of such quotations. If fewer than two quotations are provided, One Month LIBOR will be the arithmetic mean of the rates quoted by three (if three quotations are not provided, two or one, as applicable) major banks in New York City, selected by the Quotation Agent, at approximately 11:00 A.M., London Time, on the Rate Determination Date for loans in U.S. dollars to leading European banks in a principal amount of at least U.S. $1,000,000 having a one-month maturity. If none of the banks in New York City selected by the Quotation Agent is then quoting rates for such loans, then One Month LIBOR will be a replacement rate designed to measure average costs of borrowing by banks (and where feasible on loans from other banks) recommended by the Quotation Agent, provided that such replacement rate must be based upon an interest index, variations in the value of which reflect contemporaneous variations in the costs of newly-borrowed funds in U.S. dollars.

"**Operating Expenses**" means the total operating expenses of the Obligated Group, as determined in accordance with accounting principles generally accepted in the United States of America, consistently applied.

"**Operating Revenues**" means the total operating revenues of the Obligated Group less applicable deductions from operating revenues, as determined in accordance with accounting principles generally accepted in the United States of America, consistently applied.

"**Opinion of Counsel**" means an opinion in writing signed by legal counsel acceptable to the Issuer and who may be an employee of or counsel to the Obligated Group.

"**Original Purchaser**" means the initial purchaser of the Bonds upon Conversion of the Bonds to a Bank Index Mode.

"**Original Purchaser Affiliate**" means any Person that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Original Purchaser.

"**Outstanding**" when used in reference to Bonds, means as of a particular date, all Bonds authenticated and delivered under the Indenture except: (i) any Bond canceled by the Bond Trustee at or before such date; (ii) any Bond or portion thereof paid or deemed paid in accordance with that section of the Indenture under the heading "Defeasance"; (iii) any Bond in lieu of or in substitution for which another Bond shall have been authenticated and delivered pursuant to the Indenture; and (iv) any unsurrendered Bond deemed to have been purchased as provided in the Indenture.

"**Par Call Date**" means, with respect to each FRN Rate Period: (a) for a FRN Rate Period of three years or longer, the date six months prior to the end of the then current FRN Rate Period, or (b) the date specified in a notice to the Bond Trustee delivered in accordance with clause (ii) of paragraph (b) of that section of the Indenture under the heading ""FRN Rate and FRN Rate Period," as applicable.

"**Parity Debt**" means any debt of the Obligated Group evidenced and/or secured by a Master Indenture Obligation.

"**Person**" means an individual, a corporation, a partnership, an association, a joint stock company, a joint venture, a trust, any unincorporated organization, a limited liability company, a governmental body or a political subdivision, a municipality, a municipal authority or any other group or organization of individuals.

"P**remises**" means the Premises of the Members of the Obligated Group described in the Premises Schedule attached to the Loan Agreement.

"**Principal Account**" means the account so designated, created and established in the Debt Service Fund pursuant to the section of the Indenture under the heading "Establishment of Funds And Accounts."

"**Principal Payment Date**" means any date upon which the principal amount of Bonds is due thereunder, including each Maturity Date and any Redemption Date, or the date the maturity of any Bond is accelerated pursuant to the terms thereof and otherwise.

"**Project**" means the (i) constructing, expansion, improvement and equipping of the capital improvement projects at the Project Facility financed or refinanced with proceeds of the Bonds as set forth on the Project Schedule attached to the Loan Agreement, (ii) current refunding of all of Authority's outstanding Hospital Revenue Bonds, Series A and B of 2008; (iii) the funding of any required reserves for the Bonds, if necessary; (iv) provisions of capitalized interest; (v) payment to insure all or a portion of the Bonds; (vi) the termination payments associated with the Hospital's outstanding Fixed Payer Swap with Deutsche Bank AG and Fixed Payer Swap with Citigroup Financial Products Inc., and (vii) the payment of costs of issuance of the Bonds.

"**Project Facilities**" means the Corporation's facility located at 700 Lawn Avenue, Sellersville, Pennsylvania 18960.

"**Project Fund**" means the fund for the Bonds so designated, created and established pursuant to the section of the Indenture under the heading "Establishment of Funds and Accounts.".

"**Project Users**" means the Members of the Obligated Group that own and operate the Project Facilities.

"**Purchase Contract**" means the Bond Purchase Agreement with respect to the Bonds by and between the Issuer and the initial underwriter of the Bonds.

"**Purchase Date**" means (i) for a Bond in the Daily Mode or the Weekly Mode, any Business Day selected by the Beneficial Owner of said Bond pursuant to the provisions of the section of the Indenture under the heading "Optional Tenders Of Bonds In the Daily Mode Or the Weekly Mode," and (ii) any Mandatory Purchase Date.

"**Purchase Fund**" means the Purchase Fund so designated, created and established pursuant to the section of the Indenture under the heading "Establishment of Funds And Accounts."

"**Purchase Price**" means: (a) with respect to any Bonds to be purchased on any Purchase Date, Mandatory Purchase Date, Scheduled Mandatory Tender Date or Unscheduled Mandatory Tender Date which is not an Interest Payment Date, an amount equal to 100% of the principal amount of any Bonds purchased on such date, plus unpaid accrued interest, if any, to such date; and (b) with respect to any Bonds to be purchased on any Purchase Date, Mandatory Purchase Date, Scheduled Mandatory Tender Date or Unscheduled Mandatory Tender Date which is an Interest Payment Date, an amount equal to 100% of the principal amount of any Bonds purchased on such date.

"**Purchaser Rate**" has the meaning set forth in the Bank Credit Agreement, if any.

"**Qualified Financial Institution**" means a financial institution that is a domestic corporation, a bank, a trust company, a national banking association, a corporation subject to registration with the Board of Governors of the Federal Reserve System under the Bank Holding Company Act of 1956 or any successor provisions of law, a federal branch pursuant to the International Banking Act of 1978 or any successor provisions of law, a foreign bank acting

through a domestic branch or agency which branch or agency is duly licensed or authorized to do business under the laws of any state or territory of the United States of America, a savings bank, a savings and loan association, or an insurance company or association chartered or organized under the laws of any state of the United States of America; provided that for each such entity its unsecured or uncollateralized long-term debt obligations, or obligations secured or supported by a letter of credit, contract, guarantee, agreement or surety bond issued by any such organization, directly or by virtue of a guarantee of a corporate parent thereof have been assigned a long-term credit rating by any two Nationally Recognized Statistical Rating Organizations ("NRSRO") which is not lower than the two highest ratings then assigned (i.e., at the time an Investment Agreement or Repurchase Agreement is entered into) by such rating service without qualification by symbols "+" or "-" or a numerical notation.

"**Qualified Investments**" means the obligations described below:¶

A. Direct obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of the Treasury) or obligations the timely payment of principal of and interest on which are unconditionally guaranteed by the United States of America.

B. Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies, provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself; mortgage pass-through securities, mortgage-backed securities pools, collateralized mortgage obligations and all mortgage derivative securities trusts shall not constitute Qualified Investments):

(1) Direct obligations of or fully guaranteed certificates of beneficial ownership of the Export Import Bank of the United States,

(2) Federal Financing Bank,

(3) Participation certificates of the General Services Administration,

(4) Guaranteed mortgage-backed bonds and guaranteed pass-through obligations of the Government National Mortgage Association, and

(5) Project notes, Local Housing Authority Bonds, New Communities Debentures and U.S. public housing notes and bonds fully guaranteed by the U.S. Department of Housing and Urban Development.

C. Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit U.S. government agencies, provided such agency is rated at least "AA" or equivalent at the time of purchase by at least two of the NRSROs (stripped securities are only permitted if they have been stripped by the agency itself):

(1) Federal Home Loan Bank System senior debt obligations,

(2) Participation Certificates and senior debt obligations of the Federal Home Loan Mortgage Corporation,

(3) Mortgage-backed securities and senior debt obligations of the Federal National Mortgage Association, and

(4) Consolidated system wide bonds and notes of the Farm Credit System Corporation.

D. Money market funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating of "AAA" or equivalent by at least two of the NRSROs.

E. Certificates of deposit secured at all times by collateral described in (A) and/or (B) above, issued by commercial banks, savings and loan associations or mutual savings banks where the collateral is held by a third party and the Bond Trustee or the Issuer has a perfected first security interest in the collateral.

F. Certificates of deposit, savings accounts, deposit accounts or money market deposits (a) which are fully insured by the FDIC or (b) held by a bank (including the Trustee and its affiliates) rated not less than AA by Standard & Poor's or Aa by Moody's (in each case, without regard to rating modifiers).

G. Unsecured Investment Agreements (subject to approval of the Issuer of any Investment Agreement with a term in excess of thirty (30) days); any Investment Agreement with a term greater than three (3) years must be with an issuer rated at least "AA" or equivalent by at least two of the NRSROs unless a lower rating is consented to by the Issuer and the Obligated Group Representative.

In the event the counterparty is downgraded below either "AA-" or "Aa3" by Standard & Poor's or Moody's, respectively, or equivalent by an NRSRO:

(1) The agreement will be transferred to an acceptable institution that meets the ratings requirement described above, or

(2) Collateral consisting of securities outlined in (A) or (B) above shall be posted that has a value equal to at least 102% of the principal plus accrued interest, or collateral consisting of securities outlined in (C) above shall be posted that has a value equal to at least 103% of the principal plus accrued interest, or

(3) The agreement must be converted into a Repurchase Agreement (See clause (L) below), or

(4) The agreement shall terminate at par plus accrued interest within ten (10) business days should (i), (ii) or (iii) above not be accomplished.

H. Collateralized Investment Agreements with providers rated at least "A-" and "A3" by Standard & Poor's and Moody's, respectively, or equivalent by at least two NRSROs,

provided that (i) the same collateral requirements as outlined in (G)(ii) are followed and (ii) if the provider is downgraded below "A-" and "A3", or equivalent by at least two NRSROs, the agreement shall terminate at par plus accrued interest.

I. Commercial paper rated "Prime-1" by Moody's and "A-1+" by Standard & Poor's, or equivalent by at least two NRSROs and which matures no more than 270 days from the date of purchase and subject to the following limitations:

(1) Only United States issuers of corporate (issued to provide working capital funding) commercial paper including United States issuers with a foreign parent; and

(2) Limited-purpose trusts, structured investment vehicles, asset-backed commercial paper conduits, and any other type of specialty finance company, whose purpose is generally limited to acquiring and funding a defined pool of assets that are used to repay obligations, shall not constitute Qualified Investments.

J. Bonds or notes issued by any state or municipality which are rated by any two NRSROs in one of the two highest long-term rating categories assigned by such NRSROs (without qualification by symbols "+" or "-" or a numerical notation).

K. Federal funds or bankers' acceptances with a maximum term of one year of any bank which has an unsecured, uninsured and unguaranteed obligation rating of "Prime-1" by Moody's and "A-1" by Standard & Poor's, or equivalent by at least two NRSROs.

L. Repurchase Agreements as defined herein.

M. Forward delivery agreements with providers rated at least "A-" and "A3" by Standard & Poor's and Moody's, respectively, or equivalent by at least two NRSROs, provided that (i) permitted deliverables are limited to securities described in (A), (B) and (C) above and (ii) if the provider is downgraded below "A-" or "A3", or equivalent by an NRSRO, the agreement shall terminate at par plus accrued interest.

N. Any state administered pool investment fund in which the Issuer is statutorily permitted or required to invest, rated at least "AA" or equivalent by one of the NRSROs.

O. Debt obligations of any US corporation or trust, which obligations are rated by at least two nationally recognized rating agencies in one of the three highest rating categories at the time of purchase (without incorporating refinements or gradation of rating category by numerical modified or otherwise).

"**Quotation Agent**" means such quotation agent as may be designated by the Obligated Group Representative to perform the duties enumerated in the Loan Agreement.

"**Rate Determination Date**" means any date on which the interest rate on Bonds shall be determined, which, (i) in the case of the Flexible Mode, shall be the first day of an Interest Period; (ii) in the case of the Daily Mode, shall be each Business Day commencing with the first day (which must be a Business Day) the Bonds become subject to the Daily Mode; (iii) in the case of the Weekly Mode, (A) each Wednesday or, if Wednesday is not a Business Day, then the

Business Day next succeeding such Wednesday and (B) a day not later than the Business Day preceding a Conversion Date, a Substitution Date or a Mandatory Purchase Date specified in clause (viii) of the definition of Mandatory Purchase Date; (iv) in the case of the Term Rate Mode, shall be a Business Day no earlier than fifteen (15) Business Days and no later than the Business Day next preceding the first day of an Interest Period (and with respect to a Three Month Term Rate Period, a Business Day no later than the fifth Business Day preceding the first day of each Three Month Term Rate Period unless (A) the Obligated Group Representative shall have provided to the Rating Agencies written notice of a proposed Three Month Term Rate Period Rate Determination Date that is less than the fifth Business Day before to the first day of the applicable Interest Period and (B) the written notice contemplated by clause (A) above is provided at least 60 days in advance of the proposed Rate Determination Date), as determined by the Remarketing Agent; (v) in the case of the Three Month LIBOR Indexed Mode, shall be a date that is two London Banking Days preceding the first day of each Three Month LIBOR Interest Period; (vi) in the case of the Fixed Rate Mode (other than the Initial Fixed Rate Period), shall be a date determined by the Remarketing Agent which shall be at least one Business Day prior to the Conversion Date; (vii) in the case of the FRN Rate Mode, each Reset Date; (viii) in the case of the Window Mode, each Thursday or if Thursday is not a Business Day, then the Business Day next succeeding such Thursday; (ix) in the case of the Flexible Index Mode and the Index Mode, shall be the date determined according to the section of the Indenture under the heading ""Determination Of Index Tender Rates And Interest Accrual Periods For Bonds In Index Mode Or Flexible Index Mode"; and (x) in the case of the Bank Index Mode, shall be the Bank Index Computation Date.

"**Rating Agency**" means Standard & Poor's, Moody's, Fitch or any other nationally recognized securities rating agency acceptable to the Issuer and maintaining a credit rating with respect to the Bonds. Except as otherwise provided herein, if more than one Rating Agency maintains a credit rating with respect to the Bonds, then any action, approval or consent by or notice to a Rating Agency shall be effective only if such action, approval, consent or notice is given by or to all such Rating Agencies.

"**Rating Category**" means one of the generic rating categories of a Rating Agency, without regard to any refinement or gradation of such rating category by a numerical modifier, plus or minus sign, or otherwise.

"**Rating Confirmation Notice**" means a notice from Moody's, S&P or Fitch, as appropriate, confirming that the rating on the Bonds will not be lowered or withdrawn (other than a withdrawal of a short-term rating upon a change to a Long-Term Mode) as a result of the action proposed to be taken.

"**Record Date**" means (i) with respect to Bonds in a Short-Term Mode or the FRN Rate Mode, the last Business Day before an Interest Payment Date; and (ii) with respect to Bonds in a Long-Term Mode other than the FRN Rate Mode, the fifteenth day (whether or not a Business Day) of the month preceding the month in which the Interest Payment Date occurs.

"**Refinancing Account**" means the account for the Bonds so designated, created and established pursuant to the section of the Indenture under the heading "Establishment of Funds And Accounts."

"**Reimbursement Agreement**" means the agreement between the Members of the Obligated Group and a Credit Facility Provider or Liquidity Facility Provider pursuant to which a Credit Facility or Liquidity Facility is issued, as amended, supplemented or extended from time to time in accordance with the provisions thereof.

"**Remarketing Proceeds Account**" means the account by that name created in the section of the Indenture under the heading "Purchase Fund."

"**Remarketing Window**" has the meaning set forth in the section of the Indenture under the heading "Optional And Mandatory Tender During Window Rate Period."

"**Reset Date**" means the Conversion Date upon which the Bonds begin bearing interest at a FRN Rate, and thereafter during a FRN Rate Period, every Thursday or if any Thursday is not a U.S. Government Securities Business Day, the next succeeding U.S. Government Securities Business Day, subject to being changed to a different day of the week as provided in Section 2.15(d).

"**Rebate Fund**" means the fund for the Bonds so designated, created and established pursuant to the section of the Indenture under the heading "Establishment Of Funds And Accounts."

"**Rebate Requirement**" means the amount of moneys required to be rebated to the United States Department of the Treasury, the method of calculation of which is described in the Tax Regulatory Agreement.

"**Redemption Fund**" means the fund for the Bonds so designated, created and established pursuant to the section of the Indenture under the heading "Establishment Of Funds And Accounts."

"**Redemption Price**" when used with respect to a Bond, means the principal amount of such Bond plus the applicable premium, if any, payable upon redemption thereof pursuant to the Indenture.

"**Redemption Terms Certificate**" means a certificate delivered to the Issuer, the Bond Trustee and the Corporation by the Remarketing Agent or another investment banking firm (selected by the Corporation and approved by the Issuer) prior to and in connection with a Conversion to any Term Rate Period or a Fixed Rate Period, which certificate shall establish, if applicable, a no-call period, if any, and an Earliest Redemption Date, if any, for the Bonds being converted, and, if applicable, the Redemption Price for the Bonds being converted, all as certified by the Remarketing Agent or such investment banking firm as being, based upon their experience, in their belief, industry standard at the time of such Conversion for tax-exempt bonds of similar remaining maturity, security and ratings as the Bonds.

"**Remarketing Agent**" means any remarketing agent for the Bonds pursuant to a Remarketing Agreement appointed pursuant to the section of the Indenture under the heading "Appointment of Remarketing Agent," and any successor thereto consented to by the Issuer.

"**Remarketing Agreement**" means any remarketing agreement by and between the Corporation, or another member of the Obligated Group and the Remarketing Agent and consented to by the Issuer, as the same may from time to time be amended or supplemented, and if the Remarketing Agent has been replaced by a successor Remarketing Agent, any similar agreement between the Corporation and such successor Remarketing Agent.

"**Repurchase Agreement**" means, unless otherwise consented to by the Issuer and the Credit Facility Provider, a written repurchase agreement entered into with a Qualified Financial Institution, a bank acting as a primary dealer or a securities dealer approved by the Issuer which is listed by the Federal Reserve Bank of New York as a "Primary Dealer" and rated "AA" or "Aa2" or better by at least two of the NRSROs (unless a lower rating is consented to by the Issuer) (a "Primary Dealer"), under which securities are transferred from a dealer bank or securities firm for cash with an agreement that the dealer bank or securities firm will repay the cash plus a yield in exchange for the securities on a specified date and under which (i) the Issuer is the real party in interest and has the right to proceed against the obligor on the underlying obligations which must be obligations of, or guaranteed by, the United States of America; (ii) the term of which shall not exceed one hundred eighty (180) days, unless the Issuer and the Credit Facility Provider shall consent to a longer period; (iii) the collateral must be delivered to the Issuer, the Bond Trustee (if the Bond Trustee is not supplying the collateral) or a third party acting as agent for the Bond Trustee (if the Bond Trustee is supplying the collateral) prior to or simultaneous with investment of moneys therein; (iv) such collateral is held free and clear of any lien by the Bond Trustee or an independent third party acceptable by the Issuer, acting solely as agent for the Bond Trustee; and (v) the collateral shall be valued weekly, marked to market at current market prices plus accrued interest; provided that at all times the value of the collateral must at least equal the required percentage of the amount invested in the Repurchase Agreement. If the value of such collateral is less than the amount specified, the Qualified Financial Institution or Primary Dealer must invest additional cash or securities such that the collateral value of the amount invested thereafter at least equals as follows: (a) if collateralized by securities described in clause (A) or (B) of the definition of Qualified Investments, at least 102%, or (b) if collateralized by securities described in clause (C) of the definition of Qualified Investments, at least 103%.

"**Resolution of the Issuer**" means a resolution duly adopted by the Issuer authorizing the issuance and delivery of the Bonds.

"**Revenues**" means all amounts paid or payable to the Issuer or to the Bond Trustee for the account of the Issuer (excluding fees and expenses payable to the Issuer and the Bond Trustee, the Unassigned Rights and rights to indemnification of the Bond Trustee) under and pursuant to the Loan Agreement, and as may be further described in a Supplemental Loan Agreement or a Supplemental Indenture.

"**Scheduled Mandatory Tender Date**" means the date determined pursuant to paragraph (n) of the or paragraph (v) of the section of the Indenture under the heading "Determination Of Index Tender Rates And Interest Accrual Periods For Bonds In Index Mode Or Flexible Index Mode," as applicable.

"**Scheduled Mandatory Tender Failure**" means the failure of the Obligated Group to pay or provide for the payment of the Purchase Price of all Bonds required to be purchased on a Scheduled Mandatory Tender Date pursuant to paragraph (h) of the section of the Indenture under the heading "Determination Of Index Tender Rates And Interest Accrual Periods For Bonds In Index Mode Or Flexible Index Mode."

"**Scheduled Mandatory Tender**" means the mandatory tender for purchase of Bonds in the Index Mode or the Flexible Index Mode pursuant to the provisions of paragraph (h) of the section of the Indenture under the heading "Determination Of Index Tender Rates And Interest Accrual Periods For Bonds In Index Mode Or Flexible Index Mode" and excludes any mandatory tender of Bonds in the Index Mode or the Flexible Index Mode pursuant to paragraph (i) of the same section of the Indenture.

"**Securities Depository**" means the securities depository designated as such in the section of the Indenture under the heading "Depository Trust Company Registration Of Bonds" and any successor depository thereto.

"**Securities Exchange Act**" means the Securities Exchange Act of 1934, as amended.

"**Serial Bonds**" means the Bonds maturing on the Serial Maturity Dates, as determined pursuant to clause (v) of paragraph (c) of the Indenture under the heading "Conversion Of Interest Rate Modes."

"**Serial Maturity Dates**" means the dates on which the Serial Bonds mature, as determined pursuant to clause (v) of paragraph (c) of the Indenture under the heading "Conversion Of Interest Rate Modes."

"**Serial Payments**" means, other than with respect to Bonds in the Initial Fixed Rate Period, the payments to be made in payment of the principal of the Serial Bonds on the Serial Maturity Dates.

"**Short-Term Mode**" means the Daily Mode, the Weekly Mode, the Flexible Mode, the Flexible Index Mode, the Index Mode, the Bank Index Mode, the Term Rate Mode (during a Three Month Term Rate Period only) or the Window Mode.

"**SIFMA Average Index Rate**" means, during each Interest Accrual Period, the per annum rate equal to the average of SIFMA in effect for each day in such Interest Accrual Period.

"**SIFMA**" or "**SIFMA Index**" means, (i) other than for Bonds in the Bank Index Mode, as of any date, the per annum rate published or reported by Municipal Market Data on its SIFMA Municipal Swap Index most recently available, or if the SIFMA Municipal Swap Index is no longer published or reported, the rate per annum published or reported on the S&P Municipal Bond 7 Day High Grade Rate Index, or if neither the SIFMA Municipal Swap Index nor the S&P Municipal Bond 7 Day High Grade Index is published, such alternate interest rate index as the Remarketing Agent shall select as most comparable to the SIFMA Municipal Swap Index, and (ii) for Bonds in the Bank Index Mode, the Securities Industry and Financial Markets Association Municipal Swap Index, which is issued weekly and which is compiled from the weekly interest rate resets of tax-exempt variable rate issues reported to the Municipal Securities

Rulemaking Board's Short-Term Obligation Rate Transparency system which meet specific criteria established from time to time by the Securities Industry and Financial Markets Association and issued on Wednesday of each week, or if any Wednesday is not a Business Day, the next succeeding Business Day. For Bonds other than Bonds in the Bank Index Mode, if the SIFMA Index is no longer published, then "SIFMA Index" shall mean the S&P Weekly High Grade Index, and if the S&P Weekly High Grade Index is no longer published, then "SIFMA Index" shall mean the prevailing rate determined by the Bank Index Agent, or the Remarketing Agent, as appropriate, for tax-exempt state and local government bonds meeting criteria determined in good faith by the Bank Index Agent, or the Remarketing Agent, as appropriate, to be comparable under the circumstances to the criteria used by the Securities Industry and Financial Markets Association to determine the SIFMA Index immediately prior to the date on which the Securities and Financial Markets Association ceased publication of the SIFMA Index. For Bonds in the Bank Index Mode, if the SIFMA Index is no longer published, an alternate index shall be calculated (based upon the criteria for the SIFMA Index) by an entity selected by mutual agreement of the Bank and the Corporation.

"**Sinking Fund Account**" means the account so designated, created and established in the Debt Service Fund pursuant to the section of the Indenture under the heading "Establishment of Funds And Accounts."

"**Sinking Fund Installment**" means the amount of money sufficient to redeem Bonds at the principal amount thereof in the amounts, at the times and in the manner set forth herein.

"**Standard & Poor's**" means Standard & Poor's Ratings Services, a division of McGraw Hill, Inc., a corporation organized and existing under the laws of the State of New York, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Standard & Poor's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer, by notice to the Bond Trustee.

"**Stated Maturity**" shall mean the dates principal becomes due on the Bonds by stated maturity as set forth in the section of the Indenture under the heading ""Date, Maturity And Interest Rates Of The Bonds"; provided, in any case where the date of maturity of premium of, interest on, or principal of, the Bonds or the date fixed for redemption of any Bonds shall be on a day other than a Business Day, then payment of interest, principal and premium, if any, need not be made on such date but may be made (without additional interest) on the next succeeding Business Day, with the same force and effect as if made on the date of maturity or the date fixed for redemption.

"**Substitution Date**" means (i) the date upon which an Alternate Credit Facility or Alternate Liquidity Facility is scheduled to be substituted for the Credit Facility or Liquidity Facility then in effect, or (ii) the effective date of a Credit Facility or Liquidity Facility issued or delivered with respect to Bonds not then covered by a Credit Facility or Liquidity Facility.

"**Supplemental Indenture**" means any indenture of the Issuer modifying, altering, amending, supplementing or confirming the Indenture for any purpose, in accordance with the terms thereof.

"**Supplemental Loan Agreement**" means any agreement between the Issuer and the Corporation amending or supplementing the Loan Agreement in accordance with the terms of the Indenture.

"**Supplemental Master Indenture**" means the Supplemental Master Trust Indenture No. 1, dated as of March 1, 2021, by and among the Members of the Obligated Group, and the Master Trustee, as amended or supplemented from time to time.

"**Tax Regulatory Agreement**" means the Tax Compliance Agreement, by and among the Issuer, the Corporation, and the Project Users named therein, including all appendices, certificates and attachments thereto, executed on the date of issuance and delivery of the Bonds, as it may be amended from time to time.

"**Taxable Date**" has the meaning set forth in the Bank Credit Agreement, if any.

"**Tender Agent**" means the commercial bank, trust company or other entity which may from time to time be appointed to serve as Tender Agent thereunder. Until such time as an alternate Tender Agent is appointed, the Tender Agent shall be the Bond Trustee.

"**Tender Notice Deadline**" means (i) during the Daily Mode, 11:00 A.M. on any Business Day and (ii) during the Weekly Mode, 5:00 P.M. on the Business Day seven days prior to the applicable Purchase Date.

"**Tender Notice**" means a notice delivered by Electronic Means or in writing that states (i) the principal amount of such Bond to be purchased pursuant to the section of the Indenture under the heading "Optional Tenders Of Bonds IN the Daily Mode Or The Weekly Mode," (ii) the Purchase Date on which such Bond is to be purchased, (iii) applicable payment instructions with respect to the Bonds being tendered for purchase and (iv) an irrevocable demand for such purchase.

"**Tender Period Standard Date**" means, with respect to any Tender Period, during a Flexible Index Mode or an Index Mode, the date which is six months prior to the Scheduled Mandatory Tender Date for such Tender Period.

"**Tender Period**" means, with respect to Bonds bearing interest in a Flexible Index Mode, a period determined pursuant to paragraph (d) of the section of the Indenture under the heading "Determination Of Index Tender Rates And Interest Accrual Periods For Bonds In Index Mode Or Flexible Index Mode."

"**Term Rate Mode**" means the Interest Rate Mode during which the Bonds bear interest at the Term Rate.

"**Term Rate Period**" means the period from (and including) the Conversion Date or the Date of Issuance of the Bonds, as applicable, to (but excluding) the last day of the first period that the Bonds shall be in the Term Rate Mode as established by the Obligated Group Representative for the Bonds pursuant to clause (i) of paragraph (b) of the section of the Indenture under the heading "Conversion Of Interest Rate Modes" and, thereafter, the period from (and including) the beginning date of each successive Interest Period selected for the Bonds

by the Obligated Group Representative pursuant to paragraph (a) of the section of the Indenture under the heading "Determination Of Term Rates And Fixed Rates" while it is in the Term Rate Mode to (but excluding) the commencement date of the next succeeding Interest Period, including another Term Rate Period. Except as otherwise provided in the Indenture (including during a Three Month Term Rate Period), an Interest Period for the Bonds in the Term Rate Mode must be at least 180 days in length.

"**Term Rate**" means the per annum interest rate for the Bonds in the Term Rate Mode determined pursuant to paragraph (a) of the section of the Indenture under the heading "Determination Of Term Rates And Fixed Rates."

"**Three Month LIBOR Index Rate**" means the per annum interest rate borne by the Bonds during each Three Month LIBOR Interest Period determined in accordance with the section of the Indenture under the heading "Determination Of Three Month LIBOR Index Rates."

"**Three Month LIBOR Indexed Mode**" means the Interest Rate Mode during which the Bonds bear interest at the Three Month LIBOR Index Rate.

"**Three Month LIBOR Interest Period**" means, during the Three Month LIBOR Indexed Mode, the period from (and including) the Conversion Date or the date of issuance of the Bonds, as applicable, to (but not including) the first Interest Payment Date and thereafter means the period from (and including) an Interest Payment Date to but not including the following Interest Payment Date (regardless of whether or not such Interest Payment Dates are Business Days).

"**Three Month LIBOR**" means the rate for deposits in U.S. dollars with a three-month maturity that appears on Reuters Screen LIBOR Page (or such other page as may replace that page on that service, or such other service as may be nominated by ICE, for the purpose of displaying London interbank offered rates for U.S. dollar deposits) as of 11:00 A.M., London time, on the Rate Determination Date, except that, if such rate does not appear on such page on the Rate Determination Date, Three Month LIBOR means a rate determined on the basis of the rates at which deposits in U.S. dollars for a three-month maturity and in a principal amount of at least U.S. $1,000,000 are offered at approximately 11:00 A.M., London time, on the Rate Determination Date, to prime banks in the London interbank market by four major banks in the London interbank market (herein referred to as the "Reference Banks") selected by the Quotation Agent. The Quotation Agent is to request the principal London office of each of such Reference Banks to provide a quotation of its rate. If at least two such quotations are provided, Three Month LIBOR will be the arithmetic mean of such quotations. If fewer than two quotations are provided, Three Month LIBOR will be the arithmetic mean of the rates quoted by three (if three quotations are not provided, two or one, as applicable) major banks in New York City, selected by the Quotation Agent, at approximately 11:00 A.M. on the Rate Determination Date, for loans in U.S. dollars to leading European banks in a principal amount of at least U.S. $1,000,000 having a three-month maturity. If none of the banks in New York City selected by the Quotation Agent is then quoting rates for such loans, then Three Month LIBOR will be a replacement rate designed to measure average costs of borrowing by banks (and where feasible on loans from other banks) recommended by the Quotation Agent, provided that such replacement rate must be

based upon an interest index, variations in the value of which reflect contemporaneous variations in the costs of newly-borrowed funds in U.S. dollars.

"**Three Month Term Rate Period**" means each Term Rate Period with a duration of three calendar months (except under the circumstances contemplated in the definition of Interest Payment Date or in the event that fewer than three calendar months remain to the applicable Maturity Date, Mandatory Purchase Date or Redemption Date).

"**U.S. Government Securities Business Day**" means any day except for a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading U.S. government securities.

"**Unassigned Rights**" means:

(1) the right of the Issuer in its own behalf to receive all opinions of counsel, reports, financial statements, certificates, insurance policies, binders or certificates, or other notices or communications required to be delivered to the Issuer under the Loan Agreement;

(2) the right of the Issuer to grant or withhold any consents or approvals required of the Issuer under the Loan Agreement;

(3) the right of the Issuer to require any indemnity from any Person; and

(4) the right of the Issuer in its own behalf to declare an Event of Default under the Loan Agreement or with respect to any of the Issuer's Unassigned Rights.

"**Undelivered Bond**" means any Bond which constitutes an Undelivered Bond under the provisions of the section of the Indenture under the heading "Determination Of Index Tender Rates And Interest Accrual Periods For Bonds In Index Mode Or Flexible Index Mode" or under paragraph (b) of the section under the heading "No Book-Entry System."

"**Unremarketed Bonds**" means Bank Index Bonds which, on the applicable Bank Purchase Date, have not been successfully converted to another Interest Rate Mode or remarketed to a party other than the Bank.

"**Unscheduled Mandatory Tender Date**" means a date for the mandatory tender of Bonds in the Index Mode or the Flexible Index Mode pursuant to paragraph (i) of the section of the Indenture under the heading "Determination Of Index Tender Rates And Index Accrual Periods For Bonds In Index Mode Or Flexible Index Mode."

"**Unscheduled Mandatory Tender**" means any mandatory tender for purchase of Bonds in the Index Mode or the Flexible Index Mode pursuant to the provisions of paragraph (i) of the section under the heading in the Indenture ""Determination Of Index Tender Rates And Interest Accrual Periods For Bonds In Index Mode Or Flexible Index Mode" and excludes any mandatory tender of Bonds in the Index Mode or the Flexible Index Mode pursuant to paragraph (h) of that same section of the Indenture or any mandatory tender of the Bonds bearing interest in an Interest Rate Mode other than a Flexible Index Mode or an Index Mode.

"**Upfront Fee**" means the fee of $102,000 payable by the Corporation to the Issuer, upon the issuance of the Bonds.

"**Variable Rate Mode**" means a Short-Term Mode or the Term Rate Mode.

"**Weekly Mode**" means the Interest Rate Mode during which the Bonds bear interest at the Weekly Rate.

"**Weekly Rate Period**" means the period during which a Bond in the Weekly Mode shall bear a Weekly Rate, which shall be the period commencing on Thursday of each week to and including Wednesday of the following week, except (i) if the Bonds are issued in the Weekly Mode, in which case the first Weekly Rate Period shall be from the Date of Issuance to and including the Wednesday of the following week; (ii) in connection with a Conversion to the Weekly Rate, in which case the first Weekly Rate Period shall be from the Conversion Date to and including the Wednesday of the following week; (iii) in the case of a Substitution Date or Mandatory Purchase Date specified in clause (viii) of the definition of Mandatory Purchase Date, in which case the Weekly Rate Period prior to the Substitution Date or such Mandatory Purchase Date shall end on the day before the Substitution Date or such Mandatory Purchase Date and a new Weekly Rate Period shall commence on the Substitution Date or such Mandatory Purchase Date and end on the Wednesday of the following week; and (iv) in connection with a Conversion from the Weekly Mode, the last Weekly Rate Period shall end on the day next preceding the Conversion Date.

"**Weekly Rate**" means the per annum interest rate on the Bonds determined pursuant to paragraph (b) of the section of the Indenture "Determination Of Interest Rates During The Daily Mode And the Weekly Mode."

"**Window Calculation Agent**" means the agent appointed by the Obligated Group Representative to calculate the Window Rate.

"**Window Mandatory Tender Date**" means the date specified for the mandatory purchase of a Bond in the Window Mode pursuant to the section of the Indenture under the heading "Optional And Mandatory Tender During Window Rate Period."

"**Window Mode**" means the Interest Rate Mode during which the Bonds bear interest at the Window Rate.

"**Window Optional Tender Date**" means the date specified for the purchase of a Bond in the Window Mode upon optional tender pursuant to the section of the Indenture under the heading "Optional And Mandatory Tender During Window Rate Period."

"**Window Optional Tender Notice**" has the meaning set forth in the section of the Indenture under the heading "Optional And Mandatory Tender During Window Rate Period."

"**Window Rate Period**" means the period during which a Bond in the Window Mode shall bear interest at a Window Rate, which shall be the period commencing on Thursday of each week to and including Wednesday of the following week, except (i) if the Bonds are issued in the Window Mode, in which case the first Window Rate Period shall be from the Date of Issuance to

and including the Wednesday of the following week, (ii) in connection with a Conversion to the Window Rate, in which case the first Window Rate Period shall be from the Conversion Date to and including the Wednesday of the following week, (iii) in the case of a Substitution Date or Mandatory Purchase Date specified in clause (ix) of the definition of Mandatory Purchase Date, in which case the Window Rate Period prior to the Substitution Date or such Mandatory Purchase Date shall end on the day before the Substitution Date or such Mandatory Purchase Date and a new Window Rate Period shall commence on the Substitution Date or such Mandatory Purchase Date and end on the Wednesday of the following week and (iv) in connection with a Conversion from the Window Mode, the last Window Rate Period shall end on the day next preceding the Conversion Date.

"**Window Rate**" means the per annum interest rate on the Bonds in the Window Mode determined pursuant to the section of the Indenture under the heading "Determination Of Window Rates."

"**Window Spread**" means, during a Window Rate Period, (i) the Initial Window Spread, or (ii) a revised spread determined by the Remarketing Agent pursuant to paragraph (b) under the section of the Indenture under the heading "Determination Of Window Rates."

SUMMARY OF CERTAIN TERMS OF THE INDENTURE

The following is a summary of certain provisions of the Indenture. This summary does not purport to be comprehensive and reference should be made to the Indenture for a full and complete statement of its provisions.

Bonds Authorized

The Issuer has heretofore authorized the issuance of not to exceed $285,000,000 aggregate principal amount of Bucks County Industrial Development Authority Hospital, Revenue Bonds (Grand View Hospital Project), Series 2021 for the purpose of making a loan to the Corporation of the proceeds thereof so as to provide moneys, together with certain other moneys of the Corporation, to finance and refinance the Costs of the Project, including funding any required debt service reserve fund and capitalized interest accounts and to pay the Cost of Issuance of the Bonds.

Upon the execution and delivery hereof, the Issuer shall execute the Bonds and deliver them to the Bond Trustee for authentication. At the direction of the Issuer, the Bond Trustee shall authenticate the Bonds and deliver them to the purchasers thereof.

Calculation And Payment of Interest; Change In Interest Rate Mode; Maximum Rate.

(1) When a Term Rate Mode with a Term Rate Period of equal to or greater than one year or Fixed Rate Mode is in effect, interest shall be calculated on the basis of a 360 day year comprised of twelve 30-day months. Payment of interest on each Bond shall be made on each Interest Payment Date for such Bond for unpaid interest accrued during the Interest Accrual Period to the Owner of record of such Bond on the applicable Record Date. During the Flexible

Index Mode and the Index Mode, payment shall be made on each Interest Payment Date for unpaid interest accrued from and including the Interest Accrual Date immediately preceding the Interest Payment Date; except that payment shall be made on the initial Interest Payment Date for the Bonds for unpaid interest accrued from and including the Date of Issuance. Notwithstanding the foregoing, while the Bonds are in a Flexible Index Mode or an Index Mode, any conflict or inconsistency between this Section and Section 2.16 shall be resolved in favor of the provisions of Section 2.16.

(2) The Bonds in any Interest Rate Mode may be changed to any other Interest Rate Mode (including a change from one Bank Index Rate Period to another Bank Index Rate Period) or to another Fixed Rate Period at the end of the Initial Fixed Rate Period (each a "Conversion") at the times and in the manner hereinafter provided. Subsequent to such Conversion the Bonds may again be changed to a different Interest Rate Mode at the times and in the manner hereinafter provided. All Bonds of a series or subseries shall operate in the same Interest Rate Mode at the same time.

(3) No Bonds shall bear interest at an interest rate higher than the Maximum Rate.

(4) In the absence of manifest error, the determination of interest rates (including any determination of rates in connection with a New Mode) and interest periods by the Remarketing Agent, the record of interest rates maintained by the Paying Agent, the determination of the Window Rate by the Window Calculation Agent, the determination of the FRN Rate by the Calculation Agent, and the determination of the Bank Index Rate by the Bank Index Agent or the Market Agent, shall be conclusive and binding upon the Remarketing Agent, the Paying Agent, the Bond Trustee, the Issuer, the Members of the Obligated Group, the Owners and the Beneficial Owners.

(5) Fixed Rates. Interest on the Bonds during the Initial Fixed Rate Period is as set forth in the section of the Indenture under the heading "Date, Maturity And Interest Rates Of The Bonds." With respect to subsequent Fixed Rate Periods, the Remarketing Agent shall determine the Fixed Rate (or Rates, if the Bonds will have Serial Maturity Dates in accordance with clause (v) of paragraph (c) of the section of the Indenture under the heading "Conversion Of Interest Rate Modes" or if there is more than one Term Bond) and the price or prices for the Bonds being converted to the Fixed Rate Mode in the manner and at the times as follows: not later than 4:00 P.M. on the applicable Rate Determination Date, the Remarketing Agent shall determine the Fixed Rate or Rates and the price or prices for the Bonds. Except as set forth in clause (v) of paragraph (c) of the section of the Indenture under the heading "Conversion Of Interest Rate Modes," the Fixed Rate or Rates shall be the minimum interest rate which, in the sole judgment of the Remarketing Agent, will result in a sale of the Bonds at a price equal to the principal amount thereof on the Rate Determination Date. The Remarketing Agent shall make the Fixed Rate or Rates and the price or prices for the Bonds being converted to the Fixed Rate Mode available by telephone or by Electronic Means on the Rate Determination Date to any Notice Party requesting such Fixed Rate or Rates and price or prices. Upon request of any Notice Party the Paying Agent shall give notice of such rate by Electronic Means. Subject to clause (v) of paragraph (c) of the section of the Indenture under the heading "Conversion Of Interest Rate Modes," the Fixed Rate or Rates so established shall remain in effect until the Maturity Date(s) of such Bonds.

Conversion of Interest Rate Modes

Except for Conversions to the Index Mode and the Flexible Index Mode, which are governed by Section 2.16 of the Indenture, Conversions to the FRN Rate Mode, which are governed by Section 2.15 of the Indenture, Conversions to a Bank Index Mode, which are governed by Section 2.17 of the Indenture, and Conversions to a Fixed Rate Mode, which are governed by Section 2.18(c) of the Indenture, all (but not less than all) of a series or subseries of the Bonds may be changed from one Interest Rate Mode to another Interest Rate Mode as follows:

No later than a Business Day which is at least seven (7) Business Days prior to the date on which the Tender Agent is required to notify the registered owners (or such shorter time as may be agreed to by the Issuer, the Obligated Group Representative, the Bond Trustee, the Tender Agent and the Remarketing Agent) preceding the proposed Conversion Date, the Obligated Group Representative shall give written notice to the Notice Parties of its intention to effect a change in the Interest Rate Mode from the Interest Rate Mode then prevailing (for purposes of this Section, the "Current Mode") to another Interest Rate Mode (for purposes of this Section, the "New Mode"). Notice of the proposed Conversion shall be given by the Tender Agent to the Owners of the Bonds not later than the twentieth (20th) day next preceding the Conversion Date for Bonds other than Bonds in the Fixed Rate Mode, and not earlier than the sixtieth (60th) day or later than the thirtieth (30th) day immediately preceding the Conversion Date for Bonds in the Fixed Rate Mode, provided that no notice need be given for a Conversion Date occurring on the first Business Day following the last day of a Flexible Rate Period or Term Rate Mode or on a Substitution Date. Such notice shall state: (1) the Conversion Date; (2) (a) in the case of a change from any Interest Rate Mode other than from the Daily Mode to the Weekly Mode or from the Weekly Mode to the Daily Mode, that the Bonds will be subject to mandatory purchase on the Conversion Date (regardless of whether all of the conditions to the change in the Interest Rate Mode are satisfied except in the case of a Conversion from the Three Month LIBOR Indexed Mode or the Fixed Rate Mode) and the Purchase Price of the Bonds; and (b) in the case of a change from the Daily Mode to the Weekly Mode or from the Weekly Mode to the Daily Mode, that the Bonds will not be subject to mandatory purchase on the Conversion Date; (3) a description of the Bonds to be converted; and (4) if the Book-Entry System is no longer in effect, information with respect to required delivery of Bond certificates and payment of Purchase Price. If the Conversion is from the Three Month LIBOR Indexed Mode, such notice shall state that the Bonds are subject to mandatory purchase on the Conversion Date and shall also state that if the conditions to the Conversion are not satisfied, then the Bonds shall not be subject to mandatory tender, and shall stay in the Three Month LIBOR Indexed Mode and the interest rate shall be established by the Paying Agent on the failed Conversion Date in accordance with this Section 2.18, as if no Conversion Date had been proposed. If the Conversion is from Bonds in the Fixed Rate Mode, including during the Initial Fixed Rate Period, such notice shall also state that the Bonds are subject to mandatory purchase on the Conversion Date and that if notice of mandatory tender has been given and funds prove insufficient, the Bonds shall not be purchased and shall continue in the Fixed Rate Mode, without change in interest rate, Maturity Dates or other terms.

The New Mode shall commence on the Conversion Date and the interest rate(s) (together, in the case of a change to the Flexible Mode, with the Interest Period(s)) shall be determined by the Remarketing Agent (or the Obligated Group Representative in the case of the Interest Period for the Bonds converted to the Term Rate Mode) in the manner provided in Article II hereof, as applicable, to the New Mode. Such determination shall be conclusive and binding upon the Issuer, the Obligated Group Representative, the Bond Trustee and the Owners of the Bonds to which such rate will be applicable.

The Conversion Date shall be in the case of a Conversion from the Fixed Rate Mode, the Mandatory Tender Date specified by the Obligated Group Representative pursuant to section of Indenture under the heading "Mandatory Tender Of Fixed Rate Bonds Upon Request Of Obligated Group Representative. The following items shall have been delivered to the Bond Trustee, the Paying Agent and the Remarketing Agent on or prior to the Conversion Date: (i) a Favorable Opinion of Bond Counsel dated the Conversion Date and addressed to the Notice Parties; (ii) if there is to be a Liquidity Facility or an Alternate Liquidity Facility or a Credit Facility or an Alternate Credit Facility delivered in connection with such change, the items required by paragraph (d) of the section of the Indenture under the heading ""Credit Facility And Liquidity Facility"; and (iii) if other than a change from the Daily Mode to the Weekly Mode or from the Weekly Mode to the Daily Mode, a Rating Confirmation Notice, or if the Conversion Date is a Mandatory Purchase Date, a notice from the Rating Agencies of the rating(s) to be assigned the Bonds on such Conversion Date.

In the case of Bonds to be converted from a Fixed Rate Period to any other Interest Period, including another Fixed Rate Period, the Obligated Group Representative shall have appointed a Tender Agent and a Remarketing Agent prior to the Conversion Date.

At the option of the Obligated Group Representative, all (but not less than all) of a series or subseries of the Bonds may be changed to the Fixed Rate Mode, as provided in paragraph (c) of the section of the Indenture under the heading "Conversion of Interest Rate Modes." On any Business Day which is at least seven (7) Business Days prior to the date on which the Paying Agent is required to notify the registered owners (or such shorter time as may be agreed to by the Issuer, the Obligated Group Representative, the Bond Trustee and the Remarketing Agent, but in any event not less than the twentieth (20th) day immediately preceding the Conversion Date, or the thirtieth (30th) day immediately preceding the Conversion Date if the Current Mode is a Fixed Rate Mode) before the proposed Conversion Date, the Obligated Group Representative shall give written notice to the Notice Parties stating that the Interest Rate Mode will be changed to the Fixed Rate Mode and setting forth the proposed Conversion Date and a description of the Bonds to be converted. Such notice shall also state whether or not there shall be a Credit Facility with respect to the Bonds following such change and, if so, the identity of the Credit Facility Provider. In addition, such notice shall state whether some or all of the Bonds to be converted shall be converted to Serial Bonds and, if so, the applicable Serial Maturity Dates and Serial Payments, all as determined pursuant to clause (v) of paragraph (c) of the section of the Indenture under the heading of "Conversion Of Interest Rate Modes." Any such Conversion shall be made in accordance with the requirements of requirements of Section 2.18 of the Indenture.

In the event the conditions described in the Indenture with respect to Conversion, as applicable, have not been satisfied by the applicable Conversion Date, then the New Mode shall not take effect (although, except in the case of a failed Conversion from the Three Month LIBOR Indexed Mode, the Fixed Rate Mode or the Window Mode, any mandatory purchase shall be made on such date if notice has been sent to the Owners stating that such Bonds would be subject to mandatory purchase on such date). If the failed Conversion was from the Flexible Mode, the Bonds shall remain in the Flexible Mode with interest rates and Interest Periods to be established by the Remarketing Agent on the failed Conversion Date in accordance with Section 2.9 of the Indenture. If the failed Conversion was from the Daily Mode, the Bonds shall remain in the Daily Mode, and if the failed Conversion was from the Weekly Mode, the Bonds shall remain in the Weekly Mode, in each case with interest rates established in accordance with the applicable provisions of Section 2.10 of the Indenture on and as of the failed Conversion Date. If the failed Conversion was from the Window Mode, then the Bonds shall not be subject to mandatory tender and the Bonds shall remain in the Window Mode with interest rates established in accordance with the applicable provisions of Section 2.12 of the Indenture on and as of the failed Conversion Date. If the failed Conversion was from the Term Rate Mode, then the Bonds shall stay in the Term Rate Mode for an Interest Period ending on the following Interest Payment Date for the Bonds in the Term Rate Mode and the interest rate shall be established by the Remarketing Agent on the failed Conversion Date in accordance with Section 2.11(a) of the Indenture. If the failed Conversion was from the Three Month LIBOR Indexed Mode, then the Bonds shall not be subject to mandatory tender and the Bonds shall remain in the Three Month LIBOR Indexed Mode, with interest rates established in accordance with the applicable provisions of Section 2.14 hereof on and as of the failed Conversion Date. If the failed Conversion was from the FRN Rate Mode, then the Bonds shall stay in the FRN Rate Mode as in effect immediately prior to the proposed Conversion, with interest rates established in accordance with the applicable provisions of Section 2.15 of the Indenture on and as of the failed Conversion Date. If the failed Conversion was from the Fixed Rate Mode, then the Bonds shall not be subject to mandatory tender and shall continue in the Fixed Rate Mode, without change in interest rate, Maturity Date, Sinking Fund Installments, or other terms, and such failed Conversion shall not constitute an Event of Default. If the Current Mode is an Index Mode or a Flexible Index Mode, the Tender Period for all Outstanding Bonds shall extend from and including the date on which the New Mode was to take effect to and including the date which was the Scheduled Mandatory Tender Date (and, if such date is not a Business Day, then the Business Day preceding such date while in a Flexible Index Mode and the Business Day following such date while in an Index Mode).

Notwithstanding anything herein to the contrary, the Obligated Group Representative may rescind any election by it to change an Interest Rate Mode as described above prior to the Conversion Date by giving written notice thereof to the Notice Parties prior to 10:00 A.M. on the Business Day preceding such Conversion Date or not less than three days prior to the setting of the Bank Index Rates by the Market Agent in the case of a Conversion to the Bank Index Rate Period. If the Tender Agent receives notice of such rescission prior to the time the Tender Agent has given notice to the Holders of the Bonds, then such notice of Conversion shall be of no force and effect. If the Tender Agent receives notice from the Obligated Group Representative of rescission of an Interest Rate Mode change after the Tender Agent has given notice thereof to the Holders of the Bonds, then if the proposed Conversion Date would have been a Mandatory

Purchase Date, such date shall continue to be a Mandatory Purchase Date except if the Conversion is from the Three Month LIBOR Indexed Mode, the Fixed Rate Mode or the Window Mode. If the proposed Conversion was from the Flexible Mode, the Bonds shall remain in the Flexible Mode with interest rates and Interest Periods to be established by the Remarketing Agent on the proposed Conversion Date in accordance with Section 2.9 hereof. If the proposed Conversion was from the Daily Mode, the Bonds shall remain in the Daily Mode, and if the proposed Conversion was from the Weekly Mode, the Bonds shall remain in the Weekly Mode, in each case with interest rates established in accordance with the applicable provisions of Section 2.10 hereof on and as of the proposed Conversion Date. If the proposed Conversion was from the Window Mode, the Bonds shall remain in the Window Mode with interest rates established in accordance with the applicable provisions of Section 2.12 of the Indenture on and as of the proposed Conversion Date. If the Bonds are in the Window Mode immediately prior to such proposed Conversion and sufficient remarketing proceeds are not available for the purchase of all Bonds on the date which would have been the effective date of such proposed Conversion, then the Obligated Group Representative shall be deemed to have rescinded its election to make such Conversion. If the Bonds were in a Window Rate Period immediately prior to such proposed Conversion, the Bond Trustee shall give notice of the rescission by Electronic Means as soon as practicable and in any event not later than the next succeeding Business Day to the Holders thereof. If the proposed Conversion was from the Term Rate Mode, then the Bonds shall stay in the Term Rate Mode for an Interest Period ending on the following Interest Payment Date for the Bonds in the Term Rate Mode and the interest rate shall be established by the Remarketing Agent on the proposed Conversion Date in accordance with Section 2.11(a) of the Indenture. If the Remarketing Agent is unable to determine the interest rate on the proposed Conversion Date, the provisions of Section 2.13 of the Indenture shall become effective at the beginning of each such Interest Period. If the proposed Conversion was from the Three Month LIBOR Indexed Mode, the Bonds shall remain in the Three Month LIBOR Indexed Mode, with interest rates established in accordance with the applicable provisions of Section 2.14 of the Indenture on and as of the proposed Conversion Date.

Optional Redemption of Flexible Rate Bonds

Except as provided in the section of the Indenture under the heading "Optional Redemption From Insurance and Condemnation Proceeds," Bonds in the Flexible Mode are not subject to optional redemption prior to their respective Purchase Dates. Bonds in the Flexible Mode shall be subject to redemption at the option of the Issuer at the direction of the Obligated Group Representative in whole or in part on their respective Purchase Dates at the applicable Redemption Price without premium.

Optional Redemption of Bonds in The Index Mode, the Flexible Index Mode, the FRN Rate Mode, the Daily Mode, the Weekly Mode, or the Window Mode; Optional Redemption During Delayed Remarketing Period

The Bonds in the Index Mode or the Flexible Index Mode are subject to redemption at the option of the Issuer at the direction of the Obligated Group Representative in whole or in part, in Authorized Denominations, during any Tender Period, on any Business Day on or after the Call

Protection Date for such Tender Period at the applicable Redemption Price without premium plus accrued and unpaid interest.

While any FRN Rate is in effect, the Bonds shall be subject to redemption prior to their stated maturity, at the option of the Issuer at the direction of the Obligated Group Representative, in whole or in part, in Authorized Denominations on any date on or after the Par Call Date, if any, and on any date such Bonds are subject to mandatory tender at the Redemption Price, without premium plus accrued and unpaid interest.

Bonds in the Daily Mode, the Weekly Mode, or the Window Mode are subject to optional redemption at the option of the Issuer at the direction of the Obligated Group Representative, in whole or in part, in Authorized Denominations on any Business Day, at the Redemption Price, without premium plus accrued and unpaid interest.

During a Delayed Remarketing Period, the Bonds shall be subject to redemption at the option of the Issuer at the direction of the Obligated Group Representative as provided in paragraph (d) of the section in the Indenture under the heading “”Insufficient Funds For Tender.”

Optional Redemption of Bonds During the Initial Fixed Rate Period

During the Initial Fixed Rate Period, the Bonds shall be subject to optional redemption prior to their respective stated maturities, at the option of the Issuer at the direction of the Obligated Group Representative, from any source of available funds on any date on or after July 1, 2031, as a whole or in part, selected by lot from such maturities bearing a particular interest rate as are designated by the Obligated Group Representative (or if the Obligated Group Representative fails to so designate, in inverse order of maturity, beginning with Bonds of each such maturity bearing interest at the highest stated rate), at the applicable Redemption Price, without premium plus accrued and unpaid interest.

Optional Redemption of Bonds in the Term Rate Mode or a Fixed Rate Mode Other Than During the Initial Fixed Rate Period

Bonds in a Term Rate Mode shall be subject to redemption, in whole or in part, on their individual Mandatory Purchase Dates, at the direction of the Obligated Group Representative, at the applicable Redemption Price, without premium plus accrued and unpaid interest.

Bonds in the Term Rate Mode are subject to redemption in whole or in part on any date commencing on the Interest Payment Date next following the tenth anniversary of the change to the Term Rate Mode at the applicable Redemption Price, without premium plus accrued and unpaid interest. If the length of the Term Rate Period is less than ten years, then the Bonds shall not be subject to redemption during such Term Rate Period.

Bonds in the Fixed Rate Mode other than during the Initial Fixed Rate Period are subject to redemption in whole or in part on any date following the tenth anniversary of the change to the Fixed Rate Mode at the applicable Redemption Price, without premium plus accrued and unpaid

interest. If the length of the Fixed Rate Period is less than ten years, then the Bonds shall not be subject to redemption during such Fixed Rate Period.

The Obligated Group Representative, in connection with a change to a Long-Term Mode, may waive or otherwise alter its rights to direct the redemption of any such Bonds so changed to a Long-Term Mode at any time without premium; provided that the notice describing the waiver or alteration shall be submitted to the Paying Agent, the Bond Trustee and the Remarketing Agent, together with a Favorable Opinion of Bond Counsel, addressed to them.

If a Credit Facility is then in effect and the Redemption Price includes any premium, the right of the Obligated Group Representative to direct an optional redemption is subject to the condition that the Bond Trustee has received, prior to the date on which notice of redemption is required to be given to Owners, either Available Moneys or written confirmation from the Credit Facility Provider that it can draw under the Credit Facility on the proposed redemption date in an aggregate amount sufficient to cover the Redemption Price.

Optional Redemption of Bonds in the Three Month LIBOR Indexed Mode
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Bonds in the Three Month LIBOR Indexed Mode are subject to redemption prior to their stated maturity, at the option of the Issuer at the direction of the Obligated Group Representative, in whole or in part, in such amounts as may be specified by the Obligated Group Representative on any Interest Payment Date on and after the fifth anniversary of the first day of the Three Month LIBOR Indexed Mode at the applicable Redemption Price without premium plus accrued and unpaid interest.

Redemption of Bank Index Bonds

In the event the Bank or any Bondholder has notified the Obligated Group Representative that it is not willing to continue to hold the Bonds beyond the Bank Purchase Date (except as otherwise provided in subsection (b) of this Section), the Bonds shall be subject to mandatory purchase on the Bank Purchase Date in accordance with Section 4.14 hereof and if the Bank or such Bondholder has not received the Purchase Price on the Bank Purchase Date, the Obligated Group shall, subject to subsection (b) of this Section, cause the Unremarketed Bonds to be redeemed on the Bank Purchase Date. The Obligated Group also agrees to pay to the Bank or such Bondholder interest on the unpaid principal amount of the Unremarketed Bonds as provided in paragraph (h) of the section of the Indenture under the heading "Bank Index Rates; Conversions To Bank Index Rate Periods."

Notwithstanding the foregoing and anything to the contrary in the Indenture, in the event the Bonds are not purchased or remarketed or redeemed on the Bank Purchase Date and if the Bank Credit Agreement provides for an Amortization Period and all conditions precedent to any Amortization Period, if any, set forth in the Bank Credit Agreement, if any, are satisfied, then the Bonds shall not be subject to mandatory purchase or redemption on the Bank Purchase Date, and shall be payable on the following terms: (i) the Bonds shall bear interest, payable on each Interest Payment Date, at the Purchaser Rate, unless an Event of Default (as defined in the Bank Credit Agreement, if any) shall have occurred and be continuing, in which case the Bonds shall

bear interest at the Bank Default Rate, and (ii) principal shall be payable on each Amortization Payment Date, if any, and in full on the Amortization End Date. No Event of Default shall occur under the Indenture for failure to purchase or remarket or redeem the Bonds on the Bank Purchase Date if the conditions precedent to any Amortization Period set forth in the Bank Credit Agreement, if any, are satisfied. In the event the Bonds are not purchased or remarketed or redeemed on the Bank Purchase Date and all conditions precedent to any Amortization Period, if any, set forth in the Bank Credit Agreement, if any, are not satisfied, an Event of Default shall occur under the Indenture, and the Bonds shall bear interest at the Bank Default Rate. In the event the Bonds are not purchased or remarketed or redeemed on the Bank Purchase Date and the Bank Credit Agreement does not provide for an Amortization Period, an Event of Default shall occur under the Indenture, and the Bonds shall bear interest at the Bank Default Rate.

Bonds in the Bank Index Mode are subject to redemption prior to their stated maturity, at the direction of the Obligated Group Representative, in whole or in part, in such amounts as may be specified by the Obligated Group Representative on any Interest Payment Date at the applicable Redemption Price, without premium, but subject to payment of any fees set forth in the Bank Credit Agreement.

Mandatory Tender of Fixed Rate Bonds Upon Request of Obligated Group Representative

Upon the written request of the Obligated Group Representative, the Issuer may cause a mandatory tender of all or a portion of the Bonds in the Fixed Rate Mode, including during the Initial Fixed Rate Period, on any date on which the Bonds would otherwise be subject to optional redemption at a redemption price equal to 100% of the principal amount of the Bonds to be redeemed, which date shall be specified by the Obligated Group Representative's written request and shall be the Mandatory Tender Date, and such Bonds shall thereupon be subject to mandatory tender at a purchase price of par plus accrued interest to the mandatory tender date. If notice of mandatory tender has been given and funds prove insufficient, the Bonds will not be purchased and shall continue in the Fixed Rate Mode, without change in interest rate, Maturity Date or other terms, and such failed Conversion shall not constitute an Event of Default.

Optional Redemption from Insurance and Condemnation Proceeds

The Bonds are subject prior to their respective stated maturities, at the option of the Obligated Group Representative (which option shall be exercised upon request of the Obligated Group Representative given to the Bond Trustee at least forty-five (45) days prior to the date fixed for redemption (or such fewer number of days as is acceptable to the Bond Trustee)) in whole or in part (in such amounts as may be specified by the Obligated Group Representative) on any date, from hazard insurance or condemnation proceeds received with respect to the facilities of any of the members of the Credit Group and deposited in the Special Redemption Account of the Redemption Fund, at the applicable Redemption Price without premium.

Redemption of Term Bonds

During the Initial Fixed Rate Period, the Term Bonds maturing on July 1, 2046 are also subject to redemption prior to their stated maturity (or paid at maturity, as the case may be), in

part, by lot, by application of Sinking Fund Installments in the following amounts and on the following dates, at the principal amount thereof and interest accrued thereon to the date fixed for redemption, without premium:

Term Bonds Maturing July 1, 2046

Sinking Fund Installment Date July 1,	Sinking Fund Installments
2042	$10,175,000
2043	10,590,000
2044	11,020,000
2045	11,470,000
2046†	11,940,000

† Maturity

During the Initial Fixed Rate Period, the Term Bonds maturing on July 1, 2051 are also subject to redemption prior to their stated maturity (or paid at maturity, as the case may be), in part, by lot, by application of Sinking Fund Installments in the following amounts and on the following dates, at the principal amount thereof and interest accrued thereon to the date fixed for redemption, without premium:

Term Bonds Maturing July 1, 2051

Sinking Fund Installment Date July 1,	Sinking Fund Installments
2047	$12,430,000
2048	12,935,000
2049	13,465,000
2050	14,015,000
2051†	14,585,000

† Maturity

During the Initial Fixed Rate Period, the Term Bonds maturing on July 1, 2054 are also subject to redemption prior to their stated maturity (or paid at maturity, as the case may be), in part, by lot, by application of Sinking Fund Installments in the following amounts and on the following dates, at the principal amount thereof and interest accrued thereon to the date fixed for redemption, without premium:

Term Bonds Maturing July 1, 2054

Sinking Fund Installment Date July 1,	Sinking Fund Installments
2052	$15,260,000
2053	16,040,000
2054†	16,860,000

† Maturity

Purchase In Lieu of Redemption

The provision of this Section shall not apply if the Obligated Group Representative has given notice requesting a mandatory tender pursuant to Section 4.13. Unless otherwise provided in a Supplemental Indenture, whenever Bonds are subject to redemption, they may instead be purchased at the direction of the Obligated Group Representative at a purchase price equal to the Redemption Price. The Obligated Group Representative shall give written notice thereof and of the Bonds and maturity to be so purchased to the Bond Trustee. The Bond Trustee shall select the particular Bonds and maturity to be so purchased in the same manner as provided in the section of the Indenture under the heading "Optional Redemption of Bonds in the Index MOD, THE Flexible Index Mode, the FRN Rate Mode, the Daily Mode, the Weekly Mode, or the Window Mode; Optional Redemption During Delayed Remarketing Period," Optional Redemption of Bonds in the Term Rate Mode or a Fixed Rate Mode other Than During the Initial Fixed Rate Period." or "Selection of Bonds for Redemption" for the selection of Bonds to be redeemed in part. Promptly thereafter, the Bond Trustee shall give notice of the purchase of such Bonds at the times and in the manner provided in the section of the Indenture under the heading "Notice of Redemption" for notice of redemption. The Bond Trustee shall not give such notice unless prior to the date such notice is given the Issuer has caused to be delivered to the Bond Trustee the written consent to such purchase of the Issuer. All such purchases may be subject to conditions to the Issuer's obligation to purchase such Bonds and shall be subject to the condition that money for the payment of the purchase price therefor is available on the date set for such purchase. Notice of purchase having been given in the manner required above, then, if sufficient money to pay the purchase price of such Bonds is held by the Bond Trustee, the purchase price of the Bonds or portions thereof so called for purchase shall become due and payable on the date set for purchase, upon presentation and surrender of such Bonds to be purchased at the office or offices specified in such notice, and, in the case of Bonds presented by other than the Owner, together with a written instrument of transfer duly executed by the Owner or his duly authorized attorney. Payment of the purchase price of such Bonds shall be made, upon the request of the Owner of one million dollars ($1,000,000) or more in principal amount of Bonds to be so purchased, by wire transfer to such Owner at the wire transfer address in the continental United States to which such Owner has prior to the purchase date directed in writing the Bond Trustee to wire such purchase price. No purchased Bond shall be considered to be no longer Outstanding by virtue of its purchase and each such purchased Bond shall be registered in the name or at the direction of the Obligated Group Representative. So long as a Credit Facility

is in effect with respect to any Bonds, the purchase price of any such Bonds purchased in lieu of redemption shall be paid from a draw on such Credit Facility.

Establishment of Funds and Accounts

The following funds and separate accounts within funds are hereby established, held and maintained by the Bond Trustee pursuant to the Indenture: (A) the Project Fund, which has three (3) Accounts: (i) the Construction Account, (ii) the Refinancing Account and (iii) the Cost of Issuance Account, (B) the Debt Service Fund, which has two (2) Accounts: (i) the Interest Account, and (ii) the Principal Account; (C) the Purchase Fund, which has three (3) Accounts; (i) the Corporation Purchase Account, (ii) the Remarketing Proceeds Account, and (iii) the Liquidity Facility Purchase Account, (D) the Capitalized Interest Fund, (E) the Debt Service Reserve Fund, (F) the Redemption Fund, and (G) the
Rebate Fund.

Each Supplemental Indenture may contain provisions with respect to Funds and Accounts, and with respect to the Revenues and the application thereof, which are in addition to or in lieu of the ones above.

For accounting purposes only, the Funds and Accounts above may be further divided into subaccounts to facilitate, among other items, the disposition of Revenues.

All moneys received by the Issuer from the sale of the Bonds shall be simultaneously disbursed in such amounts and in such manner and to such funds and accounts as directed bel

Application of Bond Proceeds and Allocation Thereof

At closing, proceeds of the Bonds shall be deposited in the various Accounts of the various Funds and disbursed as directed in accordance with the terms of the Indenture.

The proceeds of the sale of the Bonds shall be and constitute trust funds for the purposes hereinabove provided and there is hereby created a lien upon such moneys, until so applied, in favor of the Bond Trustee for the benefit of the Owners of the Bonds. The Issuer, at the direction of the Corporation, and subject to the limitations set forth in the Tax Regulatory Agreement, may transfer funds between the Cost of Issuance Account, the Refinancing Account and the Construction Account.

Application of Moneys In the Project Fund

As soon as practicable after the delivery of the Bonds, the Issuer shall pay from the Cost of Issuance Account to the firms, corporations or Persons entitled thereto the Cost of Issuance of the Issuer relating to the issuance of such Bonds solely from moneys (which shall include, with respect to the payment of Cost of Issuance for the Bonds, moneys paid to the Issuer by the Corporation) deposited in the Cost of Issuance Account with the Bond Trustee. Amounts on deposit in the Cost of Issuance Account shall also be applied, as soon as practicable following delivery of the Bonds, to the payment to the Issuer of the Issuer's Fee. Any moneys remaining

on hand in the Cost of Issuance Account six (6) months after delivery of the Bonds shall be transferred to the Debt Service Fund and credited against the next due payment of debt service from the Corporation (provided the amount in the Debt Service Fund may not exceed the amount of debt service due on the Bonds during the next twelve months) or to the Redemption Fund and applied by the Bond Trustee to the purchase or redemption of Bonds.

Except as otherwise provided in Article V of the Indenture or in any Supplemental Indenture, any moneys deposited in an Account within the Project Fund shall be used only to pay the Costs of or relating to the Project to which the Indenture, or a project defined in such Supplemental Indenture, relates, including reimbursement to the Corporation for such Costs paid by the Corporation in connection with the Project; provided, however, that to the extent an Event of Default described in paragraph (a) or (b) of Section 8.1 of the section of the Indenture under the heading "Events of Default" shall have occurred and be continuing and no other moneys are available under the Indenture to cure such Event of Default, moneys on deposit in the Project Fund shall be applied in accordance with the section of the Indenture under the heading "Priority of Payments After Default."

Payments pursuant to paragraph (a) of this Section shall be made in accordance with a requisition submitted to the Bond Trustee by the Corporation signed by an Authorized Officer of the Corporation stating the names of the payees, the purpose of each payment in terms sufficient for identification and the respective amounts of each such payment. Payments pursuant to paragraph (b) of this Section shall be made in accordance with a requisition submitted to the Bond Trustee by the Corporation signed by an Authorized Officer of the Corporation, substantiated by a certificate filed with the Bond Trustee describing in reasonable detail the purpose for which such moneys were used and the amount thereof, and further stating the opinion that such purposes constitute a necessary part of such Cost of the Project to which such certificate relates, such substantiating certificate to be signed by: (i) the architect for the Project or, if acceptable to the Bond Trustee, an Authorized Officer of the Corporation, in the case of payments for constructing the Project; or (ii) an Authorized Officer of the Corporation in the case of the acquisition or refinancing of, or equipping the Project and other expenses and reimbursements; or (iii) an Authorized Officer of the Corporation if for payment of interest on the Bonds. The Bond Trustee shall fully rely on such requisitions and certificates delivered pursuant to this Section and shall not be required to make any investigation in connection therewith.

Upon completion of the Project as evidenced in accordance with the next succeeding paragraph, or if the Project is deemed complete, the Bond Trustee shall transfer the balance in the Project Fund to the Interest Account or the Principal Account of the Debt Service Fund or to the Redemption Fund, as the Corporation shall direct in writing. Such payment if deposited in the Debt Service Fund shall be applied as a credit against the next due payment of the principal or interest portion of debt service from the Corporation or, if deposited in the Redemption Fund, shall be applied either to the purchase or redemption of Bonds, as provided in the section of the Indenture under the heading "Application of Moneys in the Redemption Fund."

Completion of the Project shall be determined by a certificate signed by an Authorized Officer of the Corporation and delivered after the date of completion to the Bond Trustee and the

Issuer. Such certificate signed by an Authorized Officer of the Corporation shall state that the Project has been completed, describe it in terms sufficient for identification, and specify the date of completion. In the case of the acquisition of the Project or any part thereof, completion of such acquisition shall be evidenced by a certificate signed by an Authorized Officer of the Corporation and delivered within ten (10) days after the date of completion of such acquisition to the Issuer and to the Bond Trustee.

Deposit of Revenues and Allocation Thereof

The Revenues received pursuant to the Loan Agreement and any other moneys required by any of the provisions of the Indenture to be paid or transferred to the Bond Trustee, shall be promptly paid or transferred to the Bond Trustee.

The Bond Trustee shall deposit the payments received under the Loan Agreement or other money set forth below in the Debt Service Fund and credit the Accounts set forth below in the order set forth below:

The Corporation shall deposit, or cause to be deposited, the following in immediately available funds with the Bond Trustee as the payments become due under the Loan Agreement unless sufficient amounts are then available in such Accounts to make the required payments therefrom:

(a) Into the Debt Service Fund for credit to the Interest Account an aggregate amount of immediately available funds required for the payment of the interest payable on the Outstanding Bonds on such Interest Payment Date.

(b) Into the Debt Service Fund for credit to the Principal Account an aggregate amount of immediately available funds required for the payment of the principal payable on the Outstanding Bonds on their applicable Stated Maturity.

(c) Into the Debt Service Reserve Fund the amount, if any, necessary to eliminate any deficiencies therein.

(d) Into the Debt Service Fund for credit to the Redemption Fund the amount required to pay principal of and premium, if any, and accrued and unpaid interest on any Bonds called for redemption.

Each installment of payments under the Loan Agreement shall be increased as may be necessary to make up any previous deficiency in any of the required payments.

If other monies are received by the Bond Trustee as advance payments of payments under the Loan Agreement to be applied to the redemption of all or a portion of the Bonds, such monies shall be deposited in the Redemption Fund.

Notwithstanding any other provisions of the Indenture, moneys received by the Bond Trustee as an optional prepayment pursuant to the section of the Loan Agreement under the

heading "Optional Prepayment" shall be transferred to the Redemption Fund if the Bonds are then subject to redemption, or otherwise in the Debt Service Fund for payment of the next due principal of or interest on the Bonds, provided, however, no amounts shall be applied for such redemption or payments if there exists any deficiency under in the Debt Service Reserve Fund.

Subject to the prior paragraph of this Section, moneys paid or transferred to the Bond Trustee shall on or before the next Business Day after receipt thereof (but in no event later than the date on which due) be applied as follows and in the following order of priority:

FIRST: To the Interest Account, the amount equal to all of the interest becoming due on the Outstanding Bonds on the next Interest Payment Date for the Bonds after taking into account any amounts on deposit therein available for the payment thereof;

SECOND: To the Principal Account, the amount equal to all of the principal amount becoming due on the Bonds on their applicable Stated Maturity (other than pursuant to a tender), after taking into account any amounts on deposit therein available for the payment thereof;

THIRD: To the Purchase Fund, the amount, if any, necessary to make the amount on deposit therein equal to the purchase price of any Bonds tendered or deemed tendered for purchase; and

FOURTH: To the Rebate Fund to the extent required, amounts necessary in any year so as to meet the Rebate Requirement of the Rebate Fund, as directed in writing by the Issuer to the Bond Trustee; and

FIFTH: To the Issuer, unless otherwise paid, such amounts as are payable to the Issuer for: (i) any expenditure of the Issuer and fees and expenses of the Bond Trustee, all as required by the Indenture and not otherwise paid or caused to be paid or provided for by the Corporation; (ii) all other expenditures reasonably and necessarily incurred by the Issuer in connection with the loan to the Corporation and the issuance of the Bonds, including penalties for late payments and all expenses incurred by the Issuer to compel full and punctual performance of all the provisions of the Loan Agreement in accordance with the terms thereof; and (iii) any other amounts due and payable by the Corporation to the Issuer pursuant to the Loan Agreement, but only upon receipt by the Bond Trustee from the Issuer of a certificate signed by an Authorized Officer of the Issuer, stating in reasonable detail the amounts payable to the Issuer pursuant to this paragraph FIFTH.

After making the payments required by paragraphs FIRST, SECOND, THIRD, FOURTH and FIFTH above, any balance remaining shall be paid, as the Issuer may direct, at the written direction of the Corporation, to the Debt Service Fund and credited against the next due payment of debt service from the Corporation (provided the amount in the Debt Service Fund may not exceed the amount of debt service due on the Bonds during the next twelve months) or to the Redemption Fund and applied by the Bond Trustee to the purchase or redemption of Bonds.

Application of Moneys in the Debt Service Fund

The Bond Trustee shall transfer moneys out of the Interest Account on each Interest Payment Date for the payment of interest then due on the Bonds. The Bond Trustee shall pay out of such Interest Account any amounts required for the payment of accrued interest upon any redemption or purchase of the Bonds.

The Bond Trustee shall transfer moneys out of the Principal Account on their applicable Stated Maturity for the payment of the principal amount of the Bonds then due.

The Bond Trustee shall transfer moneys out of the Purchase Fund on each date that the purchase price of Bonds tendered, deemed tendered or required to be tendered becomes due.

If on any Interest Payment Date there are not sufficient amounts on deposit in the Interest Account, after any scheduled transfer from the Capitalized Interest Account, to pay the total amount of interest coming due on such Interest Payment Date, the Bond Trustee shall transfer any moneys then on deposit in the Capitalized Interest Account, in an amount equal to such deficiency to the Interest Account. If after making such transfer, there is still a deficiency, then the Bond Trustee shall draw on the other funds available in the Debt Service Reserve Fund, if any, to meet such deficiency, in accordance with Section 5.9 hereof.

If on any Principal Payment Date there are not sufficient amounts on deposit in the Principal Account to pay the total amount of principal coming due on the Bonds on such Principal Payment Date, the Bond Trustee shall draw an amount equal to such deficiency from any other funds available in the Debt Service Reserve Fund, if any, in accordance with Section 5.9 hereof.

Application of Moneys in the Redemption Fund

Moneys in the Redemption Fund derived from optional prepayment of the loan pursuant to the e section of the Loan Agreement under the heading "Application of Property Insurance and Condemnation Proceeds" or transfers from the Project Fund pursuant to Section 5.3 hereof shall be applied to payment of the Redemption Price of Bonds, plus accrued interest on any Interest Payment Date, if any, thereon to the date set for redemption, in accordance with the section of the Indenture under the heading "Optional Redemption from Insurance and Condemnation Proceeds."

Subject to the provisions of paragraphs (a) and (b) hereof, moneys in the Redemption Fund may be applied to the purchase of Bonds at purchase prices not exceeding the Redemption Price applicable to the Bonds to be purchased plus accrued interest due, in such manner as the Issuer may direct, at the written direction of the Corporation. Bonds so purchased shall be canceled by the Bond Trustee. If forty-five (45) days prior to any Interest Payment Date on which Bonds are subject to optional redemption, moneys in excess of $25,000 shall then remain on deposit in such Redemption Fund, the Bond Trustee shall apply such moneys to the redemption of such Bonds as provided in Article IV hereof, at the Redemption Prices specified in the article in the Indenture under the heading "Redemption, Tender and Remarketing of Bonds."

Application of Moneys in the Rebate Fund

All amounts to be deposited into the Rebate Fund and all amounts on deposit in the Rebate Fund shall be paid, as necessary, to the United States Department of the Treasury at the times and in the amounts required by the Tax Regulatory Agreement as shall be directed in writing or by Electronic Means by the Issuer to the Bond Trustee. Upon the Final Computation Date, if the Rebate Amount (as such terms are defined in the Tax Regulatory Agreement), as certified to the Bond Trustee by the Issuer, is less than the amount on deposit in the Rebate Fund, the Bond Trustee shall withdraw from the Rebate Fund and transfer to the Corporation an amount, as directed by the Issuer, not to exceed the amount in the Rebate Fund in excess of the Rebate Amount.

Capitalized Interest Fund

There is hereby created a separate fund which shall be established with the Bond Trustee and designated as the "Capitalized Interest Fund." A deposit to the credit of the Capitalized Interest Fund is to be made under the provisions of the section of the Indenture under the heading “Applica ton of Bond Proceeds and Allocation Thereof.” Amounts deposited therein are to be used to pay interest on the allocable construction Bonds during the Construction Period.

Debt Service Reserve Fund

A special trust fund shall be established with the Bond Trustee and designated as the “Debt Service Reserve Fund” into which the Bond Trustee shall deposit proceeds from the sale of the Bonds, equity funds of the Corporation or a Debt Service Reserve Fund Credit Facility in an amount equal to the Debt Service Reserve Fund Requirement.

If on any Interest Payment Date or Principal Payment Date there shall exist a deficiency in the Interest Account or the Principal Account, the Bond Trustee shall transfer from the Debt Service Reserve Fund to the Interest Account or the Principal Account an amount equal to such deficiency.

The Debt Service Reserve Fund shall be valued annually as of each July 1 by the Bond Trustee, using the market value. If at the time of valuation of the Debt Service Reserve Fund, the sum of moneys and the value of the investments on deposit in the Debt Service Reserve Fund exceeds the Debt Service Reserve Fund Requirement, the Bond Trustee shall: (i) during the Construction Period, transfer such excess from the Debt Service Reserve Fund to the Construction Account of the Project Fund, and (ii) thereafter, such excesses shall be transferred to the Debt Service Fund.

If at the time of the valuation of the Debt Service Reserve Fund, the sum of moneys and the value of the investments on deposit in the Debt Service Reserve Fund is less than the Debt Service Reserve Fund Requirement, the Bond Trustee shall notify the Obligated Group Representative and the Corporation shall deposit directly into the Debt Service Reserve Fund, (i) in twelve (12) equal consecutive monthly installments beginning with the first day of the next succeeding month after such notification in the amounts necessary to eliminate such deficiency

by the end of such twelve (12) month period, if such deficiency results from a decrease in the value of the Investment Securities held in the Debt Service Reserve Fund and (ii) in twelve (12) equal consecutive monthly installments beginning with the first day of the next succeeding month after notification in the amount necessary to eliminate such deficiency by the end of such twelve (12) month period, in the event such deficiency results from a withdrawal from the Debt Service Reserve Fund due to a deficiency in funds to make a debt service or redemption payment.

During the Construction Period, the interest and other income received on investments of Debt Service Reserve Fund moneys shall be transferred to the Construction Account. After the Construction Period, interest and other income received on investments of Debt Service Reserve Fund moneys shall be retained in the Debt Service Reserve Fund.

In connection with any partial redemption or defeasance prior to maturity of the Bonds, the Bond Trustee, may, at the request of the Corporation, use any amounts on deposit in the Debt Service Reserve Fund in excess of the Debt Service Reserve Fund Requirement after such redemption to pay the principal of or the principal portion of the redemption price of said Bonds to be redeemed or defeased or as otherwise directed by the Corporation if the Bond Trustee has received an Opinion of Bond Counsel to the effect that such transfer will not adversely affect the exemption for purposes of federal income taxation to which interest on the Bonds is otherwise entitled or validity of any Bonds.

Investment of Moneys

Any moneys held in any of the Funds or Accounts established thereunder shall be invested by the Bond Trustee, as directed by the Corporation, in a written order signed by an Authorized Officer thereof, or by the Issuer, but only as follows:

(a) Moneys in the Debt Service Fund only in Qualified Investments, maturing in such amounts and on such dates as may be necessary to provide moneys to meet the payments from such Fund;

(b) Moneys in the Redemption Fund only in Qualified Investments, maturing or redeemable at the option of the owner not later than the next succeeding date on which the Bonds are subject to redemption;

(c) Notwithstanding anything to the contrary in the Indenture, moneys in the Rebate Fund only in Qualified Investments maturing or redeemable at the option of the owner not later than the date the next payment of rebate is due and only in accordance with the Tax Regulatory Agreement;

(d) Money in the Capitalized Interest Fund; and

(e) Moneys in the Debt Service Reserve Fund only in Qualified Investments maturing not later than the final maturity date of the Bonds.

The Bond Trustee may conclusively rely upon the Corporation's written instructions as to both the suitability and legality of the directed investments. Ratings of Qualified Investments shall be determined at the time of purchase of such Qualified Investments and without regard to ratings subcategories. The Bond Trustee shall not be liable for losses on investments made in compliance with the provisions of the Indenture. The Bond Trustee may make any and all such investments through its own investment department or that of its affiliates or subsidiaries, and may charge its ordinance and customary fees for such trades, including investment maintenance fees. In the absence of investment instructions from the Corporation, the Bond Trustee shall not be responsible or liable for keeping the moneys held by it thereunder fully invested in Qualified Investments.

Any securities or investments held by the Bond Trustee shall be transferred by the Bond Trustee, if requested in writing by an Authorized Officer of the Corporation, from any of the Funds or Accounts mentioned in this Section to any other of the Funds or Accounts mentioned in this Section at the then current market value thereof without having to be sold and purchased or repurchased; provided, however, that after any such transfer or transfers the investments in each such Fund or Account shall be in accordance with the provisions as stated in this Section.

Unless otherwise directed by the Corporation, interest earned, profits realized and losses suffered by reason of any investment shall be credited or charged, as the case may be, to the Fund or Account for which such investment shall have been made, except investment income from the Debt Service Reserve Fund, if any, shall, prior to end of the Construction Period, be deposited in the Construction Account of the Project Fund.

Notwithstanding the foregoing, the Issuer reserves the right to direct the transfer of arbitrage interest earned on Bond proceeds to the Rebate Fund, which amounts shall be applied in accordance with the section of the Indenture under the heading "Application of Moneys in the Rebate Fund."

The Bond Trustee may sell or redeem any obligations in which moneys shall have been invested, to the extent necessary to provide cash in the respective Funds or Accounts, to make any payments required to be made therefrom, or to facilitate the transfers of moneys, securities or investments between various Funds and Accounts as may be required or permitted from time to time pursuant to the provisions of this Article.

In computing the value of the assets in any Fund or Account thereunder, the Bond Trustee, if required thereunder to value any Fund or Account under its control, shall value such assets at the current market value thereof.

The Bond Trustee shall not be liable for any depreciation in the value of any obligations in which moneys of the Funds or Accounts shall be invested, as aforesaid, or for any loss arising from any investment permitted thereunder.

Although the Issuer and the Corporation each recognizes that it may obtain a broker confirmation or written statement containing comparable information at no additional cost, the Issuer and the Corporation hereby agree that confirmations of permitted investments are not

required to be issued by the Bond Trustee for each month in which a monthly statement is rendered. No statement need be rendered for any fund or account if no activity occurred in such fund or account during such month.

Application of Moneys in Certain Funds for Retirement of Bonds

Notwithstanding any other provisions of the Indenture, if at any time the amounts held in the Debt Service Fund and the Redemption Fund are sufficient to pay the principal or Redemption Price of all Outstanding Bonds and the interest accruing on such Bonds to the next date when all such Bonds are redeemable, the Bond Trustee shall so notify the Issuer and the Corporation. Upon receipt of such notice, the Issuer may request the Bond Trustee to redeem all such Outstanding Bonds. The Bond Trustee shall, upon receipt of such request in writing by the Issuer, proceed to redeem all such Outstanding Bonds in the manner provided for redemption of such Bonds by the Indenture, and in such event all provisions of the section in the Indenture under the heading "Defeasance" shall be operative.

Indebtedness and Liens

The Issuer, so long as any Bonds shall be Outstanding, shall not issue any bonds, notes or other evidence of indebtedness, other than Bonds issued in accordance with the provisions of Article III of the Indenture, secured on a parity with the Bonds by any pledge of or other lien or charge on the Revenues or other moneys, securities or funds paid or to be paid to or held or set aside or to be held or set aside by the Issuer or the Bond Trustee under the Indenture and any Supplemental Indenture. The Issuer shall not create or cause to be created any lien or charge on the Revenues or such moneys or securities or funds, other than the lien and pledge on the Revenues or such moneys, securities or funds created or permitted by the Indenture and any Supplemental Indenture. Notwithstanding the foregoing and subject to compliance by the Corporation with the provisions of the Loan Agreement and the Master Indenture relating to the incurrence of Indebtedness, the Issuer may issue other bonds, notes and other evidences of indebtedness on behalf of the Corporation pursuant to one or more trust indentures, other than the Indenture, which are on a parity with or subordinate to the Bonds and any other indebtedness of the Issuer issued on behalf of the Corporation on a parity or subordinate basis therewith.

The Loan Agreement; Amendment and Execution

The Loan Agreement and any supplements or modifications thereto shall be executed in at least three counterparts. An executed counterpart shall be filed in the office of the Issuer and in the office of the Bond Trustee, and an executed counterpart delivered to the Corporation. The Loan Agreement may be amended or supplemented without Bondowner consent provided such amendment or supplement does not cause the Issuer to violate any of its covenants and agreements under the Indenture. The Issuer agrees not to enter into any amendment or supplement to the Loan Agreement, which amendment or supplement would materially prejudice the rights and interests of the Owners of the Bonds, without the consent of the Owners, obtained as provided in the section of the Indenture under the heading ""Consent of Bondowners," of at least a majority in aggregate principal amount of all Outstanding Bonds affected thereby; provided, however, that no such amendment or supplement which would change the amount or

time as to which loan payments are required to be paid under the Loan Agreement shall be entered into without the consent of the Owners of all of the then Outstanding Bonds who would be affected by such amendment. Notwithstanding the foregoing, the Issuer reserves the right to waive any provision of the Loan Agreement provided such waiver does not cause the Issuer to violate any of its covenants or agreements under the Indenture. The Issuer covenants not to enter into any amendment or modification of the Loan Agreement without filing an executed copy thereof with the Bond Trustee.

Tax Covenants

The Issuer covenants to comply with the Tax Regulatory Agreement. The Issuer covenants that it shall not knowingly make or direct the Bond Trustee to make any investment or other use of the proceeds of the Bonds issued thereunder that would cause such Bonds to be "arbitrage bonds" as that term is defined in Section 148(a) of the Code. The Bond Trustee covenants that in those instances after the occurrence of an Event of Default where it exercises discretion over the investment of funds, it shall not knowingly make any investment inconsistent with the foregoing covenants. The Issuer covenants that it (i) will take, or use its best efforts to require to be taken, all actions that may be required of the Issuer for the interest on the Bonds to be and remain not included in gross income for federal income tax purposes and (ii) will not take or authorize to be taken any actions within its control that would adversely affect such status under the provisions of the Code.

Events of Default

Each of the following events is hereby declared an "Event of Default" thereunder (herein called an "Event of Default"):

(a) Payment of the principal, Redemption Price, or Purchase Price of any of the Bonds, shall not be made when the same shall become due and payable, either at maturity or by proceedings for redemption or upon tender or otherwise; provided, however, a failure to pay Purchase Price under paragraph (z) of the section of the Indenture under the heading "Determination of Index Tender Rates and Interest Accrual Periods for Bonds in Index Mode or Flexible Index Mode, the section of the Indenture under the heading "Mandatory Tender of Fixed Rate Bonds Upon Request of Obligated Group Representative" or paragraph (c) of the section of the Indenture under the heading "Optional and Mandatory Tender During Window Rate Period" or as may otherwise be provided under the Indenture with respect to Bank Index Bonds shall not be an Event of Default; or

(b) Payment of an installment of interest on any Bonds, or the purchase price therefor, shall not be made when the same shall become due and payable; or

(c) Any proceeding shall be instituted, with the consent or acquiescence of the Issuer, for the purpose of effecting a composition between the Issuer and its creditors or for the purpose of adjusting the claims of such creditors, pursuant to any federal or state statute now or hereafter enacted, if the claims of such creditors are under any circumstances payable from the Revenues; or

(d) The Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in the Indenture on the part of the Issuer to be performed and such default shall continue for thirty (30) days after written notice specifying such default and requiring same to be remedied shall have been given to the Issuer by the Bond Trustee, which may give such notice in its discretion; or

(e) An Event of Default shall have occurred under the Loan Agreement or under any other Corporation Document (other than the Continuing Disclosure Agreement).

Acceleration of Maturity

Upon the happening of any Event of Default above, the Bond Trustee may, and shall upon the written request of the owners of not less than a majority in principal amount of the Outstanding Bonds, declare an acceleration of the payment of principal on the Bonds. All such declarations shall be by a notice in writing to the Issuer and the Corporation, declaring the principal of and accrued interest on all of the Outstanding Bonds to be due and payable immediately. Upon the giving of notice of such declaration of acceleration such principal shall become and be immediately due and payable, and if principal of the Bonds is so paid in full upon acceleration, all interest on the Bonds shall cease to accrue, anything in the Bonds or in the Indenture to the contrary notwithstanding. At any time after the principal of the Bonds shall have been so declared to be due and payable, and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy under the Indenture, the Bond Trustee may, with the written consent of the Owners of not less than a majority in principal amount of the Bonds not then scheduled to be due by their terms and then Outstanding and by written notice to the Issuer, annul such declaration and its consequences if: (i) moneys shall have accumulated in the Debt Service Fund sufficient to pay all arrears of principal and interest, if any, upon all of the Outstanding Bonds (except the interest accrued on such Bonds since the last Interest Payment Date and the principal of such Bonds then due only because of a declaration under this Section); (ii) moneys shall have accumulated and be available sufficient to pay the charges, compensation, expenses, disbursements, advances and liabilities of the Bond Trustee; (iii) all other amounts then payable by the Issuer thereunder shall have been paid or a sum sufficient to pay the same shall have been deposited with the Bond Trustee; and (iv) every other default known to the Bond Trustee in the observance or performance of any covenant, condition or agreement contained in the Bonds or in the Indenture (other than a default in the payment of the principal of such Bonds then due only because of a declaration under this Section) shall have been remedied to the satisfaction of the Bond Trustee or waived pursuant to the section of the Indenture under the heading ""Waiver and Non Waiver." No such annulment shall extend to or affect any subsequent default or impair any right consequent thereon.

Enforcement of Remedies

Upon the happening and continuance of any Event of Default specified above, then and in every such case, the Bond Trustee may proceed, and upon the written request of the Owners of not less than a majority in principal amount of the Outstanding Bonds shall proceed (subject to

the provisions of the section of the Indenture under the heading "Obligations of Trustee"), to protect and enforce its rights and the rights of the Owners of the Bonds under the laws of the Commonwealth or under the Indenture, the Bonds or the Loan Agreement or by such suits, actions or special proceedings in equity or at law, either for the specific performance of any covenant contained thereunder or in aid or execution of any power therein granted, or for the enforcement of the Loan Agreement, or for an accounting against the Issuer as if the Issuer were the trustee of an express trust, or for the enforcement of any proper legal or equitable remedy as the Bond Trustee shall deem most effectual to protect and enforce such rights.

In the enforcement of any remedy under the Indenture, the Bond Trustee shall be entitled to sue for, enforce payment of, and receive any and all amounts then or during any default becoming, and at any time remaining, due from the Issuer for principal or interest or otherwise under any of the provisions of the Indenture or of the Bonds, with interest on overdue payments at the rate or rates of interest specified in such Bonds, together with any and all costs and expenses of collection and of all proceedings thereunder and under such Bonds, without prejudice to any other right or remedy of the Bond Trustee or of the Owners of such Bonds, and to recover and enforce any judgment or decree against the Issuer but solely as provided therein and in such Bonds, for any portion of such amounts remaining unpaid, with interest, cost and expenses, and to collect in any manner provided by law, the moneys adjudged or decreed to be payable.

Priority of Payments After Default

If at any time the moneys held by the Bond Trustee under the Indenture shall not be sufficient to pay the principal of and interest on the Bonds as the same become due and payable (either by their terms or by acceleration of maturity under the provisions of the section of the Indenture under the heading "Acceleration of Maturity"), such moneys together with any moneys then available or thereafter becoming available for such purpose, whether through exercise of the remedies provided for or otherwise, shall be applied (after payment of all amounts owing to the Bond Trustee from moneys under the Indenture other than from moneys in the Rebate Fund or any irrevocable trust or escrow fund established with respect to any defeased Bonds) as follows:

(a) Unless the principal of all the Bonds shall have become due and payable, all such moneys shall be applied:

FIRST: To the payment to the persons entitled thereto of all installments of interest on any of the Bonds then due, in the order of the maturity of the installments of such interest, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference;

SECOND: To the payment to the persons entitled thereto of the unpaid principal of any of the Bonds which shall have become due (other than Bonds called for redemption or contracted to be purchased for the payment of which moneys are held pursuant to the provisions of the Indenture) with interest upon such Bonds from the respective dates upon which they shall have become due, in the order of their due dates, and, if the amount available shall not be

sufficient to pay in full Bonds due on any particular due date, together with such interest, then to the payment ratably, according to the amount of principal due on such date, to the persons entitled thereto, without any discrimination or preference; and

THIRD: To the payment of the interest on and the principal of the Bonds as the same become due and payable.

(b) If the principal of all the Bonds shall have become due and payable, either by their terms or by a declaration of acceleration, all such moneys shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto, without any discrimination or preference.

Whenever moneys are to be applied by the Bond Trustee pursuant to the provisions of this Section, such moneys shall be applied by the Bond Trustee at such times, and from time to time, as the Bond Trustee in its sole discretion shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. The setting aside of such moneys in trust for the proper purpose shall constitute proper application by the Bond Trustee, and the Bond Trustee shall incur no liability whatsoever to the Issuer, to any Bondowner, or to any other person for any delay in applying any such moneys, so long as the Bond Trustee acts with reasonable diligence, having due regard to the circumstances, and ultimately applies the same in accordance with such provisions of the Indenture as may be applicable at the time of application by the Bond Trustee. Whenever the Bond Trustee shall exercise such discretion in applying such moneys it shall fix the date (which shall be an Interest Payment Date unless the Bond Trustee shall deem another date more suitable) upon which such application is to be made, and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Bond Trustee shall give such notice as it may deem appropriate of the fixing of any such date. The Bond Trustee shall not be required to make payment to the Owner of any unpaid interest or any Bond unless such Bond shall be presented to the Bond Trustee for appropriate endorsement.

Effect of Discontinuance of Proceedings

In case any proceedings taken by the Bond Trustee on account of any default in respect of Bonds shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Bond Trustee, then and in every such case the Issuer, the Bond Trustee and the Bondowners shall be restored to their former positions and rights thereunder, respectively, and all rights, remedies, powers and duties of the Bond Trustee shall continue as though no such proceeding had been taken.

Restrictions Upon Action By Individual Bondowners

No Owner of any of the Bonds shall have any right to institute any suit, action or proceeding in equity or at law for the execution of any trust thereunder or for any other remedy

thereunder unless such Owner previously shall have given to the Bond Trustee written notice of the Event of Default on account of which such suit, action or proceeding is to be instituted, and unless also the Owners of not less than a majority in principal amount of all Outstanding Bonds shall have made written request to the Bond Trustee after the right to exercise such powers or right of action, as the case may be, shall have accrued, and shall have afforded the Bond Trustee a reasonable opportunity either to proceed to exercise the powers granted by the Indenture or to institute such action, suit or proceeding in its or their name, and unless, also, there shall have been offered to the Bond Trustee security and indemnity as required by Section 7.2 of the Indenture against the costs, expenses, and liabilities to be incurred therein or thereby, and the Bond Trustee shall have refused or neglected to comply with such request within a reasonable time. Such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Bond Trustee, to be conditions precedent to the execution of the powers and trusts of the Indenture or for any other remedy thereunder. It is understood and intended that no one or more Owners of the Bonds secured by the Indenture shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of the Indenture or to enforce any right thereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the benefit of all Owners of the Outstanding Bonds.

Supplemental Indentures Without Consent of Bondowners

Notwithstanding any other provisions of the article of the Indenture relating to Consents to Supplemental Indentures, the Issuer and the Bond Trustee may at any time or from time to time enter into a Supplemental Indenture supplementing the Indenture or any Supplemental Indenture so as to modify or amend such indentures, without the consent of any Bondowners for one or more of the following purposes:

(a) To add to the covenants and agreements of the Issuer contained in the Indenture or any Supplemental Indenture, other covenants and agreements thereafter to be observed relative to the acquisition, construction, reconstruction, renovation, equipment, operation, maintenance, development or administration of any project under the Act or relative to the application, custody, use and disposition of the proceeds of the Bonds; or

(b) To confirm, as further assurance, any pledge under and the subjection to any lien on or pledge of the Revenues created or to be created by the Indenture or a Supplemental Indenture; or

(c) To cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in the Indenture; or

(d) To grant to or confer on the Bond Trustee for the benefit of the Bondowners any additional rights, remedies, powers, authority, or security which may lawfully be granted or conferred and which are not contrary to or inconsistent with the Indenture as theretofore in effect, including, but not limited to, providing liquidity support or credit support or both for the Bonds; or

(e) To amend any provisions of the Indenture if, prior to the execution of any such amendment there shall be delivered to the Bond Trustee an Opinion of Bond Counsel to the effect that such amendment will not have a material adverse effect on the security, remedies or rights of the Bondholders.

Supplemental Indentures With Consent of Bondowners

(a) At any time or from time to time but subject to the conditions or restrictions contained in the Indenture and each Supplemental Indenture, a Supplemental Indenture may be entered into by the Issuer and the Bond Trustee amending or supplementing the Indenture, any Supplemental Indenture or any of the Bonds or releasing the Issuer from any of the obligations, covenants, agreements, limitations, conditions or restrictions therein contained. However, no such Supplemental Indenture shall be effective unless such Supplemental Indenture is approved or consented to by the Owners, obtained as provided in the section of the Indenture under the heading "Consent of Bondowners," of at least a majority in aggregate principal amount of all Outstanding Bonds affected thereby. In computing any such required percentage there shall be excluded from such consent, and from such Outstanding Bonds, any such Outstanding Bonds owned or held by or for the account of the Issuer or the Corporation.

(b) Notwithstanding the provisions of paragraph (a) of this Section to the contrary, except as provided in Section 10.3, no such modification changing any terms of redemption of Bonds, due date of principal of or interest on Bonds or making any reduction in principal or Redemption Price of and interest on any Bonds shall be made without the consent of the affected Bondowner.

(c) Notwithstanding any other provisions of this Section to the contrary, no Supplemental Indenture shall be entered into by the Issuer and the Bond Trustee, except as provided in the section of the Indenture under the heading "Supplemental Indentures By Unanimous Action," reducing the percentage of consent of Bondowners required for any modification of the Indenture or any Supplemental Indenture or diminishing the pledge of the Revenues securing the Bonds.

(d) The provisions of paragraph (a) of this Section shall not be applicable to Supplemental Indentures adopted in accordance with the provisions of the section of the Indenture under the heading "Supplemental Indentures Without the Consent of Bondowners.

Supplemental Indentures By Unanimous Action

Notwithstanding anything contained in the foregoing provisions of the article in the Indenture under the heading "Consent to Supplemental Indentures" to the contrary, the rights and obligations of the Issuer and of the Owners of the Bonds and the terms and provisions of the Indenture, any Supplemental Indenture or the Bonds may be modified or amended in any respect upon the adoption of a Supplemental Indenture by the Issuer with the consent of the owners of all the Outstanding Bonds affected by such modification or amendment, such consent to be given as provided in the section of the Indenture under the heading "Consent of Bondowners," except that no notice to Bondowners by mailing shall be required; provided, however, that no such

modification or amendment shall change or modify any of the rights or obligations of the Bond Trustee without its written consent thereto in addition to the consent of the Bondowners so affected.

Exclusion of Bonds

Bonds owned or held by or for the account of the Issuer or the Corporation shall not be deemed Outstanding Bonds for the purpose of any consent or other action or any calculation of Outstanding Bonds provided for in the article of the Indenture relating to Consents to Supplemental Indentures, and shall not be entitled to consent or take any other action provided for in that article. At the time of any consent or other action taken under that article, the Issuer and the Corporation shall furnish the Bond Trustee a certificate signed by an Authorized Officer upon which the Bond Trustee may rely, describing all Bonds so to be excluded.

Defeasance

(a) If the Issuer shall pay or cause to be paid, or there shall be otherwise paid, to the Owners of all or any of the Bonds then Outstanding, the principal or Redemption Price of and interest thereon, at the times and in the manner stipulated therein and in the Indenture and any Supplemental Indenture, and all fees and expenses of the Bond Trustee and the Issuer, then the pledge of any Revenues or other moneys and securities hereby pledged to such Bonds and all other rights granted hereby to such Bonds shall be discharged and satisfied. In such event, the Bond Trustee shall, upon the request of the Issuer, execute and deliver to the Issuer all such instruments as may be desirable to evidence such discharge and satisfaction and the Bond Trustee or other fiduciary shall pay or deliver to the Issuer all moneys or securities held by it pursuant to the Indenture and any Supplemental Indenture which are not required for the payment or redemption of Bonds not theretofore surrendered for such payment or redemption to be used by the Issuer in any lawful manner including distribution to the Corporation.

(b) Any Bonds for which moneys shall then be held by a trustee, which may be the Bond Trustee (through deposit by the Issuer or the Corporation of funds for such payment or redemption or otherwise), whether at or prior to the maturity or the redemption date of such Bonds, shall be deemed to have been paid within the meaning and with the effect expressed in this Section. Any Outstanding Bonds shall prior to the maturity or redemption date thereof be deemed to have been paid within the meaning and with the effect expressed in subparagraph (a) of this Section if: (i) in case any of such Bonds are to be redeemed on any date prior to their maturity, the Issuer shall have given to the Bond Trustee, in form satisfactory to the Bond Trustee, irrevocable instructions to give notice of redemption on such date of such Bonds; (ii) there shall have been deposited with the Bond Trustee either moneys in an amount which shall be sufficient, or Defeasance Obligations the principal of and the interest on which when due will provide moneys which, together with the moneys, if any, deposited with the Bond Trustee at the same time, shall be sufficient, to pay when due the principal or Redemption Price, if applicable, and interest due and to become due on such Bonds on and prior to the redemption date or maturity date thereof, as the case may be; (iii) there shall have been filed with the Bond Trustee and the Issuer (x) a report of a firm of certified public accountants, acceptable to the Issuer, confirming the arithmetical accuracy of the computations showing the cash or Defeasance

Obligations, the principal of and interest on which, together with cash, if any, deposited at the same time will be sufficient to pay when due, the principal or Redemption Price, if applicable, and interest due or to become due on such Bonds, on and prior to the redemption date or maturity date thereof, as the case may be and (y) an Opinion of Bond Counsel, acceptable to the Issuer, to the effect that upon provision for the payment of the principal or Redemption Price, if applicable, of, and interest due or to become due on such Bonds, the pledge of Revenues and other moneys and securities thereunder and the grant of all rights to the Owners of such Bonds thereunder shall be discharged and satisfied; and (iv) in the event such Bonds are not by their terms subject to redemption within the next succeeding sixty (60) days, the Issuer shall have given the Bond Trustee, in form satisfactory to the Bond Trustee, irrevocable instructions to mail, as soon as practicable, a notice to the Owners of such Bonds that the deposit required by (ii) above has been made with the Bond Trustee and that such Bonds are deemed to have been paid in accordance with this section and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal or Redemption Price, if applicable, on such Bonds. Neither Defeasance Obligations deposited with the Bond Trustee pursuant to this Section nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than the payment of the principal or Redemption Price, if applicable, and interest on such Bonds; provided that any cash received from such principal or interest payments on such Defeasance Obligations deposited with the Bond Trustee, if not then needed for such purpose, may, to the extent practicable, be reinvested in Defeasance Obligations maturing at times and in amounts sufficient to pay when due the principal or Redemption Price, if applicable, and interest to become due on such Bonds on and prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestment shall be paid over to the Issuer to be used by it in any lawful manner including a distribution to the Corporation provided all amounts owing to the Issuer and the Bond Trustee have been satisfied, free and clear of any trust, lien or pledge. Nothing in this paragraph (b) shall be, or be deemed to be, a restriction on the Issuer's ability to provide for Defeasance Obligation substitutions or restructuring provided that the Defeasance Obligations shall at all times be in compliance with clause (ii) above, as evidenced by a report of a firm of certified public accountants in compliance with clause (iii)(x) above; and if the interest on Bonds which have been defeased pursuant to this paragraph (b) is excludable from gross income for federal income tax purposes, the Issuer shall provide an Opinion of Bond Counsel that the substitution or restructuring will not adversely affect such exclusion. Notwithstanding any provision of the Indenture to the contrary, the Bond Trustee shall have no right of set off against any moneys and securities deposited under this paragraph (b).

(c) Anything in the Indenture to the contrary notwithstanding, any moneys held by the Bond Trustee in trust for the payment and discharge of any of the Bonds which remain unclaimed for two (2) years after the date when all of the Bonds have become due and payable either at their stated maturity dates or by a call for earlier redemption, if such moneys were held by the Bond Trustee at such date, or for two (2) years after the date of deposit of such moneys if deposited with the Bond Trustee after such date when all of the Bonds become due and payable, shall, at the written request of the Issuer, be repaid by the Bond Trustee to the Issuer as its absolute property and free from trust (to the extent permitted by law) to be used by the Issuer in any lawful manner including a distribution to the Corporation, and the Issuer and the Bond Trustee shall thereupon be released and discharged of its obligations with respect to the Bonds; provided, however, that, before being required to make any such payment to the Issuer, the Bond

Trustee shall mail to the Bondowners a notice that such moneys remain unclaimed and that, after a date named in such notice, which date shall be not less than forty (40) nor more than ninety (90) days after the date of mailing of such notice, the balance of such moneys then unclaimed shall be returned to the Issuer to be used by the Issuer in any lawful manner including a distribution to the Corporation.

(d) The amount of Bonds held by any person executing such request or other instrument as a Bondowner, and the numbers and other identification thereof, and the date of his holding such Bonds, may be proved by a certificate (which need not be acknowledged or verified) satisfactory to the Bond Trustee, executed by an officer or partner of a bank, trust company, or other financial firm or corporation satisfactory to the Bond Trustee, showing that at the date therein mentioned such person exhibited to such officer or partner or had on deposit with such depository the Bonds described in such certificate. Continued ownership after the date stated in such certificate shall be presumed unless and until a certificate complying with the provisions of this paragraph (b), bearing a subsequent date and relating to the same Bonds, shall be delivered to the Bond Trustee.

The ownership of Bonds and the amount, numbers and other identification, and date of holding the same shall be proved by the registry books. Any request, consent or vote of the owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done or omitted to be done by the Issuer or the Bond Trustee in accordance therewith.

Holidays

If the date for making any payment or the last date for performance of any act or the exercising of any right as provided herein, shall not be a Business Day, such payment may be made or act performed or right exercised on the next succeeding Business Day, with the same force and effect as if done on the nominal date provided herein, and no interest shall accrue for the period after such nominal date.

SUMMARY OF CERTAIN TERMS OF THE LOAN AGREEMENT

The following is a summary of certain provisions of the Loan Agreement. This summary does not purport to be comprehensive and reference should be made to the Loan Agreement for a full and complete statement of its provisions.

The Loan; Issuance of Bonds and Application of Proceeds

The Issuer agrees, upon the delivery of the Bonds, to loan to the Corporation the amount of $285,000,000 to provide funds to pay a portion of the Costs of the Project, and to pay costs related to the issuance of the Bonds upon the terms and conditions set forth or referred to in the Loan Agreement. The Corporation agrees to borrow and the Corporation agrees to repay such loan upon the terms and conditions set forth or referred to in the Loan Agreement. The Loan Agreement shall constitute a general obligation of the Corporation. To provide funds to finance the loan to the Corporation, the Issuer agrees to use its best efforts to issue the Bonds in accordance with the Indenture. The Corporation agrees that the proceeds of the Bonds to be

made available to finance the loan to the Corporation shall be deposited with the Bond Trustee and applied as provided in the Indenture. The Corporation acknowledges and agrees that it shall have no interest in the proceeds of the Bonds equal to or greater than that of the Bondowners who shall have a first and prior beneficial interest in such money until it is applied in accordance herewith and with the Indenture.

Payment Obligations

(a) Notwithstanding any provision of the Loan Agreement or any other Corporation Documents, as and for repayment of the loan made to the Corporation by the Issuer pursuant to the Loan Agreement, the Corporation shall pay to the Bond Trustee for the account of the Issuer the amounts, including, without limitation, the amounts described in subsections (b) and (c) below, required at all times for the payment of the principal of, and premium if any, and interest on the Bonds when due, whether at maturity, upon redemption, by acceleration or otherwise and including the Purchase Price upon any tender; provided, however, that the obligation of the Corporation to make any such payment thereunder shall be reduced by any amount held by the Bond Trustee in the Debt Service Fund for such payment of the Bonds pursuant to the terms of the Indenture. All amounts received by the Bond Trustee pursuant to subsections (a), (b) or (c) of this Section shall be deposited into the Debt Service Fund.

(b) **Principal Payments**. The Corporation shall repay the principal of the loan not later than the second (2nd) Business Day preceding each July 1, commencing July 1, 2024, in an amount equal to the principal or Sinking Fund Installment, as the case may be, of the Bonds becoming due on such July 1, as the case may be, after crediting to such amount becoming due any amount in the Principal Account or the Sinking Fund Account, as the case may be, prior to such July 1 available for the payment of such principal or Sinking Fund Installment. To the extent such payments on the Bonds are made with funds provided by the Credit Facility Provider pursuant to a drawing upon the Credit Facility, payments made by the Corporation to the Bond Trustee pursuant to this paragraph shall be transferred by the Bond Trustee to the Credit Facility Provider in reimbursement for any such drawing.

(c) **Interest Payments**. The Corporation shall pay the interest on the loan on the second (2nd) Business Day preceding each Interest Payment Date in an amount equal to 100% of the interest coming due on the Bonds after crediting to such amount becoming due any amount in the Interest Account available for the payment of such interest (provided, however, in all events, the payment due immediately prior to each Interest Payment Date shall provide for sufficient funds necessary to make payment in full of the interest becoming due on the Bonds on such next succeeding Interest Payment Date). To the extent such payments on the Bonds are made with funds provided by the Credit Facility Provider or the Liquidity Facility Provider pursuant to a drawing upon a Credit Facility, payments made by the Corporation to the Bond Trustee pursuant to this paragraph shall be transferred by the Bond Trustee to the Credit Facility Provider in reimbursement for any such drawing.

(d) **Purchase Price**. The Corporation agrees that (i) if a Liquidity Facility is not in effect (as permitted under Section 4.21 of the Indenture and Section 2.9 of the Loan Agreement), then the Obligated Group shall be obligated to deposit amounts into the Corporation Purchase Account sufficient to pay the Purchase Price to the extent that amounts

on deposit in the Remarketing Proceeds Account are insufficient therefor, except on a Window Optional Tender Date, in connection with an Unscheduled Mandatory Tender in an Index Mode or a Flexible Index Mode, in connection with a mandatory tender of Fixed Rate Bonds pursuant to Section 4.13 of the Indenture and except as may otherwise be provided with respect to Bank Index Bonds in Section 4.6(c) of the Indenture or the Bank Credit Agreement, and (ii) if a Liquidity Facility is in effect, then the Obligated Group may, but shall not be obligated to, deposit amounts into the Corporation Purchase Account sufficient to pay the Purchase Price to the extent that amounts on deposit in the Remarketing Proceeds Account and the Liquidity Facility Purchase Account are insufficient therefor. Each such payment by the Members of the Obligated Group to the Tender Agent pursuant to this Section shall be in immediately available funds and paid to the Tender Agent at its designated office by 2:30 P.M., in the case of payments made pursuant to paragraph (a)(i) of this Section, and by 2:45 P.M., in the case of payments made pursuant to paragraph (a)(ii) of this Section, on each date upon which a payment is to be made pursuant to Section 4.17 of the Indenture.

(e) **Reimbursement of Issuer**. The Corporation agrees to pay to the Issuer an amount equal to the sum of the following two (2) items: (i) any expenditures of the Issuer, and fees and expenses of the Bond Trustee, all as required by the Indenture and not otherwise paid or provided for by the Corporation; and (ii) all other expenditures reasonably and necessarily incurred by the Issuer with respect to the loan to the Corporation and the issuance of the Bonds, including Cost of Issuance to the extent amounts on deposit in the Cost of Issuance Account are insufficient for the payment thereof and also including interest on overdue payments at the rate or rates of interest specified in the Bonds, penalties for late payments and all expenses incurred by the Issuer to compel full and punctual performance of all the provisions of the Loan Agreement, any other Corporation Document, and each other document executed by the Corporation in connection with the Issuer's loan to the Corporation or the issuance of the Bonds, in accordance with the terms hereof and thereof. Any expenditures of the Issuer made pursuant to items (i) and (ii) of this paragraph shall be billed by the Issuer to the Corporation in writing as soon as practicable and shall be paid or caused to be paid by the Corporation within thirty (30) days of each request for payment.

(f) **Rebate Fund**. The Corporation agrees to provide amounts that shall be sufficient to meet the Rebate Requirement of the Rebate Fund. The Corporation agrees that this obligation of the Corporation shall survive the payment in full of the Bonds or the refunding and defeasance of the Bonds pursuant to the provisions of the section of the Indenture under the heading "Defeasance.".

(g) **Other Obligations**. The Corporation agrees to provide, at all times required under the Indenture, such additional amounts as are required to fund or make up any deficiency in the Debt Service Fund on any date on which principal of or interest on the Bonds is due or any deficiency in the Purchase Fund or any account established therein in the event and to the extent that the remarketing proceeds and moneys drawn under a Credit Facility or a Liquidity Facility are insufficient to pay the Purchase Price of Bonds tendered for purchase on a Purchase Date. In the event of any such deficiency in the Debt Service Fund or the Purchase Fund, the Bond Trustee shall notify the Issuer and the Corporation of such deficiency and the Corporation shall pay the amount of any such deficiency to the Bond Trustee by no later than 2:30 p.m. (New York City time) on the date on which principal of, Purchase Price of, or interest on, the Bonds is due.

(h) **Manner of Payment**. The Corporation agrees to pay to the Issuer or to such party as the Issuer shall direct in writing the payments required by the Loan Agreement from its general funds or any other moneys legally available to the Corporation in the manner and at the times provided by the Loan Agreement.

(h) **Survival**. The payment obligations of the Corporation pursuant to Subsections (a), (b), (c), (d), (e)(i) and (ii), (f) and (g), except to the extent paid from any defeasance escrow for the Bonds, shall survive the expiration of the Loan Agreement.

Payments Due on Days other than Business Days.

If the date for payment of amounts due thereunder shall not be a Business Day, such payment may be made on the next succeeding Business Day with the same force and effect as if made on the nominal date provided therein.

Optional Prepayment.

The Issuer and the Corporation agree that the Corporation shall have the right to make voluntary payments to the Bond Trustee for the account of the Issuer, if the Bonds are then subject to redemption, which voluntary payments shall be deposited in the Redemption Fund. If the Corporation is not in default under the Loan Agreement, upon notification by the Corporation to the Issuer of any such voluntary payment which is deposited in the Redemption Fund, the Issuer agrees that it shall direct the Bond Trustee to purchase or redeem Bonds in accordance with Section 2.5(a) and Section 5.6 of the Indenture.

Defeasance of Bonds.

The Issuer and the Corporation agree that, upon forty-five (45) days' written notice to the Issuer, with a copy to the Bond Trustee and the Credit Facility Provider (if any) and the Liquidity Facility Provider (if any), the Corporation shall have the right to satisfy its loan repayment obligations under the Loan Agreement by paying to the Bond Trustee for the account of the Issuer an amount which shall effectuate a defeasance, in accordance with Section 12.1 of the Indenture, of the Bonds issued to make a loan to the Corporation under the Loan Agreement and by paying all costs of the Issuer and the Bond Trustee in connection with such defeasance and by otherwise satisfying all other conditions to effect a defeasance of the Bonds in accordance with Section 12.1 of the Indenture.

The Issuer agrees that, when the above provisions have been implemented and when the Bonds have been defeased in accordance with the provisions of Section 12.1 of the Indenture, the Issuer shall, and shall cause the Bond Trustee to, cancel the Loan Agreement (except for obligations which survive under Section 2.2(i)), cancel the Obligation, and cancel or release all other Corporation Documents, as the case may be. The Issuer further agrees that, after payment to it by the Bond Trustee of all moneys or securities held by the Bond Trustee pursuant to the Indenture, other than moneys or securities set aside to pay or defease all of the Bonds, and other than funds set aside in the Rebate Fund to pay the estimated Rebate Requirement, the Issuer shall pay the same to the Corporation after first deducting any moneys due to the Issuer for the Issuer's expenses incurred or accruing relating to the Bonds, the Corporation Documents, the

Premises, and any Rebate Requirement. All payment obligations of the Corporation to the Issuer under the Loan Agreement shall continue, except to the extent paid from any defeasance escrow for the Bonds, to the extent provided herein or in Section 2.2(i).

The Project.

The Corporation covenants to carry out the Project by causing the proceeds of the Bonds to be applied to the financing and refinancing of the Project, and that the Premises and the use thereof by the Project Users have been and will be in full compliance with the Indenture, the Loan Agreement and all other Corporation Documents as well as the laws of the Commonwealth. The Corporation acknowledges that any review of any such actions taken by the Issuer's staff or counsel has been or will be solely for the protection of the Issuer. Neither such review nor any action taken by the Issuer shall stop the Issuer from enforcing the foregoing covenant. The Issuer makes no representations whatsoever in connection with the condition of the Premises, or the improvements, fixtures or equipment thereof, and the Issuer shall not be liable for latent or patent defects therein. Subject to the rights of the Issuer thereunder, the Corporation shall have sole and exclusive control of, possession of and responsibility for (i) such Premises; (ii) the operation of such Premises and supervision of the activities conducted therein or in connection with any part thereof; and (iii) the maintenance, repair and replacement of such Premises.

Obligation Absolute.

The obligation of the Corporation to make payments to the Issuer or on its order to the Bond Trustee under the Loan Agreement and the Obligation is absolute and unconditional and shall not be subject to setoff, recoupment or counterclaim. The Corporation agrees that payments required by the Loan Agreement and the Obligation shall be paid when due by the Corporation to the Bond Trustee for deposit in the Debt Service Fund whether or not any patient, occupant or user of the Corporation are delinquent in the payment of his or her charges, rentals or other charges owed to the Corporation, whether or not any patient, user or occupant receives either partial or total reimbursement as a credit against such payment, and whether or not the Corporation receive either partial or total reimbursement as a credit against such payment.

The agreements, covenants, representations and indemnifications of the Corporation in the Loan Agreement and the other Corporation Documents executed and delivered in connection therewith shall be a full faith and credit obligation of the Corporation.

Covenant as to Rates and Charges.

The Corporation agrees, to the extent permitted by law, to charge rates, fees, rentals and charges which, together with their general funds and any other moneys legally available to them, shall provide moneys sufficient at all times to make all payments under the Loan Agreement and the other Corporation Documents and to pay all other obligations of the Corporation as the same become due and payable. The Corporation covenants to maintain its rates, fees, rentals and charges to provide Operating Revenues which, together with its general funds and other moneys legally available to the Corporation, shall be sufficient for the payment of (i) Operating

Expenses; (ii) debt service when due on the Bonds and all other Indebtedness; and (iii) all other amounts due under the Loan Agreement.

Master Indenture.

The Corporation agrees to comply with, and to cause the other members of the Obligated Group to comply with, the terms and provisions of the Master Indenture, which terms and provisions are incorporated into the Loan Agreement by reference. No amendments to the Master Indenture may be implemented without the prior written consent of the Issuer (this sentence shall not apply to supplements to the Master Indenture that do not amend any terms or provisions of the Master Indenture). The Corporation shall give notice, or cause the Master Trustee to give notice, to the Issuer of the issuance of any Obligations under the Master Indenture, the incurrence of any Indebtedness under Section 3.12 of the Master Indenture by a Member of the Obligated Group or the entry of any Person into, or the withdrawal of any Person from, the Obligated Group.

Contracts and Agreements.

Except as permitted by the Loan Agreement and the other Corporation Documents, the Corporation agrees that it shall not enter into any contracts or agreements, perform any acts or request the Issuer to enter into any contracts or agreements or perform any acts which may adversely affect any of the covenants or representations made by the Corporation to the Issuer under the Corporation Documents or the rights of the Issuer.

Operation of Corporation.

The Corporation agrees that it shall use its best efforts to operate the Project and Premises in a prudent and efficient manner. The Corporation further agrees that it shall employ, at all times, administrative personnel experienced and well qualified in the field of hospital administration. The Corporation shall do (or cause to be done) all things necessary to preserve and keep in full force and effect its legal existence.

`The Corporation agrees to operate its facilities primarily as and for general hospital, other healthcare services and related activities as permitted under the laws of the Commonwealth. The Corporation agrees to maintain, preserve and keep its facilities, with the appurtenances and every part and parcel thereof, in good repair, working order and condition and to make all necessary and proper repairs, replacements and renewals, to the extent necessary, so that at all times the operation of the Corporation and its facilities may be properly and advantageously conducted.

The Corporation agrees that it will procure and maintain all necessary licenses and permits and maintain accreditation of the hospital facilities (other than those of a type for which accreditation is not then available by the Joint Commission) and the status of its hospital facilities (other than those not currently having such status) as a provider of health care services eligible for reimbursement under any appropriate third-party payor programs and comparable programs, including future governmental programs as long as, in the opinion of the Corporation, such accreditation is in the best interests of the Corporation.

The Corporation shall correct all deficiencies found by each governmental authority with jurisdiction over the operation of the Project and the Premises, including any inspection in connection with the implementation of the Project and the Premises by the Corporation in accordance with the requirements of the appropriate governmental or accrediting entity.

The Corporation covenants that it will comply in all material respects with the terms and conditions set forth in any certificate of need applicable to the Project or the Premises, and any duly approved amendments to such terms and conditions.

Payment of Obligations, Taxes, Assessments and Charges.

The Corporation agrees to pay promptly all charges, judgments and other obligations incurred or imposed on the Corporation in accordance with the applicable payment terms. The Corporation shall pay all taxes and assessments or other municipal or governmental charges, if any, lawfully levied or assessed upon or in respect of the Corporation's facilities, or upon any part thereof or upon the Revenues, when the same shall become due, and shall duly comply with all valid requirements of any municipal or governmental authority relative to any part of the Corporation's facilities. The Corporation shall pay or cause to be paid or cause to be discharged, or shall make adequate provisions to satisfy and discharge, within one hundred twenty (120) days after the same shall become due and payable, all lawful claims and demands for labor, materials, equipment, supplies or other objects which, if unpaid, might by law become a lien upon the facilities of the Corporation, the Premises, or the Revenues; provided, however, that nothing in this Section shall require the Corporation to pay or cause to be paid or cause to be discharged, any such tax, assessment, valid requirement, claim, demand, lien or charge, so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings by the Corporation.

Tax Covenant.

The Corporation covenants that it and each person related to it within the meaning of Section 147(a)(2) of the Code, including, but not limited to, each Project User, will comply with each requirement of the Code necessary to maintain the exclusion of interest on the Bonds from gross income for federal income tax purposes.

In furtherance of the covenant contained in the preceding sentence, the Corporation agrees to comply, and to cause each Project User to comply, with the provisions of the Tax Regulatory Agreement. The Corporation covenants that neither it nor any Project User will take any action or fail to take any action with respect to the Bonds which action or failure to act would cause such Bonds to be "arbitrage bonds", within the meaning of such term as used in Section 148 of the Code and the regulations promulgated thereunder, as amended from time to time. The Corporation covenants that: (i) neither it nor any Project User shall perform any acts or enter into any agreements which shall cause any revocation or adverse modification of its status of its 501(c)(3) determination letter, as an organization exempt from Federal income taxes pursuant to Section 501(a) of the Code; and (ii) neither it nor any Project User shall carry on or permit to be carried on any trade or business the conduct of which is not substantially related to

the exercise or performance by the Corporation or any such Project User of the purposes or functions constituting the basis for its exemption under Section 501 of the Code if such use would result in the loss of the Corporation's or any such Project User's exempt status under Section 501 of the Code or would cause the interest on the Bonds to be included in gross income and subject to Federal income taxation. The Corporation agrees that neither the Corporation, nor any person related to it within the meaning of Section 147(a)(2) of the Code, including, but not limited to, each Project User, pursuant to an arrangement, formal or informal, shall purchase the Bonds upon their initial issuance in an amount related to the amount of the Bonds secured by the Loan Agreement. Notwithstanding any other provision of the Indenture or the Loan Agreement to the contrary, so long as necessary in order to maintain the exclusion of interest on the Bonds from gross income for federal income tax purposes, the covenants contained in this Section shall survive the discharge and satisfaction of the Bonds (in accordance with the section of the Loan Agreement under the heading "Defeasance") and the termination of the Loan Agreement.

Maintenance and Modifications of Facility by Corporation.

The Corporation shall not abandon (or cause to be abandoned by any Member of the Obligated Group or other affiliate thereof) the Facility or cause or permit any waste to the improvements thereon. During the Loan Term, neither the Corporation nor any Member of the Obligated Group shall remove any part of the Facility outside of the jurisdiction of the Issuer and shall (i) keep (or cause to be kept) the Facility in as reasonable safe condition as its operations shall permit; (ii) make (or cause to be made) all necessary repairs and replacements to the Facility (whether ordinary or extraordinary, structural or nonstructural, foreseen or unforeseen); and (iii) operate (or cause to be operated) the Facility in a sound and economic manner.

The Corporation, from time to time, may make (or cause to be made) any material structural additions, modifications or improvements to the Facility or any part thereof, provided (i) such actions do not adversely affect the structural integrity of the Facility or (ii) such actions do not materially impair the use of the Facility or materially decrease their value. All such additions, modifications or improvements made by the Corporation or any Member of the Obligated Group, as applicable, shall become a part of the Facility.

Installation of Additional Equipment.

Subject to the provisions of the section of the Loan Agreement under the heading "Removal of Equipment," the Corporation and any other Member of the Obligated Group, as applicable, or any permitted ground lessee, lessee, sublessee thereof, as applicable, from time to time may install additional machinery, equipment or other personal property in the Facility (which may be attached or affixed to the Facility), and such machinery, equipment or other personal property shall not become, or be deemed to become, a part of the Facility, provided that the acquisition and installation of such property is not financed from the proceeds of the Bonds. The Corporation and the Members of the Obligated Group, as applicable, from time to time may create or permit to be created any lien on such machinery, equipment or other personal property. Further, the Corporation from time to time may remove or permit the removal or the replacement of such machinery, equipment and other personal property from the Facility, provided that any such removal or replacement of such machinery, equipment or other personal property shall not

occur (i) if any Event of Default has occurred; or (ii) if any such removal or replacement shall adversely affect the structural integrity of the Facility or impair the overall operating efficiency of the Project for the purposes for which it is intended, and provided further that, if any damage is occasioned to the Facility by such removal, the Corporation agrees promptly to repair (or cause to be repaired) such damage at its own expense (or, as applicable, at the cost and expense of the Obligated Group).

Taxes, Assessments and Utility Charges.

The Corporation agrees to pay (or cause to be paid), as the same become due and before any fine, penalty, interest (except interest which is payable in connection with legally permissible installment payments) or other cost may be added thereto or become due or be imposed by operation of law for the non-payment thereof, (i) all taxes, payments in lieu of taxes and governmental charges of any kind whatsoever which may at any time be lawfully assessed or levied against or with respect to the Facility and any machinery, equipment or other Property installed or brought by the Corporation therein or thereon, including, without limiting the generality of the foregoing, any sales or use taxes imposed with respect to the Facility or any part or component thereof or the rental or sale of the Facility or any part thereof and any taxes levied upon or with respect to the income or revenues of the Issuer from the Facility; (ii) all utility and other charges, including service charges, incurred or imposed for or with respect to the operation, maintenance, use, occupancy, upkeep and improvement of the Facility; and (iii) all assessments and charges of any kind whatsoever lawfully made by any governmental body for public improvements; provided that, with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the Corporation shall be obligated under the Loan Agreement to pay (or cause to be paid) only such installments as are required to be paid during the Loan Term.

The Corporation may, in good faith, contest any such taxes, assessments and other charges. In the event of any such proceedings, the Corporation shall pay such taxes, assessments or other charges so contested, or, at its option, allow the same to remain unpaid during the period of such proceedings and any appeal therefrom, provided, however, that (i) neither the Facility nor any part thereof or interest therein would be in any immediate danger of being sold, forfeited or lost by reason of such proceedings, and (ii) the Corporation shall have set aside on its books adequate reserves with respect thereto and shall have furnished such security, if any, as may be required in such proceedings or reasonably requested by the Issuer or the Bond Trustee.

The Issuer agrees that if the Corporation contests any taxes, assessments or other charges as provided for in paragraph (b) of the section of the Loan Agreement under the heading "Taxes, Assessments and Utility Charges," that the Corporation shall be entitled to retain all such amounts received as a result thereof.

Notice of Default.

The Corporation shall notify the Issuer and the Bond Trustee promptly of any condition, event, action or failure to take any action which constitutes an Event of Default under the Loan

Agreement or the Master Indenture or a default or violation of any of the agreements of the Corporation contained in the other Corporation Documents.

Continuing Disclosure.

The Corporation shall furnish to the Issuer, the Credit Facility Provider (if any), the Liquidity Facility Provider (if any), the Bond Trustee and the Municipal Securities Rulemaking Board (the "MSRB") as provided in the Continuing Disclosure Agreement (1) if required by Rule 15c2-12 adopted by the Securities and Exchange Commission (the "Rule"), notice of any of the events described in subsection (b)(5)(i)(C) of the Rule, as such Rule may be amended from time to time, and (2) notice of the failure of the Corporation to provide the financial information in the manner and as described in the next subsection of the Loan Agreement.

The Corporation shall furnish, and shall cause each "obligated person" as defined in the Rule to furnish to the Issuer, the Bond Trustee, the Credit Facility Provider (if any), the Liquidity Facility Provider (if any), the MSRB, and upon request, the owners of the Bonds and such other parties as the Issuer may designate, at the times required by the Continuing Disclosure Agreement, financial information (including operating data) of the Obligated Group, of the type included in the final Official Statement for the Bonds, including but not limited to audited financial statements of the Corporation for the most recent prior Fiscal Year prepared in accordance with generally accepted accounting principles (or describing any exceptions therefrom) and the information set forth in the Continuing Disclosure Agreement. The Corporation shall take all actions and furnish any other information necessary to comply with the Rule and the Continuing Disclosure Agreement.

Tax Law Representations.

The Corporation represents that: (i) the Corporation and each Project User is an organization described in Section 501(c)(3) of the Code, or corresponding provisions of prior law and that neither the Corporation nor any Project User is a "private foundation" as defined in the Code; (ii) the Corporation and each Project User each have received a letter or letters from the Internal Revenue Service to such effect; (iii) such letter or letters have not been modified, limited or revoked; (iv) the Corporation and each Project User is in compliance with all terms, conditions and limitations, if any, contained in each such letter; (v) the facts and circumstances which formed the basis of such applicable letter as represented to the Internal Revenue Service continue to substantially exist; (vi) the Corporation and each Project User is exempt from Federal income taxes under Section 501(a) of the Code; and (vii) the Corporation has adopted written procedures or guidelines to ensure that the Bonds will remain in compliance with Federal tax requirements after the issuance of the Bonds.

Securities Law Representations.

The Corporation represents that it is an organization organized and operated: (i) exclusively for educational or charitable purposes; (ii) not for pecuniary profit; and (iii) no part of the net earnings of which inures to the benefit of any person, private stockholder or individual,

all within the meaning, respectively, of the Securities Act of 1933, as amended, and of the Securities Exchange Act of 1934, as amended.

The Premises.

The Corporation represents that as of February 23, 2021 the Premises complied in all material respects, with all applicable restrictive covenants, applicable zoning and subdivision ordinances and building codes, all applicable health and environmental laws and regulations and all other applicable laws, rules and regulations.

Compliance with Law.

The Corporation represents that it is in compliance in all material respects with all federal, state and local laws, regulations and ordinances relating to its business, the Project, the Premises, and its facilities including, but not limited to, the Employee Retirement Income Security Act of 1974, as amended, and all Equal Employment Opportunity Laws and other applicable laws and regulations relating to nondiscrimination in employment and employment opportunities.

Events of Default.

As used herein an "Event of Default" exists if any of the following occurs and is continuing:

Principal, Interest, Premium, etc. Failure by the Corporation to make when due any payment required under paragraph (a), (b) or (c) of the section in the Loan Agreement under the heading ""Payment Obligations" or failure by the Corporation to pay in full any payment of principal of or interest on the Obligation when due; or

Other Payments. Failure by the Corporation to pay when due any amount required to be paid under the Loan Agreement (other than any amount referred to in paragraph (a), (b) or (c) of the section in the Loan Agreement under the heading ""Payment Obligations" or any amount of principal of or interest due on the Obligation), which failure continues for a period of ten (10) days; or

Covenants, Representations, etc. Failure by the Corporation to observe and perform any covenant, condition or agreement set forth in the Corporation Documents (other than the Continuing Disclosure Agreement or under the section of the Loan Agreement under the heading "Continuing Disclosure," and other than any failure to observe or perform any covenant, condition or agreement of the Corporation set forth in the Tax Regulatory Agreement that would not cause the Corporation to lose its status as a tax-exempt organization under Section 501(c)(3) of the Code or would not cause the loss of the tax-exempt status of interest on the Bonds) on its part to be observed or performed, or failure of any representation made by the Corporation in the Corporation Documents (other than the Continuing Disclosure Agreement or the section of the Loan Agreement under the heading "Continuing Disclosure") to be correct in all material respects, which failure shall continue for a period of thirty (30) days after written notice,

specifying such failure and requesting that it be remedied, shall have been given to the Corporation by the Bond Trustee or to the Corporation and the Bond Trustee by the Issuer; provided, however, that if such performance, observation or compliance requires work to be done, action to be taken, or conditions to be remedied which by their nature cannot reasonably be done, taken or remedied, as the case may be, within such 30-day period, no Event of Default shall be deemed to have occurred or to exist if, and so long as, in the sole judgment of the Issuer, the Corporation shall in good faith commence such performance, observation or compliance within such period and shall diligently and continuously prosecute the same to completion; or

Bankruptcy, Insolvency, etc. If the Corporation shall make an assignment for the benefit of creditors or be generally unable to pay its debts as they become due; or a decree or order appointing a receiver, custodian or trustee for the Corporation or any Project User, for the Premises, or for substantially all of the Corporation's properties shall be entered and, if entered without its consent, remain in effect for more than sixty (60) days; or the Corporation shall commence a voluntary case under any law relating to bankruptcy, insolvency, reorganization or other relief of debtors or any such case of an involuntary nature is filed against it and is consented to by it or, if not consented to, is not dismissed within sixty (60) days; or

Undischarged Final Judgment. Final judgment for the payment of money in an aggregate amount at least equal to two percent (2%) of the Operating Revenues of the Obligated Group at the end of the most recent Fiscal Year, shall be rendered against the Corporation and at any time after thirty (30) days from the entry thereof, (a) such judgment shall not have been discharged, or (b) the Corporation shall not have taken and be diligently prosecuting an appeal therefrom or from the order, decree or process upon which or pursuant to which such judgment shall have been granted or entered, and have caused the execution of or levy under such judgment, order, decree or process or the enforcement thereof to have been stayed pending determination of such appeal; or

Liquidation, etc. The Corporation shall liquidate or dissolve any of its affairs, or dispose of or transfer all or substantially all of its assets; or

Default Under Other Agreements. An event of default shall have occurred under the Master Indenture, or under any agreement or lease (after the expiration of any applicable grace periods) to which the Issuer and the Corporation are parties; or

Indenture Event of Default. An Event of Default (as defined in the Indenture) shall have occurred under the Indenture; or

Default With Respect to Other Indebtedness. The Corporation shall default in the payment of any other Indebtedness (other than the Obligation), whether such Indebtedness now exists or shall hereafter be created, and any period of grace with respect thereto shall have expired, or an event of default as defined in any mortgage, indenture or instrument, under which there may be issued, or by which there may be secured or evidenced, any Indebtedness, whether such Indebtedness now exists or shall hereafter be created, shall occur, which default in payment or event of default shall be in respect of (a) any Parity Debt or (b) any Indebtedness in an aggregate principal amount of at least two percent (2%) of the Operating Revenues of the

Obligated Group at the end of the most recent Fiscal Year, where the effect of such default is to accelerate the maturity of such Indebtedness (or with respect to Parity Debt, the effect of such default is to permit the holders thereof (or a Bond Trustee on behalf of such holders) to cause such Indebtedness to become due prior to its stated maturity); provided, however that such default shall not constitute an Event of Default within the meaning of this Section if within the time allowed for service of a responsive pleading in any proceeding to enforce payment of such Indebtedness under the laws of the Commonwealth or other laws governing such proceeding (i) the Corporation in good faith commences proceedings to contest the existence or payment of such Indebtedness, (ii) sufficient moneys are escrowed with a bank or trust corporation for the payment of such Indebtedness, and (iii) the Corporation delivers an Officer's Certificate to the Issuer and the Bond Trustee certifying that the Corporation has complied with clauses (i) and (ii); or

Liens, etc. Except as consented to by the Issuer in writing, any lien, encumbrance or other charge (other than a Permitted Encumbrance) is created, granted or suffered by the Corporation against the Premises of the Corporation, including statutory and other liens of mechanics, workers, contractors, subcontractors, suppliers, or taxing authorities; provided, however, that tax or other liens shall not constitute an Event of Default thereunder (a) if either of the Corporation is contesting the imposition of such tax or lien in good faith and in accordance with law, and the Corporation delivers an Officer's Certificate to the Issuer and the Bond Trustee so certifying; or (b) if the amounts secured by any such lien for taxes or special assessments, is not then delinquent.

Remedies

Upon the occurrence and continuance of any Event of Default thereunder and further upon the condition that, in accordance with the terms of the Indenture, the Bonds shall have been declared to be immediately due and payable pursuant to any provision of the Indenture, the loan payments required by subsections (a), (b), (c) and (d) of Section 2.2 of the Loan Agreement (relating to Payment Obligations) and the payments required by the Obligation shall, without further action, become and be immediately due and payable.

Upon the occurrence and continuance of any Event of Default thereunder, the Issuer may, and shall at the direction of the Credit Facility Provider but only with respect to the Bonds enhanced by a Credit Facility issued by such Credit Facility Provider, and the Bond Trustee shall at the direction of the Issuer or the Credit Facility Provider, subject to the terms of the Indenture, take any action at law or in equity to collect any payments then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the Corporation thereunder or to protect the interests securing the same, and the Issuer may, and shall at the direction of the Credit Facility Provider but only with respect to the Bonds enhanced by a Credit Facility issued by such Credit Facility Provider, and the Bond Trustee shall at the direction of the Issuer or the Credit Facility Provider, without limiting the generality of the foregoing, exercise any or all rights and remedies given hereby or available thereunder and may take any action at law or in equity to collect any payments then due or thereafter to become due, or to enforce performance of any obligation, agreement or covenant of the Corporation thereunder or under the Obligation.

Any amounts collected from the Corporation pursuant to this section shall be applied in accordance with the Indenture.

The Issuer and the Corporation agree that, upon the occurrence of an Event of Default, while the Issuer does not have the right of foreclosure, the Issuer may pursue any such remedies as are available to it thereunder and under the laws of the Commonwealth.

Upon the occurrence and continuance of any Event of Default thereunder, any and all amounts due thereunder may be declared by the Issuer to be immediately due and payable whether or not the Bonds shall have been declared to be due and payable; provided that if the Bonds have been declared to be due and payable in accordance with the terms of the Indenture, the amounts due thereunder under subsections (a), (b), (c) and (d) of Section 2.2 (relating to Payment Obligations) shall, as provided in Section 8.2(a) above, without further action, become and be immediately due and payable.

Remedies Not Exclusive

All rights and remedies herein given or granted to the Issuer are cumulative, non-exclusive and in addition to any and all rights and remedies that the Issuer may have or be given by reason of any law, statute, ordinance or otherwise.

Indemnification

The Corporation agrees to indemnify and hold harmless the Issuer, the Bond Trustee and any member, director, officer, official, employee, counsel, consultant and agent of the Issuer or the Bond Trustee (each called an "Indemnified Party" and collectively called the "Indemnified Parties"), against any and all losses, claims, damages, suits, actions, demands, liabilities or expenses (or actions in respect thereof) that are caused by, arise out of or are based upon any untrue statement or misleading statement or alleged untrue statement or alleged misleading statement of a material fact contained in (i) the Official Statement or any amendment thereof or supplement thereto (except, as to the Issuer only, for information therein relating solely to and provided by the Issuer contained in the section entitled "The Issuer") or (ii) any information to be provided by the Corporation pursuant to the article in the Loan Agreement under the heading "Information and reporting Requirements" or that are caused by, arise out of or are based upon any omission or alleged omission from (i) such Official Statement or any amendment thereof or supplement thereto or (ii) any information to be provided by the Corporation pursuant to article in the Loan Agreement under the heading "Information and reporting Requirements" of any material fact required to be stated therein or necessary in order to make the statements made therein in the light of the circumstances under which they were made, not misleading (except, as to the Issuer only, for information in the Official Statement or omitted therefrom relating solely to and provided by the Issuer contained in the section entitled "The Issuer"). In case any action shall be brought against one or more of the Indemnified Parties based upon (i) the Official Statement or any amendment thereof or supplement thereto or (ii) the information to be provided by the Corporation pursuant to Section 10.2 of the Loan Agreement (relating to Right to Inspect Facility) (except, as to the Issuer only, for information in the Official Statement or omitted

therefrom relating solely to and provided by the Issuer contained in the section entitled "The Issuer") and in respect of which indemnity may be sought against the Corporation, the Indemnified Party shall promptly (and in any event not later than thirty (30) days after knowledge of such action) notify the Corporation in writing, and the Corporation shall promptly assume the defense thereof, including the employment of counsel, the payment of all reasonable expenses and the right to negotiate and consent to settlement and the Indemnified Parties shall cooperate with the Corporation in asserting such defense. Any one or more of the Indemnified Parties shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the reasonable fees and expenses of such counsel shall be at the expense of such Indemnified Party or Indemnified Parties unless the employment of such counsel has been specifically authorized in writing by the Corporation, which authorization shall not be unreasonably withheld, or unless by reason of conflict of interest, in the reasonable judgment of any Indemnified Party, it is advisable for it to be represented by separate counsel, in which case the reasonable fees and expenses of such separate counsel shall be borne by the Corporation. The Corporation shall not be liable for any settlement of any such action effected without its written consent, but if settled with the written consent of the Corporation or if there be a final judgment for the plaintiff in any such action with or without such consent, the Corporation agrees to indemnify and hold harmless the Indemnified Parties from and against any loss or liability by reason of such settlement or judgment.

The Corporation hereby releases and agrees to hold harmless and indemnify the Issuer and its members, directors, officers, officials, counsel, consultants, agents and employees (the "Issuer Indemnified Parties") from and against all, and agrees that the Issuer Indemnified Parties shall not be liable for any, (i) liabilities, suits, actions, claims, demands, damages, losses, expenses and costs of every kind and nature resulting from any action taken in accordance with, or permitted by, the Corporation Documents, the Purchase Contract or the Indenture, or arising from or incurred by the Issuer by reason of its loan of the proceeds of the Bonds pursuant to the Loan Agreement and the Indenture or the failure of the Corporation to comply with the provisions of the Corporation Documents, the Purchase Contract or the Indenture, including, but not limited to, those arising out of any environmental hazard or violation of any environmental law, rule or regulation, or any action or inaction which would cause the interest on the Bonds to be includable in gross income for federal income taxes (but excluding any loss, damage or liability which may arise as a result of the gross negligence, willful misconduct or intentional misrepresentation of any Issuer Indemnified Party), or (ii) loss or damage to property or any injury to or death of any or all persons that may be occasioned by any cause whatsoever pertaining to the Project or the Premises or arising by reason of or in connection with the presence on, in or about the Premises of any person (but excluding any loss, damage or liability which may arise as a result of the gross negligence, willful misconduct or intentional misrepresentation of any Issuer Indemnified Party), including in each case, and without limiting the generality of the foregoing, attorneys' fees and other expenses incurred in defending or investigating any claims, suits or actions which may arise as a result of any of the foregoing. The Corporation agrees to deliver at the written request of the Issuer any further instrument or instruments in form satisfactory to the Issuer to effectuate more fully the provisions of this Section; provided, however, that the hold harmless and indemnification provisions provided in this Section shall be effective only to the extent of any loss or liability that may be sustained by any party claiming indemnification thereunder in excess of net proceeds received by such party

from any insurance carried by the Corporation with respect to such loss or liability; and provided further that the Issuer and the Corporation shall provide waiver of rights of subrogation against the other in any insurance coverage obtained relating to the Project or the Premises where any such insurance policy permits such waiver. In case any action shall be brought against one or more of the Issuer Indemnified Parties in respect of which indemnity may be sought against the Corporation under the provisions of this Section, the Issuer Indemnified Party shall promptly (and in no event later than thirty (30) days after knowledge of such action) notify the Corporation in writing, and the Corporation shall promptly assume the defense thereof, including the employment of counsel, the payment of all reasonable expenses and the right to negotiate and consent to settlement and the Issuer Indemnified Parties shall cooperate with the Corporation in asserting such defense. Any one or more of the Issuer Indemnified Parties shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the reasonable fees and expenses of such counsel shall be at the expense of such Issuer Indemnified Party or Issuer Indemnified Parties unless the employment of such counsel has been specifically authorized in writing by the Corporation, which authorization shall not be unreasonably withheld, or unless by reason of conflict of interest, in the reasonable judgment of any Issuer Indemnified Party, it is advisable for it to be represented by separate counsel, in which case the reasonable fees and expenses of such separate counsel shall be borne by the Corporation. The Corporation shall not be liable for any settlement of any such action effected without its written consent, but if settled with the written consent of the Corporation or if there be a final judgment for the plaintiff in any such action with or without such consent, the Corporation agrees to indemnify and hold harmless the Issuer Indemnified Parties from and against any loss or liability by reason of such settlement or judgment. The hold harmless and indemnification provisions provided by this Section shall be in addition to and not limited by any of the provisions of the first paragraph above.

Survival of Indemnification.

The indemnification provisions of in the Loan Agreement shall survive the expiration of the Loan Agreement, and each Indemnified Party shall be deemed a third party beneficiary thereunder.

Restriction on Sale of Facility; Release of Certain Portions of the Facility.

(a) Except as otherwise specifically provided in this Article X hereof or as permitted by the Tax Regulatory Agreement or the Master Indenture, neither the Corporation, nor any Project User shall sublease, convey, transfer, encumber or otherwise dispose of the Facility or any part thereof or any of its rights under the Loan Agreement, without the prior written consent of the Issuer, which consent shall not be unreasonably withheld, delayed or conditioned. Proceeds from the sale of any part of, or interest in, the Facility shall be applied as required by the Tax Regulatory Agreement.

(b) The Issuer and the Corporation from time to time may release from the provisions of the Loan Agreement, any part of, or interest in, the remainder of the Facility as may reasonably be requested by the Corporation, which request shall not be unreasonably denied; provided, however, that any such release shall be subject to the requirements of the Tax

Regulatory Agreement and the Master Indenture. In such event, the Issuer, at the Corporation's sole cost and expense, shall execute and deliver, and request the Bond Trustee to execute and deliver, any and all instruments necessary or appropriate to so release any lien, claim or encumbrance on such part of, or interest in, such portion of the Facility. As a condition to such conveyance, the Bond Trustee shall be provided with a certificate of an Authorized Officer of the Corporation stating that there is then no Event of Default under the Loan Agreement and such part of, or interest in, such portion of the Facility is not necessary, desirable or useful for the remainder of the Facility.

(c) No conveyance of any part of, or interest in, such portion of the Facility effected under the provisions of this Section shall entitle the Corporation or the Obligated Group to any abatement or diminution of the loan payments payable by it under the Loan Agreement or the Obligation.

Assignment, Leasing and Subleasing.

(a) The Loan Agreement may not be assigned, in whole or in part, and except in the ordinary course of the operations of the Corporation or any Member of the Obligated Group, as applicable, the Facility may not be leased, in whole or in part, without the prior written consent of the Issuer, which consent shall not be unreasonably withheld, delayed or conditioned, in each instance except as provided in the Tax Regulatory Agreement. Any permitted assignment or lease (requiring the Issuer's consent) shall be on the following conditions:

1. no assignment or lease shall relieve the Corporation from primary liability for any of its obligations thereunder or under any other of the Corporation Documents;

2. the assignee (in the discretion of the Issuer) shall assume the obligations of the Corporation thereunder to the extent of the interest assigned or leased, shall be jointly and severally liable with the Corporation for the performance thereof and shall be subject to service of process in the Commonwealth of Pennsylvania;

3. the Corporation shall, within thirty (30) days after the delivery thereof, furnish or cause to be furnished to the Issuer and to the Bond Trustee a true and complete copy of such assignment or lease and the instrument of assumption;

4. neither the validity nor the enforceability of the Bonds, the Indenture, nor any Corporation Documents shall be adversely affected thereby;

5. the exclusion of the interest on the Bonds from gross income for Federal income tax purposes will not be adversely affected; and

6. the assignee shall utilize the Facility substantially in the same manner pursuant to the laws of the Commonwealth.

Notwithstanding the foregoing, as specifically permitted by the Master Indenture, the Corporation, and Members of the Obligated Group, as applicable, may lease or license or timeshare portions of the Facility.

(b) If the Bond Trustee or the Issuer shall so request, as of the purported effective date of any assignment or lease pursuant to subsection (a) of this Section, the Corporation, at its sole cost, shall furnish the Bond Trustee or the Issuer, as appropriate, with, in form and substance satisfactory to the Bond Trustee or the Issuer, as appropriate, (i) an Opinion of Bond Counsel, and (ii) an Opinion of Counsel, as to such matters as the Bond Trustee and the Issuer shall reasonably request.

Amendment.

The Issuer hereby reserves the right, together with the Corporation, with the consent of the Bond Trustee (given at the direction of the Issuer, but the Bond Trustee need not consent if the Bond Trustee's duties, obligations or liabilities are not affected thereby) and the Credit Facility Provider and to the extent permitted by Section 6.5 of the Indenture: (i) to amend or modify the terms of the Loan Agreement, and the Obligation in any respect consistent with the Act, (ii) to extend the term of the Loan Agreement or the Obligation or the time for making any thereunder, or (iii) to continue to make construction advances after the initial completion date for the Project. The Corporation covenants and agrees to send a copy of each amendment or modification of the Loan Agreement and the Obligation to the Bond Trustee, the Credit Facility Provider, if any, and the Liquidity Facility Provider, if any. Nothing in this Section shall be construed to require the consent of the Bond Trustee for any amendment, waiver, consent or action by the Issuer that is expressly permitted by the Loan Agreement to be at the sole discretion of the Issuer.

Term of Loan Agreement.

The Loan Agreement shall remain in full force and effect from the effective date of the Loan Agreement, which shall be the date of delivery of the Bonds authorized under the Indenture, until the date on which the principal of and redemption premium, if any, and interest on the Bonds and any other costs of the Issuer, the Credit Facility Provider, if any, and the Liquidity Facility Provider, if any, and the Bond Trustee with respect to the Bonds shall have been fully paid or provision for the payment thereof shall have been made as provided by the Indenture, at which time the Issuer shall release and cancel the Loan Agreement and the Obligation. The foregoing shall not affect the validity and continuing effectiveness of any of the provisions hereof which by their terms survive the expiration of the Loan Agreement.

No Recourse to Persons Acting on Behalf of the Issuer.

No member, director, officer, employee, counsel or other agent of the Issuer shall be held personally liable for any claims by the Corporation based on the Indenture, the Corporation Documents, the Purchase Contract, the Official Statement or any information provided by the Corporation pursuant to Article 6 hereof, and all such liability, if any, is expressly waived by the Corporation by the execution of the Loan Agreement.

Limitation of Liability.

The liability of the Issuer to make the loan to the Corporation pursuant to the Loan Agreement to carry out the Project, including any change orders, shall be limited to the making of payments from the Project Fund pursuant to the Indenture. Nothing in the Loan Agreement shall impose any other such liability on the Issuer, its members, officers, employees, counsel or agents to make payments to carry out the Project, whether contractual or otherwise. The Corporation shall indemnify the Issuer and all such other parties and save them harmless against any liability intended to be precluded by this Section. The provisions of this Section shall survive the termination of the Loan Agreement.

APPENDIX E

FORM OF MASTER TRUST INDENTURE AND
FORM OF SUPPLEMENTAL MASTER TRUST INDENTURE NO. 1

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MASTER TRUST INDENTURE

GRAND VIEW HOSPITAL

AND

THE GRAND VIEW HEALTH FOUNDATION

AND

SUCH OTHER ORGANIZATIONS AS FROM TIME TO TIME ARE MEMBERS OF THE OBLIGATED GROUP HEREUNDER (THE "OBLIGATED GROUP")

AND

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.

as Master Trustee

Dated as of March 1, 2021

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MASTER TRUST INDENTURE

THIS MASTER TRUST INDENTURE, dated as of March 1, 2021 (the "Master Indenture"), among **GRAND VIEW HOSPITAL**, a corporation created under and pursuant to the non-profit corporation laws of the Commonwealth of Pennsylvania (the "Corporation"), **THE GRAND VIEW HEALTH FOUNDATION,** a corporation created under and pursuant to the non-profit corporation laws of the Commonwealth of Pennsylvania (the "Foundation"), such other Organizations as from time to time are Members of the Obligated Group and **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**, a national banking association duly organized and existing under the laws of the United States of America and being qualified to accept and administer the trusts hereby created (as more specifically defined herein, the "Master Trustee").

W I T N E S S E T H:

WHEREAS, the Corporation and the Foundation are authorized and deem it necessary and desirable to enter into this Master Indenture for the purpose of providing for the issuance from time to time of Obligations hereunder to provide for the financing or refinancing of the acquisition, construction, equipping or improvement of health care or other facilities, or for other lawful and proper corporate purposes; and

WHEREAS, the Master Trustee agrees to accept and administer the trusts created hereby;

NOW, THEREFORE, in consideration of the premises, of the acceptance by the Master Trustee of the trusts hereby created, and of the giving of consideration for and acceptance of the Obligations issued hereunder by the Holders thereof, and for the purpose of fixing and declaring the terms and conditions upon which such Obligations are to be issued, authenticated, delivered and accepted by all Persons who shall from time to time be or become Holders thereof, the Corporation and the Foundation covenant and agree with the Master Trustee for the equal and proportionate benefit of the respective Holders from time to time of Obligations issued hereunder, as follows:

ARTICLE I

DEFINITIONS AND INTERPRETATION

Section 1.01. Definitions. Unless the context otherwise requires, the terms defined in this Section shall for all purposes of this Master Indenture and of any supplemental indenture issued hereafter and of any certificate, opinion or other document herein mentioned, have the meanings herein specified, equally applicable to both singular and plural forms of any of the terms herein defined.

Accountant

"Accountant" means any independent certified public accountant or firm of such accountants selected by the Obligated Group Representative.

Affiliated Person

"Affiliated Person" means any Person that, directly or indirectly through one or more intermediaries, controls, is controlled by or is under common control with a Credit Group Member.

Annual Debt Service

"Annual Debt Service" means for each Fiscal Year the sum (without duplication) of the aggregate amount of scheduled principal and interest due and payable in such Fiscal Year on all Long-Term Indebtedness of the Credit Group then Outstanding, whether by scheduled maturity, acceleration, mandatory redemption or otherwise, but not including purchase price becoming due as a result of mandatory or optional tender or put, less any amounts of such principal or interest paid during such Fiscal Year from (a) the proceeds of Indebtedness or (b) moneys or Government Obligations subject to an Irrevocable Deposit for the purpose of paying such principal or interest; provided that if an Identified Financial Product Agreement has been entered into by any Member with respect to Long-Term Indebtedness and the counterparty thereto has not defaulted in payment obligations thereunder, interest on such Long-Term Indebtedness shall be included in the calculation of Annual Debt Service by including for each Fiscal Year an amount equal to the amount of interest payable on such Long-Term Indebtedness in such Fiscal Year at the rate or rates stated in such Long-Term Indebtedness plus any Financial Product Payments under an Identified Financial Product Agreement payable in such Fiscal Year minus any Financial Product Receipts under an Identified Financial Product Agreement receivable in such Fiscal Year; provided that in no event shall any calculation made pursuant to this clause result in a number less than zero being included in the calculation of Annual Debt Service.

Authorized Representative

"Authorized Representative" means with respect to each Credit Group Member and the Obligated Group Representative, its chair or vice chair of the board, president, chief executive officer, chief financial officer, or any other person designated as an Authorized Representative of such Credit Group Member by a certificate of that Credit Group Member signed by its chair or vice chair of the board, president, chief executive officer, or chief financial officer and filed with the Master Trustee.

Balloon Indebtedness

"Balloon Indebtedness" means Long-Term Indebtedness, twenty-five percent (25%) or more of the principal of which (calculated as of the date of issuance) becomes due during any period of twelve (12) consecutive months if such maturing principal amount is not required to be amortized below such percentage by mandatory redemption prior to such 12-month period.

Bond Index

"Bond Index" means, as selected by the Obligated Group Representative, either (i) *The Bond Buyer* thirty (30) year "Revenue Bond Index," as then published most recently by *The Bond Buyer*, New York, New York or a comparable index, if such index is no longer available, or (ii) the Securities Industry and Financial Markets Association (SIFMA) Index, or (iii) such

other interest rate or interest rate index as may be certified in writing to the Master Trustee as appropriate to the situation by the Obligated Group Representative.

Book Value

"Book Value" means, when used in connection with Property, Plant and Equipment or other Property of any Credit Group Member, the value of such Property, net of accumulated depreciation, as it is carried on the books of the Credit Group Member and in conformity with GAAP, and when used in connection with Property, Plant and Equipment or other Property of the Credit Group, means the aggregate of the values so determined with respect to such Property of each Credit Group Member determined in such a way that no portion of such value of Property of any Credit Group Member is included more than once.

Code

"Code" means the Internal Revenue Code of 1986 and the regulations promulgated thereunder.

Collateral

"Collateral" means any and all of the following, whether currently owned or hereafter acquired by any Member: all current and future interests of each Member in the Gross Receivables, and other Property of any Member in which a Lien has expressly been granted to secure all Obligations issued hereunder from time to time in Related Supplements, and the proceeds thereof.

Commonwealth

"Commonwealth" means the Commonwealth of Pennsylvania.

Completion Indebtedness

"Completion Indebtedness" means any Long-Term Indebtedness incurred for the purpose of financing the completion of construction or equipping of any project for which Long-Term Indebtedness or Interim Indebtedness has theretofore been incurred in accordance with the provisions hereof, to the extent necessary to provide a completed and fully equipped facility of the type and scope contemplated at the time said Long-Term Indebtedness or Interim Indebtedness was incurred, and in accordance with the general plans and specifications for such facility as prepared in connection with said Long-Term Indebtedness or Interim Indebtedness as certified by an Officer's Certificate.

Controlling Member

"Controlling Member" means the Obligated Group Member designated by the Obligated Group Representative to establish and maintain control over a Designated Affiliate.

Corporate Trust Office

"Corporate Trust Office" means the office of the Master Trustee at which its corporate trust business is conducted, which at the date hereof is located at 500 Ross Street, 12th Floor, Pittsburgh, Pennsylvania 15262, Attention: Corporate Trust Division.

Corporation

"Corporation" means Grand View Hospital, a corporation created under and existing pursuant to the non-profit corporation laws of the Commonwealth of Pennsylvania, or any corporation that is the surviving, resulting or transferee corporation in any merger, consolidation or transfer of assets permitted under this Master Indenture.

Credit Group or Credit Group Members

"Credit Group" or "Credit Group Members" means all Obligated Group Members and Designated Affiliates.

Credit Group Financial Statements

"Credit Group Financial Statements" has the meaning set forth in Section 3.13 hereof.

Days Cash on Hand

"Days Cash on Hand" means, for the Credit Group, as of any date, the product of 365 times (i) the unrestricted cash and cash equivalents plus unrestricted securities and other unrestricted investments (in accordance with GAAP) as reflected in the Credit Group Financial Statements of the most recent Fiscal Year, plus board and management designated assets and interest funds in any trusteed funds which are to be applied to the current Fiscal Year's interest expense, divided by (ii) the operating expenses of the Credit Group as reflected in the Credit Group Financial Statements of the most recent Fiscal Year, excluding from such expenses: (a) depreciation and amortization, (b) any amount included in the operating and non-operating expenses representing bad debt expense, and (c) any extraordinary or non-recurring items.

Debt Service Coverage Ratio

"Debt Service Coverage Ratio" means, for any period of time, the ratio determined by dividing Income Available for Debt Service of the Credit Group by Maximum Annual Debt Service of the Credit Group.

Default

"Default" means an event that, with the passage of time or the giving of notice or both, would become an Event of Default.

Designated Affiliate

"Designated Affiliate" means any Person that has been so designated by the Obligated Group Representative in accordance with Section 3.03 hereof so long as such Person has not been further designated by the Obligated Group Representative as no longer being a Designated Affiliate in accordance with Section 3.03 hereof.

Electronic Means

"Electronic Means" has the meaning set forth in Section 5.02(j) hereof.

Event of Default

"Event of Default" means any of the events specified in Section 4.01 hereof.

Fair Market Value

"Fair Market Value," when used in connection with Property, means the fair market value of such Property as determined by:

(a) an appraisal of the portion of such Property that is real property made within five (5) years of the date of determination by a "Member of the Appraisal Institute" and by an appraisal of the portion of such Property that is not real property made within five (5) years of the date of determination by any expert qualified in relation to the subject matter, provided that any such appraisal shall be performed by an Independent Consultant, adjusted for the period, not in excess of five (5) years, from the date of the last such appraisal for changes in the implicit price deflator for the gross national product as reported by the United States Department of Commerce or its successor agency, or if such index is no longer published, such other index certified to be comparable and appropriate in an Officer's Certificate delivered to the Master Trustee; or

(b) a bona fide offer for the purchase of such Property made on an arm's-length basis within six months of the date of determination, as established by an Officer's Certificate; or

(c) an Authorized Representative of the Obligated Group Representative (whose determination shall be made in good faith and set forth in an Officer's Certificate filed with the Master Trustee) if the fair market value of such Property is less than or equal to the greater of $10,000,000 or 2.5% of cash and equivalents as shown on the Credit Group Financial Statements.

Financial Product Agreement

"Financial Product Agreement" means any interest rate exchange agreement, hedge or similar arrangement, including, *inter alia*, an interest rate swap, asset swap, a constant maturity swap, a forward or futures contract, cap, collar, option, floor, forward or other hedging agreement, arrangement or security, direct funding transaction or other derivative, however denominated and whether entered into on a current or forward basis.

Financial Product Extraordinary Payments

"Financial Product Extraordinary Payments" means any payments required to be paid to a counterparty by a Credit Group Member pursuant to a Financial Product Agreement in connection with the termination thereof, tax gross-up payments, expenses, default interest, and any other payments or indemnification obligations to be paid to a counterparty by a Credit Group Member under a Financial Product Agreement, and which payments are not Financial Product Payments.

Financial Product Payments

"Financial Product Payments" means regularly scheduled payments required to be paid to a counterparty by a Credit Group Member pursuant to a Financial Product Agreement.

Financial Product Receipts

"Financial Product Receipts" means regularly scheduled payments required to be paid to a Credit Group Member by a counterparty pursuant to a Financial Product Agreement.

Fiscal Year

"Fiscal Year" means the period beginning on January 1 of each year and ending on the next succeeding December 31, or any other twelve-month period hereafter designated by the Obligated Group Representative as the fiscal year of the Credit Group.

Foundation

"Foundation" means Grand View Health Foundation, a corporation created under and existing pursuant to the non-profit corporation laws of the Commonwealth organized for charitable purposes (within the meaning of Section 501 (c)(3) of the Code), registered in the Commonwealth with the primary purpose of charitable fundraising for the Corporation. The Foundation is the sole member of the Corporation.

GAAP

"GAAP" means accounting principles generally accepted in the United States of America, consistently applied.

Governing Body

"Governing Body" means, when used with respect to any Credit Group Member, its board of directors, board of trustees or other board or group of individuals in which all of the powers of such Credit Group Member are vested, except for those powers reserved to the corporate membership of such Credit Group Member by the articles of incorporation or bylaws of such Credit Group Member.

Government Issuer

"Government Issuer" means any municipal corporation, political subdivision, state, territory or possession of the United States, or any constituted authority or agency or instrumentality of any of the foregoing empowered to issue obligations on behalf thereof, which obligations would constitute Related Conduit Issuer Bonds hereunder.

Government Obligations

"Government Obligations" means: (a) direct obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of the Treasury of the United States of America) or obligations the timely payment of the principal of and interest on which are fully and unconditionally guaranteed by the United States of America; (b) obligations issued or guaranteed by any agency, department or instrumentality of the United States of America if the obligations issued or guaranteed by such entity are rated in one of the two highest Rating Categories of a Rating Agency; (c) certificates that evidence ownership of the right to the payment of the principal of and interest on obligations described in the preceding clause (a), in the preceding clause (b) or in both clauses, provided that such obligations are held in the custody of a bank or trust company in a special account separate from the general assets of such custodian; and (d) obligations the interest on which is excluded from gross income for purposes of federal income taxation pursuant to Section 103 of the Internal Revenue Code of 1986, and the timely payment of the principal of and interest on which is fully provided for by the deposit in trust of cash and/or obligations described in one or more of preceding clauses (a), (b) and (c).

Government Restriction

"Government Restriction" means federal, state or other applicable governmental laws or regulations or general industry standards or general industry conditions affecting any Credit Group Member and its health care facilities or other licensed facilities placing restrictions and limitations on the (a) fees and charges to be fixed, charged or collected by any Credit Group Member or (b) the timing of the receipt of such revenues.

Gross Receivables

"Gross Receivables" means all of the accounts, chattel paper, instruments and payment intangibles (all as defined in the UCC) of each Obligated Group Member, as are now in existence or as may be hereafter acquired and the proceeds thereof.

Guaranty

"Guaranty" means any obligation of any Credit Group Member guaranteeing directly any obligation of any other Person that would, if such other Person were a Credit Group Member, constitute Indebtedness.

Holder

"Holder" means the registered owner of any Obligation in registered form or the bearer of any Obligation in coupon form that is not registered or is registered to bearer or the party or parties to any contractual obligation designated to be an Obligation set forth in a Related Supplement and identified therein as the party to whom payment is due thereunder or the "holder" thereof.

Identified Financial Product Agreement

"Identified Financial Product Agreement" means a Financial Product Agreement identified to the Master Trustee in an Officer's Certificate of the Obligated Group Representative as having been entered into by an Obligated Group Member with a Qualified Provider with respect to Indebtedness (that is either then-Outstanding or to be issued after the date of such Officer's Certificate) identified in such Officer's Certificate, with a notional amount not in excess of the principal amount of such Indebtedness.

Immaterial Affiliates

"Immaterial Affiliates" means Persons that are not Members of the Credit Group and whose combined total assets, as shown on their audited financial statements for their most recently completed fiscal year for which audited financial statements are available, aggregated less than 10% of (i) the combined or consolidated total assets of the Credit Group as shown on the Credit Group Financial Statements for the most recent Fiscal Year, plus (ii) the total combined assets of such Persons as if they were Members of the Credit Group for such period.

Income Available for Debt Service

"Income Available for Debt Service" means, unless the context provides otherwise, with respect to the Credit Group as to any period of time, excess of revenues over expenses (excluding income from all Irrevocable Deposits) before depreciation, amortization, taxes, and interest expense (including Financial Product Payments and Financial Product Receipts on Identified Financial Product Agreements and any periodic fees payable to any Person providing a credit facility for any Long-Term Indebtedness incurred by any Credit Group Member), as determined in accordance with GAAP and as shown on the Credit Group Financial Statements; provided, that no determination thereof shall take into account:

(a) the net proceeds of insurance (other than business interruption insurance) and condemnation awards used to replace items that are capital in nature and are capitalized as a component of property and equipment;

(b) any gain or loss resulting from the extinguishment of Indebtedness;

(c) any gain or loss resulting from the sale, exchange or other disposition of assets not in the ordinary course of business; provided, however, that, at the Obligated Group Representative's election, gain from a sale-leaseback under GAAP may be taken into account;

(d) any gain or loss resulting from any discontinued operations;

(e) any gain or loss resulting from pension terminations, settlements or curtailments;

(f) any unusual charges for employee severance;

(g) any loss from impairment of the value of an asset;

(h) adjustments to the value of assets or liabilities resulting from changes in GAAP;

(i) unrealized gains or losses, including, without limitation, "other than temporary" declines in Book Value of investments;

(j) gains or losses resulting from changes in valuation of any hedging, derivative, interest rate exchange or similar contract (including Financial Product Agreements);

(k) any Financial Product Extraordinary Payments or similar payments on any hedging, derivative, interest rate exchange or similar contract that does not constitute a Financial Product Agreement;

(l) unrealized gains or losses from the write-down, reappraisal or revaluation of assets; or

(m) other nonrecurring items of any nature;

provided, however, at the option of the Obligated Group Representative, net realized gains and losses from the sale of investments may be included in the computation of Income Available for Debt Service on the basis of the average annual amount of those gains and losses for the three (3) Fiscal Years immediately preceding the computation date (rather than including the actual amount of net realized gains and losses from the sale of investments for the period for which a computation is being made).

Indebtedness

"Indebtedness" means any obligation of any Credit Group Member (a) for repayment of borrowed money, (b) with respect to capital or finance leases, or (c) under installment sale agreements, and any Guaranty (other than any Guaranty by any Credit Group Member of Indebtedness of any other Credit Group Member); provided, however, that if more than one Credit Group Member shall have incurred or assumed a Guaranty of a Person other than a Credit Group Member, or if more than one Credit Group Member shall be obligated to pay any other Indebtedness, for purposes of any computations or calculations under this Master Indenture such Guaranty or other Indebtedness shall be included only one time. Financial Product Agreements

and physician income guaranties shall not constitute Indebtedness. For purposes of determining Indebtedness, no lease obligations, other than capital leases, shall be deemed to be Indebtedness, whether or not those lease obligations are shown as a liability on the Credit Group Financial Statements.

Independent Consultant

"Independent Consultant" means a firm (but not an individual) that (a) is in fact independent, (b) does not have any direct financial interest or any material indirect financial interest in any Credit Group Member (other than the agreement pursuant to which such firm is retained), (c) is not connected with any Credit Group Member as an officer, employee, promoter, trustee, partner, director or person performing similar functions, and (d) is qualified to pass upon questions relating to the financial affairs of organizations similar to the Credit Group or facilities of the type or types operated by the Credit Group and having the skill and experience necessary to render the particular opinion or report required by the provisions hereof in which such requirement appears.

Industry Restrictions

"Industry Restrictions" means federal, state or other applicable governmental laws or regulations, including conditions imposed specifically on the Credit Group Members or the Credit Group Members' facilities, or general industry standards or general industry conditions placing restrictions and limitations on the rates, fees and charges to be fixed, charged and collected by the Credit Group Members.

Insurance Consultant

"Insurance Consultant" means an independent Person or firm which is selected by the Obligated Group Representative or an Obligated Group Member, as the case may be, and acceptable to the Master Trustee and qualified to survey risks and to recommend insurance coverage for hospitals, health-related facilities and services and organizations engaged in such operations.

Interim Indebtedness

"Interim Indebtedness" means Indebtedness with an original maturity not in excess of five (5) years, the proceeds of which are to be used to provide interim financing for capital improvements in anticipation of the issuance of Long-Term Indebtedness. Interim Indebtedness shall be considered Long-Term Indebtedness for purposes of this Master Indenture.

Irrevocable Deposit

"Irrevocable Deposit" means the irrevocable deposit in trust of cash in an amount, or Government Obligations, or other securities permitted for such purpose pursuant to the terms of the documents governing the payment of or discharge of Indebtedness, the principal of and interest on which will be an amount, and under terms sufficient to pay all or a portion of the principal of, premium, if any, and interest on, as the same shall become due, any such Indebtedness that would otherwise be considered Outstanding. The trustee of such deposit may

be the Master Trustee, a Related Bond Trustee or any other trustee or escrow agent authorized to act in such capacity.

Lien

"Lien" means any mortgage or pledge of, or security interest in, or lien or encumbrance on, any Property of a Credit Group Member (a) that secures any Indebtedness or any other obligation of such Credit Group Member or (b) that secures any obligation of any Person other than a Credit Group Member, and excluding liens applicable to Property in which a Credit Group Member has only a leasehold interest unless the lien secures Indebtedness of that Credit Group Member.

Long-Term Indebtedness

"Long-Term Indebtedness" means Indebtedness other than Short-Term Indebtedness. Classification of Indebtedness as long-term under GAAP shall not be controlling.

Master Indenture

"Master Indenture" means this Master Trust Indenture, as originally executed and as it may from time to time be supplemented, modified or amended in accordance with the terms hereof.

Master Trustee

"Master Trustee" means The Bank of New York Mellon Trust Company, N.A., a banking corporation organized under the laws of the United States of America, and, subject to the limitations contained in Section 5.07 hereof, any other corporation or association that may be co-trustee with the Master Trustee, and any successor or successors to said trustee or co-trustee in the trusts created hereunder.

Material Credit Group Members

"Material Credit Group Members" means the Credit Group Members whose combined or consolidated total assets, as shown on their financial statements for their most recently completed fiscal year for which audited financial statements are available, were equal to or greater than 90% of the combined or consolidated total assets of the entire Credit Group as shown on the Credit Group Financial Statements for the most recently completed Fiscal Year of the Credit Group for which audited financial statements are available.

Maximum Annual Debt Service

"Maximum Annual Debt Service" means the aggregate maximum Annual Debt Service payments (including mandatory sinking fund redemption requirements) of the Credit Group on Long-Term Indebtedness (excluding any Long-Term Indebtedness of any entities not in the Credit Group) for any succeeding Fiscal Year. Such amount may be calculated as set forth in either (a) or (b) below:

(a) *Projection Based on Adjusted Annual Payments*. Maximum Annual Debt Service may be projected based on adjusted annual payments, determined as follows:

(i) Annual Debt Service requirements on Long-Term Indebtedness, or portions thereof, shall not be included in the computation of the Maximum Annual Debt Service (A) until the Fiscal Year in which such Annual Debt Service, or portions thereof, first become payable, only to the extent that it shall be payable, from sources other than amounts deposited in trust, escrowed or otherwise set aside for the payment thereof at the time of incurrence of Indebtedness (including without limitations, so as to prevent the double-counting of any Indebtedness in the computation of the Maximum Annual Debt Service, capitalized interest and accrued interest so deposited into trust, escrowed or otherwise set aside) with the Master Trustee, a Related Bond Trustee or another Person approved by the Master Trustee; and (B) to the extent that an Irrevocable Deposit sufficient to pay such Annual Debt Service has been made;

(ii) the principal amount of any Long-Term Indebtedness required to be redeemed in any Fiscal Year shall be deemed to be payable in such Fiscal Year rather than the Fiscal Year of its stated maturity; provided, however, that if a Financial Product Agreement has been entered into that in effect provides for payment of a variable interest rate for any portion of such Indebtedness, the Obligated Group may treat the related portion of such Indebtedness as Variable Rate Indebtedness for the term of the Financial Product Agreement and calculate or project the interest rate payable as a result of the Financial Product Agreement pursuant to the provisions of clause (iii) below;

(iii) the amount of interest on Variable Rate Indebtedness during any period prior to the date of calculation shall be calculated on the basis of actual interest paid on such Indebtedness during such prior periods, and the amount of interest on Variable Rate Indebtedness for periods subsequent to the date of calculation shall be calculated as if the interest rate on such Indebtedness was (A) if such Indebtedness was Outstanding during the entire twelve months immediately preceding such determination, the average rate of interest thereon for that twelve-month period, (B) if such Indebtedness was Outstanding for only a portion of such immediately preceding twelve-month period, the average rate of interest which would have been in effect if such Indebtedness had been Outstanding during the entire period, or (C) if such Indebtedness was not Outstanding during such immediately preceding twelve-month period, the rate of interest such Indebtedness bears on the date of the calculation of the Debt Service Coverage Ratio; provided, however, that the Obligated Group may project the interest payments on the related portion of such Indebtedness by using the fixed rate payable on a related Identified Financial Product Agreement;

(iv) Annual Debt Service on Balloon Indebtedness and any Interim Indebtedness, shall be projected assuming (A) that the principal balance of such Indebtedness on the date of determination is refinanced on the date of determination over a term equal to the greater of thirty (30) years or the date of maturity of such Indebtedness, (B) that such principal balance will bear interest at the Bond Index, and (C) that Annual Debt Service on such Indebtedness after the date of determination will be payable in equal annual installments sufficient to pay both principal and interest;

(v) Annual Debt Service on Indebtedness arising from any Guaranty shall be taken into account as follows: (A) equal to twenty (20%) of the Annual Debt Service on the obligation guaranteed, so long as no Obligated Group Member has made any payments pursuant to such Guaranty within the eighteen (18) months preceding the date of calculation; and (B) otherwise shall be calculated as equal to one hundred percent (100%) of the Annual Debt Service on the obligation guaranteed;

(vi) there shall be excluded from Long-Term Indebtedness: (i) any obligation owed by one Credit Group Member to another Credit Group Member and (ii) any Subordinated Indebtedness or Nonrecourse Indebtedness incurred by any Credit Group Member;

(vii) any periodic fees payable to any Person providing a credit facility for any Long-Term Indebtedness incurred by any Credit Group Member shall be included as payments of interest on such Long-Term Indebtedness; and

(viii) the terms of any reimbursement obligation to any Person providing a credit facility for any such Long-Term Indebtedness shall be excluded from Long-Term Indebtedness, except to the extent and for periods during which payments have been required to be made pursuant to such reimbursement obligation to such Person advancing funds and not being reimbursed; or

(b) *Projection Based on Assumed Level Annual Payments*. Maximum Annual Debt Service may be projected based on assumed level annual payments, determined as follows:

(i) The amount of principal and interest payable during each year on such Indebtedness after the date of determination shall be projected assuming (A) that the principal balance of such Indebtedness (after adjustment as provided in paragraph (b)(ii) of this definition) on the date of determination will be refinanced, (B) that such principal balance will be payable over a term of thirty (30) years, (C) that such principal balance will bear interest at the Bond Index, and (D) that Annual Debt Service on such Indebtedness will be payable in equal annual installments sufficient to pay both principal and interest.

(ii) If the Obligated Group has paid, directly or indirectly, any principal or interest on Indebtedness arising from any Guaranty at any time during the 18-month period next preceding such determination, one hundred percent (100%) of the principal balance of such Indebtedness shall be included in the projection. If the Obligated Group has not paid, directly or indirectly, any principal or interest on Indebtedness arising from any Guaranty at any time during the 18-month period next preceding such determination, only twenty percent (20%) of the principal balance on such Indebtedness shall be included in the projection.

(iii) If an Irrevocable Deposit shall have been made in respect of Indebtedness, then such Indebtedness (or any portion thereof) and the interest thereon as it comes due, such principal (or portion thereof), as the case may be, shall not be included in such projection.

Merger Transaction

"Merger Transaction" has the meaning set forth in Section 3.08 hereof.

Mortgage

"Mortgage" means the Open-End Mortgage, Assignments of Rents and Security Agreement, made as of March 1, 2021, from the Corporation to the Master Trustee.

Mortgaged Property

"Mortgaged Property" means the real property described in the Mortgage, subject always to Section 2.07 hereof.

New Master Indenture

"New Master Indenture" has the meaning set forth in Section 3.144 hereof.

New Master Trustee

"New Master Trustee" has the meaning set forth in Section 3.144 hereof.

New Obligated Group

"New Obligated Group" has the meaning set forth in Section 3.144 hereof.

Nonrecourse Indebtedness

"Nonrecourse Indebtedness" means any Indebtedness that is not a general obligation and that is secured by a Lien on Property, Plant and Equipment acquired or constructed with the proceeds of such Indebtedness, liability for which is effectively limited to the Property, Plant and Equipment subject to such Lien with no recourse, directly or indirectly, to any other Property of any Credit Group Member.

Obligated Group

"Obligated Group" means all Obligated Group Members.

Obligated Group Member or Member

"Obligated Group Member" or "Member" means each Person that is obligated hereunder from and after the date upon which such Person joins the Obligated Group, but excluding any Person that withdraws from the Obligated Group to the extent and in accordance with the provisions of Section 3.10 hereof, from and after the date of such withdrawal. The initial Obligated Group Members shall be the Corporation and Foundation.

Obligated Group Representative

"Obligated Group Representative" means the Corporation or an Obligated Group Member (or Obligated Group Members acting jointly) as may have been designated pursuant to written notice to the Master Trustee executed by the Corporation or a successor Obligated Group Representative.

Obligation

"Obligation" means any obligation of the Obligated Group issued pursuant to Section 2.02 hereunder, as a joint and several obligation of each Obligated Group Member, that may be in any form set forth in a Related Supplement, including, but not limited to, bonds, notes, obligations, debentures, reimbursement agreements, loan agreements, Financial Product Agreements or leases. Reference to a Series of Obligations or to Obligations of a Series means Obligations or Series of Obligations issued pursuant to a single Related Supplement.

Officer's Certificate

"Officer's Certificate" means a certificate meeting the requirements of Section 1.04 hereof signed by an Authorized Representative of the Obligated Group Representative.

Opinion of Bond Counsel

"Opinion of Bond Counsel" means a written opinion signed by an attorney or firm of attorneys experienced in the field of public finance whose opinions are generally accepted by purchasers of bonds issued by or on behalf of a Government Issuer.

Opinion of Counsel

"Opinion of Counsel" means a written opinion signed by a reputable and qualified attorney or firm of attorneys who may be counsel for the Obligated Group Representative.

Outstanding

"Outstanding," when used with reference to Indebtedness or Obligations, means, as of any date of determination, all Indebtedness or Obligations theretofore issued or incurred and not paid and discharged other than (a) Obligations theretofore cancelled by the Master Trustee or delivered to the Master Trustee for cancellation or otherwise deemed paid in accordance with the terms hereof, (b) Obligations in lieu of which other Obligations have been authenticated and delivered or that have been paid pursuant to the provisions of a Related Supplement regarding mutilated, destroyed, lost or stolen Obligations unless proof satisfactory to the Master Trustee has been received that any such Obligation is held by a bona fide purchaser, (c) any Obligation held by any Credit Group Member and (d) Indebtedness deemed paid and no longer outstanding pursuant to the terms thereof; *provided, however*, that if two or more Obligations that constitute Indebtedness represent the same underlying Obligation (as when an Obligation secures an issue of Related Conduit Issuer Bonds and another Obligation secures repayment obligations to a bank under a letter of credit that secures such Related Conduit Issuer Bonds) for purposes of calculating compliance with the various financial covenants contained herein, but only for such purposes, only one of such Obligations shall be deemed Outstanding and the Obligation so deemed to be Outstanding shall be that Obligation which produces the greatest amount of Annual Debt Service to be included in the calculation of such covenants.

Parity Financial Product Extraordinary Payments

"Parity Financial Product Extraordinary Payments" means Financial Product Extraordinary Payments that (a) are with respect to a Financial Product Agreement secured or evidenced by an Obligation and (b) have been specified to be payable on a parity with Financial Product Payments in the Related Supplement authorizing the issuance of such Obligation.

Permitted Liens

"Permitted Liens" means and include:

(a) any judgment lien or notice of pending action against any Credit Group Member so long as the judgment or pending action is being contested and execution thereon is stayed or while the period for responsive pleading has not lapsed;

(b) (i) rights reserved to or vested in any municipality or public authority by the terms of any right, power, franchise, grant, license, permit or provision of law, affecting any Property, to (A) terminate such right, power, franchise, grant, license or permit, provided that the exercise of such right would not materially impair the use of such Property or materially and adversely affect the Value thereof, or (B) purchase, condemn, appropriate or recapture, or designate a purchase of, such Property; (ii) any liens on any Property for taxes, assessments, levies, fees, water and sewer charges, and other governmental and similar charges and any liens of mechanics, materialmen, laborers, suppliers or vendors for work or services performed or materials furnished in connection with such Property, that are not delinquent, or the amount or validity of which are being contested and execution thereon is stayed or, with respect to liens of mechanics, materialmen and laborers, have been due and payable or that are not delinquent, or the amount or validity of which, are being contested or, with respect to liens of mechanics, materialmen and laborers, have been due for less than sixty (60) days, or the amount or validity of which are being contested; (iii) easements, rights-of-way, water, mineral and oil and gas rights, servitudes, waivers, reservations of abutter's rights, governmental requirements, and defects, encumbrances, and irregularities in the title to any Property that do not materially impair the use of such Property or materially and adversely affect the Value thereof; (iv) condominium plans, condominium maps, tract maps, lot splits or lot line adjustment maps affecting such Property; and (v) rights reserved to or vested in any municipality or public authority to control or regulate any Property or to use such Property in any manner, which rights do not materially impair the use of such Property in any manner, or materially and adversely affect the Value thereof;

(c) any Lien existing on the date of execution hereof as set forth in **Appendix A** hereto, or as exists upon addition of a Credit Group Member with respect to Liens existing on the Property of such additional Credit Group Member, provided that no such Lien may be increased, extended, renewed or modified to apply to any Property of any Credit Group Member not subject to such Lien on such date and the principal amount of Indebtedness secured thereby may not be increased, unless such Lien as so extended, renewed or modified otherwise qualifies as a Permitted Lien;

(d) any Lien in favor of the Master Trustee securing all Outstanding Obligations equally and ratably;

(e) Liens arising by reason of good faith deposits with any Credit Group Member in connection with leases of real estate, bids or contracts (other than contracts for the payment of money), deposits by any Credit Group Member to secure public or statutory obligations, or to secure, or in lieu of, surety, stay or appeal bonds, and deposits as security for the payment of taxes or assessments or other similar charges;

(f) any Lien arising by reason of deposits with, or the giving of any form of security to, any governmental agency or any body created or approved by law or governmental regulation as a condition to the transaction of any business or the exercise of any privilege or license, or to enable any Credit Group Member to maintain self-insurance or to participate in any funds established to cover any insurance risks or in connection with workers' compensation, unemployment insurance, pension or profit sharing plans or other similar social security plans, or to share in the privileges or benefits required for companies participating in such arrangements, and any Lien granted to a bank or similar entity providing a letter or line of credit to secure any obligation of the kind referred to in this clause (f);

(g) any Lien arising by reason of any escrow or reserve fund established to pay debt service with respect to Indebtedness;

(h) any Lien in favor of a creditor or a trustee on the proceeds of Indebtedness and any earnings thereon prior to the application of such proceeds and such earnings;

(i) Liens on moneys deposited by patients or residents or others with any Credit Group Member as security for or as prepayment for the cost of patient or residential care;

(j) Liens on Property received by any Credit Group Member through gifts, grants, bequests or research grants, such Liens being due to restrictions on such gifts, grants, bequests or research grants or the income thereon;

(k) rights of the United States of America, including, without limitation, the Federal Emergency Management Agency ("FEMA"), or the Commonwealth, or its agency or instrumentality, by reason of FEMA and other federal, and Commonwealth funds made available to any Credit Group Member under federal, or Commonwealth of Pennsylvania statutes or municipal codes;

(l) Liens on Property securing Indebtedness incurred to refinance Indebtedness previously secured by a Lien on such Property, provided that (i) the amount of such new Indebtedness does not exceed the amount of such refinanced Indebtedness, and (ii) the Property securing such Indebtedness is not increased;

(m) Liens granted by a Credit Group Member to another Credit Group Member;

(n) Liens securing Nonrecourse Indebtedness incurred pursuant to the provisions hereof;

(o) Liens consisting of purchase money security interests (as defined in the UCC) and lessors' interest in capitalized leases, and proceeds of casualty insurance relating to the Property that is the subject of such purchase money security interest or capitalized leases;

(p) Liens on the Credit Group Members' accounts receivable and proceeds thereof securing Indebtedness (including Guaranties) in an amount not to exceed 30% of such accounts receivable and proceeds thereof net of bad debt, as shown as patients accounts receivable, less allowances for uncollectible accounts, on the most recent Credit Group Financial Statements at the time such Indebtedness (or Guaranty) is incurred;

(q) Liens on revenues constituting rentals in connection with any other Lien permitted hereunder on the Property from which such rentals are derived;

(r) the lease or license of the use of a part of the Credit Group Members' facilities for use in performing professional or other services necessary for the customary and economical operation of such facilities in accordance with customary business practices in the industry, including, without limitation, office space for physicians, health care and educational institutions, food service facilities, gift shops and radiology or other hospital-specialty services, pharmacy and similar departments;

(s) Liens created on amounts deposited by a Credit Group Member pursuant to a security annex or similar document to collateralize obligations of such Credit Group Member under a Financial Product Agreement;

(t) Liens junior to Liens in favor of the Master Trustee;

(u) Liens in favor of banking or other depository institutions encumbering the deposits of any Credit Group Member held in the ordinary course of business by such banking institution (including any right of setoff or statutory bankers' liens) so long as such deposit account is not established or maintained for the purpose of providing such Lien, right of setoff or bankers' lien;

(v) UCC financing statements filed with the Secretary of State of the Commonwealth (or such other office maintaining such records) in connection with an operating lease entered into by any Credit Group Member in the ordinary course of business so long as such financing statement does not evidence the grant of a Lien other than a Permitted Lien;

(w) rights of tenants under leases or rental agreements pertaining to Property, Plant and Equipment owned by any Credit Group Member so long as the lease arrangement is in the ordinary course of business of the Credit Group Member;

(x) leases for Fair Market Value, not exceeding in the aggregate at any time more than 10% of the net square footage of the Credit Group's real property;

(y) deposits of Property by any Credit Group Member to meet regulatory requirements for a governmental workers' compensation, unemployment insurance or social security program, other than any Lien imposed by the Employee Retirement Income Security Act of 1974 (ERISA);

(z) deposits to secure the performance of another party with respect to a bid, trade contract, statutory obligation, surety bond, appeal bond, performance bond or lease, and other similar obligations incurred in the ordinary course of business of a Credit Group Member;

(aa) Liens resulting from deposits to secure bids from or the performance of another party with respect to contracts incurred in the ordinary course of business of a Credit Group Member (other than contracts creating or evidencing an extension of credit to the depositor or otherwise for the payment of Indebtedness);

(bb) present or future zoning laws, ordinances or other laws or regulations restricting the occupancy, use or enjoyment of Property, Plant and Equipment of any Credit Group Member;

(cc) any Lien on inventory that does not exceed twenty-five percent (25%) of the Value thereof;

(dd) any Lien on Property due to the rights of third-party payors for recoupment or offset of amounts paid to any Credit Group Member and escrows therefor;

(ee) any Lien on Property to secure Indebtedness incurred under Section 3.12(g) hereof;

(ff) any Liens which are pre-existing prior to a Person's becoming an Obligated Group Member pursuant to Section 3.09 hereof or a merger, consolidation, sale or conveyance pursuant to Section 3.08;

(gg) any Liens arising from a Credit Group Member's participation in an accountable care organization or other similar health care delivery organization (collectively, a "Provider Group Arrangement") pursuant to which the Credit Group Member is responsible for its own or one or more other health care provider's escrow funds, withhold, deductible, shared savings, or other payments due with respect to contractual arrangements with governmental or third party payors, and Liens on revenues held by such Credit Group Member on behalf of other participants to a Provider Group Arrangement;

(hh) any Lien existing for not more than ten (10) days after the Credit Group Member shall have received notice thereof;

(ii) any Lien on Property to secure an Obligation issued under a Related Supplement, so long as such Lien secures all Outstanding Obligations equally and ratably;

(jj) leases, licenses or similar rights existing as of the date of the initial execution and delivery of this Master Indenture to use Property owned on such date by any Person who was a Credit Group Member on such date, and any renewal extensions thereof; and any leases, licenses or similar rights to use Property whereunder a Credit Group Member is lessee, licensee or the equivalent thereof; and

(kk) any Lien on Property with a Value that does not, together with the Value of Property subject to other Liens incurred under this clause (kk), exceed ten percent (10%) of

the Value of all Property of the Credit Group Members as of the most recently available Credit Group Financial Statements preceding the date of incurrence of such Lien.

Person

"Person" means an individual, corporation, limited liability company, firm, association, partnership, trust or other legal entity or group of entities, including a governmental entity or any agency or political subdivision thereof.

Property

"Property" means any and all rights, titles and interests in and to any and all assets of any Credit Group Member, whether real or personal, tangible or intangible and wherever situated. For purposes of performing calculations under this Master Indenture, the Obligated Group Representative may treat "total assets" as shown on the Credit Group Financial Statements as the Book Value of the Credit Group's Property.

Property, Plant and Equipment

"Property, Plant and Equipment" means all Property of any Credit Group Member that is considered property, plant and equipment of such Credit Group Member under GAAP.

Qualified Provider

"Qualified Provider" means any financial institution or insurance company or corporation that is a party to a Financial Product Agreement if (a) the unsecured long-term debt obligations of such provider (or of the parent or a subsidiary of such provider if such parent or subsidiary guarantees or otherwise assures the performance of such provider under such Financial Product Agreement), or (b) obligations secured or supported by a letter of credit, contract, guarantee, agreement, insurance policy or surety bond issued by such provider (or such guarantor or assuring parent or subsidiary), are rated in one of the three highest Rating Categories of a Rating Agency at the time of the execution and delivery of the Financial Product Agreement.

Rating Agency

"Rating Agency" means Fitch Ratings Inc., Moody's Investors Service, Inc., S&P Global Ratings, a division of The McGraw-Hill Companies, any successor thereof and any other national rating agency then rating Obligations or Related Conduit Issuer Bonds.

Rating Category

"Rating Category" means a generic securities rating category, without regard to any refinement or gradation of such rating category by a numerical modifier, outlook or otherwise.

Rating Upgrade

"Rating Upgrade" has the meaning set forth in Section 3.14(a) hereof.

Related Conduit Issuer Bonds

"Related Conduit Issuer Bonds" means the revenue bonds or other obligations issued by any Government Issuer, the proceeds of which are loaned or otherwise made available to a Credit Group Member in consideration of the execution, authentication and delivery of an Obligation or Obligations to or for the order of such Government Issuer.

Related Bond Indenture

"Related Bond Indenture" means any indenture, bond resolution, trust agreement or other comparable instrument pursuant to which a series of Related Conduit Issuer Bonds are issued.

Related Bond Issuer

"Related Bond Issuer" means the Government Issuer of any issue of Related Conduit Issuer Bonds.

Related Bond Trustee

"Related Bond Trustee" means the trustee and its successors in the trusts created under any Related Bond Indenture, and if there is no such trustee, means the Related Bond Issuer.

Related Supplement

"Related Supplement" means an indenture supplemental to, and authorized and executed pursuant to the terms of, this Master Indenture.

Replacement Note

"Replacement Note" has the meaning set forth in Section 3.144 hereof.

Required Payment

"Required Payment" means any payment, whether at maturity, by acceleration, upon proceeding for redemption or otherwise, including, without limitation, Financial Product Payments, Financial Product Extraordinary Payments and the purchase price of Related Conduit Issuer Bonds tendered or deemed tendered for purchase pursuant to the terms of a Related Bond Indenture, required to be made by any Obligated Group Member pursuant to any Related Supplement or any Obligation.

Responsible Officer

"Responsible Officer" means, when used with respect to the Master Trustee, any vice president, assistant vice president, or any other officer of the Master Trustee within the corporate trust office specified in Section 8.10 (or any successor corporate trust office) customarily performing functions similar to those performed by the persons who at the time shall be such officers, respectively, or to whom any corporation trust matter is referred at the corporate trust

office specified in Section 8.10 because of such person's knowledge of and familiarity with the particular subject and having direct responsibility for the administration of this Master Indenture.

Short-Term Indebtedness

"Short-Term Indebtedness" means all Indebtedness (other than Interim Indebtedness) having an original maturity less than or equal to one (1) year and not renewable at the option of a Credit Group Member for a term greater than one (1) year from the date of original incurrence or issuance, or Indebtedness with a maturity greater than one (1) year or renewable at the option of a Credit Group Member for a term greater than one (1) year, if by the terms of such Indebtedness, for a period of at least twenty (20) consecutive days during each calendar year no Indebtedness is permitted to be Outstanding thereunder. For purposes of this definition, (a) only the stated maturity of Indebtedness (and not any tender or put right of the holder of such Indebtedness) shall be taken into account in determining if such Indebtedness constitutes Short-Term Indebtedness hereunder and (b) classification of Indebtedness as current or short-term under GAAP shall not be controlling. Interim Indebtedness shall not constitute Short-Term Indebtedness for any purpose under this Master Indenture.

Subordinated Indebtedness

"Subordinated Indebtedness" means Long-Term Indebtedness specifically subordinated as to payment and security to the payment of all Required Payments and other obligations of the Credit Group Members under this Master Indenture.

Surviving Entity

"Surviving Entity" has the meaning set forth in Section 3.08 hereof.

Tax-Exempt Organization

"Tax-Exempt Organization" means a Person organized under the laws of the United States of America or any state thereof that is an organization described in Section 501(c)(3) of the Code and exempt from federal income taxes under Section 501 (a) of the Code (other than the tax on unrelated business income under Section 511 of the Code), or corresponding provisions of federal income tax laws from time to time in effect.

Total Revenues

"Total Revenues" means, for the period of calculation in question, the sum of total unrestricted revenue and other support (including net patient service revenue), other operating revenue, and net assets released from restrictions, as shown on the Credit Group Financial Statements for the most recent Fiscal Year.

Transaction Test

"Transaction Test" means, with respect to any specified transaction, that (a) no Event of Default or Default would exist; and (b) following such transaction, the Obligated Group could satisfy the conditions for the issuance of additional Long-Term Indebtedness equal to $1.00 set

forth in Section 3.12(a) hereof, assuming that such transaction occurred at the start of the most recent Fiscal Year preceding such transaction for which Credit Group Financial Statements are available and taking into account any other action taken by the Credit Group in reliance upon the Transaction Test within the then current Fiscal Year.

UCC

"UCC" means the Uniform Commercial Code of the Commonwealth, as amended from time to time.

Value

"Value," when used with respect to Property, means the aggregate value of all such Property, with each component of such Property valued, at the option of the Obligated Group Representative, at either its Fair Market Value or its Book Value.

Variable Rate Indebtedness

"Variable Rate Indebtedness" means any portion of Indebtedness the interest rate on which has not been established at a fixed or constant rate to maturity.

Section 1.02. Interpretation.

(a) Any reference herein to any officer of a Credit Group Member shall include those succeeding to the functions, duties or responsibilities of such officer pursuant to or by operation of law or who are lawfully performing the functions of such officer.

(b) Unless the context otherwise indicates, words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. The singular shall include the plural and vice versa.

(c) Headings of Articles and Sections herein and the table of contents hereto are solely for convenience of reference, and do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

(d) Provisions calling for the redemption of Obligations do not mean or include the payment of Obligations at their stated maturity.

Section 1.03. References to Master Indenture. The terms "hereby," "hereof," "hereto," "herein," "hereunder," and any similar terms, used in this Master Indenture refer to this Master Indenture.

Section 1.04. Contents of Certificates and Opinions; Use of GAAP.

(a) Any such certificate or opinion provided for herein with respect to compliance with any provision hereof made or given by an officer of a Credit Group Member or the Master Trustee may be based, insofar as it relates to legal, accounting or health care matters, upon a certificate or opinion or representation of counsel, an Accountant or Independent

Consultant unless such officer knows, or in the exercise of reasonable care should have known, that the certificate, opinion or representation with respect to the matters upon which such certificate or opinion may be based, as aforesaid, is erroneous. Any such certificate, opinion or representation made or given by counsel, an Accountant or an Independent Consultant, may be based, insofar as it relates to factual matters (with respect to which information is in the possession of any Credit Group Member) upon the certificate or opinion of, or representation by an officer of any Credit Group Member unless such counsel, Accountant or Independent Consultant knows that the certificate, opinion of or representation by such officer, with respect to the factual matters upon which such Person's certificate or opinion may be based, is erroneous. The same officer of any Credit Group Member or the same counsel or Accountant or Independent Consultant, as the case may be, need not certify as to all the matters required to be certified under any provision hereof, but different officers, counsel, Accountants or Independent Consultants may certify as to different matters.

(b) Where the character or amount of any asset or liability or item of income or expense is required to be determined or any consolidation, combination or other accounting computation is required to be made for the purposes of this Master Indenture or of any agreement, document or certificate executed and delivered in connection with or pursuant to this Master Indenture, such determination or computation shall be done in accordance with GAAP, to the extent applicable, except where such principles are inconsistent with the requirements hereof or of such agreement, document or certificate, in which case such agreement, document or certificate shall state that it was not done in accordance with GAAP in effect as of, in the sole discretion of the Obligated Group Representative, (i) the date such determination or computation is made for any purpose of this Master Indenture, or (ii) the date of execution and delivery of this Master Indenture if the Obligated Group Representative delivers an Officer's Certificate to the Master Trustee explaining the basis for such treatment (including, but not limited to, to exclude the effect of "FASB ASC Topic 842, Leases" relating to the treatment of leases formerly classified as operating leases under GAAP); provided, however, that intercompany balances and liabilities among the Credit Group Members shall be disregarded.

ARTICLE II

AUTHORIZATION AND ISSUANCE OF MASTER INDENTURE OBLIGATIONS; MORTGAGE

Section 2.01. Authorization of Obligations. Each Obligated Group Member hereby authorizes to be issued from time to time Obligations or Series of Obligations, without limitation as to amount, except as provided herein or as may be limited by law, and subject to the terms, conditions and limitations established herein and in any Related Supplement.

Section 2.02. Issuance of Obligations. From time to time when authorized by this Master Indenture and subject to the terms, limitations and conditions established in this Master Indenture or in a Related Supplement, the Obligated Group Representative may authorize the issuance of an Obligation or a Series of Obligations by entering into a Related Supplement. The Obligation or the Obligations of any such Series may be issued and delivered to the Master Trustee for authentication upon compliance with the provisions hereof and of any Related Supplement.

Each Related Supplement authorizing the issuance of an Obligation or a Series of Obligations shall specify (a) the purposes for which such Obligation or Series of Obligations are being issued; (b) the form, title, designation, manner of numbering or denominations, if applicable, of such Obligations; (c) the date or dates of maturity or other final expiration of the term of such Obligations; the date of issuance of such Obligations; and (d) any other provisions deemed advisable or necessary by the Obligated Group Representative. Each Related Supplement authorizing the issuance of an Obligation shall also specify and determine the principal amount of suc*h Obligation (if any) for purposes of calculating the percentage of Holders of Obligations req*uired to take actions or give consents pursuant to this Master Indenture (which, if such Obligation does not evidence or secure Indebtedness, shall be equal to zero, except with respect to any action that requires the consent of all of the Holders of Obligations or actions of the Holders pursuant to Article IV hereof). The designation of zero as a principal amount of an Obligation shall not in any manner affect the obligation of the Members to make Required Payments with respect to such Obligation.

Section 2.03. Appointment of Obligated Group Representative. Each Obligated Group Member, by becoming an Obligated Group Member, irrevocably appoints the Obligated Group Representative as its agent and attorney-in-fact and grants full power to the Obligated Group Representative (a) to execute (i) Related Supplements authorizing the issuance of Obligations or Series of Obligations, (ii) Obligations and (iii) all security-related agreements, certificates, disclosure documents, filings, registrations and other instruments ancillary to the issuance of Obligations and in furtherance of their purposes, and (b) to bind such Obligated Group Member by making covenants or agreements on behalf of such Obligated Group Member.

Section 2.04. Execution and Authentication of Obligations.

(a) All Obligations shall be executed by an Authorized Representative of the Obligated Group Representative for and on behalf of the Obligated Group as provided in the Related Supplement authorizing such Obligation. The signatures of such Authorized

Representative may be mechanically or photographically reproduced on the Obligations. If any Authorized Representative whose signature appears on any Obligation ceases to be such Authorized Representative before delivery thereof, such signature shall remain valid and sufficient for all purposes as if such Authorized Representative had remained in office until such delivery. Each Obligation shall be manually authenticated by an authorized signatory of the Master Trustee, and no Obligation shall be entitled to the benefits hereof without such authentication.

(b) The form of Certificate of Authentication to be printed on each Obligation and manually executed by an authorized signatory of the Master Trustee shall be as follows:

[FORM OF MASTER TRUSTEE'S CERTIFICATE OF AUTHENTICATION]

The undersigned Master Trustee hereby certifies that this Obligation No. ___ is one of the Obligations described in the within mentioned Master Indenture.

Dated: _____

[Name of Master Trustee],
as Master Trustee

By _____
Authorized Signatory

Section 2.05. Conditions to the Issuance of Obligations. The issuance, authentication and delivery of any Obligation or Series of Obligations shall be subject to the following specific conditions:

(a) The Obligated Group Representative and the Master Trustee shall have entered into a Related Supplement providing for the terms and conditions of such Obligations and the repayment thereof; and

(b) The Master Trustee receives an Officer's Certificate to the effect that:

(i) each Obligated Group Member is in full compliance with all warranties, covenants and agreements set forth in this Master Indenture and in any Related Supplement; and

(ii) neither an Event of Default nor any event which with the passage of time or the giving of notice or both would become an Event of Default has occurred and is continuing or would occur upon issuance of such Obligations under this Master Indenture or any Related Supplement; and

(iii) all requirements and conditions, if any, to the issuance of such Obligations set forth in the Related Supplement have been satisfied.

(c) The Master Trustee receives an Opinion of Counsel, subject to customary qualifications and exceptions, to the effect that:

(i) such Obligations and Related Supplement have been duly authorized, executed and delivered by the Obligated Group Representative on behalf of the Obligated Group and constitute valid and binding obligations of the Obligated Group, enforceable in accordance with their terms; and

(ii) such Obligations are not subject to registration under the Securities Act of 1933, as, amended, and such Related Supplement is not subject to registration under the Trust Indenture Act of 1939, as amended (or that any such registration, if required, has occurred); and

(d) The Obligated Group Representative shall have delivered or caused to be delivered to the Master Trustee such opinions, certificates, proceedings, instruments and other documents as the Master Trustee may (but is not obligated to) reasonably request.

(e) If such Obligation constitutes or secures Indebtedness, the requirements of Section 3.12 hereof are satisfied.

Section 2.06. Mortgage.

(a) To secure their obligation to make Required Payments hereunder and their other obligations, agreements and covenants to be performed and observed hereunder, the Corporation has granted to the Master Trustee, by way of the Mortgage, a lien on the Mortgaged Property of which the Corporation is the owner.

(b) Upon written request of the Credit Group Representative, the Master Trustee shall execute and deliver such releases, subordinations, requests for reconveyance, termination statements, or other instruments as may be reasonably requested by the Credit Group Representative in connection with (1) the disposition of the Mortgaged Property in accordance with Section 3.11 hereof, (2) the withdrawal of an Obligated Group Member pursuant to Section 3.10 hereof, and (3) the granting by an Obligated Group Member of any Lien which constitutes a Permitted Lien that is not junior to the Lien granted to the Master Trustee, as certified to the Master Trustee in writing by the Credit Group Representative.

(c) The Master Trustee and the Obligated Group may agree to amendments to the Mortgage without the consent of or notice to any of the Holders for one or more of the following purposes:

(i) to cure ambiguity or formal defect or omission in the Mortgage and which shall not materially adversely affect the interests of the Holders; and

(ii) to correct or supplement any provision in the Mortgage which may be inconsistent with any other provision in the Mortgage, or to make any other provisions with

respect to matters or questions arising under the Mortgage and which shall not materially adversely affect the interests of the Holders.

(d) The Master Trustee and the Obligated Group may agree to any other amendments to the Mortgage with the consent of the Holders of not less than a majority in aggregate principal amount of Outstanding Obligations.

(e) The Master Trustee shall also execute any consent, joinder, amendment, release, subordination agreement or other instrument required to be executed by the Master Trustee in its capacity as the mortgagee in order to: (i) allow, provide for, or release any Permitted Lien; (ii) subject any additional property of an Obligated Group Member to the lien of the Mortgage or modify, clarify, correct, or properly reflect the description of the property subject to the Mortgage; (iii) preserve the lien of the Mortgage or provide for the Mortgage (or replacement thereof); (iv) properly reflect the identities of the mortgagor or mortgagee; (v) release the lien of the Mortgage upon the discharge of this Master Indenture; or (vi) provide or execute estoppel certificates and nondisturbance agreements requested by the Credit Group Representative. The consent or approval of the Holders shall not be required in connection with items (i) through (vi) above. For purposes of determining whether the Master Trustee may execute any such consent, joinder, amendment, or other instrument, the Master Trustee may conclusively rely on an Officer's Certificate stating that: (x) the execution of such instrument is necessary or advisable in connection with the use, ownership, or operation of the Mortgaged Property; and (y) the execution and delivery of such instrument by the Master Trustee will not materially adversely affect the interests of the Holders. The Obligated Group shall pay (A) all costs of drafting, executing, recording, and filing, and (B) all other expenses and taxes (if any) applicable to or arising from any instruments described above and to be executed by the Master Trustee.

(f) Notwithstanding anything contained herein or in the Mortgage to the contrary, upon the occurrence and continuance of an Event of Default, before taking any foreclosure action or any action which may subject the Master Trustee to liability under any environmental law, statute, regulation or similar requirement relating to the environment, the Master Trustee may require that a satisfactory indemnity bond, indemnity or environmental impairment insurance be furnished for the payment or reimbursement of all expenses to which it may be put and to protect it against all liability resulting from any claims, judgments, damages, losses, penalties, fines, liabilities (including strict liability) and expenses which may result from such foreclosure or other action.

Section 2.07. Substitution and Release of Mortgaged Property.

So long as there is not then an Event of Default, the Obligated Group may at any time substitute for any portion of the existing Mortgaged Property, any other real or personal property with an aggregate Appraised Value equal to or greater than the Appraised Value of the portion of the Mortgaged Property for which it is to be substituted; *provided, however*, that such substituted property (a) includes acute care hospital facilities housing an emergency department and the highest number of licensed acute care beds of any licensed facility of the Corporation, and (b) is not subject to any Liens other than Liens that are Permitted Liens for the Mortgaged Property. "Appraised Value" means a market value appraisal performed at the Obligated

Group's expense by an independent M.A.I. appraiser selected by the Obligated Group, dated not more than one (1) year prior to the date presented and accompanied by a bring-down letter from the appraiser, dated not more than one week prior to the date of substitution, to the effect that the condition and Appraised Value of the appraised property have not changed materially from the date of the appraisal.

ARTICLE III

PAYMENTS WITH RESPECT TO MASTER INDENTURE OBLIGATIONS; DESIGNATED AFFILIATES; CREDIT GROUP COVENANTS

Section 3.01. Payment of Required Payments.

(a) Each Obligated Group Member jointly and severally covenants to promptly pay, or cause to be paid, all Required Payments at the place, on or before the dates and in the manner provided herein or in any Related Supplement or Obligation. Each Obligated Group Member acknowledges that the time of such payment and performance is of the essence of the Obligations hereunder. Each Obligated Group Member further covenants to faithfully observe and perform all of the conditions, covenants and requirements of this Master Indenture, any Related Supplement and any Obligation.

The obligation of each Obligated Group Member with respect to Required Payments shall not be abrogated, prejudiced or affected by:

(i) the granting of any extension, waiver or other concession given to any Obligated Group Member by the Master Trustee or any Holder or by any compromise, release, abandonment, variation, relinquishment or renewal of any of the rights of the Master Trustee or any Holder or anything done or omitted or neglected to be done by the Master Trustee or any Holder in exercise of the authority, power and discretion vested in them by this Master Indenture, or by any other dealing or thing that, but for this provision, might operate to abrogate, prejudice or affect such obligation; or

(ii) the liability of any other Obligated Group Member under this Master Indenture ceasing for any cause whatsoever, including the release of any other Obligated Group Member pursuant to the provisions of this Master Indenture or any Related Supplement; or

(iii) any Obligated Group Member's failing to become liable as, or losing eligibility to become, an Obligated Group Member with respect to an Obligation; or

(iv) the validity or sufficiency of consideration given to support the obligations of the Obligated Group Members under this Master Indenture.

Subject to the provisions of Section 3.10 hereof permitting withdrawal from the Obligated Group, the obligation of each Obligated Group Member to make Required Payments is a continuing one and is to remain in effect until all Required Payments have been paid or deemed paid in full in accordance with Article VII hereof. All moneys from time to time received by the Obligated Group Representative or the Master Trustee to reduce liability on Obligations, whether

from or on account of the Obligated Group Members or otherwise, shall be regarded as payments in gross without any right on the part of any one or more of the Obligated Group Members to claim the benefit of any moneys so received until the whole of the amounts owing on Obligations has been paid or satisfied and so that in the event of any such Obligated Group Member's filing a bankruptcy petition, the Obligated Group Representative or the Master Trustee shall be entitled and empowered, by intervention in such proceedings or otherwise, to file and prove a claim or claims for the whole amount of principal, premium, if any, interest and any other amounts owing and unpaid in respect of Obligations Outstanding.

Each Obligation shall be a primary obligation of the Obligated Group Members and shall not be treated as ancillary to or collateral with any other obligation and shall be independent of any other security so that the covenants and agreements of each Obligated Group Member hereunder shall be enforceable without first having recourse to any such security or source of payment and without first taking any steps or proceedings against any other Person. The Obligated Group Representative and the Master Trustee are each empowered to enforce each covenant and agreement of each Obligated Group Member hereunder and to enforce the making of Required Payments. Each Obligated Group Member hereby authorizes each of the Obligated Group Representative and the Master Trustee to enforce or refrain from enforcing any covenant or agreement of the Obligated Group Members hereunder or under any other contract or agreement pursuant to which the Obligated Group Representative has made covenants by or on behalf of any such Obligated Group Member and to make any arrangement or compromise with any Obligated Group Member or Obligated Group Members as the Obligated Group Representative or the Master Trustee may deem appropriate, consistent with this Master Indenture and any Related Supplement. Each Obligated Group Member hereby waives in favor of the Obligated Group Representative and the Master Trustee all rights against the Obligated Group Representative, the Master Trustee and any other Obligated Group Member, insofar as is necessary to give effect to any of the provisions of this Section.

Section 3.02. Transfers from Designated Affiliates. Each Controlling Member hereby covenants and agrees that it shall cause each of its Designated Affiliates to pay, loan or otherwise transfer to the Obligated Group Representative such amounts as are necessary to enable the Obligated Group Members to comply with the provisions of this Master Indenture, including, without limitation, the provisions of Section 3.01 hereof.

Section 3.03. Designation of Designated Affiliates.

(a) The Obligated Group Representative by resolution of its Governing Body may from time to time designate Persons as Designated Affiliates. In connection with such designation, the Obligated Group Representative shall designate for each Designated Affiliate an Obligated Group Member to serve as the Controlling Member for such Designated Affiliate. The Obligated Group Representative shall at all times maintain an accurate and complete list of all Persons designated as Designated Affiliates (and of the Controlling Members for such Designated Affiliates). When, as and if the complement of Designated Affiliates changes, the Obligated Group Representative shall file notice thereof and file such list with the Master Trustee (and any Related Bond Issuer that shall request such list in writing) within thirty (30) days of such change.

(b) Each Controlling Member shall cause each of its Designated Affiliates to provide to the Obligated Group Representative a resolution of its Governing Body accepting such Person's designation as a Designated Affiliate and acknowledging the provisions of this Master Indenture that affect the Designated Affiliates. So long as such Person is designated as a Designated Affiliate, the Controlling Member of such Designated Affiliate shall either (i) maintain, directly or indirectly, control of such Designated Affiliate to the extent necessary to cause such Designated Affiliate to comply with the terms of this Master Indenture, whether through the ownership of voting securities, by contract, corporate membership, reserved powers or the power to appoint corporate members, trustees or directors, or otherwise, or (ii) execute and have in effect such contracts or other agreements that the Obligated Group Representative and the Controlling Member, in the judgment of their respective Governing Bodies, deem sufficient for the Controlling Member to cause such Designated Affiliate to comply with the terms of this Master Indenture as they relate to Designated Affiliates.

(c) Each Controlling Member hereby covenants and agrees that it will, to the extent permitted by law, cause each of its Designated Affiliates to comply with any and all directives of the Controlling Member given pursuant to the provisions of this Master Indenture applicable to a Designated Affiliate.

(d) Any Person may cease to be a Designated Affiliate (and thus not subject to the terms of this Master Indenture) provided that prior to such Person ceasing to be a Designated Affiliate the Master Trustee receives:

(i) a resolution of the Governing Body of the Obligated Group Representative declaring such Person no longer a Designated Affiliate; and

(ii) an Officer's Certificate to the effect that immediately following such Person ceasing to be a Designated Affiliate neither a Default nor an Event of Default would exist by reason of such Person ceasing to be a Designated Affiliate.

Section 3.04. Covenants of Corporate Existence, Maintenance of Properties, Etc. Each Obligated Group Member agrees, and each Controlling Member agrees to cause each of its Designated Affiliates:

(a) Except as otherwise expressly provided herein, to preserve its corporate or other legal existence and all its rights and licenses to the extent necessary or desirable in the operation of its business and affairs and to be qualified to do business in each jurisdiction where its ownership of Property or the conduct of its business requires such qualification; provided, however, that nothing herein contained shall be construed to obligate it to retain or preserve any of its rights or licenses no longer used or useful in the conduct of its business or affairs.

(b) At all times to cause its Property, Plant and Equipment to be maintained, preserved and kept in good repair, working order and condition, reasonable wear and tear excepted, and all needed and proper repairs, renewals and replacements thereof to be made; *provided, however*, that nothing contained in this subsection shall be construed to (i) prevent it from ceasing to operate any immaterial portion of its Property, Plant and Equipment, (ii) prevent it from ceasing to operate any material portion of its Property, Plant and Equipment if in its

judgment it is advisable not to operate the same, or (iii) obligate it to retain, preserve, repair, renew or replace any Property, Plant and Equipment no longer used or useful in the conduct of its business.

(c) To procure and maintain all necessary licenses and permits necessary, in the judgment of its Governing Body, to the operation of its health care Property and the status of its health care Property (other than that not currently having such status or not having such status on the date a Person becomes a Credit Group Member) as providers of health care services eligible for payment under those third party payment programs that its Governing Body determines are appropriate; *provided, however*, that it need not comply with this subsection if and to the extent that its Governing Body shall have determined in good faith, evidenced by a resolution of the Governing Body, that such compliance is not in its best interests and that lack of such compliance would not materially impair its ability to pay its Indebtedness when due.

Section 3.05. Gross Receivables Pledge.

(a) To secure their obligation to make Required Payments hereunder and their other obligations, agreements and covenants to be performed and observed hereunder, each Obligated Group Member hereby grants to the Master Trustee security interests in the Gross Receivables.

(b) This Master Indenture shall be deemed a "security agreement" for purposes of the UCC.

(c) The Master Trustee's security interest in the Gross Receivables shall be perfected, to the extent that such security interest may be so perfected, by the filing of financing statements that comply with the requirements of the UCC. Each Member (or the Obligated Group Representative on such Member's behalf) shall cause to be filed, in accordance with the requirements of the UCC, financing statements; and, from time to time thereafter, shall execute and deliver such other documents (including, but not limited to, continuation statements as required by the UCC) as may be necessary or reasonably requested by the Master Trustee in order to perfect or maintain perfected such security interests or give public notice thereof.

(d) Upon written request from the Obligated Group Representative, the Master Trustee shall take all procedural steps necessary to effect the subordination of its security interest in the Gross Receivables granted herein to security interests constituting Permitted Liens.

(e) Each Obligated Group Member shall notify the Master Trustee of any change of name and change of address of its chief executive office to enable a new appropriate financing statement or an amendment to be filed in accordance with the requirements of the UCC, in order to maintain the perfected security interest granted herein.

Section 3.06. Against Encumbrances.

(a) Each Member has granted security interests in the Gross Receivables. The Corporation and each other Member, respectively, agrees to execute and deliver such other agreements as may be necessary from time to time to grant to the Master Trustee a security interest in the Gross Receivables, subject only to Permitted Liens.

(b) Each Obligated Group Member agrees that it will not, and will cause its Designated Affiliates (if such Obligated Group Member is a Controlling Member) to not, create or suffer to be created or permit the existence of any Lien upon the Gross Receivables and Property now owned or hereafter acquired by it other than Permitted Liens. Each Obligated Group Member, respectively, further covenants and agrees that if such a Lien (other than a Permitted Lien) is nonetheless created by someone other than an Obligated Group Member and is assumed by any Obligated Group Member, the Obligated Group Representative will make or cause to be made effective a provision whereby all Obligations will be secured prior to any such Indebtedness or other obligation secured by such Lien.

(c) Upon written request of the Obligated Group Representative, the Master Trustee shall execute and deliver such releases, subordinations, requests for reconveyance, termination statements or other instruments as may be reasonably requested by the Obligated Group Representative in connection with (i) the disposition of Property in accordance with the provisions of Section 3.11 and the applicable provisions of any Related Supplement, (ii) the withdrawal of a Member pursuant to Section 3.10 and the applicable provisions of any Related Supplement and (iii) the granting by a Credit Group Member of any Lien which constitutes a Permitted Lien hereunder, as certified to the Master Trustee in writing by the Obligated Group Representative.

Section 3.07. Debt Service Coverage.

(a) Each Obligated Group Member agrees that the Debt Service Coverage Ratio shall be not less than 1.10:1.00 for each Fiscal Year, commencing with the Fiscal Year ending June 30, 2025, provided that an Event of Default shall occur only if (i) the Obligated Group fails to reasonably comply with the requirements of subsections (b) through and including (d) below, or (ii) the Debt Service Coverage Ratio for any two (2) consecutive Fiscal Years is less than 1.00:1.00.

(b) If the Debt Service Coverage Ratio at the end of any Fiscal Year is less than 1.10:1.00, the Obligated Group Representative covenants to retain an Independent Consultant to make recommendations to increase Income Available for Debt Service for subsequent Fiscal Years to the levels required or, if in the opinion of the Independent Consultant the attainment of such level is impracticable, to the highest practicable level. The Obligated Group Representative agrees to transmit a copy thereof to the Master Trustee within twenty (20) days of the receipt of such recommendations. Each Obligated Group Member, respectively, agrees that it will, to the extent permitted by law, substantially follow the recommendations of the Independent Consultant or file with the Master Trustee its reasons for not following the recommendations. In no event may the Debt Service Coverage Ratio for any two (2) consecutive Fiscal Years be less than 1.00:1.00.

(c) If the Credit Group substantially complies with the recommendations of the Independent Consultant, as applicable under Section 3.07(b) hereof, respectively, hereof, the Credit Group will be deemed to have complied with the covenants set forth in this Section for such Fiscal Year, notwithstanding that the Debt Service Coverage Ratio shall be less than 1.10:1.00; *provided, however*, that the Debt Service Coverage Ratio shall not be reduced to less than 1.00:1.00 for any two (2) consecutive Fiscal Years. Notwithstanding the foregoing, the

Credit Group Members shall not be excused from taking any action or performing any duty required under this Master Indenture and no other Event of Default shall be waived by the operation of the provisions of this subsection (c).

(d) If a report of the Obligated Group Representative or an Independent Consultant is delivered to the Master Trustee and the Related Bond Issuers, which report shall state that Government Restrictions or Industry Restrictions have been imposed that make it impossible for the Income Available for Debt Service to satisfy the requirement of Section 3.07(a) hereof, then the required amount of Income Available for Debt Service shall be reduced to the maximum coverage permitted by such Government Restrictions or Industry Restrictions but in no event less than an amount to pay the Annual Debt Service on all Indebtedness of the Credit Group for such Fiscal Year; but in no event may the Debt Service Coverage Ratio for any two (2) consecutive Fiscal Years be less than 1.00:1.00.

(e) Notwithstanding the foregoing, an Obligated Group Member may permit the rendering of services or the use of its Property without charge or at reduced charges, at the discretion of the Governing Body of such Obligated Group Member, to the extent necessary for maintaining its tax-exempt status or the tax-exempt status of its Property, Plant and Equipment or its eligibility for grants, loans, subsidies or payments from governmental entities, or in compliance with any recommendation for free services or services for advanced fees that may be made by an Independent Consultant.

Section 3.08. Merger, Consolidation, Sale or Conveyance. Each Obligated Group Member covenants that it will not merge or consolidate with any other Person that is not an Obligated Group Member or sell or convey all or substantially all of its assets to any Person that is not an Obligated Group Member (a "Merger Transaction") unless:

(a) After giving effect to the Merger Transaction,

(i) the successor or surviving entity (hereinafter, the "Surviving Entity") is an Obligated Group Member, or

(ii) the Surviving Entity shall:

(A) be a corporation or other entity organized and existing under the laws of the United States of America or any state thereof, and

(B) prior to or simultaneously with the merger, become an Obligated Group Member pursuant to Section 3.09 hereof and, pursuant to the Related Supplement required by Section 3.09(b) hereof, shall expressly assume in writing the due and punctual payment of all Required Payments of the disappearing Obligated Group Member hereunder and its joint and several obligation with respect to Obligations;

(b) The Master Trustee receives an Officer's Certificate to the effect that the Transaction Test is satisfied in connection with the Merger Transaction;

(c) So long as any Related Conduit Issuer Bonds that are tax-exempt obligations are Outstanding, the Master Trustee receives an Opinion of Bond Counsel to the

effect that, under then existing law, the consummation of the Merger Transaction, in and of itself, would not result in the inclusion of interest on such Related Conduit Issuer Bonds in gross income for purposes of federal income taxation;

(d) The Master Trustee receives an Opinion of Counsel, subject to customary qualifications and exceptions, to the effect that (i) all conditions in this Section 3.08 relating to the Merger Transaction have been complied with; (ii) the Surviving Entity meets the conditions set forth in this Section 3.08 and in all Obligations then Outstanding; (iii) the Merger Transaction will not adversely affect the validity of any Obligations then Outstanding and such Obligations then Outstanding are enforceable against the Surviving Entity in accordance with their respective terms; and (iv) the Merger Transaction will not cause the Master Indenture or any Obligations to be subject to registration under federal or state securities laws or the Trust Indenture Act of 1939, as amended (or, that any such registration, if required, has occurred); and

(e) The Surviving Entity shall be substituted for its predecessor in interest in all Obligations and agreements then in effect that affect or relate to any Obligation, and the Surviving Entity shall execute and deliver to the Master Trustee appropriate documents in order to effect the substitution.

From and after the effective date of such substitution (as set forth in the above-mentioned documents), the Surviving Entity shall be treated as an Obligated Group Member and shall thereafter have the right to participate in transactions hereunder relating to Obligations to the same extent as the other Obligated Group Members. All Obligations issued hereunder on behalf of a Surviving Entity shall have the same legal rank and benefit under this Master Indenture as Obligations issued on behalf of any other Obligated Group Member.

Section 3.09. Membership in Obligated Group. Additional Obligated Group Members may be added to the Obligated Group from time to time, provided that prior to such addition the Master Trustee receives:

(a) a copy of a resolution of the Governing Body of the proposed **new** Obligated Group Member that authorizes the execution and delivery of a Related Supplement and compliance with the terms of this Master Indenture; and

(b) a Related Supplement executed by the Obligated Group Representative, the new Obligated Group Member and the Master Trustee pursuant to which the proposed new Obligated Group Member:

(i) agrees to become an Obligated Group Member, and

(ii) agrees to be bound by the terms of this Master Indenture, the Related Supplements and the Obligations, and

(iii) irrevocably appoints the Obligated Group Representative as its agent and attorney-in-fact and grants to the Obligated Group Representative the requisite power and authority to execute Related Supplements authorizing the issuance of Obligations or Series of Obligations and to execute and deliver Obligations, and

(c) an Opinion of Counsel, subject to customary qualifications and exceptions, to the effect that (i) the proposed new Obligated Group Member has taken all necessary action to become an Obligated Group Member, and upon execution of the Related Supplement, such proposed new Obligated Group Member will be bound by the terms of this Master Indenture, (ii) the addition of such Obligated Group Member would not adversely affect the validity of any Obligation then Outstanding and (iii) the addition of such Obligated Group Member will not cause the Master Indenture or any Obligations to be subject to registration under federal or state securities laws or the Trust Indenture Act of 1939, as amended (or, that any such registration, if required, has occurred); and

(d) an Officer's Certificate to the effect that immediately after the addition of the proposed new Obligated Group Member, the Transaction Test would be satisfied; and

(e) so long as any Related Conduit Issuer Bonds that are tax-exempt obligations are Outstanding, an Opinion of Bond Counsel to the effect that the addition of the proposed new Obligated Group Member will not, in and of itself, result in the inclusion of interest on any Related Conduit Issuer Bonds in gross income for purposes of federal income taxation.

Section 3.10. Withdrawal from Obligated Group. The Corporation may not withdraw from the Obligated Group. Any other Obligated Group Member may withdraw from the Obligated Group and be released from further liability or obligation under the provisions of this Master Indenture, provided that prior to such withdrawal the Master Trustee receives:

(a) an Officer's Certificate to the effect that the Obligated Group Representative has approved the withdrawal of such Obligated Group Member;

(b) an Officer's Certificate to the effect that immediately following the withdrawal of such Obligated Group Member, the Transaction Test would be satisfied; and

(c) an Opinion of Counsel, subject to customary qualifications and exceptions, to the effect that (i) the withdrawal of such Obligated Group Member would not adversely affect the validity of any Obligation then Outstanding and (ii) the withdrawal of such Obligated Group Member will not cause the Master Indenture or any Obligations to be subject to registration under federal or state securities laws or the Trust Indenture Act of 1939, as amended.

Upon compliance with the conditions contained in this Section 3.10, the Master Trustee shall execute any documents reasonably requested by the withdrawing Obligated Group Member to evidence the termination of such Obligated Group Member's obligations hereunder, under all Related Supplements and under all Obligations, and shall execute and deliver such releases, subordinations, requests for reconveyance, termination statements or other instruments as may be reasonably requested by the Obligated Group Representative pursuant to Section 3.06(c) hereof.

Section 3.11. Limitation on Disposition of Assets.

(a) Each Obligated Group Member covenants that it will not, and each Controlling Member agrees that it will not permit its Designated Affiliates to, sell, lease or otherwise dispose of any part of its Property in any Fiscal Year (other than (A) in the ordinary

course of business or in compliance with the requirements imposed on any asset upon its acquisition, or (B) as part of a disposition of all or substantially all of its assets as permitted by Section 3.08 hereof, or (C) to another Obligated Group Member or Designated Affiliate), with a value in excess of five percent (5%) of the Property of the Obligated Group, unless:

(i) such Property is inadequate, obsolete, unsuitable, undesirable or unnecessary for the operation and functioning of the primary health care operations of the Credit Group Members; or

(ii) the disposition is for Fair Market Value; or

(iii) prior to such disposition there shall have been delivered to the Master Trustee an Officer's Certificate to the effect that such Property is being transferred to a Person who is not an Obligated Group Member but such Person shall become a Member pursuant to Section 3.09 hereof coincidental to such transfer; or

(iv) prior to such disposition there shall have been delivered to the Master Trustee an Officer's Certificate to the effect that the Property transferred pursuant to this subsection (iv) was transferred at fair and reasonable terms, no less favorable to the Credit Group Member, which could have been attained in a comparable arms-length transaction; or

(v) prior to such disposition there shall have been delivered to the Master Trustee an Officer's Certificate to the effect that the transaction would constitute and be treated as a true sale-leaseback under GAAP; or

(vi) the transfer is to any affiliate physician group practice and is used solely to support commercially reasonable salary and benefits of physician employees of such group practice; or

(vii) prior to such disposition there shall have been delivered to the Master Trustee an Officer's Certificate to the effect that such Property is being transferred to an entity controlled by, under common control with, or contractually affiliated with, one or more Credit Group Members for establishing, capitalizing, and maintaining a program of insurance that provides insurance coverage to one or more Credit Group Members, provided that prior to such transfer, an Insurance Consultant shall have issued a report stating that the establishment of such insurance and the proposed funding thereof are consistent with reasonable insurance practices; which transferee entity may be organized under the laws of any jurisdiction or nation and which may include an entity providing insurance to entities other than Credit Group Members.

(b) Notwithstanding the foregoing, nothing shall prohibit any disposition of assets among Credit Group Members nor shall prohibit any Credit Group Member from: (i) making loans, including, without limitation, employee relocation loans, physician recruitment loans or other credit/funding extensions, provided that such loans or other credit/funding extensions are in writing and (x) such loans are in furtherance of the exempt purposes of the Credit Group Member (if it is a Tax-Exempt Organization) or (y) the Credit Group Member reasonably expects such loans to be repaid and such loans bear interest at a reasonable rate of interest and on commercially reasonable terms; or (ii) transferring gifts restricted to a purpose

inconsistent with their use for the payment of debt service on Obligations or operating expenses to a Person that has the purpose to receive and use or disburse such restricted gifts.

Section 3.12. Limitation on Indebtedness. Each Obligated Group Member covenants that it will not, and each Controlling Member covenants that it will not permit its Designated Affiliates to, incur any Indebtedness except that the Obligated Group Members and Designated Affiliates may incur the following Indebtedness:

(a) Long-Term Indebtedness, if prior to the date of incurrence of the Long-Term Indebtedness there is delivered to the Master Trustee an Officer's Certificate to the effect that:

(i) the Debt Service Coverage Ratio for the most recent Fiscal Year for which Credit Group Financial Statements are available with respect to all Long-Term Indebtedness then Outstanding at the time of such certification and the additional Long-Term Indebtedness to be incurred, but excluding any Long-Term Indebtedness to be refunded with the proceeds of said additional Long-Term Indebtedness to be incurred, was not less than 1.20:1.00; or

(ii) (A) the Debt Service Coverage Ratio for the most recent Fiscal Year (excluding the additional Long-Term Indebtedness to be incurred) was not less than 1.20:1.00 and (B) the Debt Service Coverage Ratio for the Fiscal Year beginning with the Fiscal Year commencing after the estimated completion of the facilities to be financed by the Indebtedness to be incurred with respect to all Long-Term Indebtedness projected to be outstanding (including the additional Long-Term Indebtedness to be incurred but excluding any Long-Term Indebtedness to be refunded with the proceeds of said additional Long-Term Indebtedness to be incurred), is projected to be not less than 1.35:1.00. Notwithstanding the foregoing, if the Master Trustee receives a report of an Independent Consultant to the effect that Government Restrictions or Industry Restrictions prevent the Credit Group Members from generating the required levels of Income Available for Debt Service sufficient to result in a Debt Service Coverage Ratio of not less than 1.35:1.00, the 1.35:1.00 ratio requirement described in this subsection (a)(ii) shall be reduced to a ratio of not less than 1.00:1.00; or

(iii) the forecasted Debt Service Coverage Ratio, taking into account all Outstanding Long-Term Indebtedness and the Long-Term Indebtedness proposed to be incurred, for the first complete Fiscal Year succeeding the date on which the proposed Long-Term Indebtedness is to be incurred, is not less than 1.40:1.00, as shown by forecasted statements of revenues and expenses for each such Fiscal Year, accompanied by a statement of the relevant assumptions upon which such forecasted statements are based.

(b) Completion Indebtedness without limitation provided that an Officer's Certificate is delivered to the Master Trustee stating that the Obligated Group Representative reasonably expected the aggregate principal amount of Long-Term or Interim Indebtedness originally issued to finance the construction or equipping of the project for which such Completion Indebtedness is being incurred, together with other funds reasonably anticipated to be available for such purposes, to be fully sufficient to provide a completed and fully equipped facility of the type and scope contemplated at the time said Long-Term Indebtedness or Interim

Indebtedness was originally incurred, and in accordance with the general plans and specifications for such facility as originally prepared and approved in connection with the related financing, modified or amended only in conformance with the provisions of the documents pursuant to which the related financing was undertaken.

(c) Short-Term Indebtedness provided that the provisions described in subsection (a) above are satisfied calculated as if such Short-Term Indebtedness was Long-Term Indebtedness or an Officer's Certificate is delivered to the Master Trustee stating that:

(i) the total amount of such Short-Term Indebtedness shall not exceed twenty percent (20%) of Total Revenues; and

(ii) In every Fiscal Year, there shall be at least a consecutive twenty (20) day period when the balances of such Short-Term Indebtedness (excluding Short-Term Indebtedness consisting of commercial paper that is intended to be refinanced with additional commercial paper) is reduced to an amount that shall not exceed five percent (5%) of Total Revenues.

(d) Nonrecourse Indebtedness without limitation.

(e) Long-Term Indebtedness, if such Long-Term Indebtedness is issued or incurred to refund Long-Term Indebtedness and the Master Trustee receive an Officer's Certificate to the effect that the issuance of such Long-Term Indebtedness would not increase Maximum Annual Debt Service by more than ten percent (10%).

(f) Subordinated Indebtedness without limitation.

(g) Reimbursement or other repayment obligations under reimbursement agreements or similar agreements relating to credit facilities and/or liquidity facilities that provide credit support and/or liquidity for Indebtedness or for Financial Products Agreements.

(h) Indebtedness incurred in connection with the $285,000,000 Bucks County Industrial Development Authority Hospital Revenue Bonds (Grand View Hospital Project) Series 2021.

(i) Indebtedness to any Credit Group Member.

(j) Pre-existing Indebtedness of a Member assumed in connection with Section 3.08.

(k) Indebtedness incurred for the purpose of funding a debt service reserve fund established in connection with any series of Related Conduit Issuer Bonds or any other Obligation.

(l) Any other Indebtedness, provided that an Officer's Certificate is delivered to the Master Trustee stating that the aggregate principal amount of such Indebtedness, together with the aggregate principal amount of Indebtedness incurred pursuant to the provisions of

subsection (c) of this Section 3.12, does not, as of the date of incurrence, exceed ten percent (10%) of Total Revenues.

Indebtedness incurred pursuant to any one of the subsections of this Section 3.12 may be reclassified as Indebtedness incurred pursuant to any other of such subsections if the tests set forth in the subsection to which such Indebtedness is to be reclassified are met at the time of such reclassification.

Section 3.13. Filing of Financial Statements, Certificate of No Default, Other Information.

(a) The Obligated Group Representative covenants and agrees that it will furnish to the Master Trustee financial statements:

(i) As soon as practicable, but in no event more than one-hundred fifty (150) days after the last day of each Fiscal Year, and within sixty (60) days after the close of each of the fiscal quarters of each Fiscal Year, one or more financial statements that, in the aggregate, shall include the Material Credit Group Members. Such financial statement shall constitute the "Credit Group Financial Statements." Such quarterly financial statements shall be unaudited financial statements and operating data of the Credit Group Members with respect to such fiscal quarter and for the portion of the Fiscal Year ending within such quarter. Such annual financial statements:

(A) may, at the election of the Obligated Group Representative, consist either of (1) consolidated or combined financial results of the Credit Group Members and prepared in accordance with GAAP or (2) similarly prepared special purpose financial statements including only Credit Group Members;

(B) shall be audited by an Accountant as having been prepared in accordance with GAAP (except in the case of special purpose financial statements);

(C) shall include a consolidated or combined balance sheet, statement of operations and changes in net assets; and

(D) if more than one financial statement is delivered to the Master Trustee pursuant to this subsection (a)(i), or if a single financial statement is delivered that includes Persons other than Credit Group Members and Immaterial Affiliates and such other Credit Group Members and Immaterial Affiliates represent more than twenty percent (20%) of the Total Revenues of the entities included in such financial statements (considered in aggregate), then each such financial statement shall contain, as "other financial information," a combining or consolidating schedule from which financial information solely relating to the Credit Group Members and Immaterial Affiliates may be derived.

(ii) If a special purpose financial statement containing information solely related to the Credit Group Members (which may, but need not, include any Immaterial Affiliates) is delivered pursuant to clause (a)(i)(A) above, then such financial statement shall constitute the "Credit Group Financial Statements" if deemed to be as such by the Obligated Group Representative for the purposes of meeting that specific submission.

(iii) If a single financial statement containing information related solely to the Credit Group Members and, at the option of the Obligated Group Representative, any Immaterial Affiliates is not delivered pursuant to clause (a)(i) above, the Obligated Group Representative shall prepare an unaudited balance sheet and statement of operations for such Fiscal Year. The unaudited financial statements shall be prepared as soon as practicable, but in no event more than 150 days after the last day of each Fiscal Year beginning with the Fiscal Year ending June 30, 2021, and shall be based on the accompanying unaudited combining or consolidating schedules delivered with the audited financial statements described in clause (a)(i)(D) above. The unaudited financial statements prepared in accordance with this clause (iii) shall be the "Credit Group Financial Statements."

(A) The Credit Group Financial Statements:

(1) shall include all Material Credit Group Members;

(2) at the option of the Obligated Group Representative, may, but need not, include one or more Immaterial Affiliates;

(3) at the option of the Obligated Group Representative, may exclude one or more Credit Group Members that are not Material Credit Group Members; and

(4) shall exclude all combined or consolidated entities that are neither Credit Group Members nor Immaterial Affiliates.

(iv) At the time of the delivery of the Credit Group Financial Statements, an Officer's Certificate of the Obligated Group Representative, stating that no event that constitutes an Event of Default has occurred and is continuing as of the end of such Fiscal Year, or specifying the nature of such event and the actions taken and proposed to be taken to cure such Event of Default.

(b) [Reserved].

(c) Notwithstanding the foregoing, the results of operations and financial position of Immaterial Affiliates need not be excluded from financial statements delivered to the Master Trustee pursuant to this Section, and such results of operation and financial position may be considered as if they were a portion of the results of operation and financial position of the Credit Group Members for all purposes of this Master Indenture notwithstanding the inclusion of the results of operation and financial position of such Immaterial Affiliates.

(d) The Master Trustee shall have no duty to review, verify or analyze such financial statements and shall hold such financial statements solely as a repository for the benefit of the Holders. The Master Trustee shall not be deemed to have notice of any information contained in such financial statements or event of default that may be disclosed therein in any manner.

Section 3.14. Substitution of Master Trust Indenture.

Notwithstanding anything in this Master Indenture to the contrary, each then-Outstanding Obligation may, upon the request of the Obligated Group Representative (and without the consent of any Holder) and the satisfaction of all terms and conditions described below, be substituted with an original replacement note or notes or similar obligations (collectively, a "Replacement Note") issued by an obligated issuer or group of obligated issuers or other obligated entities (collectively, the "New Obligated Group") under and pursuant to and secured by a master trust indenture or another agreement or agreements pursuant to which entities may become jointly and severally liable on specified obligations and which provide that financial and operational covenants be measured on the basis of the results of the entities that are party to such agreement or agreements (the "New Master Indenture") executed by the New Obligated Group and an independent corporate trustee (the "New Master Trustee"), upon receipt by the Master Trustee of the following:

(a) if the Master Trustee receives written confirmation from each Rating Agency then rating each series of Related Conduit Issuer Bonds that, upon consummation of the proposed transaction, the ratings on each such series of Related Conduit Issuer Bonds (without regard to any credit enhancement of each such series of Related Conduit Issuer Bonds) by each Rating Agency then rating each series of Related Conduit Issuer Bonds will be no less than "BBB" or its equivalent as a result of the execution of the New Master Indenture and the substitution of each then-Outstanding Obligation with a Replacement Note (a "Rating Upgrade"), then an Officer's Certificate certifying that (A) after giving effect to each such Replacement Note and assuming that the New Obligated Group constituted the Obligated Group under the original Master Indenture, the New Obligated Group could demonstrate compliance with the Transaction Test, assuming the incurrence of $1.00 of additional Indebtedness and (B) the New Master Indenture contains a pledge of Gross Receivables substantially similar to the pledge of Gross Receivables under the original Master Indenture as of the date thereof;

(b) an original executed counterpart of the New Master Indenture;

(c) an original Replacement Note for each then-Outstanding Obligation issued by or on behalf of the New Obligated Group under and pursuant to and secured by the New Master Indenture, which Replacement Note has been duly authenticated by the New Master Trustee under the terms of the New Master Indenture;

(d) an Opinion of Counsel addressed to the Master Trustee to the effect that: (1) the New Master Indenture has been duly authorized, executed and delivered by each member of the New Obligated Group, each Replacement Note has been duly authorized, executed and delivered by or on behalf of the New Obligated Group and the New Master Indenture and each Replacement Note are each a legal, valid and binding obligation of each member of the New Obligated Group, subject in each case to customary exceptions for bankruptcy, insolvency and other laws generally affecting enforcement of creditors' rights and application of general principles of equity and to any other exceptions set forth in the original Master Indenture; (2) all requirements and conditions to the issuance of each Replacement Note set forth in the New Master Indenture have been complied with and satisfied; and (3) registration of each Replacement Note under the Securities Act of 1933, as amended, is not required; and

(e) an Opinion of Bond Counsel to the effect that the surrender of each Obligation and the acceptance of each Replacement Note will not adversely affect the validity of any series of Related Conduit Issuer Bonds or any exemption for the purposes of federal income taxation to which interest on each series of Related Conduit Issuer Bonds would otherwise be entitled.

Upon receipt of the items described above, the Master Trustee will mail to each Holder notice that the requirements described above have been satisfied and that each Obligation has been replaced with a Replacement Note, and direct such Holder to surrender the applicable Obligation to the Master Trustee for cancellation in exchange for a Replacement Note. Upon receipt of such notice from the Master Trustee, the Holders of all Obligations are required to surrender the Obligations to the Master Trustee for cancellation in exchange for a Replacement Note. Following the surrender of the Obligations, and satisfaction of the conditions set forth above in this Section 3.14, and receipt of security and indemnity satisfactory to the Master Trustee, the Master Trustee shall cancel the Obligations and this Master Indenture shall terminate. Then and thereafter, Holders shall no longer be entitled to any rights and remedies under this Master Indenture, but shall have all of the rights and remedies granted under the New Master Indenture. Upon the release of this Master Indenture, the Master Trustee shall provide written notice thereof to the Holders of all Obligations.

ARTICLE IV

DEFAULTS

Section 4.01. Events of Default. Each of the following events shall be an Event of Default hereunder:

(a) Failure on the part of the Obligated Group Members to make due and punctual payment of the principal of, redemption premium, if any, interest on or any other Required Payment on any Obligation

(b) Failure on the part of the Obligated Group Members to attain a Debt Service Coverage Ratio of at least 1.00:1.00 for any two (2) consecutive Fiscal Years.

(c) Any Obligated Group Member shall fail to observe or perform any other covenant or agreement under this Master Indenture (including covenants or agreements contained in any Related Supplement or Obligation) and shall not have cured such failure within sixty (60) days after the date on which written notice of such failure, requiring the failure to be remedied, shall have been given to the Obligated Group Representative by the Master Trustee or to the Obligated Group Representative and the Master Trustee by the Holders of 25% in aggregate principal amount of Outstanding Obligations (provided that if such failure can be remedied but not within such sixty (60) day period, such failure shall not become an Event of Default for so long as the Obligated Group Representative or Obligated Group Members shall diligently proceed to remedy the failure).

(d) Any Obligated Group Member shall default in the payment of Indebtedness (other than (i) Subordinated Indebtedness, (ii) Nonrecourse Indebtedness, and

(iii) Indebtedness secured by an Obligation, which shall be governed by subsection (a) of this Section) in an aggregate outstanding principal amount equal to the greater of one percent (1%) of the aggregate principal amount of Total Revenues of the Credit Group, and any grace period for such payment shall have expired; *provided, however*, that such default shall not constitute an Event of Default within the meaning of this Section if, within sixty (60) days or within the time allowed for service of a responsive pleading if any proceeding to enforce payment of the Indebtedness is commenced, (x) any Obligated Group Member in good faith commences proceedings to contest the existence or payment of such Indebtedness, and (y) sufficient moneys are deposited in escrow with a bank or trust company or a bond acceptable to the Master Trustee is posted for the payment of such Indebtedness.

(e) A court having jurisdiction shall enter a decree or order for relief in respect of any Obligated Group Member in an involuntary case under any applicable federal or state bankruptcy, insolvency or other similar law, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of any Obligated Group Member or for any substantial part of the Property of any Obligated Group Member, or ordering the winding up or liquidation of its affairs, and such decree or order shall remain unstayed and in effect for a period of sixty (60) consecutive days.

(f) Any Obligated Group Member shall commence a voluntary case under any applicable federal or state bankruptcy, insolvency or other similar law, or shall consent to the entry of an order for relief in an involuntary case under any such law, or shall consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or similar official) of any Obligated Group Member or for any substantial part of its Property, or shall make any general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due or shall take any corporate action in furtherance of the foregoing.

(g) An event of default shall exist under any Related Bond Indenture.

Section 4.02. Acceleration; Annulment of Acceleration.

(a) Upon the occurrence and during the continuation of an Event of Default, the Master Trustee may, and upon the written request of the Holders of not less than a majority in aggregate principal amount of Outstanding Obligations shall, by notice to the Obligated Group Representative, declare all Outstanding Obligations immediately due and payable. Upon such declaration of acceleration, all Outstanding Obligations shall be immediately due and payable. If the terms of any Related Supplement give a Person the right to consent to acceleration of the Obligations issued pursuant to such Related Supplement, the Obligations issued pursuant to such Related Supplement may not be accelerated by the Master Trustee unless such consent is properly obtained pursuant to the terms of such Related Supplement. In the event of acceleration, an amount equal to the aggregate principal amount of all Outstanding Obligations, plus all interest accrued thereon and, to the extent permitted by applicable law, that accrues on such principal and interest to the date of payment, and all other amounts due thereunder, shall be due and payable on the Obligations.

(b) At any time after the Obligations have been declared to be due and payable, and before the entry of a final judgment or decree in any proceeding instituted with respect to the Event of Default that resulted in the declaration of acceleration, the Master Trustee may annul such declaration and its consequences if:

(i) the Obligated Group Members have paid (or caused to be paid or deposited with the Master Trustee moneys sufficient to pay) all payments then due on all Outstanding Obligations (other than payments then due only because of such declaration); and

(ii) the Obligated Group Members have paid (or caused to be paid or deposited with the Master Trustee moneys sufficient to pay) all fees and expenses of the Master Trustee then due; and

(iii) the Obligated Group Members have paid (or caused to be paid or deposited with the Master Trustee moneys sufficient to pay) all other amounts then payable by the Obligated Group hereunder; and

(iv) every Event of Default (other than a default in the payment of the principal or other payments of such Obligations then due only because of such declaration) has been remedied.

No such annulment shall extend to or affect any subsequent Event of Default or impair any right with respect to any subsequent Event of Default.

Section 4.03. Additional Remedies and Enforcement of Remedies.

(a) Upon the occurrence and continuance of any Event of Default, the Master Trustee may, and upon the written request of the Holders of not less than a majority in aggregate principal amount of the Outstanding Obligations (and upon indemnification of the Master Trustee to its satisfaction for any such request), shall, proceed to protect and enforce its rights and the rights of the Holders hereunder by such proceedings as may be deemed expedient, including but not limited to:

(i) Enforcement of the right of the Holders to collect amounts due or becoming due under the Obligations;

(ii) Civil action upon all or any part of the Obligations;

(iii) Civil action to require any Person holding moneys, documents or other property pledged to secure payment of amounts due or to become due on the Obligations to account as if it were the trustee of an express trust for the Holders of Obligations;

(iv) Civil action to enjoin any acts that may be unlawful or in violation of the rights of the Holders of Obligations;

(v) Civil action against any Obligated Group Member or Controlling Member, or against any officer or member of the Governing Body of any Obligated Group

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Member or Controlling Member to compel performance of any act specifically required by this Master Indenture or any Obligation;

(vi) Exercise any and all remedies with respect to Collateral; and

(vii) Enforcement of any other right or remedy of the Holders conferred by law or hereby.

(b) Regardless of the occurrence of an Event of Default, if requested in writing by the Holders of not less than a majority in aggregate principal amount of the Outstanding Obligations (and upon indemnification of the Master Trustee to its satisfaction for any such request), the Master Trustee shall institute and maintain such proceedings as it may be advised shall be necessary or expedient (i) to prevent any impairment of the security hereunder by any acts that may be unlawful or in violation hereof, or (ii) to preserve or protect the interests of the Holders. However, the Master Trustee shall not comply with any such request or institute and maintain any such proceeding that is in conflict with any applicable law or the provisions hereof or (in the sole judgment of the Master Trustee) is unduly prejudicial to the interests of the Holders not making such request. Nothing herein shall be deemed to authorize the Master Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment, or composition affecting the Obligations or the rights of any Holder thereof, or to authorize the Master Trustee to vote in respect of the claim of any Holder in any such proceeding without the approval of the Holders so affected.

Section 4.04. Application of Moneys After Default. During the continuance of an Event of Default, all moneys received by the Master Trustee pursuant to any right given or action taken under the provisions of this Article (after payment of the costs of the proceedings resulting in the collection of such moneys and payment of all fees, expenses and other amounts owed to the Master Trustee) shall be applied as follows:

(a) Unless all Outstanding Obligations have become or have been declared due and payable (or if any such declaration is annulled in accordance with the terms of this Article):

First: To the payment of all Required Payments then due on the Obligations (including Financial Product Payments to the extent made pursuant to a Financial Product Agreement secured or evidenced by an Obligation and Parity Financial Product Extraordinary Payments), in the order of their due dates, and, if the amount available is not sufficient to pay in full all Required Payments due on the same date, then to the payment thereof ratably, according to the amount Required Payments due on such date, without any discrimination or preference;

Second: To the payment of all Financial Product Extraordinary Payments made pursuant to a Financial Product Agreement secured or evidenced by an Obligation (other than Parity Financial Product Extraordinary Payments), in the order of

their due dates, and, if the amount available is not sufficient to pay in full all Financial Product Extraordinary Payments due on the same date, then to the payment thereof ratably, according to the amounts of Financial Product Extraordinary Payments due on such date, without any discrimination or preference.

(b) If all Outstanding Obligations have become or have been declared due and payable (and such declaration has not been annulled under the terms of this Article):

First: To the payment of all Required Payments then due on the Obligations (including (i) Financial Product Payments to the extent made pursuant to a Financial Product Agreement secured or evidenced by an Obligation and (ii) Parity Financial Product Extraordinary Payments), and, if the amount available is not sufficient to pay in full the whole amount then due and unpaid, then to the payment thereof ratably, without preference or priority, according to the amounts due respectively, without any discrimination or preference; and

Second: To the payment of all Financial Product Extraordinary Payments made pursuant to a Financial Product Agreement secured or evidenced by an Obligation (other than Parity Financial Product Extraordinary Payments), and, if the amount available is not sufficient to pay in full all such Financial Product Extraordinary Payments, then to the payment thereof ratably, without any discrimination or preference.

Such moneys shall be applied at such times as the Master Trustee shall determine, having due regard for the amount of moneys available and the likelihood of additional moneys becoming available in the future. Upon any date fixed by the Master Trustee for the application of such moneys to the payment of principal, interest on the amounts of principal to be paid on such date shall cease to accrue. The Master Trustee shall give such notices as it may deem appropriate of the deposit with it of such moneys or of the fixing of such dates. The Master Trustee shall not be required to make payment to the Holder of any unpaid Obligation until such Obligation (and all unmatured interest coupons, if any) is presented to the Master Trustee for appropriate endorsement of any partial payment or for cancellation if fully paid.

Whenever all Obligations have been paid under the terms of this Section and all fees and expenses of the Master Trustee have been paid, any balance remaining shall be paid to the Person entitled to receive such balance. If no other Person is entitled thereto, then the balance shall be paid to the Members of the Obligated Group or to such Person as a court of competent jurisdiction may direct.

Section 4.05. Remedies Not Exclusive. No remedy granted by the terms of this Master Indenture is intended to be exclusive of any other remedy. Each remedy shall be cumulative and shall be in addition to every other remedy given hereunder or existing at law or in equity.

Section 4.06. Remedies Vested in the Master Trustee. All rights of action (including the right to file proof of claims) hereunder or under any of the Obligations may be enforced by the Master Trustee without the possession of any of the Obligations or the production thereof in any proceeding relating thereto. Any proceeding instituted by the Master Trustee may be brought in its name as the Master Trustee without the necessity of joining any Holders as plaintiffs or defendants. Subject to the provisions of Section 4.04 hereof, any recovery or judgment shall be for the equal benefit of the Holders of the Outstanding Obligations.

Section 4.07. Master Trustee to Represent Holders. The Master Trustee is hereby irrevocably appointed as trustee and attorney in fact for the Holders for the purpose of exercising on their behalf the rights and remedies available to the Holders under the provisions of this Master Indenture, the Obligations, any Related Supplement and applicable provisions of law, in each case subject to the provisions of Section 4.08. The Holders, by taking and holding the Obligations, shall be conclusively deemed to have so appointed the Master Trustee.

Section 4.08. Holders' Control of Proceedings. If an Event of Default has occurred and is continuing, notwithstanding anything herein to the contrary, the Holders of at least a majority in aggregate principal amount of Outstanding Obligations shall have the right (upon the indemnification of the Master Trustee to its satisfaction) to direct the method and/or place of conducting any proceeding to be taken in connection with the enforcement of the terms hereof. Such direction must be in writing, signed by such Holders and delivered to the Master Trustee. However, the Master Trustee shall not follow any such direction that is in conflict with any applicable law or the provisions hereof or is unduly prejudicial to the interests of the Holders not joining in such direction. Nothing in this Section shall impair the right of the Master Trustee to take any other action authorized by this Master Indenture that it may deem proper and that is not inconsistent with such direction by Holders.

Section 4.09. Termination of Proceedings. In case any proceeding instituted by the Master Trustee with respect to any Event of Default is discontinued or abandoned for any reason or is determined adversely to the Master Trustee or the Holders, then the Obligated Group Members, the Master Trustee and the Holders shall be restored to their former positions and rights hereunder. All rights, remedies and powers of the Master Trustee and the Holders shall continue as if no such proceeding had been taken.

Section 4.10. Waiver of Event of Default.

(a) No delay or omission of the Master Trustee or of any Holder to exercise any right with respect to any Event of Default shall impair such right or shall be construed to be a waiver of or acquiescence to such Event of Default. Every right and remedy given by this Article to the Master Trustee and the Holders may be exercised from time to time and as often as may be deemed expedient by them.

(b) The Master Trustee may waive any Event of Default that in its opinion has been remedied before the entry of a final judgment or decree in any proceeding instituted by it under the provisions hereof, or before the completion of the enforcement of any other remedy hereunder.

(c) Upon the written request of the Holders of at least a majority in aggregate principal amount of Outstanding Obligations, the Master Trustee shall waive any Event of Default hereunder and its consequences; provided, however, that, except under the circumstances set forth in subsection (b) of Section 4.02 hereof, the failure to pay the principal of, premium, if any, or interest on any Obligation when due may not be waived without the written consent of the Holders of all Outstanding Obligations.

(d) In case of any waiver by the Master Trustee of an Event of Default, the Obligated Group Members, the Master Trustee and the Holders shall be restored to their former positions and rights. No waiver shall extend to, or impair any right with respect to, any other Event of Default.

Section 4.11. Appointment of Receiver. Upon the occurrence and continuance of any Event of Default, the Master Trustee shall be entitled (a) without declaring the Obligations to be due and payable, (b) after declaring the Obligations to be due and payable, or (c) upon the commencement of any proceeding to enforce any right of the Master Trustee or the Holders, to the appointment of a receiver or receivers of any or all of the Property of the Obligated Group Members (without the necessity of notice to any Obligated Group Member or any other Person), with such powers as the court making such appointment shall confer. Each Obligated Group Member consents, subject to the imposition on the receiver of any applicable Government Restriction, and will if requested by the Master Trustee, consent at the time of application by the Master Trustee for appointment of a receiver, to the appointment of such receiver and agrees that such receiver may be given the right, to the extent the right may lawfully be given, to take possession of, operate and deal with such Property and the revenues, profits and proceeds therefrom, with the same effect as the Obligated Group Member could, and to borrow money and issue evidences of indebtedness as such receiver.

Section 4.12. Remedies Subject to Provisions of Law. All rights, remedies and powers provided by this Article may be exercised only to the extent that the exercise thereof does not violate any applicable provision of law or any Government Restriction. All the provisions of this Article are intended to be limited to the extent necessary so that they will not render any provision hereof invalid or unenforceable under the provisions of any applicable law or inconsistent with any Government Restriction.

Section 4.13. Notice of Default. Within thirty (30) days after a Responsible Officer of the Master Trustee has actual knowledge or has received written notice of the occurrence of an Event of Default, the Master Trustee shall mail notice of such Event of Default to all Holders, unless such Event of Default has been cured before the giving of such notice (the term "Event of Default" for the purposes of this Section being limited to the events specified in Section 4.01). Except in the case of default in the payment of the principal of or premium, if any, or interest on any of the Obligations and the Events of Default specified in subsections (f) and (g) of Section 4.01, the Master Trustee shall be protected in withholding such notice if and so long as the Master Trustee in good faith determines that the withholding of such notice is in the best interest of the Holders.

ARTICLE V

THE MASTER TRUSTEE

Section 5.01. Certain Duties and Responsibilities.

(a) Except during the continuance of an Event of Default:

(i) The Master Trustee, prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Master Indenture, and no implied covenant or obligation shall be read into this Master Indenture against the Master Trustee; and

(ii) In the absence of bad faith on its part, the Master Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Master Trustee and conforming to the requirements of this Master Indenture; but in the case of any certificate or opinion specifically required by the provisions hereof to be furnished to the Master Trustee, the Master Trustee shall be under a duty to examine such certificate or opinion to determine whether or not it conforms to the requirements of this Master Indenture on its face.

(b) In case an Event of Default has occurred and is continuing, the Master Trustee shall exercise such of the rights and powers vested in it by this Master Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(c) No provision of this Master Indenture shall be construed to relieve the Master Trustee from liability for its own negligent action, its own negligent failure to act or its own willful misconduct, except that:

(i) this subsection shall not be construed to limit the effect of subsection (a) of this Section;

(ii) the Master Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it is proved that the Master Trustee was negligent in ascertaining the pertinent facts;

(iii) the Master Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders given in accordance with Section 4.08; and

(iv) no provision of this Master Indenture shall require the Master Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or indemnity satisfactory to it against such risk or liability is not reasonably assured.

The Master Trustee will keep on file at its office a list of the names and addresses of the last known Holders of all Obligations and the serial numbers of such Obligations held by each of such Holders. At reasonable times and under reasonable regulations established by the Master Trustee, said list may be inspected and copied by the Obligated Group Members, any Obligation Holder or the authorized representative thereof, provided that the ownership of such Holder and the authority of any such designated representative shall be evidenced to the satisfaction of the Master Trustee.

(d) Every provision of this Master Indenture relating to the conduct of, affecting the liability of or affording protection to the Master Trustee shall be subject to the provisions of this Section.

Section 5.02. Certain Rights of Master Trustee. Subject to Section 5.01 hereof:

(a) The Master Trustee may conclusively rely upon any document believed by it to be genuine and to have been signed or presented by the proper party or parties.

(b) Any request or direction of the Obligated Group Representative mentioned herein shall be sufficiently evidenced by an Officer's Certificate. Any action of the Governing Body of any Obligated Group Member shall be sufficiently evidenced by a copy of a resolution certified by the secretary or an assistant secretary of the Obligated Group Member to have been duly adopted by the Governing Body and to be in full force and effect on the date of such certification and delivered to the Master Trustee.

(c) Whenever in the administration of this Master Indenture the Master Trustee shall deem it desirable that a matter be proved or established prior to taking, allowing or omitting any action hereunder, the Master Trustee may (in the absence of bad faith on its part and unless other evidence is specifically prescribed by this Master Indenture) request and conclusively rely upon an Officer's Certificate.

(d) The Master Trustee may consult with counsel of its selection, and any opinion of such counsel shall be full and complete authorization and protection with respect to any action taken, allowed or omitted by it hereunder in good faith and in reliance thereon.

(e) The Master Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Master Indenture at the request or direction of any of the Holders, unless such Holders shall have offered to the Master Trustee reasonable security or indemnity satisfactory to the Master Trustee against the costs, expenses and liabilities that might be incurred by it in compliance with such request or direction.

(f) The Master Trustee shall not be bound to make any investigation into the facts stated in any document delivered to it hereunder, but the Master Trustee, in its discretion, may make such further inquiry or investigation into such facts as it may see fit. If the Master Trustee determines to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of any Credit Group Member (excluding specifically donor records, patient records and personnel records), personally or by agent or attorney, during regular business hours and after reasonable notice.

(g) The Master Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or through agents, attorneys, custodians, or nominees. The Master Trustee shall not be responsible for any misconduct or negligence on the part of any agent, attorney, custodian, or nominee appointed by it with due care.

(h) The Master Trustee shall not be liable for any action taken, suffered, or omitted to be taken by it in good faith and reasonably believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Master Indenture.

(i) The Master Trustee shall not be deemed to have notice of any Default or Event of Default unless a Responsible Officer of the Master Trustee has actual knowledge thereof or unless written notice of any event that is in fact such a default is received by the Master Trustee at the Corporate Trust Office of the Master Trustee, and such notice references this Master Indenture.

(j) The Master Trustee shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Master Indenture or a Related Supplement and delivered using Electronic Means; provided, however, that the Obligated Group Representative shall provide to the Master Trustee an incumbency certificate listing officers with the Obligated Group Representative to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Obligated Group Representative whenever a person is to be added or deleted from the listing. If the Obligated Group Representative elects to give the Master Trustee Instructions using Electronic Means and the Master Trustee in its discretion elects to act upon such Instructions, the Master Trustee's understanding of such Instructions shall be deemed controlling. The Obligated Group Representative understands and agrees that the Master Trustee cannot determine the identity of the actual sender of such Instructions and that the Master Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Master Trustee have been sent by such Authorized Officer. The Obligated Group Representative shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Master Trustee and that the Obligated Group Representative and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Obligated Group Representative. The Master Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Master Trustee's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The Obligated Group Representative agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Master Trustee, including, without limitation, the risk of the Master Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Master Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Obligated Group Representative; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Master Trustee immediately upon learning of any compromise or unauthorized use of the

security procedures. "Electronic Means" for purposes of this Section shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Master Trustee, or another method or system specified by the Master Trustee as available for use in connection with its services hereunder.

(k) The Master Trustee shall not be liable to the parties hereto or deemed in breach or default hereunder if and to the extent its performance hereunder is prevented by reason of force majeure. The term "force majeure" means an occurrence that is beyond the control of the Master Trustee and could not have been avoided by exercising due care. Force majeure shall include acts of God, terrorism, war, riots, strikes, fire, floods, earthquakes, epidemics or other similar occurrences.

(l) The permissive right of the Master Trustee to do things enumerated in this Master Indenture shall not be construed as a duty and the Master Trustee shall not be answerable for other than its negligence or willful misconduct. The Master Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

(m) The Master Trustee shall have no responsibility with respect to any information, statement or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Obligations, except for any information provided by the Master Trustee, and shall have no responsibility for compliance with any state or federal securities laws in connection with the Obligations.

Section 5.03. Right to Deal in Obligations and Related Conduit Issuer Bonds. The Master Trustee may buy, sell or hold and deal in any Obligations and Related Conduit Issuer Bonds with the same effect as if it were not the Master Trustee. The Master Trustee may commence or join in any action that a Holder or holder of a Related Conduit Issuer Bond is entitled to take with the same effect as if the Master Trustee were not the Master Trustee.

Section 5.04. Removal and Resignation of the Master Trustee.

(a) The Master Trustee may be removed with thirty (30) days' notice by an instrument or instruments in writing signed by (i) the Holders of not less than a majority of the principal amount of Outstanding Obligations or (ii) (unless an Event of Default has occurred and is then continuing) the Obligated Group Representative.

(b) The Master Trustee may at any time resign by giving written notice of such resignation to the Obligated Group Representative.

(c) No such resignation or removal shall become effective unless and until a successor Master Trustee has been appointed and has assumed the trusts created hereby. Written notice of removal of the predecessor Master Trustee and/or appointment of the successor Master Trustee shall be given by the successor Master Trustee within ten (10) days of the successor's acceptance of appointment to the Obligated Group Members and to each Holder at the addresses shown on the books of the Master Trustee. A successor Master Trustee may be appointed at the direction of the Holders of not less than a majority in aggregate principal amount of Outstanding

Obligations, or, if the Master Trustee has resigned or has been removed by the Obligated Group Representative, by the Obligated Group Representative. In the event a successor Master Trustee has not been appointed and qualified within sixty (60) days of the date notice of resignation or removal is given, the Master Trustee, any Obligated Group Member or any Holder may apply at the expense of the Obligated Group Members to any court of competent jurisdiction for the appointment of an interim successor Master Trustee to act until such time as a permanent successor is appointed.

(d) Unless otherwise ordered by a court or regulatory body having competent jurisdiction, or unless required by law, any successor Master Trustee shall be a trust company or bank having the powers of a trust company as to trusts, qualified to do and doing trust business in one or more states of the United States of America and having an officially reported combined capital, surplus, undivided profits and reserves aggregating at least $50,000,000, if there is such an institution willing, qualified and able to accept the trust upon reasonable or customary terms.

(e) Every successor Master Trustee shall execute and deliver to its predecessor and to each Obligated Group Member a written instrument accepting such appointment. Upon the delivery of such acceptance, the successor Master Trustee shall become fully vested with all the rights, immunities, powers, trusts, duties and obligations of its predecessor. The predecessor shall execute and deliver to the successor Master Trustee a written instrument transferring to the successor Master Trustee all the rights, powers and trusts of the predecessor. The predecessor Master Trustee (upon payment of all amounts owed to it) shall execute any documents necessary or appropriate to convey all interest it may have to the successor Master Trustee. The predecessor Master Trustee shall promptly deliver all records relating to the trust or copies thereof and communicate all material information it may have obtained concerning the trust to the successor Master Trustee.

Section 5.05. Compensation and Reimbursement. Subject to the provisions of any specific agreement between the Obligated Group Representative and the Master Trustee relating to the compensation of the Master Trustee, each Obligated Group Member agrees:

(a) To pay the Master Trustee from time to time reasonable compensation for all services rendered by it hereunder (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust).

(b) Except as otherwise expressly provided herein, to reimburse the Master Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Master Trustee in accordance with any provision of this Master Indenture (including the reasonable compensation and the expenses and disbursements of its counsel and its agents), except any such expense, disbursement or advance as may be attributable to its negligence or bad faith.

(c) To indemnify each of the Master Trustee and its officers, directors, agents and employees and any predecessor Master Trustee for, and to hold it and them harmless against, any and all loss, liability, damages, claim or expense, including taxes (other than taxes based on the income of the Master Trustee) incurred without negligence or willful misconduct on its part, arising out of or in connection with the acceptance or administration of this trust or its duties

hereunder, including, without limitation, legal fees and expenses and the costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder.

When the Master Trustee incurs expenses or renders services in connection with an Event of Default specified in Section 4.01(e) or (f), the expenses (including the reasonable charges and expenses of its counsel) and the compensation for the services are intended to constitute expenses of administration under any applicable federal or state bankruptcy, insolvency or other similar law.

The provisions of this Section shall survive the termination of this Master Indenture and the removal or resignation of the Master Trustee.

Section 5.06. Recitals and Representations. The recitals, statements and representations contained herein or in any Obligation (excluding the Master Trustee's authentication on the Obligations) shall be taken and construed as made by and on the part of the Obligated Group Members, and not by the Master Trustee. The Master Trustee assumes no responsibility for the correctness of such statements.

The Master Trustee makes no representation as to, and is not responsible for, the validity or sufficiency of this Master Indenture or of the Obligations. The Master Trustee shall not be concerned with or accountable to anyone for the use or application of any moneys that shall be released or withdrawn in accordance with the provisions hereof.

Section 5.07. Separate or Co-Master Trustee. At any time, for the purpose of meeting any legal requirements of any jurisdiction, the Master Trustee may appoint one or more Persons either to act as co-master trustee with the Master Trustee, or to act as separate master trustee, and to vest in such Persons or Persons, such rights, powers, duties, trusts or obligations as the Master Trustee may consider necessary or desirable, subject to the remaining provisions of this Section, provided that doing so shall not impose a material burden on the Obligated Group Members (financial or otherwise).

Every co-master trustee or separate master trustee shall, to the extent permitted by law, be appointed subject to the following terms:

(a) The Obligations shall be authenticated and delivered solely by the Master Trustee.

(b) All rights, powers, trusts, duties and obligations conferred or imposed upon the trustees shall be conferred or imposed upon and exercised or performed as shall be provided in the instrument appointing such co-master trustee or separate master trustee, except to the extent that, under the law of any jurisdiction in which any particular act or acts are to be performed, the Master Trustee is incompetent or unqualified to perform such act or acts, in which event such act or acts shall be performed by such co-master trustee or separate master trustee.

(c) Any request in writing by the Master Trustee to any co-master trustee or separate master trustee to take or to refrain from taking any action hereunder shall be sufficient for the taking, or the refraining from taking, of such action by such Person.

(d) Any co-master trustee or separate master trustee may, to the extent permitted by law, delegate to the Master Trustee the exercise of any right, power, trust, duty or obligation, discretionary or otherwise.

(e) The Master Trustee may at any time, by an instrument in writing, accept the resignation of or remove any co-master trustee or separate master trustee appointed under this Section. Upon the request of the Master Trustee, the Obligated Group Members shall join with the Master Trustee in the execution, delivery and performance of all instruments and agreements necessary or proper to effectuate such resignation or removal.

(f) No trustee hereunder shall be personally liable by reason of any act or omission of any other trustee hereunder, nor will the act or omission of any trustee hereunder be imputed to any other trustee.

(g) Any demand, request, direction, appointment, removal, notice, consent, waiver or other action in writing delivered to the Master Trustee shall be deemed to have been delivered to each such co-master trustee or separate master trustee.

(h) Any moneys, papers, securities or other items of personal property received by any such co-master trustee or separate master trustee hereunder shall be turned over to the Master Trustee immediately.

Upon the acceptance in writing of such appointment by any co-master trustee or separate master trustee, such Person shall be vested with such rights, powers, duties or obligations as are specified in the instrument of appointment jointly with the Master Trustee (except insofar as local law makes it necessary for any such co-master trustee or separate master trustee to act alone) subject to all the terms hereof. Every such acceptance shall be filed with the Master Trustee. To the extent permitted by law, any co-master trustee or separate master trustee may, at any time by an instrument in writing, constitute the Master Trustee its attorney-in-fact and agent, with full power and authority to do all acts and things and to exercise all discretion on its behalf and in its name.

In case any co-master trustee or separate master trustee shall become incapable of acting, resign or be removed, all rights, powers, trusts, duties and obligations of such Person shall, so far as permitted by law, vest in and be exercised by the Master Trustee unless and until a successor co-master trustee or separate master trustee shall be appointed in the manner herein provided.

Section 5.08. Merger or Consolidation. Any company into which the Master Trustee may be merged or converted, or with which it may be consolidated, or any company resulting from any merger, conversion or consolidation to which it is a party, or any company to which the Master Trustee may sell or transfer all or substantially all of its corporate trust business (provided such company is eligible under Section 5.04) shall be the successor to the Master Trustee without the execution or filing of any paper or any further act.

ARTICLE VI

SUPPLEMENTS AND AMENDMENTS

Section 6.01. Supplements Not Requiring Consent of Holders. The Obligated Group Representative (acting for itself and as agent for each Obligated Group Member) and the Master Trustee may, without the consent of or notice to any of the Holders, enter into one or more Related Supplements for any of the following purposes:

(a) To correct any ambiguity or formal defect or omission in this Master Indenture;

(b) To correct or supplement any provision that may be inconsistent with any other provision, or to make any other provision with respect to matters or questions arising hereunder and that does not materially and adversely affect the interests of the Holders;

(c) To grant or confer ratably upon all of the Holders any additional rights, remedies, powers or authority, or to add to the covenants of and restrictions on the Obligated Group Members;

(d) To qualify this Master Indenture under the Trust Indenture Act of 1939, as amended, or corresponding provisions of federal law from time to time in effect;

(e) To create and provide for the issuance of an Obligation or Series of Obligations as permitted hereunder;

(f) To obligate a successor to any Obligated Group Member as provided in Section 3.07;

(g) To add a new Obligated Group Member as provided in Section 3.08;

(h) To make any change necessary or advisable to preserve the intent or effect of any provision hereof affected by amendment or replacement of the Code; or

(i) To make any other change that does not materially and adversely affect the interests of the Holders.

In entering into any Related Supplement, the Master Trustee may rely on an Opinion of Counsel as described in Section 6.03(a) hereof.

Section 6.02. Supplements Requiring Consent of Holders.

(a) Other than Related Supplements referred to in Section 6.01 hereof and subject to the terms contained in this Article, the Holders of not less than a majority in aggregate principal amount of the Outstanding Obligations shall have the right to consent to and approve the execution by the Obligated Group Representative (acting for itself and as agent for each Obligated Group Member) and the Master Trustee of such Related Supplements as shall be deemed necessary or desirable for the purpose of modifying, altering, amending, adding to or

rescinding any of the terms contained herein; provided, however, that nothing in this Section shall permit or be construed as permitting a Related Supplement that would:

(i) Extend the stated maturity of or time for paying interest on any Obligation or reduce the principal amount of or the redemption premium or rate of interest or change the method of calculating interest payable on or reduce any other Required Payment on any Obligation without the consent of the Holder of such Obligation;

(ii) Modify, alter, amend, add to or rescind any of the terms or provisions contained in Section 3.01 or Article IV hereof so as to affect the right of the Holders of any Obligations in default as to payment to compel the Master Trustee to declare the principal of all Obligations to be due and payable, or the priority of payment of Obligations, without the consent of the Holders of all Outstanding Obligations; or

(iii) Reduce the aggregate principal amount of Outstanding Obligations the consent of the Holders of which is required to authorize such Related Supplement without the consent of the Holders of all Obligations then Outstanding.

(b) The Master Trustee may execute a Related Supplement (in substantially the form delivered to it as described below) without liability or responsibility to any Holder (whether or not such Holder has consented to the execution of such Related Supplement) if the Master Trustee receives:

(i) a request of the Obligated Group Representative to enter into such Related Supplement; and

(ii) a certified copy of the resolution of the Governing Body of the Obligated Group Representative approving the execution of such Related Supplement; and

(iii) the proposed Related Supplement; and

(iv) an instrument or instruments executed by the Holders of not less than the aggregate principal amount or number of Obligations specified in subsection (a) for the Related Supplement in question which instrument or instruments shall refer to the proposed Related Supplement and shall specifically consent to and approve the execution thereof in substantially the form of the copy thereof as on file with the Master Trustee.

(c) Any such consent shall be binding upon the Holder of the Obligation giving such consent and upon any subsequent Holder of such Obligation and of any Obligation issued in exchange therefor (whether or not such subsequent Holder thereof has notice thereof), unless such consent is revoked in writing by the Holder of such Obligation giving such consent or by a subsequent Holder thereof by filing with the Master Trustee, prior to the execution by the Master Trustee of such Related Supplement, such revocation and, if such Obligation or Obligations are transferable by delivery, proof that such Obligations are held by the signer of such revocation. At any time after the Holders of the required principal amount or number of Obligations shall have filed their consents to the Related Supplement, the Master Trustee shall file a written statement to that effect with the Obligated Group Representative. Such written statement shall be conclusive evidence that such consents have been so filed.

(d) If the Holders of the required principal amount or number of the Outstanding Obligations have consented to the execution of such Related Supplement, no Holder shall have any right to object to the execution thereof, to object to any of the terms and provisions contained therein or the operation thereof, to question the propriety of the execution thereof or to enjoin or restrain the Master Trustee or the Obligated Group Representative from executing such Related Supplement or from taking any action pursuant to the provisions thereof.

Section 6.03. Execution and Effect of Supplements.

(a) In executing any Related Supplement permitted by this Article, the Master Trustee shall be entitled to receive and to rely upon an Opinion of Counsel stating that the execution of such Related Supplement is authorized or permitted hereby. The Master Trustee may (but shall not be obligated to) enter into any Related Supplement that materially and adversely affects the Master Trustee's own rights, duties or immunities.

(b) Upon the execution and delivery of any Related Supplement in accordance with this Article, the provisions of this Master Indenture shall be deemed modified in accordance therewith. Such Related Supplement shall form a part hereof for all purposes and every Holder shall be bound thereby.

(c) Any Obligation authenticated and delivered after the execution and delivery of any Related Supplement in accordance with this Article may, and, if required by the Obligated Group Representative or the Master Trustee shall, bear a notation in form approved by the Master Trustee as to any matter provided for in such Related Supplement. If the Obligated Group Representative or the Master Trustee shall so determine, new Obligations so modified as to conform in the opinion of the Master Trustee and the Governing Body of the Obligated Group Representative to any such Related Supplement may be prepared and executed by the Obligated Group Representative and authenticated and delivered by the Master Trustee in exchange for and upon surrender of Obligations then Outstanding.

Section 6.04. Amendment of Related Supplements. Any Related Supplement may provide that the provisions thereof may be amended without the consent of or notice to any of the Holders, or pursuant to such terms and conditions as may be specified in such Related Supplement. If a Related Supplement does not contain provisions relating to the amendment thereof, the amendment of such Related Supplement shall by governed by the provisions of Section 6.01 and Section 6.02 hereof.

ARTICLE VII

SATISFACTION AND DISCHARGE

Section 7.01. Satisfaction and Discharge of Master Indenture. This Master Indenture shall cease to be of further effect (except for Section 5.05 hereof, which shall survive) if:

(a) all Obligations previously authenticated (other than any Obligations that have been mutilated, destroyed, lost or stolen and that have been replaced or paid as provided in any Related Supplement) and not cancelled are delivered to the Master Trustee for cancellation; or

(b) all Obligations not previously cancelled or delivered to the Master Trustee for cancellation are paid; or

(c) an Irrevocable Deposit is made in trust with the Master Trustee (or with one or more banks, national banking associations or trust companies acceptable to the Master Trustee pursuant to one or more agreements between an Obligated Group Member and such national banking associations or trust companies in form acceptable to the Master Trustee) in cash or Government Obligations or both, sufficient to pay at maturity or upon redemption all Obligations not previously cancelled or delivered to the Master Trustee for cancellation, including principal and interest or other payments (including Financial Product Payments and Financial Product Extraordinary Payments evidenced by an Obligation) due or to become due to such date of maturity, redemption date or payment date, as the case may be; and all other sums payable hereunder by the Obligated Group Members are also paid. The Master Trustee, on demand of the Obligated Group Representative and at the cost and expense of the Obligated Group Members, shall execute proper instruments acknowledging satisfaction of and discharging this Master Indenture and authorizing the Obligated Group Representative to file such terminations and releases as may be necessary to evidence the termination of the Master Trustee's security interest in the Gross Receivables. The Master Trustee shall be entitled to receive a verification report of an independent accounting firm in connection with the discharge of Obligations pursuant to this subsection (c).

The Obligated Group Members shall pay and indemnify the Master Trustee against any tax, fee or other charge imposed on or assessed against the Government Obligations deposited pursuant to this Section 7.01 or the principal and interest received in respect thereof other than any such tax, fee or other charge that by law is for the account of the Holders of Outstanding Obligations.

Section 7.02. Payment of Obligations After Discharge of Lien. Notwithstanding the discharge of the lien of this Master Indenture as provided in this Article, the Master Trustee shall retain such rights, powers and duties as may be necessary and convenient for the payment of amounts due or to become due on the Obligations and for the registration, transfer, exchange and replacement of Obligations. Any moneys held by the Master Trustee for the payment of the principal of, premium, if any, or interest or other Required Payment on any Obligation remaining unclaimed for one year after the principal of all Obligations has become due and payable, whether at maturity, upon proceedings for redemption or by declaration as provided herein, shall then be paid to the Obligated Group Members. The Holders of any Obligations or coupons not previously presented for payment shall thereafter be entitled to look only to the Obligated Group Members for payment thereof as unsecured creditors and all liability of the Master Trustee with respect to such moneys shall thereupon cease.

ARTICLE VIII

MISCELLANEOUS PROVISIONS

Section 8.01. Limitation of Rights. With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Master Indenture or the Obligations is intended or shall be construed to give to any Person other than each Obligated

Group Member, the Master Trustee, the Related Conduit Issuer Bonds Issuers and the Holders any legal or equitable right, remedy or claim under or with respect to this Master Indenture. This Master Indenture and all of the covenants, conditions and provisions hereof are intended to be and are for the sole and exclusive benefit of the parties mentioned in this Section.

Section 8.02. Severability. If any part of this Master Indenture is for any reason held invalid or unenforceable, no other part shall be invalidated or deemed unenforceable.

Section 8.03. Holidays. Except to the extent a Related Supplement or an Obligation provides otherwise:

(a) Subject to subsection (b), when any action is provided herein to be done on a day or within a time period named, and the day or the last day of the period falls on a day on which banking institutions in the Commonwealth or in the jurisdiction where the Corporate Trust Office is located are authorized by law to remain closed, the action may be done on the next ensuing day that is not a day on which banking institutions in such jurisdiction are authorized by law to remain closed, with the same effect as if done on the day or within the time period named.

(b) When the date on which principal of or interest or premium on any Obligation is due and payable is a day on which banking institutions at the place of payment are authorized by law to remain closed, payment may be made on the next ensuing day on which banking institutions at such place are not authorized by law to remain closed with the same effect as if payment were made on the due date, and, if such payment is made, no interest shall accrue from and after such due date.

Section 8.04. Credit Enhancer Deemed Holder of Obligation. Except to the extent a Related Supplement or an Obligation provides otherwise, any credit enhancer of Related Conduit Issuer Bonds shall be deemed the Holder of the related Obligation for purposes of this Master Indenture for so long as the credit enhancement is in effect and the credit enhancer is not in default thereunder. If the credit enhancement is applicable to a portion of Related Conduit Issuer Bonds, such related Obligation shall be treated as if such related Obligation were two Obligations, one in the principal amount of the Related Conduit Issuer Bonds for which the credit enhancement is applicable and another in the principal amount of the remainder of the Related Conduit Issuer Bonds.

Section 8.05. Governing Law. This Master Indenture and the Obligations are contracts made under the laws of the Commonwealth, and shall be governed by and construed in accordance with such laws applicable to contracts made and performed in said Commonwealth.

Section 8.06. Counterparts. This Master Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute one instrument.

Section 8.07. Immunity of Individuals. No recourse shall be had for the payment of the principal of, premium, if any, or interest on any of the Obligations issued hereunder or for any claim based thereon or upon any obligation, covenant or agreement herein against any past, present or future officer, director, trustee, member, employee or agent of any Obligated Group Member that is a corporation, whether directly or indirectly. All liability of any such individual

is hereby expressly waived and released as a condition of and in consideration for the execution hereof and the issuance of the Obligations.

Section 8.08. Binding Effect. This instrument shall inure to the benefit of and shall be binding upon each Obligated Group Member, the Master Trustee and their respective successors and assigns, subject to the limitations contained herein.

Section 8.09. No Third Party Beneficiary. This Master Indenture is not intended for the benefit of, and shall not be construed to create, rights in parties other than the Obligated Group, the Obligated Group Representative, the Master Trustee, and the Holders.

Section 8.10. Notices.

(a) Unless otherwise expressly specified or permitted by the terms hereof, all notices, consents or other communications required or permitted hereunder shall be in writing and shall be deemed sufficiently given or served if given: (i) by facsimile or electronic mail with prompt telephonic confirmation of receipt; (ii) personally by hand; (iii) by overnight delivery service; or (iv) by first class mail, postage prepaid and addressed as follows:

(i) If to the Obligated Group Representative, addressed to it at: Grand View Hospital, 700 Lawn Avenue, Sellersville, Pennsylvania 18960-1548, Attention: Chief Financial Officer;

(ii) If to the Master Trustee, addressed to it at the Corporate Trust Office; or

(iii) If to the registered Holder of an Obligation, addressed to such Holder at the address shown on the books of the Master Trustee.

(b) The Obligated Group Representative or the Master Trustee may from time to time designate a different address or addresses for notice by notice in writing to the others and to the Holders.

IN WITNESS WHEREOF, the Members of the Obligated Group have caused this Master Indenture to be signed in its name by its duly authorized officer, and to evidence its acceptance of the trusts and agreements hereby created, all as of the day and year first above written. The Master Trustee has caused this Master Indenture to be signed in its name by one of its duly authorized officers, all as of the day and year first above written.

GRAND VIEW HOSPITAL

By _____

Authorized Representative

THE GRAND VIEW HEALTH FOUNDATION

By _____

Authorized Representative

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.

By _____

Authorized Representative

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APPENDIX A

EXISTING PERMITTED LIENS

THIS SUPPLEMENTAL MASTER TRUST INDENTURE NO. 1 made and entered into as of March 1, 2021 (this "Supplement No. 1") by and between **GRAND VIEW HOSPITAL**, a Pennsylvania not-for-profit corporation (the "Corporation"), as the Obligated Group Representative (the "Obligated Group Representative"), on behalf of itself, all other current Members of the Obligated Group (as defined herein) and any entities as may hereafter join the Obligated Group, and **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**, a national banking association organized and existing under and by virtue of the laws of the United States, as master trustee (together with any successor to its rights, duties, and obligations hereunder, the "Master Trustee") under the Master Trust Indenture dated as of March 1, 2021 (the "Master Indenture"), by and among the Obligated Group and the Master Trustee.

W I T N E S S E T H :

WHEREAS, the Obligated Group and the Master Trustee have entered into the Master Indenture which provides for the issuance by the Obligated Group of obligations thereunder upon the Obligated Group Representative, on behalf of the Obligated Group, and the Master Trustee entering into an indenture supplemental to the Master Indenture; and

WHEREAS, the Obligated Group desires to issue an obligation ("Obligation No. 1") hereunder to evidence the obligation of the Obligated Group with respect to the obligations of the Obligated Group arising under and pursuant to the Loan Agreement, dated as of March 1, 2021, between the Obligated Group Representative and Bucks County Industrial Development Authority (the "Issuer") with respect to the Issuer's Hospital Revenue Bonds (Grand View Hospital Project), Series 2021 (the "Series 2021 Bonds"); and

WHEREAS, the Obligated Group Representative hereby certifies that all acts and things necessary to constitute this Supplement No. 1 a valid indenture and agreement according to its terms have been done and performed, and the Obligated Group Representative has duly authorized the execution and delivery hereof and of the Obligation No. 1 created hereby; and

WHEREAS, pursuant to Section 6.01 of the Master Indenture, the Obligated Group Representative, acting for itself and as agent for each Member, and the Master Trustee may enter into a supplement to the Master Indenture in order to add the covenants or restriction of the Members; and

NOW, THEREFORE, in consideration of the premises, of the acceptance by the Master Trustee of the trusts hereby created, and of the giving of consideration for and acceptance of Obligation No. 1 issued hereunder for the benefit of the Bond Trustee (as defined herein) acting on behalf of the beneficial owners of the Series 2021 Bonds (the "Holder"), the Obligated Group Representative covenants and agrees with the Master Trustee, for the equal and proportionate benefit of the Holder from time to time of Obligation No. 1 created hereby and by the Master Indenture, as follows:

Section 1. Definitions. Unless otherwise required by the context, all terms used herein which are defined in the Master Indenture or if not defined in the Master Indenture, the Loan Agreement (as defined herein), shall have the meanings assigned therein, except as set forth below.

"Bond Trustee" shall mean The Bank of New York Mellon Trust Company, N.A., in its capacity as trustee under the Indenture, or any successor thereto.

"Days Cash on Hand" means, for the Credit Group, as of any date, the product of 365 times (i) the unrestricted cash and cash equivalents plus unrestricted securities and other unrestricted investments (in accordance with GAAP) as reflected in the Credit Group Financial Statements of the most recent Fiscal Year, plus board and management designated assets and interest funds in any trusteed funds which are to be applied to the current Fiscal Year's interest expense, divided by (ii) the operating expenses of the Credit Group as reflected in the Credit Group Financial Statements of the most recent Fiscal Year, excluding from such expenses: (a) depreciation and amortization, (b) any amount included in the operating and non-operating expenses representing bad debt expense, and (c) any extraordinary or non-recurring items.

"Defeasance Obligations" means the Defeasance Obligations as set forth in the definition thereof in Appendix A of the Loan Agreement.

"Indenture" means the Trust Indenture, dated as of March 1, 2021, between the Issuer and the Bond Trustee.

"Issuer" means the Bucks County Industrial Development Authority, and any legal successor or successors thereto.

"Loan Agreement" means the Loan Agreement, dated as of March 1, 2021, between the Issuer and the Corporation, as amended or supplemented, pursuant to which the proceeds of the Series 2021 Bonds have been loaned to the Corporation.

"Obligation No. 1" means the Grand View Health Obligated Group Obligation No. 1 issued pursuant to the Master Indenture and Section 2 of this Supplement No. 1.

"Supplement No. 1" shall mean this Supplemental Master Trust Indenture No. 1, dated as of March 1, 2021, between the Obligated Group Representative, on behalf of the Members of the Obligated Group, and the Master Trustee.

Section 2. Issuance of Obligation No. 1; Maturity or Expiration of Term of Obligation No. 1. There is hereby created and authorized to be issued an Obligation of the Obligated Group in the principal amount of $285,000,000. The Obligation shall be dated March 11, 2021, shall be designated "Grand View Health Obligated Group Obligation No. 1" and shall be payable in such amounts, at such times and in such manner and shall have such other terms and provisions as are set forth in the form of Obligation No. 1 as provided in Section 13 hereof.

The principal amount of Obligation No. 1 issued hereunder is limited to $285,000,000, except for any Obligation No. 1 authenticated and delivered in lieu of another Obligation No. 1 as provided in Section 6 hereof, upon mutilation, destruction, loss or theft of Obligation No. 1, or subject to the provisions of Section 9 hereof, upon transfer or registration of Obligation No. 1 as provided in Section 5 hereof.

Upon the final maturity of the Series 2021 Bonds or payment by the Obligated Group of a sum, in cash or Defeasance Obligations, or both sufficient, together with any other

cash and Defeasance Obligations held by the Bond Trustee and available for such purpose, to cause all Outstanding Bonds to be deemed to have been paid within the meaning of Article XII of the Indenture and to pay all other amounts referred to in Article XII of the Indenture, accrued and to be accrued to the date of discharge of the Indenture, Obligation No. 1 shall be deemed to have been paid and to be no longer Outstanding under the Master Indenture.

Section 3. Payments on Obligation No. 1; Credits

(a) Principal of and interest on Obligation No. 1 are payable in any coin or currency of the United States of America that on the payment date is legal tender for the payment of public and private debts. Except as provided in subsection (b) of this Section with respect to credits, and Section 4 hereof regarding prepayment, payments on the principal of and interest on Obligation No. 1 shall be made at the times and in the manner set forth in such Obligation No. 1 by the Obligated Group (i) depositing the same with or to the account of the Bond Trustee at or prior to the opening of business on the day such payments shall become due or payable (or on the next succeeding business day if such date is a Saturday, Sunday or bank holiday in the city in which the principal corporate trust office of the Bond Trustee is located) and (ii) giving a notice to the Master Trustee and the Bond Trustee of each payment of principal or interest on Obligation No. 1 specifying the amount paid, and identifying such payment as a payment on Obligation No. 1.

(b) The Obligated Group shall receive credit for payment on Obligation No. 1, in addition to any credits resulting from payment or prepayment from other sources as follows:

(i) On installments of interest on Obligation No. 1 in an amount equal to moneys deposited in the Debt Service Fund created under the Indenture which amounts are available to pay interest on the Series 2021 Bonds, to the extent such amounts have not previously been credited against payments on Obligation No 1;

(ii) On installments of principal on Obligation No. 1 in an amount equal to moneys deposited in the Debt Service Fund created under the Indenture which amounts are available to pay principal on the Series 2021 Bonds, to the extent such amounts have not previously been credited against payments on Obligation No 1;

(iii) On installments of principal of and interest on Obligation No. 1 in an amount equal to the principal amount of Series 2021 Bonds which have been called by the Bond Trustee for redemption prior to maturity and for the redemption of which sufficient amounts (as determined by Section 12.1 of the Indenture) in cash or Defeasance Obligations are on deposit as provided in Section 12.1 of the Indenture, to the extent such amounts have not been previously credited against payments on Obligation No. 1, and the interest on such Series 2021 Bonds from and after the date of such notice to the date fixed for redemption thereof. Such credits shall be made against the installments of principal of and interest on Obligation No. 1 which would be due, but for such call for redemption, to pay principal of and interest on such Series 2021 Bonds when due at maturity; and

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(iv) On installments of principal and interest, respectively, on Obligation No. 1 in an amount equal to the principal amount of Series 2021 Bonds acquired by, or on behalf of, the Obligated Group and delivered to the Bond Trustee for cancellation or purchased by the Bond Trustee and cancelled, and the interest on such Series 2021 Bonds from and after the date interest thereon has been paid prior to cancellation. Such credits shall be made against the installments of principal of and interest on Obligation No. 1 that would have been used, but for such cancellation, to pay principal of and interest on such Series 2021 Bonds when due and, with respect to Series 2021 Bonds called for mandatory redemption, against principal installments that would have been used to pay Series 2021 Bonds of the same maturity.

Subject to the receipt by the Master Trustee of notice of the failure of the Obligated Group to make the foregoing payments as and when due from the Holder of Obligation No. 1, the Master Trustee may conclusively assume that such payments were made and corresponding credit on Obligation No. 1 shall be deemed to have occurred.

Section 4. Prepayment of Obligation No. 1.

(a) So long as all amounts that have become due under Obligation No. 1 have been paid, the Obligated Group shall have the right, at any time and from time to time, to pay in advance and in any order of due dates all or part of the amounts to become due under Obligation No. 1. Prepayments may be made by payments of cash or surrender of Series 2021 Bonds, as contemplated by Section 3(b)(iii) and Section 3(b)(iv) hereof. All such prepayments shall be deposited upon receipt in the Debt Service Fund and, at the request of and as determined by the Obligated Group, credited against payments due under Obligation No. 1 or used for the redemption or purchase of Outstanding Bonds in the manner and subject to the terms and conditions set forth in Article IV of the Indenture. Notwithstanding any such redemption or surrender of Series 2021 Bonds, as long as any Series 2021 Bond remains Outstanding under the Indenture or any additional payments required to be made hereunder remain unpaid, the Obligated Group shall not be relieved of its obligations hereunder.

(b) Prepayments made under subsection (a) of this Section shall be credited against amounts to become due on Obligation No. 1 as provided in Section 3 hereof.

(c) The Obligated Group may also prepay all of its indebtedness under Obligation No. 1 by providing for prepayment of the Bonds in accordance with Article XII of the Indenture.

Section 5. Registration, Number, Negotiability and Transfer of Obligation No. 1.

(a) Except as provided in subsection (b) of this Section, so long as any Series 2021 Bonds remains Outstanding, Obligation No. 1 shall consist of a single Obligation without coupons registered as to principal and interest in the name of the Issuer and no transfer of Obligation No. 1 shall be registered under the Master Indenture except for transfers to successors designated in writing to the Master Trustee by the Issuer.

(b) Upon the principal of all Obligations then Outstanding being declared immediately due and payable upon and during the continuance of an Event of Default, Obligation No. 1 may be transferred if and to the extent the Bond Trustee requests that the restrictions of subsection (a) of this Section on transfer be terminated.

Section 6. Mutilated, Destruction, Loss and Theft of Obligation No. 1. If (i) Obligation No. 1 is surrendered to the Master Trustee in a mutilated condition or the Obligated Group Representative, the Members of the Obligated Group and the Master Trustee receive evidence to their satisfaction of the destruction, loss or theft of Obligation No. 1, and (ii) there is delivered to the Obligated Group Representative, the Members of the Obligated Group and the Master Trustee such security or indemnity as may be required by them to hold them harmless, then, in the absence of proof satisfactory to the Obligated Group Representative, the Members of the Obligated Group and the Master Trustee that Obligation No. 1 has been acquired by a bona fide purchaser and upon the Holder's paying the reasonable expenses of the Obligated Group Representative, the Members of the Obligated Group and the Master Trustee, the Obligated Group Representative shall cause to be executed and the Master Trustee shall authenticate and deliver in exchange for such mutilated Obligated No. 1 or in lieu of such destroyed, lost or stolen Obligation No. 1, a new Obligation No. 1 of like principal amount, date and tenor. If any such mutilated, destroyed, lost or stolen Obligation No. 1 has become or is about to become due and payable, Obligation No. 1 may be paid when due instead of delivering a new Obligation No. 1.

Section 7. Execution and Authentication of Obligation No. 1. Obligation No. 1 shall be executed for and on behalf of the Obligated Group Representative by its Authorized Representative. The signature of such officer may be mechanically or photographically reproduced on Obligation No. 1. If any officer whose signature appears on Obligation No. 1 ceases to be such officer before delivery thereof, such signature shall remain valid and sufficient for all purposes as if such officer had remained in office until such delivery. Obligation No. 1 shall be manually authenticated by an authorized officer of the Master Trustee, without which authentication Obligation No. 1 shall not be entitled to the benefits hereof.

Section 8. Right to Redeem. Obligation No. 1 shall be subject to redemption, in whole or in part, prior to maturity at the times and in the amounts applicable to redemption of the Series 20201 Bonds as specified in the Indenture and in the manner provided herein; provided that in no event shall any portion of Obligation No. 1 be redeemed unless a corresponding amount of Series 2021 Bonds is also redeemed.

Section 9. Partial Redemption of Obligation No. 1. Upon the selection and call for redemption, and the surrender, of Obligation No. 1 for redemption in part only, the Obligated Group Representative shall cause to be executed and the Master Trustee shall authenticate and deliver to, upon the written order of, the Holder thereof, at the expense of the Obligated Group, a new Obligation No. 1 in principal amount equal to the unredeemed portion of Obligation No. 1, which new Obligation No. 1 shall be a fully registered Obligation without coupons.

The Obligated Group Representative may agree with the Holder of Obligation No. 1 that such Holder may, in lieu of surrendering Obligation No. 1 for a new fully registered Obligation without coupons, endorse on Obligation No. 1 a notice of such partial redemption, which notice shall set forth, over the signature of such Holder, the payment date, the principal amount

redeemed and the principal amount remaining unpaid. Such partial redemption shall be valid upon payment of the amount thereof to the Holder of Obligation No. 1 and the Obligated Group and the Master Trustee shall be fully released and discharged from all liability to the extent of such payment irrespective of whether such endorsement shall or shall not have been made upon the reverse of Obligation No. 1 by the Holder thereof and irrespective of any error or omission in such endorsement.

Section 10. Effect of Call for Redemption. On the date designated for redemption by notice given as herein provided, Obligation No. 1, or the part thereof called for redemption, shall become and be due and payable at the redemption price provided for redemption of Obligation No. 1 or the part thereof called for redemption on such date. If, on the date fixed for redemption, moneys for payment of the redemption price and accrued interest are held by the Master Trustee or the Paying Agent, interest on Obligation No. 1, or the part thereof called for redemption, shall cease to be entitled to any benefit or security under the Master Indenture except the right to receive payment from the moneys held by the Master Trustee or the Paying Agent and the amount of Obligation No. 1 so called for redemption shall be deemed paid and no longer Outstanding.

Section 11. Days Cash on Hand. The following covenant and provision in this Section 11 shall be for the benefit of the Holders of the Series 2021 Bonds.

(a) The Obligated Group shall maintain Days Cash on Hand of at least forty (40) days at the end of each Fiscal Year. Within one hundred fifty (150) days after the end of each Fiscal Year, the Obligated Group shall furnish to the Master Trustee an Officer's Certificate stating, based on calculations shown in such Officer's Certificate, that the requirement of the foregoing sentence was met at the end of the Fiscal Year, calculated as of the end of such Fiscal Year based on the Credit Group Financial Statements for such Fiscal Year. If the Days Cash on Hand, as so calculated at the end of any Fiscal Year, is less than forty (40) days, the Obligated Group covenants to retain an Independent Consultant to make recommendations to increase the Days Cash on Hand for subsequent Fiscal Years to the levels required or, if in the opinion of the Independent Consultant the attainment of such level is impracticable, to the highest practicable level. Each Member of the Obligated Group, respectively, agrees that it will, to the extent permitted by law and subject to any applicable governmental regulations, contractual, third-party payor, fiduciary and other restrictions and limitations on its legal authority, substantially follow the recommendations of the Independent Consultant or file with the Master Trustee its reasons for not following the recommendations. So long as the Obligated Group shall retain an Independent Consultant and each Member of the Obligated Group shall follow such Independent Consultant's recommendations except as set forth above, this Section shall be deemed to have been complied with even if the Days Cash on Hand for any subsequent Fiscal Year is less than forty (40). If at the end of any Fiscal Year the Days Cash on Hand is less than forty (40), the Obligated Group will not be required to retain an Independent Consultant to make such recommendations if a written report of an Independent Consultant is filed with the Master Trustee which contains an opinion of such Independent Consultant that (i) applicable laws or regulations have prevented the maintenance of forty (40) Days Cash on Hand, (ii) the Members of the Obligated Group have generated the maximum amount of Income Available for Debt Service which in the opinion of such Independent Consultant could reasonably have been generated given such laws and regulations during the period affected thereby and (iii) the Days

Cash on Hand actually achieved was at least thirty (30). The Obligated Group shall not be required to cause the Independent Consultant's report referred to in this paragraph to be prepared more frequently than once every two (2) Fiscal Years if at the end of the first of such two Fiscal Years the Obligated Group provides to the Master Trustee (who shall provide a copy to each Holder, Related Bond Trustee and Related Bond Issuer) an Opinion of Counsel (which counsel and opinion, including without limitation the scope, form, substance and other aspects thereof, are acceptable to the Master Trustee) to the effect that the applicable laws and regulations underlying the Independent Consultant's report delivered in respect of the previous Fiscal Year have not changed in any material way. Notwithstanding any provision of this Section 11 to the contrary, if at the end of any Fiscal Year the Days Cash on Hand is less than thirty (30), then the Obligated Group shall be deemed to be in default hereunder.

Section 12. Form of Obligations. Obligation No. 1 shall be in substantially the form set forth in Exhibit A hereto with such necessary and appropriate omissions, insertions and variations as are permitted or required hereby or by the Master Indenture and that are approved by the officer executing such Obligation No. 1 on behalf of the Obligated Group Representative and the execution thereof by such officer shall constitute conclusive evidence of such approval.

Section 13. Financial Reporting.

(a) For so long as Obligation No. 1 and/or any Series 2021 Bonds remain Outstanding, the Obligated Group Representative shall provide financial information as set forth in Section 3.13 of the Master Indenture.

(b) In the event of a failure of the Obligated Group Representative to comply with any provision of this Section 13 shall be limited solely to a right, by action in mandamus or for specific performance to compel performance of the Obligated Group Representative's obligation under this Section 13 and not for money damages in any amount. Any failure by the Obligated Group Representative to perform in accordance with this Section 13 shall not constitute a default under this Supplement No. 1 or the Master Indenture, and all rights and remedies shall be limited to those expressly stated herein.

Section 14. Specification of Purpose of Issue. The proceeds from the execution and delivery of the Series 2021 Bonds under the Indenture shall be used for the purposes described in the Indenture.

Section 15. Ratification of Master Indenture. As supplemented hereby, the Master Indenture is in all respects ratified and confirmed and the Master Indenture as so supplemented hereby shall be read, taken and construed as one and the same instrument. This Supplemental Master Indenture hereby incorporates by reference into this Supplemental Master Indenture the terms and provisions of the Master Indenture.

Section 16. Severability. If any provision of this Supplement No. 1 shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case and in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases, because it conflicts with any other provision or provisions hereof or any constitution, statute, rule or public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in

question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatever.

The invalidity of any one or more phrases, sentences, clauses, sections or subsections contained in this Supplement No. 1 shall not affect the remaining portions of this Supplement No. 1 or any part thereof.

Section 17. No Third Party Beneficiary. This Supplement No. 1 is not intended for the benefit of, and shall not be construed to create, rights in parties other than the Obligated Group, the Obligated Group Representative, the Master Trustee and the Holders.

Section 18. Governing Law. This Supplement No. 1 shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.

Section 19. Counterparts. This Supplemental Master Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute one instrument.

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IN WITNESS WHEREOF, the Obligated Group Representative has caused these presents to be signed in its name and on its behalf and attested by a duly authorized officer of the Obligated Group Representative, and to evidence its acceptance of the trusts hereby created the Master Trustee has caused these presents to be signed in its name and on its behalf by its duly authorized officer, all as of the day and year first above written.

GRAND VIEW HEALTH, as Obligated Group Representative

By: _____

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Master Trustee

By: _____
Authorized Officer

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EXHIBIT A

[FORM OF OBLIGATION]

THIS OBLIGATION HAS NOT BEEN REGISTERED
UNDER THE SECURITIES ACT OF 1933, AS AMENDED

GRAND VIEW HEALTH OBLIGATED GROUP
OBLIGATION NO. 1

$285,000,000 **_____, 2021**

KNOW ALL BY THESE PRESENT that **GRAND VIEW HOSPITAL**, a Pennsylvania not-for-profit corporation (the "Hospital"), as Obligated Group Representative, on behalf of itself, all other current Members of the Obligated Group and any entities as may hereafter join the Obligated Group established pursuant to that certain Master Indenture (as defined herein) (collectively, the "Obligated Group"), for value received, hereby acknowledges that the Obligated Group is obligated to, and promises to pay to, The Bank of New York Mellon Trust Company, N.A., as bond trustee (along with any successor, the "Bond Trustee"), as assignee of the Bucks County Industrial Development Authority (the "Issuer"), under the Loan Agreement, dated as of March 1, 2021 (the "Loan Agreement"), between the Issuer and the Obligated Group Representative, the principal sum of $285,000,000, and to pay interest on the unpaid balance of said sum from the date hereof on the dates and in the manner hereinafter described Capitalized terms used and not otherwise defined herein shall have the meanings assigned to such terms in the Master indenture, or if not defined din the Master Indenture, shall have the meaning assigned to such terms in the Loan Agreement.

This Obligation No. 1 is single Obligation (as such term is defined in the Master Indenture) a duly of the Obligated Group, limited to $285,000,000 in principal amount (except as provided in the Loan Agreement and the Master Indenture hereinafter identified), designated as "Grand View Health Obligated Group Obligation No. 1" (this "Obligation" or this "Obligation No. 1,") issued under and pursuant to Supplemental Master Trust Indenture for Obligated No. 1, dated as of March 1, 2021 (the "Supplemental Master Indenture"), between the Obligated Group Representative and The Bank of New York Mellon Trust Company, N.A., as master trustee (the "Master Trustee") supplementing and amending the Master Trust Indenture, dated as of March 1, 2021, (the "Master Trust Indenture"). The Master Trust Indenture, as supplemented and amended, is hereinafter called the "Master Indenture."

Principal hereof and interest hereon are payable, in any coin or currency of the United States of America that on the payment date is legal tender for the payment of public and private debts, on the dates and in the amounts required to be paid, or caused to be paid, by the Obligated Group with respect to the Series 2021 Bonds pursuant to Section 2.2(a), (b), or (c) of the Loan Agreement. Payments of the principal of and interest on Obligation No. 1 shall be made by the Obligated Group depositing or causing to be deposited the same with or to the account of the Bond Trustee at or prior to the opening of business on the day such payments shall become due or payable.

This Obligation No. 1 evidences and secures the indebtedness of the Obligated Group resulting from making available to the Obligated Group Representative, as Member of the Obligated Group the proceeds of the issuance and sale of revenue bonds of the Issuer aggregating Two Hundred Eighty-Five Million Dollars ($285,000,000) in principal amount, designated as the Bucks County Industrial Development Authority Hospital Revenue Bonds (Grand View Hospital Project), Series 2021 (the "Series 2021 Bonds") and issued under and pursuant to the laws of the Commonwealth of Pennsylvania and the Trust Indenture, dated as of March 1, 2021 (the "Indenture") for the purposes described in the Indenture. The Bank of New York Mellon Trust Company, N.A. is appointed the bond trustee (the "Bond Trustee") under the Indenture.

The Members of the Obligated Group shall receive credit for payment on Obligation No. 1, in addition to any credits resulting from payment or prepayment from other sources as follows: (i) on installments of interest of Obligation No. 1 in an amount equal to moneys deposited in the Debt Service Fund created under the Indenture which amounts are available to pay interest on the Series 2021 Bonds, to the extent such amounts have not previously been credited against payments on Obligation No. 1; (ii) on installments of principal of Obligation No. 1 in an amount equal to moneys deposited in the Debt Service Fund created under the Indenture which amounts are available to pay principal of the Series 2021 Bonds, to the extent such amounts have not previously been credited against payments on Obligation No. 1; (iii) on installments of principal of and interest on Obligation No. 1 in an amount equal to the principal amount of Bonds which have bene called by the Bond Trustee for redemption prior to maturity and for the redemption of which sufficient amounts (as determined by Section 12.1 of the Indenture) in cash or Defeasance Obligations are on deposit as provided in Section 12.1 of the Indenture, to the extent such amounts have not been previously credited against payments on Obligation No. 1, and the interest on such Bonds from and after the date of such notice to the date fixed for redemption thereof; provided, however, that such credits shall be made against the installments of principal of and interest on Obligation No. 1 which would be due, but for such call for redemption, to pay principal of and interest on such Series 2021 Bonds when due at maturity; and (iv) on the installments of principal and interest, respectively, on Obligation No. 1 in an amount equal to the principal amount of Series 2021 Bonds acquired by the Obligated Group and delivered to the Bond Trustee for cancellation or purchase by, or on behalf of, the Bond Trustee and cancelled, and the interest on such Series 2021 Bonds from and after the date interest thereon has been paid prior to cancellation; provided, however, that such credits shall be made against the installments of principal of and interest on Obligation No. 1 that would have been used, but for such cancellation, to pay principal of and interest on such Series 2021 Bonds when due and, with respect to Series 2021 Bonds called for mandatory redemption, against principal installments that would have bene used to pay Series 2021 Bonds of the same maturity.

Upon payment by the Obligated Group of a sum, in cash or Defeasance Obligations, or both, sufficient, together with any other cash and Defeasance Obligations held by the Bond Trustee and available for such purpose, to cause all Outstanding Bonds to be deemed to have been paid within the meaning of Article XII of the Indenture and to pay all other amounts referred to in Article XII of the indenture, accrued and to be accrued to the date of discharge of the Indenture, Obligation No. 1 shall be deemed to have been paid and to be no longer Outstanding under the Master Indenture.

Copies of the Master Indenture and the Supplemental Master Indenture are on file at the corporate trust office of the Master Trustee. Reference is hereby made to the Master Indenture for the provisions, among others, with respect to the nature and extent of the rights of the Holders of Obligations issued under the Master Indenture, the terms and conditions upon which, and the purposes for which Obligations are to be issued and the rights, duties and obligations of the Obligated Group Representative, the Obligated Group and the Master Trustee under the Master Indenture. The Holder hereof, by acceptance of this Obligation No. 1, assents to all of the provisions of the Master Indenture.

The Master Indenture permits the issuance of additional Obligations under the Master Indenture to be secured by the provisions of the Master Indenture, all of which, regardless of the times of issue or maturity, are to be of equal rank without preference, priority or distinction of any Obligations issued under the Master Indenture over any such Obligations except as expressly provided or permitted in the Master Indenture.

To the extent permitted by and as provided in the Master Indenture, modifications of or changes to the Master Indenture, of any indenture supplemental thereto, and any of the rights and obligations of the Obligated Group Representative, the Obligated Group and of the Holders of the Obligations may be made by the execution and delivery of an indenture or indentures supplemental to the Master Indenture or any supplemental indenture. Certain modifications or changes that would affect the rights of the Holders of this Obligation No. 1 may be made only with the consent of the Holders of no less than a majority in aggregate principal amount of Obligations then Outstanding under the Master Indenture. No modification or change shall be made that will: (i) reduce the principal amount of or the redemption premium or rate of interest or change the method of calculating interest payable on, or reduce any other Required Payment on any Obligation without the consent of the Holders of such Obligation; (ii) modify, alter, amend, add to or rescind any of the terms or provisions contained in Article IV of the Master Indenture so as to affect the right of the Holders of any Obligations in any default as to payment to compel the Master Trustee to declare the principal of all Obligations to be due and payable, without the consent of the Holders of all Obligations then Outstanding; or (iii) reduce the aggregate principal amount of Obligations then Outstanding the consent of the Holders of which is required to authorize such Related Supplement, without the consent of the Holders of all Obligations then Outstanding.

Any such consent by the Holder of this Obligation No. 1 shall be conclusive and binding upon such Holder and all future Holders and owners hereof irrespective of whether or not any notation of such consent is made upon this Obligation No. 1.

In the manner and with the effect provided in the Supplemental Master Indenture, Obligation No. 1 will be subject to redemption prior to maturity at the times and in the amounts specified in the Series 2021 Bonds issued under the Indenture.

Any redemption, either in whole or in part, shall be made upon notice thereof in the manner and upon the terms and conditions provided in the Supplemental Master Indenture. If this Obligation No. 1 shall have been duly called for redemption, either in whole or in part and payment of the redemption price, together with interest accrued thereon to the date fixed for redemption, shall have been made or provided for, as more fully set forth in the Supplemental

Master Indenture, interest on this Obligation No. 1, or the portion hereof called for redemption, shall cease to accrue from the date fixed for redemption, and from and after such date, this Obligation No. 1, or the portion hereof called for redemption, shall be deemed not to be Outstanding and shall no longer be entitled to the benefits of the Master Indenture, and the Holder hereof shall have no rights in respect of this Obligation No. 1 other than payment of the redemption price, together with accrued interest to the date fixed for redemption.

Upon the occurrence of certain Events of Default under the Master Indenture, the principal of all Obligations then Outstanding may be declared, and thereupon shall become, due and payable as provided in the Master Indenture.

The Holder of this Obligation No. 1 shall have such right to enforce the provisions of the Master Indenture, or to institute any action to enforce the covenants therein, or to take any action with respect to any default under the Master Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Master Indenture.

Obligation No. 1 is issuable only as a registered Obligation without coupons.

Unless the principal of all Obligations has been declared immediately due and payable, no transfer of this Obligation No. 1 shall be permitted except for transfers to a successor trustee under the Indenture. This Obligation No. 1 shall be registered on the register to be maintained by the Master Trustee as registrar for the Members of the Obligated Group for that purpose at the principal corporate trust office of the Master Trustee and this Obligation No. 1 shall be transferable only upon presentation of this Obligation No. 1 at said office by the Holder or by his duly authorized attorney and subject to the limitations, if any, set forth in the Supplemental Master Indenture. Such transfer shall be without charge to the Holder hereof, but any taxes or other governmental charges required to be paid with respect to the same shall be paid by the Holder requesting such transfer as a condition precedent to the exercise of such privilege. Upon any such transfer, the Obligated Group Representative shall execute and the Master Trustee shall authenticate and deliver in exchange for this Obligation No. 1 a new registered Obligation without coupons, registered in the name of the transferee.

Prior to due presentment hereof for registration of transfer, the Obligated Group Representative, the Members of the Obligated Group, the Master Trustee, any Paying Agent and any registrar with respect to this Obligation No. 1 may deemed and treat the person in whose name this Obligation No. 1 is registered as the absolute owner hereof for all purposes; and neither the Obligated Group Representative, the Members of the Obligated Group, any Paying Agent, the Master Trustee nor any Obligation registrar shall be affected by any notice to the contrary. All payments made to the Holder hereof shall be valid, and, to the extent of the sum or sums so paid, effectual to satisfy and discharge the liability for moneys payable on this Obligation No. 1.

No covenant or agreement contained in this Obligation No. 1 or the Master Indenture shall be deemed to be a covenant or agreement of any officer, agent or employee of the Obligated Group Representative, the Members of the Obligated Group, or the Master Trustee in his individual capacity, and no officer, agent or employee of the Obligated Group Representative

or the Members of the Obligated Group, or member of the governing board of the Obligated Group Representative or the Members of the obligated Group shall be liable personally on this Obligation No. 1 or to be subject to any personal liability or accountability by reason of this issuance of this Obligation No. 1.

This Obligation No. 1 shall not be entitled to any benefit under the Master Indenture, or be valid or become obligatory for any purpose, until this Obligation No. 1 shall have been manually authenticated by the execution by an authorized officer of the Master Trustee, or its successor as Master Trustee, of the Certificate of Authentication inscribed below.

IN WITNESS WHEREOF, the Obligated Group Representative caused this Obligation No. 1 to be duly executed in its name on and on its behalf by the manual or facsimile signature of a duly authorized officer of the Obligated Group Representative all as of the date first above written.

GRAND VIEW HOSPITAL, as Obligated Group Representative

By:_____
Authorized Representative

MASTER TRUSTEE

CERTIFICATE OF AUTHENTICATION

The undersigned Master Trustee hereby certifies that this Obligation No. 1 is one of the Obligations described in the within mentioned Master Indenture.

Dated: _____,2021

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A.,

as Master Trustee

By

_____

Authorized Signatory

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APPENDIX F

FORM OF OPEN-END MORTGAGE, ASSIGNMENT OF RENTS AND SECURITY AGREEMENT

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Prepared By/Return to:

Tax Parcel:

OPEN-END MORTGAGE, ASSIGNMENT OF RENTS AND SECURITY AGREEMENT

From

GRAND VIEW HOSPITAL
(Mortgagor)

To
THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
(Mortgagee)

OPEN-END MORTGAGE, ASSIGNMENT OF RENTS AND SECURITY AGREEMENT

THIS IS AN OPEN-END MORTGAGE SECURING FUTURE ADVANCES UP TO MAXIMUM PRINCIPAL AMOUNT OF $345,400,000 PLUS ACCRUED INTEREST AND OTHER INDEBTEDNESS AS DESCRIBED IN 42 PA. C.S.A. § 8143.

THIS OPEN-END MORTGAGE, ASSIGNMENT OF RENTS AND SECURITY AGREEMENT (the "Mortgage") is made as of March 1, 2021, by and between **GRAND VIEW HOSPITAL**, a corporation created under and pursuant to the non-profit corporation laws of the Commonwealth of Pennsylvania, located at 700 Lawn Avenue, Sellersville, PA 18960 (the "Mortgagor"), and **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**, a national banking corporation duly organized and existing under the laws of the United States of America (the "Mortgagee"), in its capacity as Master Trustee under the Master Indenture (as defined below).

BACKGROUND

1. The Mortgagor, together with Grand View Health Foundation, a corporation created under and existing pursuant to the non-profit corporation laws of the Commonwealth organized for charitable purposes (within the meaning of Section 501 (c)(3) of the Code), registered in the Commonwealth with the primary purpose of charitable fundraising for the Corporation (the "Foundation"), as the sole members of the "Obligated Group," and the Mortgagee, as the "Master Trustee", are party to that certain Master Trust Indenture dated as of March 1, 2021 (as amended and supplemented from time to time, the "Master Indenture"), pursuant to which the Mortgagor, as Obligated Group Representative, on behalf of itself, all other current Members of the Obligated Group and any entities that may hereafter join the Obligated Group, has issued certain obligations (as further defined in the Master Indenture, the "Obligations"), for the benefit of the "Holders" of such Obligations, which Obligations are secured on a parity basis by a grant from the Obligated Group to the Master Trustee of the "Gross Receivables" and such other collateral as may be granted in favor of the Master Trustee to hold in trust for the benefit of the Holders of Obligations from time to time. Capitalized terms used but not otherwise defined above and elsewhere in this Mortgage shall have the respective meanings given to such terms in the Master Indenture.

2. At the request of the Mortgagor, the Bucks County Industrial Development Authority (the "Issuer") proposes to issue bonds under that certain Trust Indenture by and between the Issuer, as issuer, and The Bank of New York Mellon Trust Company, N.A., as bond trustee (the "Bond Trustee"), dated as of March 1, 2021 (as amended and supplemented from time to time, the "Trust Indenture"), in the amount of $285,000,000 aggregate original principal amount of its Hospital Revenue Bonds, Series 2021 (Grand View Hospital Project) (the "2021 Bonds"). Proceeds of the 2021 Bonds will be loaned to the Mortgagor pursuant to a Loan Agreement dated as of March 1, 2021 between the Issuer and the Mortgagor, as borrower. Under the Loan Agreement, the Mortgagor is obligated to make loan payments to the Bond Trustee, as assignee of the Issuer (other than to certain rights reserved by the Issuer as described in the Loan Agreement), in times and amounts sufficient to pay the principal of, and redemption premium if any, and interest on the 2021 Bonds when due, whether at maturity, upon redemption, by

acceleration or otherwise including the purchase price upon any tender, all in accordance with the Trust Indenture. Pursuant to the Master Indenture, as amended and supplemented from time to time, including by Supplemental Master Trust Indenture No. 1 ("Supplement No. 1"), the Obligated Group has issued its parity obligation denominated Grand View Health Obligated Group Obligation No. 1 ("Obligation No. 1") to the Bond Trustee, as assignee of the Issuer under the Loan Agreement to pay amounts due thereunder. Obligations are secured on a parity basis by a grant from the Obligated Group to the Master Trustee of the "Gross Receivables" and such other collateral as may be granted in favor of the Master Trustee to hold in trust for the benefit of the Holders of Obligations from time to time.

3. As further security for, inter alia, the 2021 Bonds, the Mortgagor has agreed to execute and deliver to the Master Trustee, for the benefit of all Holders of Obligations, this Mortgage.

WITNESSETH:

To secure payment and performance of the Obligations, in an outstanding amount of $285,000,000 as of the date hereof, and for other consideration, Mortgagor does grant and convey unto Mortgagee, its successors and assigns, all of Mortgagor's right, title and interest now owned or hereafter acquired in and to each of the following (collectively, the "Property"): (i) its rights to those certain tracts of land in the County of Bucks, Commonwealth of Pennsylvania, as described in **EXHIBIT A** attached hereto and made part hereof (collectively, and to the extent not released pursuant to Section 20 hereof, the "Land"); (ii) all buildings and improvements now or hereafter erected on the Land; (iii) all fixtures, machinery, equipment and other articles of real, personal or mixed property attached to, situated or installed in or upon, or used in the operation or maintenance of, the Land or any buildings or improvements situated thereon, whether or not such real, personal or mixed property is or shall be affixed to the Land, other than machinery and equipment used in the operations of the Mortgagor; (iv) all building materials, building machinery and building equipment delivered on site to the Land during the course of, or in connection with, any construction, repair or renovation of the buildings and improvements situated or to be situated thereon; (v) all leases, licenses or occupancy agreements of all or any part of the Land and all extensions, renewals, and modifications thereof, and any options, rights of first refusal or guarantees relating thereto; (vi) all rents, income, revenues, security deposits, issues, profits, awards and payments of any kind payable under the leases or otherwise arising from the Land; (vii) all contract rights, accounts receivable and general intangibles relating to the Land or the use, occupancy, maintenance, construction, repair or operation thereof; (viii) all management agreements, franchise agreements, utility agreements and deposits; (ix) all maps, plans, surveys and specifications; (x) all warranties and guaranties; all permits, licenses and approvals; and (xi) all insurance policies; (xii) all estates, rights, tenements, hereditaments, privileges, easements, and appurtenances of any kind benefiting the Land; all means of access to and from the Land, whether public or private; and all water and mineral rights; (xiii) all interests running with the Land in any planned community association, including all rights to any common elements deeded to such association; and (xiv) all "Proceeds" of any of the above-described property, which term shall have the meaning given to it in the Uniform Commercial Code of the Commonwealth of Pennsylvania (the "UCC"), whether cash or non-cash, and including insurance proceeds and condemnation awards; and all replacements, substitutions and accessions thereof.

TO HAVE AND TO HOLD the Property and all the estate, right, title and interest, in law and in equity, of Mortgagor in and to the Property unto Mortgagee and its successors and assigns, in fee simple, forever.

Mortgagor **WARRANTS AND REPRESENTS** that Mortgagor is lawfully seized of the Property, in fee simple, absolute, that Mortgagor has the legal right to convey and encumber the same. Mortgagor further warrants and will forever defend all and singular the Property and title thereto to Mortgagee and Mortgagee's successors and assigns, against the lawful claims of all persons whomsoever, subject to Section 20 hereof.

PROVIDED ALWAYS that if all Obligations are timely paid and performed, each and every representation, warranty, agreement, and condition of this Mortgage is complied with and abided by, and the Master Indenture is terminated by the Master Trustee, this Mortgage and the estate hereby created shall cease and be null, void, and canceled of record.

To protect the security of this Mortgage, Mortgagor further represents and agrees with Mortgagee as follows:

1. Definitions.

"Environmental Approvals" shall mean any governmental action pursuant to or required under any Environmental Law.

"Environmental Claim" shall mean, with respect to any person, any action, suit, proceeding, investigation, notice, claim, complaint, demand, request for information or other communication (written or oral) by any other person (including any governmental authority, citizens group or employee or former employee of such person) alleging, asserting or claiming any actual or potential; (a) violation of Environmental Law, (b) liability under any Environmental Law or (c) liability for investigatory costs, cleanup costs, governmental response costs, natural resources damages, property damages, personal injuries, fines or penalties arising out of, based on, or resulting from, the presence or release into the environment of any Environmental Concern Materials at any location, whether or not owned by such person.

"Environmental Cleanup Site" shall mean any location which is listed or proposed for listing on the National Priorities List, on the Comprehensive Environmental Response, Compensation, and Liability Information System or on any similar state list of sites requiring investigation or cleanup, or which is the subject of any pending or threatened action, suit, proceeding or investigation related to or arising from any alleged violation of any Environmental Law.

"Environmental Concern Materials" shall mean (a) any flammable substance, explosive, radioactive material, hazardous material, hazardous waste, toxic substance, solid waste, pollutant, containment or any related material, raw material, substance, product or by-product of any substance specified in, or regulated or otherwise affected by, any "Environmental Law", (b) any toxic chemical or other substance from or related to industrial, commercial or institutional activities, and (c) asbestos, gasoline, diesel fuel, motor oil, waste and used oil, heating oil and

other petroleum products or compounds, polychlorinated biphenyls, radon and urea formaldehyde.

"Environmental Law" shall mean any law, whether now existing or subsequently enacted or amended, relating to: (a) pollution or protection of the environment, including natural resources, (b) exposure of persons, including but not limited to employees, to Environmental Concern Materials, (c) protection of the public health or welfare from the effects or products, by-products, wastes, emissions, discharges or releases of Environmental Concern Materials or (d) regulation of the manufacture, use or introduction into commerce of Environmental Concern Materials including their manufacture, formulation, packaging, labeling, distribution, transportation, handling, storage or disposal. "Environmental Law" shall also include Environmental Approvals and the terms and conditions thereof.

"Material Adverse Effect" shall mean a material adverse effect on the business, operations, condition (financial or otherwise) or prospects of the Mortgagor.

2. Payment of Obligations. That the Obligations shall be timely paid and performed.

3. Future Advances. This Mortgage secures all existing and future Obligations under the Master Indenture and/or any obligations under the Trust Indenture and/or the other documents evidencing such obligations (collectively, the "Loan Documents"), all of which shall be entitled to the lien priority and benefits of an Open-End Mortgage under 42 Pa. C.S.A. §8143 (the "Open-End Mortgage Statute"). Without limiting anything contained in any provision of this Mortgage, this Mortgage secures the Mortgagor's obligation to repay all advances and re-advances of principal under the Liabilities (as defined below) made at closing or thereafter, and all interest, late charges, fees and other amounts due under the Liabilities relating to the 2021 Bonds and Obligation No. 1 or this Mortgage, and in addition thereto: (i) all advances by Mortgagee to the Mortgagor to any other person to pay costs of erection, construction, alteration, repair, restoration and completion of any part of any improvements situated on the Property, (ii) any and all advances made or costs incurred by the Mortgagee for the payment of taxes, assessments, maintenance charges, insurance premiums and similar charges with respect to the Property, (iii) any and all costs incurred for the protection of all or any part of the Property or the lien of this Mortgage, and (iv) any and all reasonable out-of-pocket legal fees, costs and other expenses incurred by the Mortgagee by reason of any Default (as defined in Section 16 below) in connection with the Liabilities or any part thereof. To the extent that the Mortgagee incurs fees for appraisal, construction monitoring, engineering, environmental and legal services, Mortgagor shall reimburse Mortgagee for the reasonable out-of-pocket cost of expenses. For the purpose of this paragraph, "Liabilities" shall be defined as any and all present and future obligations and indebtedness of every kind and description of the Mortgagor to the Mortgagee and/or any affiliate, including, but not limited to, (i) all sums due under the Loan Documents; and (ii) any and all obligations and indebtedness of every kind and description, whether such debts or obligations are primary or secondary, direct or indirect, absolute or contingent, sole, joint or several, secured or unsecured, due or to become due, contractual or tortious, arising by operation of law or otherwise, or now or hereafter existing, including, without limitation, principal, interest, fees, late fees, expenses, reasonable out-of-pocket attorneys' fees and costs and/or allocated fees,

expenses and costs of the Mortgagee's counsel, that have been or may hereafter be contracted or incurred.

4. Grant of Security Interest in Personal Property. This Mortgage constitutes a security agreement under the UCC and shall be deemed to constitute a fixture financing statement. Mortgagor hereby grants a security interest in any personal property included in the Property. On request of Mortgagee, Mortgagor will execute and/or deliver, as applicable, one or more Financing Statements, Continuation Statements and other documents under the UCC or such applicable law in form satisfactory to Mortgagee and will pay all costs and expenses of filing the same in all public filing offices, where filing is deemed desirable by Mortgagee. Mortgagee is authorized to file Financing Statements relating to the Property without Mortgagor's signature where permitted by law. Mortgagor appoints Mortgagee as its attorney- in-fact to execute such documents necessary to perfect Mortgagee's security interest on Mortgagor's behalf. The appointment is coupled with an interest and shall be irrevocable as long as any Obligations remain outstanding,

5. Required Insurance. Mortgagor shall maintain insurance with respect to the Property in accordance with Section 4.1 of the Loan Agreement.

6. Insurance Proceeds and Condemnation Awards. After (a) the occurrence of any loss or damage to any of the Property in excess of applicable insurance deductibles, if any, or (b) the taking of or damage to the Property or any interest therein be by reason of any public use or improvement or condemnation proceeding ("Condemnation"), or should Mortgagor receive any notice or other information regarding such Condemnation, Mortgagor shall give prompt written notice thereof to Mortgagee. In the event of such loss, taking or damage all insurance or Condemnation proceeds relating to such loss, taking or damage shall be payable in accordance with Section 4.2 of the Loan Agreement.

7. Impositions. Mortgagor will pay before they are due all taxes, levies, assessments and other fees and charges imposed upon or which may become a lien upon the Property under any law or ordinance (all of the foregoing collectively "Impositions"),

8. Use of Property. Mortgagor shall use and operate, and require its lessees or licensees to use and operate, the Property in compliance in all material aspects with all applicable laws and ordinances, covenants, and restrictions, and with all applicable requirements of any lease or sublease now or hereafter affecting the Property. Mortgagor shall not permit any unlawful use of the Property or any use that may give rise to a claim of forfeiture of any of the Property. Mortgagor shall not allow changes in the stated use of Property from that disclosed to Mortgagee at the time of execution hereof.

9. Maintenance, Repairs and Alterations. Mortgagor shall keep and maintain the Property in good condition and repair to the extent required under the Master Indenture. Mortgagor will not remove, demolish or structurally alter any of the buildings or other material improvements on the Property except as permitted by the Master Indenture.

10. Environmental Condition of Property and Indemnity. Mortgagor warrants and represents to Mortgagee, except as reported by Mortgagor to Mortgagee in writing, that: (i) Mortgagor has inspected and is familiar with the environmental condition of the Property; (ii) the

Property, Mortgagor, and any occupants of the Property, are in compliance in all material respects with and shall continue to be in compliance with all Environmental Laws; (iii) the Property is not, and to the best of Mortgagor's knowledge, has never been used to generate, handle, treat, store or dispose of, in any Environmental Concern Material in violation of any Environmental Laws; (iv) Mortgagor has received no notices of violations that Environmental Concern Material (including asbestos, mold or lead paint in any form) are located on or under the Property or emanate from the Property; (v) there are no unregistered underground storage tanks on the Property that are subject to any underground storage tank registration laws or regulations; (vi) no notice has been received by Mortgagor with regard to any Environmental Concern Material on the Property; (vii) there is no Environmental Claim pending or, to the knowledge of the Mortgagor after due inquiry, threatened, and, to the best of Mortgagor's knowledge, there are no past or present acts, omissions, events or circumstances that could for the basis of any Environmental Claim, against the Mortgagor except for matters which, individually or in the aggregate, could not have a Material Adverse Effect; (viii) Mortgagor has all Environmental Approvals necessary or desirable for the ownership and operation of its properties, facilities, and businesses as presently owned and operated; and (ix) no facility or property now or, to the best of Mortgagor's knowledge, previously owned, operated or leased by the Mortgagor is an Environmental Cleanup Site.

Further, Mortgagor represents to Mortgagee that no portion of the Property is a protected wetland. Mortgagor agrees to notify Mortgagee in writing immediately upon receipt of any citations, warnings, orders, notices, consent agreements, process or claims alleging or relating to violations of any Environmental Laws or to the environmental condition of the Property and shall conduct and complete all investigations and all cleanup actions necessary to comply with the Environmental Laws and to remove, in accordance with Environmental Laws, any Environmental Concern Material from the Property.

Additionally, Mortgagor covenants (i) Mortgagor will comply in all material respects with all applicable Environmental Laws and (ii) promptly upon becoming aware of any Environmental Claim pending or threatened against the Mortgagor, or any past or present acts, omissions, events or circumstances that could form the basis of such Environmental Claim, which if adversely resolved, individually or in the aggregate, could have a Material Adverse Effect, the Mortgagor shall give the Trustee written notice thereof, together with a written statement of the Chairman or Vice-Chairman of the Board of the Mortgagor or of any officer of the Mortgagor authorized by a resolution of the Board of the Mortgagor setting forth the details thereof and any action with respect thereto taken or proposed to be taken by the Mortgagor.

Mortgagor shall indemnify, hold harmless, and defend Mortgagee from and against any and all damages, penalties, fines, claims, suits, liabilities, costs, judgments and expenses, including reasonable out-of-pocket attorneys', consultants' or experts' fees and expenses of every kind and nature incurred, suffered by or asserted against Mortgagee as a result of: (i) representations made by Mortgagor in this Section being or becoming untrue in any material respect; (ii) Mortgagor's violation of or failure to meet the requirements of any Environmental Laws; (iii) Environmental Concern Materials which, while the Property is subject to this Mortgage, exist on the Property. Mortgagee shall have the right, but not the obligation, to arrange for or conduct environmental inspections of the Property from time to time (including the taking of soil, water, air or material samples) at Mortgagee's sole expense; or (iv) any violation or breach of any Environmental Law by the Mortgagor, or any Environmental Claim arising out of

the management, use, control ownership or operation of the Mortgaged Property. The cost of such inspections made after Default or which are required by law, regulation or procedures applicable to Mortgagee shall be borne by Mortgagor. However, Mortgagor's indemnity shall not apply to any grossly negligent act of Mortgagee which takes place after foreclosure or satisfaction of this Mortgage. Mortgagor's Obligations under this Section shall continue, survive and remain in full force and effect notwithstanding the repayment of the Obligations, a foreclosure of or exercise of power of sale under this instrument, a delivery of a deed in lieu of foreclosure, a cancellation or termination of record of this instrument and the transfer of the Property and the resignation or removal for any reason of the Mortgagee as the Master Trustee under the Master Indenture.

11. Inspections. Mortgagee, or its representatives or agents, are authorized to enter at any reasonable time and following reasonable notice upon any part of the Property for the purpose of inspecting the Property and for the purpose of performing any of the acts it is authorized to perform under the terms of this Mortgage.

12. Waiver of Mortgagor's Rights. To the fullest extent permitted by law, Mortgagor waives the benefit of all laws now existing or that hereafter may be enacted providing for (i) any appraisement before sale of any portion of the Property, (ii) in any way extending the time for the enforcement of the collection of the Obligations, rights under the fifth and fourteenth amendments to the Constitution of the United States and any similar rights under the constitutions of any state, and any rights to hearing prior to the exercise by Mortgagee of any right, power, or remedy herein provided to Mortgagee.

To the full extent Mortgagor may do so, Mortgagor agrees that Mortgagor will not at any time insist upon, plead, claim or seek to take the benefit or advantage of any law now or hereafter in force providing for any exemption (including homestead exemption), appraisement, valuation, stay, extension or redemption, and Mortgagor itself and its successors and assigns, and for any and all persons claiming any interest in the Property, to the extent permitted by law, hereby waive and release all rights of valuation, appraisement, redemption, stay of execution, the benefit of all exemption laws, notice of election to mature or declare due the whole of the secured indebtedness and marshalling in the event of foreclosure of the liens hereby created. Mortgagor further waives any and all notices including, without limitation, notice of intention to accelerate and of acceleration of the Obligations.

13. Payments by Mortgagee; Indemnification. Mortgagee may pay such sums as Mortgagee deems appropriate for the protection and maintenance of the Property including, without limitation, sums to pay Impositions and other levies, assessments or liens, maintain insurance, make repairs, secure the Property, maintain utility service, intervene in any condemnation and attorneys' fees and other fees and costs to enforce this Mortgage or protect the lien hereof (including foreclosure) or collect the Obligations, without limitation, including those incurred in any proceeding including bankruptcy or arbitration. Any amounts so paid shall bear interest at the default rate applicable under Obligation No. 1 and shall be secured by this Mortgage.

In the event Mortgagee shall become party to any suit or legal proceeding by reason of its status as holder of this Mortgage, Mortgagor shall indemnify and hold harmless Mortgagee and

reimburse Mortgagee for any reasonable out-of-pocket amounts paid or incurred by Mortgagee, including all reasonable out-of-pocket costs, charges and attorneys' fees and expenses in any such suit or proceeding.

14. Assignment of Rents. Mortgagor hereby absolutely assigns and transfers to Mortgagee all the leases, rents, issues and profits of the Property (collectively "Rents"), So long as no Default has occurred and is continuing, Mortgagee gives to and confers upon Mortgagor the license and authority to collect Rents and to demand, receive and enforce payment, give receipts, releases and satisfactions, and sue in the name of Mortgagor for all Rents. Upon any occurrence and during the continuance of a Default, Mortgagee may, without notice, by agent or by a receiver appointed by a court, and without regard to the adequacy of any security for the Obligations, revoke and cancel the license and authority of Mortgagor to collect Rents, and (a) enter upon and take possession of the Property, (b) notify tenants, subtenants and any property manager to pay Rents to Mortgagee or its designee, and upon receipt of such notice such persons are authorized and directed to make payment as specified in the notice and disregard any contrary direction or instruction by Mortgagor, and (c) in its own name, sue for or otherwise collect Rents, including those past due, and apply Rents, less costs and expenses of operation and collection, including attorneys' fees and expenses, to the Obligations in such order and manner as Mortgagee may determine. Mortgagee's exercise of any one or more of the forgoing rights shall not cure or waive any Default or notice of Default hereunder.

15. Due on Sale or Further Encumbrance. The direct or indirect sale, assignment, or conveyance of the Property, or any interest therein, or the further encumbrance of the Property (except as permitted under the Master Indenture or Section 20 of this Mortgage) shall, at Mortgagee's option, constitute a Default under this Mortgage.

16. Remedies of Mortgagee on Default. The occurrence of either (a) an Event of Default under the Master Indenture or (b) any failure of Mortgagor or any other person liable to observe or perform any covenant or agreement contained in this Mortgage for a period of 30 days after written notice of such failure, requiring the same to be remedied, shall have been given by the Master Trustee to Mortgagor, the giving of which notice shall be at the discretion of the Master Trustee unless the Master Trustee is requested in writing to do so by the Holders of at least 25% in aggregate principal amount of all Outstanding Obligations, in which event such notice shall be given, is an event of default ("Default") under this Mortgage. Upon the occurrence and during the continuance of Default the following remedies are available, without limitation, to Mortgagee: (a) Mortgagee may exercise any or all of Mortgagee's remedies under this Mortgage and the Master Indenture, without limitation, acceleration of maturity of all payments and Obligations; (b) Mortgagee may take immediate possession of the Property or any part thereof (which Mortgagor agrees to surrender to Mortgagee) and manage, control or lease the same to such persons and at such rental as it may deem proper and collect and apply Rents as provided herein, provided that such taking of possession shall not prevent concurrent or later proceedings for the foreclosure sale of the Property; (c) Mortgagee may apply to any court of competent jurisdiction for the appointment of a receiver for all purposes including, without limitation, to manage and operate the Property or any part thereof, and to apply the net Rents therefrom to the payment of any of the Obligations, and in the event of such application, Mortgagor consents to the appointment of a receiver, and agrees that a receiver may be appointed without notice to Mortgagor, without regard to the adequacy of any security for the Obligations,

and without regard to the solvency of Mortgagor or any other person, firm or corporation who or which may be liable for the payment of the Obligations; (d) Mortgagee may bid at any sale and may accept, as successful bidder, credit of the bid amount against the Obligations as payment of any portion of the purchase price; and (e) Mortgagee shall apply the proceeds of any sale, first to any fees or attorney fees and expenses permitted Mortgagee by law in connection with any sale, second to expenses of foreclosure, publication, and sale permitted Mortgagee by law in connection with any sale, third to the Obligations, and any remaining proceeds as required by law.

Upon the occurrence of any Default under this Mortgage which shall be continuing, the Mortgagee may proceed to protect and enforce its rights under this Mortgage by suit for specific performance of any covenant herein contained, or in aid of the execution of any power herein granted, or for the foreclosure of this Mortgage, or for the enforcement of any other right as the Mortgagee shall deem most effectual for such purpose. The foregoing rights shall be in addition to, and not in lieu of, the rights of the Mortgagee as a secured creditor under the UCC with respect to any portion of the Mortgaged Property which is subject to the UCC. The Mortgagee may also proceed in any other manner permitted by law to enforce its rights hereunder.

17. Integration with Master Indenture. This Mortgage secures the Obligations under the Master Indenture and is being granted to the Mortgagee in its capacity as Master Trustee under the Master Indenture. All duties and responsibilities of the Master Trustee and all rights and indemnifications granted to the Master Trustee in the Master Indenture shall apply to the Mortgagee. To the extent any conflict exists between the Master Indenture and this Mortgage, the terms of the Master Indenture shall govern.

18. Replacement of the Master Indenture. If, in accordance with the terms of the Master Indenture and the Trust Indenture, the Master Indenture is amended and restated, this Mortgage shall automatically, and without further action, be deemed to secure all obligations under the document amending and restating the Master Indenture.

19. Miscellaneous Provisions. Mortgagor agrees to the following: (a) all remedies available to Mortgagee with respect to this Mortgage or available at law or in equity shall be cumulative and may be pursued concurrently or successively, and no delay by Mortgagee in exercising any remedy shall operate as a waiver of that remedy or of any Default; (b) any payment by Mortgagee or acceptance by Mortgagee of any partial payment shall not constitute a waiver by Mortgagee of any Default; (c) the provisions hereof shall be binding upon and inure to the benefit of Mortgagor, its successors and assigns including, without limitation, subsequent owners of the Property or any part thereof, and shall be binding upon and inure to the benefit of Mortgagee, its successors and assigns and any future holder of the Note or other Obligations; (d) any notices, demands or requests shall be sufficiently given Mortgagor if in writing and mailed or delivered to the address of Mortgagor shown above or to another address as provided herein and to Mortgagee if in writing and mailed or delivered to Mortgagee's office address shown above, or such other address as Mortgagee may specify from time to time and in the event that either party hereto changes its address at any time prior to the date the Obligations are paid in full, that party shall promptly give written notice of such change of address by registered or certified mail, return receipt requested or overnight delivery service, all charges prepaid; (e) this Mortgage may not be changed, terminated or modified orally or in any manner other than by an instrument in writing

signed by the parties hereto; (f) the captions or headings at the beginning of each Section hereof are for the convenience of the parties and are not a part of this Mortgage; (g) if the lien of this Mortgage is invalid or unenforceable as to any part of the Obligations, the unsecured portion of the Obligations shall be completely paid (and all payments made shall be deemed to have first been applied to payment of the unsecured portion of the Obligations) prior to payment of the secured portion of the Obligations and if any clause, provision, or obligation hereunder is determined invalid or unenforceable the remainder of this Mortgage shall be construed and enforced as if such clause, provision or obligation had not been contained herein; (h) this Mortgage shall be governed by and construed under the laws of the jurisdiction where this Mortgage is recorded; and (i) Mortgagor by execution and Mortgagee by acceptance of this Mortgage agree to be bound by the terms and provisions hereof.

If Mortgagor complies with the provisions of this Mortgage and pays to Mortgagee all sums secured hereby in accordance with the terms of and at the times provided in Obligation No. 1 of even date herewith and this Mortgage, without deduction, fraud or delay, then this Mortgage and the estate and security interest hereby granted and created shall then cease, terminate and become void, and Mortgagee shall execute and deliver such mortgage satisfactions and other documents as Mortgagor may reasonably request to evidence the same.

Mortgagor shall promptly cause this Mortgage to be duly recorded in the Recorder of Deeds in and for Bucks County, Pennsylvania and shall pay all recording fees and other costs incurred in connection therewith.

This Mortgage is not a residential mortgage as that term is defined in 41 P.S. 101 et seq. or Act 91 of 1983.

20. Partial Release; Subordination; Condominium. The payment and performance of the Obligations is intended to be secured only by the portion of the Land on which a hospital is currently located or are subsequently developed pursuant to plans prepared by Mortgagor consistent with the terms of this Mortgage (hereinafter called the "Hospital Property"). However, the payment and performance of the Obligations are secured initially by the entire Land and the other Property described above.

Accordingly, Mortgagor ad Mortgagee agree as follows, without any further consent required of Mortgagee, except as expressly set forth below:

(a) Upon written request by Mortgagor, Mortgagee will release the lien, operation and effect of this Mortgage from such portion of the Property (hereinafter called the "Non-hospital Property") on which a hospital is not constructed or planned to be constructed thereon pursuant to plans prepared by Mortgagor. As an illustration, but without limitation, the term "Non-hospital Property" shall include any part of the Property on which a medical office building, school, life care retirement community, hotel, conference center, retail center or research center is to be constructed thereon, along with any undeveloped portions, open space infrastructure or improvement described in Section 20(b) below.

(b) Upon request by Mortgagor, and to the extent that the portion of the Property covered by this Section 20(b) is not otherwise released pursuant to Section 20(a) above

and provided that Mortgagor provides Mortgagee with plans that show the areas mentioned in Section 20(b)(i) and (ii) below, Mortgagee will (i) release the lien, operation and effect of this Mortgage, with respect to any portion of the Property on which a roadway, driveway, utility line, facility or system or other public or private infrastructure improvement is to be constructed thereon, along with any open space and/or any portion of the Property which is not developed; and/or (ii) if the condition described in Section 20(c)(i) below has not yet been satisfied, then at Mortgagor's request, Mortgagee will subordinate the lien, operation and effect of this Mortgage to all or any portion of the Property on which Mortgagor creates or causes to be created an easement in connection with any roadway, driveway, utility line, facility or system or other public or private infrastructure improvement to be constructed on the Property.

(c) Mortgagor's right to request a release and/or subordination pursuant to item subsection (a) or (b) or this Section 20, and Mortgagee's obligation to grant such release(s) and/or subordination(s), shall be conditioned on (i) with respect to a partial release only: (A) the prior or simultaneous subdivision of the Hospital Property and the Non-hospital Property; (B) the recording of a declaration of condominium as described in Section 20(d) below; or (C) a conveyance of the portion of the Property to be released to a governmental entity for roadway or other public purpose; and (ii) the delivery to Mortgagee by Mortgagor of such releases or subordination documents, as applicable, for Mortgagee's execution, in form reasonably satisfactory to Mortgagor and Mortgagee, which documents shall be consistent with this Section 20.

(d) If, pursuant to the provisions of the Pennsylvania Uniform Condominium Act, 68 Pa. C.S. §3101, et. seq., as amended (the "Condominium Act"), Mortgagor executes and causes to be recorded in the Recorder of Deeds in and for Bucks County, Pennsylvania a declaration of condominium (as amended, a "Declaration"), Mortgagee hereby agrees that with respect to the Declaration together with all related documents related thereto, and the exhibits thereof, as each may be amended from time to time (collectively, the "Condominium Documents"), that the lien, operation and effect of this Mortgage shall be under and subject and subordinate to, the lien, operation and effect, and the easements, restrictions, covenants and other provisions contained in, the Condominium Documents. Mortgagee acknowledges that the declarant under the Condominium Documents will have the right to record the Condominium Documents and to amend the Condominium Documents as recorded pursuant to the provisions of the Condominium Documents or otherwise pursuant to the Condominium Act, provided, however, that Mortgagor shall not, without Mortgagee's prior written consent, record any Condominium Documents or modify, amend, supplement, or in any other manner change the terms, conditions or covenants of any Condominium Documents as recorded so as to adversely affect, alter or impair the lien of this Mortgage or the security therefor, or in a manner which materially increases the obligations or diminishes the rights of Mortgagee, nor may Mortgagor waive or consent to the waiver of any enforcement of any of the provisions hereof Mortgagor shall not, except with the prior written consent of Mortgagee (i) institute any action or proceedings for partition of the Property; (ii) vote for or consent to any modification of, amendment to or relaxation in the enforcement of any provision of the Condominium Documents which adversely affects, alters or impairs the lien of this Mortgage or other security therefor, or which materially increase the obligations or diminishes the rights of Mortgagee hereunder, or (iii) in the event of damage to or destruction of the units, created under the Condominium Documents or any of them, vote in opposition to a motion to repair, restore, or rebuild. While no further

documentation shall be required to effectuate the provisions of this Section 20, Mortgagee agrees, upon written request from Mortgagor and at the expense of Mortgagor from time to time, to execute such appropriate instruments in recordable form as reasonably requested to further the intentions of this Mortgage.

(e) Mortgagee will cooperate with Mortgagor in effectuating the provisions of this Section 20, including without limitation the execution such applications, plats, plans, releases, subordinations, deeds, consents, joinders, instruments required under Section 20(d) above as reasonably requested, and such other instruments as reasonably requested by Mortgagor in connection with such subdivision(s), all in a prompt manner. The effectuation of the provisions of this Section 20 shall be at Mortgagor's cost, but the release in accordance with this Section 20 shall not, in and of itself, require any payment by or on behalf of Mortgagor of any principal, interest, or otherwise pursuant to any of the Obligations,

(f) To the extent that any portion of the Property is released pursuant to this Section 20, the terms "Land" and "Property" shall be redefined to exclude such released portions and to include only the real property that has not been released. Any part of the Land and/or the Property so released shall no longer be subject to the provisions of this Mortgage nor to any of the Obligations.

21. Installation of Additional Equipment. Notwithstanding anything to the contrary herein and subject to the provisions of the Loan Agreement, Mortgagor and any other Member of the Obligated Group, as applicable, or any permitted ground lessee, lessee, sublessee thereof, as applicable, from time to time may install additional machinery, equipment or other personal property on the Land (which may be attached or affixed to the Land), and such machinery, equipment or other personal property shall not become, or be deemed to become, a part of the Property, provided that the acquisition and installation of such property is not financed from the proceeds of the Bonds. Mortgagor and the Members of the Obligated Group, as applicable, from time to time may create or permit to be created any lien on such machinery, equipment or other personal property. Further, Mortgagor from time to time may remove or permit the removal or the replacement of such machinery, equipment and other personal property from the Land, provided that any such removal or replacement of such machinery, equipment or other personal property shall not occur (i) if any Default has occurred; or (ii) if any such removal or replacement shall adversely affect the structural integrity of the Land or impair the overall operating efficiency of the Property for the purposes for which it is intended, and provided further that, if any damage is occasioned to the Land by such removal, Mortgagor agrees promptly to repair (or cause to be repaired) such damage at its own expense (or, as applicable, at the cost and expense of the Obligated Group).

Receipt of a copy of the Mortgage is acknowledged, without cost to the Mortgagor.

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IN WITNESS WHEREOF, Mortgagor has signed and sealed this Open-End Mortgage, Assignment of Rents and Security Agreement as of the day and year first above written.

Mortgagor:

GRAND VIEW HOSPITAL

By:_____
Name:
Title:

(SEAL)

Mortgagee:

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.

By:_____
Name:
Title

(SEAL)

The address of the Mortgagee is:

_____
_____
_____

_____
On behalf of Mortgagee

COMMONWEALTH OF PENNSYLVANIA :
: ss.
COUNTY OF _____ :

On this _____ day of _____, 2021, before me personally appeared _____, who acknowledged himself to be the _____of Grand View Hospital, a Pennsylvania nonprofit corporation, and that he as such officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as such officer.

Witness my hand and seal the day and year aforesaid,

_____
Notary Public

My Commission Expires:

COMMONWEALTH OF PENNSYLVANIA :
: ss.
COUNTY OF _____ :

On this _____ day of _____, 2021, before me personally appeared _____, who acknowledged himself to be the _____of _____, a _____, and that he as such officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as such officer.

Witness my hand and seal the day and year aforesaid,

_____
Notary Public

My Commission Expires:

_____

EXHIBIT A

PROPERTY DESCRIPTION

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APPENDIX G

PROPOSED FORM OF OPINION OF BOND COUNSEL

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PROPOSED FORM OF OPINION OF BOND COUNSEL

Bucks County Industrial Development Authority
11 Welden Drive, Suite 100
Doylestown, Pennsylvania 18901

The Bank of New York Mellon Trust Company, N.A., as trustee
500 Ross Street, 12th Floor
Pittsburgh, Pennsylvania 15626

BofA Securities, Inc., as underwriter
One Bryant Park, 12th Floor
New York, New York 10036

Re: $285,000,000 Bucks County Industrial Development Authority Hospital Revenue Bonds (Grand View Hospital Project), Series 2021

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by the Bucks County Industrial Development Authority (the "Authority") of its $285,000,000 aggregate principal amount of its Hospital Revenue Bonds (Grand View Hospital Project), Series 2021 (the "Bonds"). The Bonds are being issued under and pursuant to the laws of the Commonwealth of Pennsylvania (the "Commonwealth"), including particularly the Pennsylvania Economic Development Financing Law, the Act of August 23, 1967, P.L. 251, as amended (the "Act"), and a Trust Indenture dated as of March 1, 2021 (the "Indenture") between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"). All capitalized terms used herein and not otherwise defined shall have the same meanings as set forth in the Indenture.

The Authority is issuing the Bonds at the request of Grand View Hospital (the "Borrower"), which is an organization exempt from federal income tax as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), to finance a project consisting of (i) the payment or reimbursement for the costs of construction and equipping of a new inpatient care building located on Borrower's main campus consisting of an approximate 190,156 square foot new building with minor renovations to existing, adjacent buildings; (ii) the reimbursement for the payment of capital and otherwise qualifying expenditures at the Borrower's main campus and at its other facilities and sites within Bucks County, Pennsylvania; (iii) the current refunding of all of the Authority's outstanding Hospital Revenue Bonds (Grand View Hospital), Series A of 2008 and Hospital Revenue Bonds (Grand View Hospital), Series B of 2008 (the "Series 2008 Bonds"); (iv) funding capitalized interest during construction on the portion of the Bonds relating to the construction project; (v) paying for the termination of all or a portion of the two outstanding interest rate swap agreements entered into by the Borrower in connection with the Series 2008 Bonds; (vi) funding a debt service reserve fund for the benefit of the Series 2021 Bondholders in an amount equal to the Debt Service Reserve Fund Requirement; and (vii) paying all costs of issuance of the Series 2021 Bonds (collectively, the "Project").

The proceeds of the Bonds will be loaned to the Borrower pursuant to a Loan Agreement dated as of March 1, 2021 (the "Loan Agreement") between the Authority and the Borrower. The Borrower is required to make payments under the Loan Agreement in amounts in the aggregate sufficient to pay the principal or redemption price of and interest on the Bonds.

The Bonds are secured under the Indenture by an assignment of loan payments under the Loan Agreement to the Trustee and by its promissory note designated Grand View Health Obligated Group Obligation No. 1 (the "Series 2021 Obligation") issued under the Master Trust Indenture dated as of March 1, 2021 by and among the Borrower, The Grand View Health Foundation (the "Foundation"), and such other Organizations as from time to time are Members of the Obligated Group and The Bank of New York Mellon Trust Company, N.A., as master trustee (the "Master Trustee"), as supplemented by Supplemental Master Indenture No. 1 dated as of March 1, 2021 (the "Supplemental Master Indenture") by and between the Borrower and the Master Trustee. Payments under the Series 2021 Obligation will be credited against the loan payments of the Borrower under the Loan Agreement and applied to the principal or redemption price of and interest on the Bonds.

To secure its obligations under the Loan Agreement, the Hospital has entered into an Open-End Mortgage, Assignment of Rents and Security Agreement made as of March 1, 2021 in favor of the Master Trustee (the "Mortgage") pursuant to which the Borrower has created a mortgage lien on and security interest in the premises and other property described therein.

The Authority and the Borrower have made certain factual representations in the Indenture, the Loan Agreement and certain certificates delivered on the date hereof that are material to the opinions expressed herein, including representations as to the qualification of each of the Borrower and the Foundation as an organization described in Section 501(c)(3) of the Code, and the reasonable expectations of the Borrower and the Authority on the date hereof as to the use of the proceeds of the Bonds.

Under the Indenture and the Loan Agreement, respectively, the Authority and the Borrower have covenanted that they will comply with the requirements of Section 148 of the Code pertaining to arbitrage bonds. In addition, an officer of the Authority responsible for issuing the Bonds and a representative of the Borrower have executed a certificate stating the reasonable expectations of the Authority and the Borrower on the date of issue of the Bonds as to future events that are applicable for the purposes of such requirements of the Code.

In our capacity as Bond Counsel, we have examined a record of the proceedings relating to the issuance of the Bonds, including original counterparts or certified copies of the Indenture, the Loan Agreement, the Mortgage and such other documents, records, proceedings, statutes and decisions as we have deemed necessary to enable us to express the opinions set forth below. We have also examined specimens of fully executed Bonds and a certificate of the Trustee, upon which we have relied, with respect to the authentication by the Trustee of the Bonds. In rendering our opinions, we have assumed the genuineness, authenticity, truthfulness and completeness of all documents, records and other instruments examined. We have not undertaken to verify the factual matters set forth therein by independent investigation. Except as set forth in paragraph 4 below, our opinions are given only with respect to the laws of the Commonwealth of Pennsylvania as enacted and construed on the date hereof.

Based on and subject to the foregoing and the additional qualifications and limitations stated below, we are of the opinion that:

1. The Authority is a body corporate and politic, validly existing under the Act, with full power and authority thereunder to undertake the Project, to execute and deliver the Indenture and the Loan Agreement, and to issue and sell the Bonds.

2. The Indenture and the Loan Agreement have been duly authorized, executed and delivered by the Authority, and the Indenture and the Loan Agreement constitute valid and binding obligations of the Authority enforceable against the Authority in accordance with their terms, except as such enforcement may be limited by bankruptcy, insolvency, moratorium and other similar laws and equitable principles affecting the rights and remedies of creditors generally and by the exercise of judicial discretion in accordance with general principles of equity.

3. The issuance and sale of the Bonds have been duly authorized by the Authority and, on the assumption of execution and authentication stated above, such Bonds have been duly executed and delivered by the Authority and authenticated by the Trustee, are valid and binding limited obligations of the Authority enforceable in accordance with their terms and are entitled to the benefit and security of the Indenture, except as the rights created thereunder and the enforcement thereof may be limited by bankruptcy, insolvency, moratorium and other similar laws and equitable principles affecting the rights and remedies of creditors generally and by the exercise of judicial discretion in accordance with general principles of equity.

4. Interest on the Bonds is not includable in gross income for purposes of federal income taxation under existing statutes, regulations, rulings and court decisions. The opinion set forth in the preceding sentence is subject to the condition that the Authority and the Borrower comply with all applicable federal income tax law requirements that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon continues to be excluded from gross income for purposes of federal income taxation. Failure to comply with certain of such requirements could cause the interest on the Bonds to be includable in gross income retroactive to the date of issuance of the Bonds. The Authority and the Borrower have covenanted to comply with all such requirements. Interest on the Bonds is not treated as an item of tax preference under Section 57 of the Internal Revenue Code of 1986, as amended (the "Code") for purposes of the federal alternative minimum tax. We express no opinion regarding other federal tax consequences relating to the Bonds or the receipt of interest thereon.

5. Under the laws of the Commonwealth of Pennsylvania, as enacted and construed on the date hereof, the interest on the Bonds is free from taxation for state and local purposes within the Commonwealth of Pennsylvania, but such exemption does not extend to gift, inheritance, succession or estate taxes or any other taxes not levied or assessed directly on the Bonds or the interest thereon.

We call your attention to the fact that the Bonds are limited obligations of the Authority, payable only from the sources described in the Indenture, and that the Bonds do not pledge the credit or taxing power of the Commonwealth of Pennsylvania or any political subdivision thereof.

We express no opinion herein with regard to, and we assume no responsibility for the accuracy or completeness of, the Official Statement prepared in connection with the offer and sale of the Bonds.

This opinion is given as of the date hereof, and we assume no obligations to update, revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

APPENDIX H

FORM OF CONTINUING DISCLOSURE UNDERTAKING

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CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking dated as of March 1, 2021 (this "Undertaking") is entered into by GRAND VIEW HOSPITAL ("GVH"), as Obligated Group Representative (as defined below) on behalf of itself and the other Members of the Obligated Group (as defined below), and DIGITAL ASSURANCE CERTIFICATION, LLC (the "Dissemination Agent") in connection with the issuance of $285,000,000 aggregate principal amount of Bucks County Industrial Development Authority Hospital Revenue Bonds (Grand View Hospital Project), Series 2021 (the "2021 Bonds"). The 2021 Bonds will be issued under a Trust Indenture dated as of March 1, 2021 (the "Bond Indenture") between the Bucks County Industrial Development Authority (the "Issuer") and The Bank of New York Mellon Trust Company, N.A., as trustee. The proceeds of the 2021 Bonds will be loaned to GVH pursuant to a Loan Agreement dated as of March 1, 2021 (the "Loan Agreement") between the Issuer and GVH. GVH, on behalf of itself and the other Members of the Obligated Group, and the Dissemination Agent, intending to be legally bound hereby, covenant and agree as follows:

SECTION 1. Purpose of Undertaking. This Undertaking is being executed and delivered by GVH, as Obligated Group Representative on behalf of itself and the other Members of the Obligated Group, in order to assist the Participating Underwriter (defined below) in complying with the Rule (defined below).

SECTION 2. Definitions. In addition to the definitions set forth in the Bond Indenture and the Loan Agreement, which apply to any capitalized term used in this Undertaking unless otherwise defined in this Section, the following capitalized terms have the meanings indicated below:

"Annual Report" means any Annual Report provided by GVH pursuant to Section 4(a) of this Undertaking.

"Annual Response to Investors" means any Annual Response to Investors provided by the GVH pursuant to Section 3(c) of this Agreement.

"Audit Group" means the Obligated Group and their controlled affiliates.

"Bondholder" or "Holder" of the 2021 Bonds means any Registered Owner of the 2021 Bonds or any Person which (i) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any of the 2021 Bonds (including Persons holding through any nominee, securities depository or other intermediary, including any Beneficial Owner), or (ii) is treated as the holder of any of the 2021 Bonds for federal income tax purposes.

"EMMA" means the Electronic Municipal Market Access system of the MSRB as provided at http://www.emma.msrb.org, or any similar system that is acceptable to or as may be prescribed by the MSRB for purposes of the Rule and approved by the SEC from time to time.

"Financial Obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "financial obligation" shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Listed Events" means any of the events listed in Section 4(c) of this Undertaking.

"Master Trust Indenture" means the Master Trust Indenture dated as of March 1, 2021, by and among GVH, The Grand View Health Foundation, and such other Organizations as from time to time are

Members of the Obligated Group and The Bank of New York Mellon Trust Company, N.A., as master trustee (the "Master Trustee"), as supplemented by Supplemental Master Trust Indenture No. 1 dated as of March 1, 2021 by and between the Borrower, as the Obligated Group Representative (as defined in the Master Trust Indenture), and the Master Trustee.

"MSRB" means the Municipal Securities Rulemaking Board.

"Obligated Group" or "Members of the Obligated Group" means, GVH, The Grand View Health Foundation and any future Member of the Obligated Group designated as such pursuant to the terms of the Master Trust Indenture.

"Obligated Group Representative" means GVH or an Obligated Group Member (or Obligated Group Members acting jointly) as may have been designated pursuant to written notice to the Master Trustee executed by GVH or a successor Obligated Group Representative. Currently the Obligated Group Representative is GVH.

"Official Statement" means the Official Statement dated February 23, 2021 used in connection with the sale of the 2021 Bonds.

"Participating Underwriter" means the original underwriters of the 2021 Bonds required to comply with the Rule in connection with the offering of the 2021 Bonds.

"Quarterly Report" means any Quarterly Report provided by GVH pursuant to Section 4(b) of this Undertaking.

"Rule" means Rule 15c2-12(b)(5) adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"SEC" means the United States Securities and Exchange Commission.

SECTION 3. Content of Annual Reports, Quarterly Reports and Annual Response to Investors.

(a) Each Annual Report must contain, for the applicable Fiscal Year:

(i) a copy of the audited annual consolidated financial statements of the Audit Group, prepared in accordance with generally accepted accounting principles and audited by certified independent public accountants; provided that if the Audit Group's financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 4(a), the Annual Report shall contain preliminary financial statements in a format similar to the financial statements contained in the Official Statement, and the final financial statements shall be filed in the same manner as the Annual Report when they become available; and

(ii) an update of the information of the type set forth in the tables entitled "HISTORICAL UTILIZATION STATISTICS," "SOURCES OF REVENUE (PAYOR MIX)," "HISTORICAL FINANCIAL RESULTS – Summary of Consolidated Statement of Operations and Changes in Net Assets," "HISTORICAL FINANCIAL RESULTS – Summary of Consolidated Balance Sheets," "OTHER FINANCIAL INFORMATION – Liquidity – Historical Liquidity," "OTHER FINANCIAL INFORMATION – Historic and Pro Forma Debt Service Long Term Capitalization," and OTHER FINANCIAL INFORMATION – Historic and Pro Forma Debt Service Coverage Ratio" (data related to applicable fiscal year and two preceding years only), each in Appendix A to the Official Statement.

(b) Each Quarterly Report must contain:

(i) for the applicable quarterly fiscal period of each Fiscal Year, unaudited consolidated financial statements, including balance sheets, statement of cash flows and statements of operations of the Audit Group, as of the end of each such quarterly fiscal period, shown in each case in comparative form with the same period of the preceding Fiscal Year in reasonable detail; and

(ii) for the applicable quarterly fiscal period of each Fiscal Year, an update of the information of the type set forth in the table entitled "HISTORIC UTILIZATION STATISTICS" in Appendix A to the Official Statement, as of the end of each such quarterly fiscal period, shown in comparative form with the same period of the preceding Fiscal Year, in reasonable detail.

(iii) with respect to the Project Facilities financed with proceeds of the 2021 Bonds, beginning with the first Quarterly Report submitted in accordance with Section 4(b) hereof and ending with the quarter during which such project is completed, a summary of construction progress and activities, including construction disbursements against budget and estimated costs to complete, and including notice of any material change orders relating to the project and a report of change orders affecting the project's contingency budget.

(c) Each Annual Response to Investors shall contain GVH's response to the Bondholder inquiries received as described in Section 4(c) below.

SECTION 4. Provision of Annual Reports, Quarterly Reports and Annual Responses to Investors and Notices of Listed Events.

(a) Within 150 days after the end of each Fiscal Year, commencing with the Fiscal Year ending June 30, 2021, GVH shall deliver to the Dissemination Agent an Annual Report. The Dissemination Agent shall promptly upon receipt thereof file the Annual Report with the MSRB through EMMA or such other program required by the Rule.

In each case, the Annual Report may be submitted by GVH as a single document or as separate documents comprising a package, and may cross-reference other information to the extent permitted by the Rule. Notwithstanding the foregoing, the audited financial statements of the Audit Group may be submitted separately from the balance of the Annual Report when such audited financial statements are available.

(b) Within 60 days after the end of each quarterly fiscal period of each Fiscal Year, commencing with the fiscal quarter ending March 31, 2021, GVH shall deliver to the Dissemination Agent a Quarterly Report. The Dissemination Agent shall promptly upon receipt thereof file the Quarterly Report with the MSRB through EMMA or such other program required by the Rule. In each case, the Quarterly Report may be submitted by GVH as a single document or as separate documents comprising a package, and may cross-reference other information to the extent permitted by the Rule.

(c) GVH shall host, commencing in the Fiscal Year ending June 30, 2022 and in each Fiscal Year during the Construction Period (as defined in the Loan Agreement) until the completion of the Project, at least one live webcast or teleconference (the "Investor Update Call"), with management of GVH. Each Investor Update Call shall be held not later than the 45th day following the date on which the Annual Report for the Fiscal Year is filed with the EMMA system maintained by the MSRB. GVH shall provide notice of the date and time of each Investor Update Call and how to access the Investor Update Call in a notice given by GVH to the Dissemination Agent for filing with the MSRB on its EMMA system no more than 30 days and not fewer than 7 days prior to the Investor Update Call. GVH

will continue to hold Investor Update Calls after the completion of Project until the ratings on the Series 2021 Bonds are rated at least "BBB-" by the rating agency which originally assigned a rating on the Series 2021 Bonds or an equivalent or better rating by an equivalent rating agency rating the Series 2021 Bonds.

(d) In a timely manner not in excess of ten Business Days after such occurrence, GVH shall provide to the Dissemination Agent, and the Dissemination Agent shall file with the MSRB, by electronic transfer through EMMA (the form of which accompany such written direction), notice of the occurrence of any of the following events with respect to the 2021 Bonds:

(1) Principal and interest payment delinquencies;

(2) Non-payment related defaults, if material;

(3) Unscheduled draws on debt service reserves reflecting financial difficulties;

(4) Unscheduled draws on credit enhancements reflecting financial difficulties;

(5) Substitution of credit or liquidity providers, or their failure to perform;

(6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701–TEB) or other material notices or determinations with respect to the tax status of the 2021 Bonds, or other material events affecting the tax status of the 2021 Bonds;

(7) Modifications to rights of the Holders of the 2021 Bonds, if material;

(8) Bond calls (except for mandatory sinking fund redemptions), if material, and tender offers;

(9) Defeasances of the 2021 Bonds;

(10) Release, substitution or sale of property securing repayment of the 2021 Bonds, if material;

(11) Rating changes on the 2021 Bonds;

(12) Bankruptcy, insolvency, receivership or similar event of a Member of the Obligated Group;

(13) The consummation of a merger, consolidation, or acquisition involving a Member of the Obligated Group or the sale of all or substantially all of the assets of a Member of the Obligated Group, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(14) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

(15) incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and

(16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

(e) The Dissemination Agent shall promptly advise GVH whenever, in the course of performing its duties as Dissemination Agent hereunder, the Dissemination Agent has actual notice of an occurrence which, if material, would require GVH to provide notice of a Listed Event hereunder; provided however, that the failure of the Dissemination Agent to so advise GVH shall not constitute a breach by the Dissemination Agent of any of its duties hereunder.

(f) GVH shall provide the Dissemination Agent, in a timely manner, and the Dissemination Agent shall file with the MSRB, by electronic transmissions through EMMA, notice of any failure by GVH to provide any information required pursuant to this Section 4 on or before the dates specified herein.

SECTION 5. Termination of Undertaking. The obligations of GVH and the Dissemination Agent under this Undertaking shall terminate upon the defeasance, prior redemption or payment in full of all of the 2021 Bonds. GVH shall notify the Dissemination Agent, which shall file notice with the MSRB, by electronic transmissions through EMMA, when the obligations of GVH under this Undertaking have terminated. If the obligations of GVH under the Loan Agreement are assumed in full by another obligated Person, such Person shall be responsible for compliance with this Undertaking in the same manner as if it were GVH, and GVH shall have no further responsibility hereunder.

SECTION 6. Amendment. The obligations of GVH under this Undertaking may be amended, without notice to or consent of the Holders of the 2021 Bonds, to the extent required or permitted as a result of a change in the legal requirements, or in connection with a change in the identity, nature, corporate organization, or status of the Obligated Group, or the type of business conducted by it, or in connection with a corporate reorganization of a Member of the Obligated Group; provided that any such modification shall be done in a manner consistent with the Rule and shall not materially impair the interest of the Holders of the 2021 Bonds.

If any of the provisions of Section 3 hereof relating to the Annual Report that must be provided to the MSRB, by electronic transmissions through EMMA, in accordance with the Rule is amended or waived, the Annual Report for the first Fiscal Year the Annual Report for which reflects such amendment or waiver shall include an explanation, in narrative form, of the reasons for the amendment or waiver and the impact of the change in the type of operating data or financial information being provided.

If any provisions of this Undertaking specifying the accounting principles to be followed in preparing the Audit Group's audited financial statements are amended or waived, the Annual Report for the Fiscal Year in which the change is made shall present a comparison between the audited financial statements or annual financial information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The

comparison must include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to the Bondholders to enable them to evaluate the ability of GVH to meet its obligations. To the extent reasonably feasible, the comparison must be quantitative. GVH shall file a notice of the change in accounting principles with the MSRB, by electronic transmissions through EMMA, on or before the effective date of any such amendment or waiver.

SECTION 7. Additional Information. Nothing in this Undertaking shall be deemed to prevent GVH from disseminating any other information, using the means of dissemination set forth in this Undertaking or any other means of communication, or including any other information in any Annual Report or Quarterly Report or notice of occurrence of a Listed Event, in addition to that which is required by this Undertaking. If GVH chooses to include any information in any Annual Report or Quarterly Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Undertaking, GVH shall have no obligation under this Undertaking to update such information or include it in any future Annual Report or Quarterly Report or notice of occurrence of a Listed Event.

SECTION 8. Default. Any Bondholder may enforce the obligations of GVH under this Undertaking; provided however that (i) any breach of such obligations shall not constitute or give rise to a default or an Event of Default under the Master Trust Indenture, the Loan Agreement or the 2021 Bonds, and (ii) the sole remedy for any such breach shall be to compel specific performance of the obligations of GVH under this Undertaking.

SECTION 9. Beneficiaries. This Undertaking shall inure solely to the benefit of the Participating Underwriter and Bondholders, and shall create no rights in any other Person.

SECTION 10. Governing Law. This Undertaking shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.

SECTION 11. Severability. In case any one or more of the provisions of this Undertaking shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Undertaking, but this Undertaking shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

SECTION 12. Execution. This Undertaking may be executed in any number of counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 13. Notices. Unless otherwise provided herein, all notices, certificates, requests or other communications hereunder shall be given by electronic transmission and promptly confirmed in writing and shall be deemed given when given by electronic transmission or addressed as follows:

GVH:	Grand View Hospital 700 Lawn Avenue Sellersville, Pennsylvania 18960 Attention: Chief Financial Officer E-mail: ccoffman@gvh.org
Dissemination Agent	Digital Assurance Certification, L.L.C. 315 East Robinson Street, Suite 300 Orlando, FL 32801 Attn: _____ Telephone: (407) 515-1100

Each of the above parties, by written notice given hereunder to the others, may designate any further or different addresses to which subsequent notices, certificates, requests, or other communications shall be sent. In addition, the parties hereto may agree to any other means by which subsequent notices, certificates, requests or other communications may be sent.

SECTION 14. Dissemination Agent.

(a) The Dissemination Agent shall have no duty or obligation to review or verify any Information or any other information, disclosures or notices provided to it by GVH and shall not be deemed to be acting in any fiduciary capacity for GVH, the Holders of the Bonds or any other party.

(b) GVH AGREES TO INDEMNIFY AND SAVE THE DISSEMINATION AGENT AND ITS RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS, HARMLESS AGAINST ANY LOSS, EXPENSE AND LIABILITIES WHICH THEY MAY INCUR ARISING OUT OF OR IN THE EXERCISE OR PERFORMANCE OF THEIR POWERS AND DUTIES HEREUNDER, INCLUDING THE COSTS AND EXPENSES (INCLUDING ATTORNEYS FEES) OF DEFENDING AGAINST ANY CLAIM OF LIABILITY, BUT EXCLUDING LIABILITIES DUE TO THE DISCLOSURE DISSEMINATION AGENT'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

(c) The Dissemination Agent may resign and be discharged of its duties and obligations hereunder by giving notice in writing of such resignation specifying a date when such resignation shall take effect. Any corporation or association into which the Dissemination Agent in its individual capacity may be merged or converted or with which it may be consolidated, or any corporation or association resulting from any merger, conversion or consolidation to which the Dissemination Agent in its individual capacity shall be a party, or any corporation or association to which all or substantially all the corporate trust business of the Dissemination Agent in its individual capacity may be sold or otherwise transferred, shall be the Dissemination Agent under this Agreement without further act. In addition, GVH may, from time to time, upon written notice to the Issuer and the Dissemination Agent, assume the responsibilities and duties of the Dissemination Agent hereunder. Notwithstanding any contrary provision hereof, during any period in which GVH is performing the duties of Dissemination Agent hereunder, all references to "Dissemination Agent" shall be deemed to refer to GVH.

SECTION 15. Filing with EMMA; Other Filings. All filings with the MSRB shall be done through EMMA in an electronic format prescribed by the MSRB and accompanied by identifying data

prescribed by the MSRB, or as otherwise specified by the MSRB. In addition to filings through EMMA, GVH may file any of the information necessary to be filed hereunder with such other electronic filing systems and entities as are approved by the SEC by interpretative letter or "no action" letter for receipt of such information in compliance with the requirements of paragraph (b)(5) of the Rule.

IN WITNESS WHEREOF, each of the parties hereto has caused this Continuing Disclosure Undertaking to be executed in its name and in its behalf, all as of the date and year first above written.

GRAND VIEW HOSPITAL, as Obligated Group Representative

By:_____
Name: Courtney Coffman
Title: Vice President, Finance and Chief Financial Officer

DIGITAL ASSURANCE CERTIFICATION, LLC, as Dissemination Agent

By:_____
Name:
Title:

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APPENDIX I

BOOK-ENTRY ONLY SYSTEM

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APPENDIX I

BOOK-ENTRY ONLY SYSTEM

The information in this section concerning DTC and DTC's book-entry-only system has been obtained from DTC or DTC's website, but the Issuer do not take any responsibility for the accuracy thereof.

DTC will act as securities depository for the Series 2021 Bonds. The ownership of one fully registered Series 2021 Bond for each maturity of each series as set forth on the inside cover page hereof, each in the aggregate principal amount of such maturity, will be registered in the name of Cede & Co., as nominee for DTC. SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE SERIES 2021 BONDS, AS NOMINEE OF DTC, REFERENCES HEREIN TO THE BONDOWNERS, HOLDERS OR REGISTERED OWNERS OF THE SERIES 2021 BONDS SHALL MEAN CEDE & CO. AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE SERIES 2021 BONDS.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking" organization within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("*Direct Participants*") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("*DTCC*"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("*Indirect Participants*"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Series 2021 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2021 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2021 Bond ("*Beneficial Owner*") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2021 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. **Beneficial Owners will not receive certificates representing their ownership interests in Series 2021 Bonds, except in the event that use of the book-entry-only system for the Series 2021 Bonds is discontinued.**

To facilitate subsequent transfers, all Series 2021 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2021 Bonds with DTC and their

registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2021 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2021 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Series 2021 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2021 Bonds, such as redemptions, tenders, and defaults. For example, Beneficial Owners of the Series 2021 Bonds may wish to ascertain that the nominee holding the Series 2021 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

While the Series 2021 Bonds are in the book-entry-only system, redemption notices shall be sent to DTC. If less than all of the Series 2021 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2021 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer, as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2021 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and principal and interest payments on the Series 2021 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer or the Bond Trustees, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "*street name,*" and will be the responsibility of such Participant and not of DTC (nor its nominee), the Bond Trustees, the Issuer or the Members of the Obligated Group, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Beneficial Owner must give notice to elect to have its Series 2021 Bonds purchased or tendered, through its Participant, to the Remarketing Agent, and must effect delivery of such Series 2021 Bonds by causing the Direct Participant to transfer the Participant's interest in such Series 2021 Bonds, on DTC's records, to the Remarketing Agent. The requirement for physical delivery of Series 2021 Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Series 2021 Bonds are transferred by Direct Participants on DTC's records and following by a book-entry credit of tendered securities to the Remarketing Agent's DTC account.

DTC may discontinue providing its services with respect to the Series 2021 Bonds at any time by giving notice to the Issuer or the Bond Trustee, as applicable. Under such circumstances, in the event that

a successor depository is not obtained, Series 2021 Bond certificates are required to be printed and delivered.

In addition, the Issuer, may discontinue the book-entry-only system for the Series 2021 Bonds at any time by giving reasonable notice to DTC. In that event, Series 2021 Bond certificates will be printed and delivered to DTC.

THE ISSUER, THE OBLIGATED GROUP, THE UNDERWRITERS AND THE BOND TRUSTEE CANNOT AND DO NOT GIVE ANY ASSURANCES THAT DTC, THE DIRECT PARTICIPANTS OR THE INDIRECT PARTICIPANTS WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE SERIES 2021 BONDS (i) PAYMENTS OF PRINCIPAL OF OR INTEREST AND PREMIUM, IF ANY, ON THE SERIES 2021 BONDS, (ii) ANY DOCUMENT REPRESENTING OR CONFIRMING BENEFICIAL OWNERSHIP INTERESTS IN SERIES 2021 BONDS, OR (iii) REDEMPTION OR OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS NOMINEE, AS THE REGISTERED OWNER OF THE SERIES 2021 BONDS, OR THAT THEY WILL DO SO ON A TIMELY BASIS OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT. THE CURRENT "RULES" APPLICABLE TO DTC ARE ON FILE WITH THE SECURITIES AND EXCHANGE COMMISSION, AND THE CURRENT "*PROCEDURES*" OF DTC TO BE FOLLOWED IN DEALING WITH THE PARTICIPANTS ARE ON FILE WITH DTC.

NONE OF THE ISSUER, THE OBLIGATED GROUP, THE UNDERWRITERS OR THE BOND TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO ANY DIRECT PARTICIPANT, INDIRECT PARTICIPANT OR ANY BENEFICIAL OWNER OR ANY OTHER PERSON WITH RESPECT TO: (1) THE SERIES 2021 BONDS; (2) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT; (3) THE PAYMENT BY DTC TO ANY PARTICIPANT, OR BY ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT TO ANY BENEFICIAL OWNER OF ANY AMOUNT DUE WITH RESPECT TO THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE SERIES 2021 BONDS; (4) THE DELIVERY BY DTC TO ANY PARTICIPANT, OR BY ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT TO ANY BENEFICIAL OWNER OF ANY NOTICE WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE INDENTURE TO BE GIVEN TO BONDOWNER; (5) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE SERIES 2021 BONDS; OR (6) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS BONDHOLDER.

DTC may determine to discontinue providing its service with respect to any series of Series 2021 Bonds at any time by giving notice to the Issuer and the Bond Trustee, as applicable, and discharging its responsibilities with respect thereto under applicable law. Upon the giving of such notice, the book-entry-only system for such Series 2021 Bonds will be discontinued unless a successor securities depository is appointed by the Issuer, as applicable. In addition, the Issuer may discontinue the book-entry-only system for the Series 2021 Bonds at any time by giving reasonable notice to DTC.

In the event that the book-entry-only system for the Series 2021 Bonds is discontinued, the following provisions would apply, subject in each case to the further conditions set forth in the Indenture.

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BUCKS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY • HOSPITAL REVENUE BONDS (GRAND VIEW HOSPITAL PROJECT), SERIES 2021

GVH

GRAND VIEW HEALTH

Mixed Sources
Product group from well managed forests, controlled sources and recycled wood or fiber.

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R.I. A.G Conditions 6/1/21

Wherefore, based upon the information provided above in this Decision, the Proposed Transaction is **APPROVED WITH CONDITIONS.** These conditions are outlined below.

VI. CONDITIONS

All of the following Conditions are directly related to the proposed conversion and the purposes of the Hospital Conversions Act. The Attorney General's APPROVAL WITH CONDITIONS is contingent upon the satisfaction of the Conditions. The Proposed Transaction shall not take place until CERTAIN CONDITIONS have been satisfied. The Attorney General shall enforce compliance with these Conditions pursuant to the Hospital Conversions Act, including R.I. Gen. Laws Section 23-17.14-30.

DEFINITIONS

The following definitions shall apply to the terms used in these Conditions[44]:

(1) "Agent/Trustee" as that term is used in these Conditions shall mean a third party, selected by the Attorney General, who, in the event that any escrow or letter of credit funds are delivered to the Agent/Trustee pursuant to Conditions 6.5 or 6.6, respectively: (a) shall act as a fiduciary for the Rhode Island Hospitals and other PCC providers included in these Conditions, (b) who shall hold the funds from the Escrow Accounts and/or Letters of Credit, as applicable, in trust for the Rhode Island Hospitals and other PCC providers included in these Conditions, and (c) shall have duties and powers specific to the holding and distribution of funds delivered to the Agent/Trustee pursuant to Conditions 6.5 and 6.6 as set forth in the Trustee Agreement. The Agent/Trustee may be replaced at any time at the direction of, or with the approval of, the Attorney General.

(2) "Agent/Trustee Agreement" as that term is used in these Conditions shall mean the document that sets forth the Agent/Trustee's powers and duties specific to the holding and distribution of any funds delivered to the Agent/Trustee pursuant to Condition 6. The Agent/Trustee Agreement and any amendments or modifications thereto shall be subject to the approval of the Attorney General. The Agent/Trustee Agreement shall be approved by the Attorney General no more than sixty (60) days after the closing.

(3) "CAPEX" shall mean routine and strategic capital investments recognized by GAAP that are limited to the following, unless otherwise approved by the Attorney

[44] Terms not defined below shall be defined in accordance with the Decision.

General: new equipment, equipment replacement, facility renovation, new facilities, construction in progress, medical office space, implementation of new services, information systems and licenses, physician practice acquisitions up to but no greater than $5 million during the Conditions and Monitoring Period, and shall include commitments incurred pursuant to capital financing leases.

(4) "Community Director" shall be defined as an individual who resides or works within the Prospect CharterCARE Service Area and has the appropriate skill sets to serve on a hospital board of directors. *See* R.I. Gen. Laws § 23-17.14-7(25)(viii).

(5) "Conditions" shall mean Conditions 1-34 and all subparts as set forth herein.

(6) "Conditions and Monitoring Period" shall begin upon issuance of the Decision and extend through September 30, 2026 of Fiscal Year 2026 and such time thereafter up to reversion of funds pursuant to Condition 6.

(7) "Essential Health Care Services" to be provided by PCC and its subsidiaries shall mean the following:

a) A 24-hour emergency department;
b) Medical/Surgical Services and Intensive/Coronary Care Unit;
c) Acute Dialysis Services;
d) Inpatient and Outpatient Rehabilitation Services, including Sub-acute;
e) Ambulatory Care Services;
f) Emergency Services, including emergency behavioral health services;
g) Inpatient and Outpatient Psychiatric/Mental Health/Addiction Medicine Services;
h) Diagnostic Imaging and Interventional/Radiology Services, including diagnostic Cardiac Catheterization;
i) Laboratory/Pathology;
j) Inpatient and Outpatient Cancer Services including Blood and Marrow Transplantation/ Surgical and Radiation Oncology;
k) Sleep Lab;
l) Wound Care/Hyperbaric Services;
m) Homecare/Hospice services; and,
n) Any other primary care service, as defined by R.I. Gen. Laws § 23-17.14-18 and under Rhode Island Department of Health regulations related to said statute, not listed herein.

(8) An "Insolvency Event" shall occur if Prospect or any of its subsidiaries and/or affiliates shall: (a) file a voluntary bankruptcy petition, (b) be the subject of an involuntary bankruptcy petition that is not dismissed within forty-five days of its filing, (c) suffer, request or acquiesce in the appointment of a receiver, guardian, conservator, trustee, custodian, liquidator or other similar official over such entity or substantially all of the property or assets of such entity that is not reversed or

vacated within forty-five days of such appointment, or (d) make an assignment for the benefit of creditors, or (e) seek or be the subject of any case seeking relief under any federal, state or other statute, law or regulation relating to the creditor/debtor relationship other than as is described in clauses (a) to (d) above (each, a "Proceeding"); provided, however, that it shall not be an Insolvency Event hereunder if the aggregate revenues of the entity or entities subject to the Proceeding (each, an "Affected Entity") do not exceed 5% of the consolidated revenues of Prospect and all of its consolidated subsidiaries for any of the preceding three fiscal years; and provided further, that the preceding proviso shall not be applicable if, as a direct or indirect result of the Proceeding, Prospect or any of its other subsidiaries or affiliates either (i) lose access to cash in the ordinary course of business in an amount greater than the revenues of the Affected Entity or Entities, or (ii) suffer a material disruption to their operations in the ordinary course of business, in each case, for a period greater than seven (7) days.

(9) "Leonard Green" shall mean Green Equity Investors V, L.P. ("GEI V"), Green Equity Investors Side V, L.P. ("GEI Side V"), and Ivy LGP Co-Invest LLC ("LGP Co-Invest").

(10) "MAAP Obligations" shall mean PCC's obligations under the **CMS Accelerated and Advance Payment** Program or Medicare **Advance Payment** Program, including all recoupments, fines, penalties and any other related costs and expenses.

(11) "PCC" or "Prospect CharterCARE" shall mean, collectively, Prospect CharterCARE, LLC and its subsidiaries in existence as of as of the date of the Decision; provided that neither Prospect CharterCARE Elmhurst, LCC nor Prospect CharterCARE Ancillary Services, LLC, shall be included in the definition of PCC or Prospect CharterCARE.

I. TRANSACTION

1. The transaction shall be implemented as outlined in the Initial Application, including all Exhibits and Supplemental Responses and as modified and/or amended consistent with these conditions, provided that $10,000,000 payable to Leonard Green pursuant to the Merger Agreement shall be contributed by Leonard Green to the funding of the Escrows set forth in Condition 6.

2. For the duration of the Conditions and Monitoring Period, upon any change in what was represented by the Transacting Parties in the Initial Application, Merger Agreement, or any supplemental responses describing post-closing actions of the Transacting Parties in connection with the approval of this transaction, notice shall be provided to the Attorney General no fewer than thirty (30) days prior to the implementation of any such change.

3. For the duration of the Conditions and Monitoring Period:

(a) Provide notice to the Attorney General identifying any post-closing contracts, material amendments to existing contracts, or termination of contracts, among any

of the Transacting Parties and any of the current officers, directors, board members, members, or senior management of Prospect CharterCARE and its subsidiaries, no fewer than thirty (30) days prior to the implementation of any such change; and

(b) Provide notice to the Attorney General identifying any post-closing contracts, material amendments to existing contracts, or termination of contracts, among any of the Transacting Parties and any of the current officers, directors, board members, members, or senior management of Prospect Medical Holdings, except for changes to employment contracts, compensation or distribution agreements, no fewer than thirty (30) days prior to the implementation of any such change.

4. Prospect shall pay all costs and expenses due from the Transacting Parties pursuant to the Reimbursement Agreement dated January 28, 2020 in full prior to the closing of the Proposed Transaction.

II. FINANCIAL CONDITIONS

5. **Financial Commitment:** Leonard Green, solely with respect to Condition 5.1, and Prospect shall provide the following support (collectively, the "Financial Commitment") to PCC:

5.1 Provide for the Escrows and/or Letters of Credit as set forth in Condition 6.

5.2 Ensure payment of all of PCC's operating expenses and pay the difference between PCC's total net revenue and total operating expenses (net operating loss) on an ongoing basis.

5.3 Beginning in Fiscal Year 2020 through the end of Fiscal Year 2026, spend not less than $72.0 million on CAPEX for the Rhode Island Hospitals only, unless otherwise approved by the Attorney General, which shall be spent according to the following schedule:

(a) For the period covering Fiscal Year 2020 and the first three quarters of fiscal year 2021, not less than $12.0 million; and

(b) For the period between October 1, 2021 and September 30, 2026, not less than $60 million shall be spent as follows:

i. not less than $10.0 million during each fiscal year;
ii. not less than $24 million in CAPEX shall be spent by September 30, 2023; and
iii. not less than $48 million in CAPEX shall be spent by September 30, 2025.

5.4 No more than $27 million of PACE financing may be applied against the minimum CAPEX requirement.

6. **Escrow/Letters of Credit:** Prospect, its parent entities and/or principal shareholders shall fund the following escrow accounts (collectively the "Escrows") and provide the following irrevocable standby letters of credit (the "Letters of Credit"):

6.1 Interim Escrows. Pursuant to one or more escrow agreements acceptable to the Attorney General, Prospect, its parent entities and/or principal shareholders and Leonard Green shall, prior to Closing of the Proposed Transaction, fund three (3) escrow accounts as follows (collectively the "Interim Escrows"):

(a) The amount of $12,000,000, of which Prospect shall fund $4,000,000 and Leonard Green shall fund $8,000,000 ("the Global Conditions Escrow");

(b) The amount of $41,000,000 (the "CAPEX Escrow"), of which Prospect shall fund $14,200,000 and Leonard Green shall fund $26,800,000;

(c) The amount of $27,000,000, funded entirely by Prospect ("MAAP Escrow");

(d) The Interim Escrows shall comply with, among other things, the terms set forth in Condition 6.5;

(e) All funds that Leonard Green is required to provide for the Interim Escrows shall be paid directly by Leonard Green; and

(f) The Interim Escrows shall remain in place until replaced as set forth in Conditions 6.2 and 6.3, and the Attorney General shall provide written instructions to the escrow agent for the Interim Escrows to release the funds in the Interim Escrows for the purpose of providing the Letters of Credit and/or Escrows required by Conditions 6.2 and 6.3.

(g) In the event a draw or a reduction is required from the Interim Escrows, such draw or reduction shall take place in accordance with the provisions of Conditions 6.4 or 6.5 as applicable.

6.2 Prospect Letters of Credit. Prospect, its parent entities and/or principal shareholders shall, on or before August 15, 2021, provide three (3) irrevocable standby letters of credit (collectively the "Prospect Letters of Credit"), in accordance with and subject to Condition 6.6, as follows:

(a) A $4,000,000 letter of credit that shall not expire until the Attorney General has determined that Prospect has complied with all Conditions through September 30, 2026 ("Prospect Global Conditions LOC").

(b) A $14,200,000 letter of credit (the "Prospect CAPEX LOC") that shall be reduced in accordance with the CAPEX Escrow/LOC Reduction Schedule set forth in Condition 6.4.

(c) A $27,000,000 letter of credit (the "MAAP LOC") that shall not expire until the Attorney General has determined that all of PCC's MAAP Obligations have been satisfied in full. The MAAP LOC shall, among other things, secure Prospect's guaranty of PCC's MAAP Obligations (see Condition 9). The MAAP LOC shall be reduced quarterly, only upon the written determination of the Attorney General, by the amount of the PCC's MAAP obligations that have been satisfied in the preceding quarter.

6.3 Leonard Green Obligations. Leonard Green shall, on or before August 15, 2021, either fund Escrows or provide irrevocable standby Letters of Credit, in accordance with and subject to Conditions 6.5 and 6.6, provided that Leonard Green shall use reasonable commercial efforts to obtain the Letters of Credit as set forth in this Condition 6.3.

(a) Provide an Escrow or a Letter of Credit in the amount of $8,000,000 that shall not expire until the Attorney General has determined that Prospect has complied with all Conditions through September 30, 2026 ("LG Global Conditions Escrow/LOC").

(b) Provide an Escrow or a Letter of Credit in the amount of $26,800,000 (the "LG CAPEX Escrow/LOC") that that shall be reduced in accordance with the CAPEX Escrow/LOC Reduction Schedule set forth in Condition 6.4.

6.4 "CAPEX Escrow/LOC Reduction Schedule" shall mean the following reductions in the Prospect CAPEX LOC and the LG CAPEX Escrow/LOC (collectively the "CAPEX Funds") based on the following conditions:

(a) An $8 million reduction in the CAPEX Funds, with 40% of the reduction returning to Prospect and 60% of the reduction returning to Leonard Green, on the later to occur of September 30, 2021, or the date upon which all of the following conditions have been satisfied: (a) the Attorney General has determined in writing, based upon documentation provided by Prospect no later than July 30, 2021, that Prospect has spent not less than $12.0 million in CAPEX for the Rhode Island Hospitals between October 1, 2019, and June 30, 2021, (provided that none of the foregoing CAPEX payments shall be included in the calculation of the minimum CAPEX requirement set forth in Condition 5.3(b)); (b) Prospect has provided Letters of Credit in accordance with Condition 6.2; and (c) Leonard Green has provided Escrows or Letters of Credit in accordance with Condition 6.3.

(b) A $6.0 million reduction in the CAPEX Funds upon the written determination by the Attorney General that Prospect has complied with all Conditions through September 30, 2022, with the reduction prorated between Prospect and Leonard Green based on the Reduction Percentages.

(c) A $7.0 million reduction in the CAPEX Funds upon the written determination by the Attorney General that Prospect has complied with all Conditions through

September 30, 2023, with the reduction prorated between Prospect and Leonard Green based on the Reduction Percentages.

(d) A $7.0 million reduction in the CAPEX Funds upon the written determination by the Attorney General that Prospect has complied with all Conditions through September 30, 2024, with the reduction prorated between Prospect and Leonard Green based on the Reduction Percentages.

(e) A $7.0 million reduction in the CAPEX Funds upon the written determination by the Attorney General that Prospect has complied with all Conditions through September 30, 2025, with the reduction prorated between Prospect and Leonard Green based on the Reduction Percentages.

(f) A $6.0 million reduction in the CAPEX Funds upon the written determination by the Attorney General that Prospect has complied with all Conditions through September 30, 2026, with the reduction prorated between Prospect and Leonard Green based on the Reduction Percentages.

(g) If Prospect fails to comply with a mandated condition in a given fiscal year, the scheduled reduction for that fiscal year shall not occur until the Attorney General has determined in writing that Prospect has remedied the failure.

(h) The term "Reduction Percentages" shall mean 66.67% to the LG CAPEX Escrow/LOC and 33.3% to the Prospect CAPEX LOC.

6.5 The following terms, among others, shall apply to the Escrows:

(a) The Escrows shall not be funded by PCC's revenue, funded by a loan secured by PCC's assets, or collateralized by PCC's assets;

(b) The funds in the Escrows shall, at the written direction of the Attorney General, be distributed to the Agent/Trustee, if, as determined by the Attorney General (i) Prospect fails to comply with its obligations under II. Financial Conditions (Conditions 5-11) or Condition 22 (Continuity of Services), and/or (ii) an Insolvency Event occurs;

(c) The Attorney General shall provide written instructions, in accordance with these Conditions, to the escrow agent regarding the distribution of funds from the Escrows;

(d) The Escrows shall not be reflected as a liability of PCC or the Hospitals on their financials;

(e) The Escrows, with the exception of the Interim Escrows set forth in Condition 6.1, shall be (i) with an entity that conducts business in the State of Rhode Island, (ii) be subject to Rhode Island law, and (iii) be subject to an agreement that provides, among other things, for disputes to be resolved in the courts of Rhode Island;

(f) The agreements governing the Escrows shall be approved by the Attorney General; and

(g) The escrow agent shall be approved by the Attorney General.

6.6 The following terms, among others, shall apply to the Letters of Credit:

(a) The Letters of Credit shall not be funded by PCC's revenue, funded by a loan secured by PCC's assets, or collateralized by PCC's assets;

(b) The Letters of Credit shall list the Agent/Trustee as the beneficiary;

(c) The Letters of Credit shall be irrevocable standby letters of credit in a form acceptable to the Attorney General;

(d) The Letters of Credit may be drawn upon by the Agent/Trustee, at the written direction of the Attorney General, if, as determined by the Attorney General: (i) Prospect fails to comply with its obligations under II. Financial Conditions (Conditions 5-11) or Condition 22 (Continuity of Services) and/or (ii) an Insolvency Event occurs;

(e) The Attorney General shall provide written instructions, in accordance with these Conditions, to the financial institution issuing the Letters of Credit regarding the reduction in the Letters of Credit;

(f) The Letters of Credit shall not be reflected as a liability of PCC or the Hospitals on their financials;

(g) The Letters of Credit shall be (i) with an entity that conducts business in the State of Rhode Island, (ii) be subject to Rhode Island law, and (iii) be subject to an agreement that provides, among other things, for disputes to be resolved in the courts of Rhode Island;

(h) The agreements governing the Letters of Credit shall be approved by the Attorney General; and

(i) The Letters of Credit shall be issued by one or more financial institutions approved by the Attorney General.

6.7 Reduction determinations with respect to the CAPEX Escrows and the Letters of Credit, as applicable, will be made by the Attorney General within thirty (30) days after documentation provided by Prospect to support a reduction is deemed complete by the Attorney General, such completeness determination not to be unreasonably withheld.

6.8 (a) If the Attorney General determines in writing, as provided in Condition 6.7, that Prospect has failed to comply with any of the required Conditions at any time in a given fiscal year, the Attorney General shall provide Prospect with written notice specifying in reasonable detail the Condition(s) that the Attorney General has determined has not been satisfied and the reasons therefor, and Prospect shall have thirty business days to cure any and all deficiencies with respect to such specified Condition(s). If Prospect has cured any and all deficiencies with respect to such Condition(s) within thirty (30) days of such written notice, the Attorney General shall make the scheduled reduction determination as provided in Condition 6.7.

(b) The Attorney General shall notify Prospect ten (10) days prior to any draw of the Escrows or Letters of Credit pursuant to Conditions 6.5(b) or 6.6(d), respectively, such notification to specify in reasonable detail the Condition(s) that the Attorney General has determined has not been satisfied and the reasons therefor, unless exigent circumstances exist, including but not limited to significant service disruptions or imminent closure of either of the Rhode Island Hospitals which require an immediate draw, in which case the Attorney General shall so inform Prospect, and may proceed with the draw within two (2) business days.

6.9 Prospect and Leonard Green shall pay all fees and costs associated with the Escrows and Letters of Credit.

6.10 Agent/Trustee Agreement. Any of the funds from the Escrows and/or the Letters of Credit that are delivered to the Agent/Trustee shall be governed by the Agent/Trustee Agreement. Prospect and Leonard Green shall execute the Agent/Trustee Agreement within five (5) business days of its approval by the Attorney General.

7. Operating Covenants

7.1 PCC shall ensure all payroll, including salaries, retirement contributions and benefits, payroll taxes, property taxes, sales taxes, hospital taxes and fees and workers compensation is paid on a timely basis. In the event that any such payments are delinquent by more than 15 days, PMH shall provide funding in an amount equal to the delinquency and cure the delinquency within thirty (30) days upon notification of the delinquency.

7.2 PCC shall ensure its vendors are paid on a timely basis. In the event accounts payable days outstanding is greater than 90 days, PMH shall provide funding to PCC so that accounts payable are less than 90 days at the next quarterly measurement.

8. **PACE Obligation**: Prospect shall guarantee the satisfaction of, and pay, all obligations owed by the Rhode Island Hospitals for PACE financing, including all debt service payments, fines, penalties and any other PACE related costs and expenses during the period of Prospect's ownership of Prospect CharterCARE and the Rhode Island Hospitals, and shall enter into an agreement prior to closing of the Proposed Transaction to meet this obligation.

9. **MAAP Obligation**

9.1 Prospect shall guarantee the satisfaction of, and pay, all MAAP Obligations of the provider organizations within PCC, including the Rhode Island Hospitals and shall enter into an agreement prior to closing of the Proposed Transaction to meet this obligation.

9.2 Prospect shall use its best efforts to obtain favorable terms for the repayment of all of the MAAP Obligations of all the provider organizations within PCC, including the Rhode Island Hospitals, and provide the Attorney General with the terms of any such agreement.

10. **TRS Note and MPT Amendments:** Prospect shall extend the maturity of the TRS Note[45] to five (5) years from April 30, 2021, and none of the PCC assets shall be used to satisfy the TRS Note during said five (5) year period, including through a sale/lease-back of said assets. Thereafter, any transfer of the PCC assets, including through a sale/lease-back, shall not occur unless and until approved by the Attorney General pursuant to the Hospital Conversion Act, R.I. Gen. Laws § 23-17.14-1 *et seq*. Prospect shall amend the TRS Note to reflect these Conditions and execute it prior to the closing of the Proposed Transaction.

11. **Management Fees:** Upon consummation of the contemplated buy-out of the 15% CCCB ownership in Prospect CharterCARE as approved by the courts or September 30, 2021, whichever is sooner, the Prospect CharterCARE Management Services Agreement shall be terminated and no management fees shall be assessed to or collected from PCC, including prior accrued management fees. During the Conditions and Monitoring Period, no management fees or other similar charges and assessments of any type pertaining to Prospect's central office functions shall be levied against Prospect CharterCARE or the Rhode Island Hospitals.

III. MONITORING AND NOTICE

12. Prospect shall comply with all necessary agreements for payment of reasonable costs associated with the expert(s) to assist the Attorney General with monitoring and enforcing compliance with the Conditions pursuant to R.I. Gen. Laws § 23-17.14-28(d)(3) and for payment of the fees of the Agent/Trustee during the Conditions and Monitoring Period. Escrow accounts shall be established and funded pursuant to these agreements prior to the closing of the Proposed Transaction.

13. Not later than the fiftieth (50th) day after the end of each fiscal quarter, Prospect shall provide the Monitor and the Attorney General with quarterly financial statements, quarterly

[45] The TRS Note is defined herein on pp. 5 and 32.

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balance sheet, quarterly statement of operations and quarterly statement of cash flows (including accounts payable and any amounts due to or due from affiliates), for Prospect Medical Holdings and Prospect CharterCARE and any other evidence documenting compliance with II. Financial Conditions (Conditions 5-11) and Condition 22 for the preceding quarter, which documents shall be certified as accurate by Prospect's Chief Financial Officer, and the PCC board minutes (Condition 29).

14. Not later than February 15th of each year, Prospect shall furnish the Monitor and the Attorney General with the audited annual financial statements of Prospect Medical Holding and Prospect CharterCARE, including but not limited to: (a) documentation of compliance with II. Financial Conditions (Conditions 5-11) and Conditions 16-29 for the preceding fiscal year, including any and all supporting documents for expenditures, including but not limited to general ledgers, current contracts, invoices, receipts, and (b) providing a projected capital budget for PCC for the next three (3) years.

15. During the Conditions and Monitoring Period, Prospect shall provide the Attorney General with evidence of a board vote of the Boards of Prospect and PCC, each accepting the audited financial statements of both Prospect and PCC.

16. **MPT, TRS Merger Agreement, PACE, MAAP, and Insolvency Event Notice:** During the Conditions and Monitoring Period, provide the Attorney General with:

16.1 notice of any proposed change to the documents related to the MPT Transaction[46] to the extent the changes concern, will by their terms apply to, or will materially impact any Rhode Island entities, no fewer than thirty (30) days prior to the implementation of any such change;

16.2 notice of any activity concerning the TRS Note, including but not limited to, repayment, refinancing, default and/or waiver, no fewer than thirty (30) days prior to the implementation of any such change;

16.3 copies of any and all notices provided to or received by a party under the Merger Agreement;

16.4 notice of any proposed change to the documents related to the obligations owed by the Rhode Island Hospitals for PACE financing, no fewer than thirty (30) days prior to the implementation of any such change;

16.5 notice of any proposed change to the documents related to the MAAP obligations of the provider organizations within PCC, including the Rhode Island Hospitals, no fewer than thirty (30) days prior to the implementation of any such change; and

16.6 notice of any and all Insolvency Event(s) of Prospect and/or any of its subsidiaries. For purposes of this Condition, the exclusion of Proceedings for Affected Entities whose

[46] The MPT Transaction is defined herein on p. 32.

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aggregate revenues do not exceed 5% of the consolidated revenues of Prospect and all of its consolidated subsidiaries for any of the preceding three fiscal years, shall not apply.

17. During the Conditions and Monitoring Period provide sixty (60) days' written advance notice to the Attorney General of any terminations or material amendments to the internal agreements between the Rhode Island entities and Prospect and its affiliates (e.g., Management Agreement).

18. During the Conditions and Monitoring Period provide sixty (60) days' written advance notice to the Attorney General of any and all new proposed organizational agreements between the Rhode Island entities and Prospect and its affiliates.

19. During the Conditions and Monitoring Period, real or personal property, including any lines of service, owned by PCC with a value in excess of $100,000 shall not be sold, transferred or encumbered without prior notice of at least sixty (60) days and approval by the Attorney General. This condition shall not be construed to limit the authority of the Attorney General under R.I. Gen. Laws § 23-17.14-1, *et seq.*

20. Prospect shall provide any and all notifications related to the Settlement Agreement in Case # 1:18-cv-00328-WES/PC-2017-3856, including but not limited to, all court approvals and implementation of the contemplated buy-out of the 15% CCCB ownership in Prospect CharterCARE.

21. During the Conditions and Monitoring Period, Prospect and Prospect CharterCARE shall provide:

    (a) Any and all notices of investigation, violations, adverse findings, determinations and actions including fines and penalties, or complaints from the Office of Inspector General, Securities and Exchange Commission, Internal Revenue Service, Centers for Medicare and Medicaid Services, United States Department of Justice, any state attorney general, the Rhode Island Department of Health, Rhode Island Medicaid, any other Rhode Island regulatory body, or any hospital accreditation organizations, as well as any and all documents related to the resolution of any notices or complaints;

    (b) Any and all notices or complaints received from the state of Rhode Island or a Rhode Island municipality for violations, or potential violations, of state tax law, including but not limited to, any notice for delinquency in payments of taxes; and

    (c) All notices, complaints, or other documents shall be provided to the Attorney General within fifteen (15) days of receipt by Prospect and/or Prospect CharterCARE.

IV. BENEFITS, GOVERNANCE AND CONTINUITY OF SERVICES

22. During the Conditions and Monitoring Period, Prospect and PCC shall keep the Rhode Island Hospitals open and operational and maintain and continue to provide at each Hospital and all non-hospital settings the full complement of Essential Health Care Services. PCC shall continue to provide access to quality healthcare services and maintain good standing status with all state and federal licensing and regulatory requirements and shall meet all accreditation standards. There shall be no suspension, termination, or material reduction of Essential Health Care Services currently provided by PCC without the prior approval by the Rhode Island Department of Health.

23. During the Conditions and Monitoring Period, PMH shall guarantee funding of the PCC 401K retirement plan(s) matching contributions in accordance with the methodology in place as of the most recent plan year. Nothing herein shall impair the right of any union now existing, or to be formed at any of the PCC entities in the future, to negotiate changes to existing collective bargaining agreements and/or to enter new collective bargaining agreement provisions with respect to 401K retirement plan(s).

24. For the six (6) months following the issuance of the Decision, Prospect shall make no changes to benefits currently provided under PCC's current plans, including vacation, sick leave, holiday, health insurance, life insurance, and continued COBRA coverage, at current levels. Thereafter and during the Conditions and Monitoring Period, Prospect shall continue to provide benefits, including vacation, sick leave, holiday, health insurance, life insurance, and continued COBRA coverage. Nothing herein shall impair the right of any union now existing, or to be formed at any of the PCC entities in the future, to negotiate changes to existing collective bargaining agreements and/or to enter new collective bargaining agreement provisions with respect to benefits.

25. During the Conditions and Monitoring Period Prospect and/or Prospect CharterCARE shall provide written notice to the Attorney General (i) within ten (10) days upon the adoption of any resolution or plan to implement a reduction in workforce, layoff, furlough, or other restructuring of the workforce that will lower the number of employed FTEs by thirty (30) or more in the course of a fiscal year at PCC, or by ten (10) or more clinical staff (physicians and/or nurses) at either of the Rhode Island Hospitals; and (ii) again no fewer than thirty (30) days prior to the implementation date thereof.

26. During the Conditions and Monitoring Period, Prospect CharterCARE shall continue to provide charity care consistent with its current charity care policy and consistent with all applicable laws and Rhode Island Department of Health Regulations 216-RICR-40-10-23, and provide the Attorney General with supporting documentation evidencing its charitable and uncompensated care expenditures.

27. Prospect and Chamber shall notify the Attorney General of the initial board members prior to closing of the Proposed Transaction and, during the Conditions and Monitoring Period, shall notify the Attorney General of any change in the boards within thirty (30) days of such change.

28. Within thirty (30) days of Prospect's buyout of the 15% CCCB ownership in Prospect CharterCARE, the corporate document that functions as bylaws for Prospect CharterCARE shall be amended to require approval of the majority of all board members, for all matters that were previously listed in Section 8.3 of the Prospect CharterCARE LLC Agreement, dated June 20, 2014.

29. Following Prospect's buyout of the 15 % CCCB ownership in Prospect CharterCARE, and through completion of the Conditions and Monitoring Period, the board shall include Samuel Lee, a licensed and practicing physician, and consist of 40-49% Community Directors. All of the Community Directors shall: (1) be independent of and not employed by or affiliated with Prospect or its affiliates; and (2) not be an elected official or an individual that is subject to the Code of Ethics. The corporate document that functions as the bylaws shall be amended to reflect this Condition within thirty (30) days of Prospect's buyout of the 15% CCCB ownership in Prospect CharterCARE. Prospect shall produce all PCC board minutes to the Attorney General with the quarterly reporting set forth in Condition 13.

30. Prospect CharterCARE shall notify the Attorney General of the initial board members within thirty (30) days of the implementation of Condition 29 and, during the Conditions and Monitoring Period, shall notify the Attorney General of any change in board members board within thirty (30) days of such change.

31. During the Conditions and Monitoring Period, all board members of Prospect, Chamber, and Prospect CharterCARE shall be required to complete fiduciary training on an annual basis and provide certification of completion to the Attorney General.

32. During the Conditions and Monitoring Period, all board members of Chamber, Prospect and Prospect CharterCARE shall file annual conflict of interest statements on a form provided by the Attorney General no later than May 31 of each year. Additionally, any newly appointed board member must file a conflict of interest statement within thirty (30) days of appointment.

33. Prospect, Prospect CharterCARE, and any and all subsidiaries shall provide, within a reasonable time, any and all information requested by the Attorney General and/or the Attorney General's monitor(s) to confirm compliance with all Conditions stated herein.

34. If Prospect and PCC seek a determination by the Attorney General that any information submitted pursuant to the above Conditions should be deemed confidential and/or proprietary under R.I. Gen. Laws § 23-17.14-32, they shall submit such information clearly labeled "Request for Confidentiality" and shall including the legal citation and/or explanation for the reason that the information should be deemed confidential.

Peter F. Neronha
Attorney General

Miriam Weizenbaum
Chief, Civil Division

Jessica Rider, SAAG
Health Care Advocate

Department of Health

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June 1, 2021

VIA ELECTRONIC MAIL

Patricia K. Rocha, Esq.
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Providence, RI 02903
procha@apslaw.com

Re: The applications of Chamber, Inc. ("Chamber" or "Applicant") for the Change in Effective Control of Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center ("RWMC"); Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital ("OLF"); Prospect Blackstone Valley Surgicare, LLC ("BVS"); Prospect CharterCARE Home Health and Hospice, LLC ("HH&H") (collectively referred to as "CEC applications") and the Hospital Conversion application ("HCA application") of Chamber, Inc.; Ivy Holdings, Inc.; Ivy Intermediate Holdings, Inc.; Prospect Medical Holdings, Inc.; Prospect East Holdings, Inc.; Prospect East Hospital Advisory Services, LLC; Prospect CharterCARE, LLC; Prospect CharterCARE SJHSRI, LLC; and Prospect CharterCARE RWMC, LLC ("Transacting Parties")

Dear Attorney Rocha:

Contained herein is the Rhode Island Department of Health's ("RIDOH") Decision on the applications of Chamber, Inc. ("Chamber" or "Applicant") for the Change in Effective Control of Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center ("RWMC"); Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital ("OLF"); Prospect Blackstone Valley Surgicare, LLC ("BVS"); Prospect CharterCARE Home Health and Hospice, LLC ("HH&H") (collectively referred to as "CEC applications") and the Hospital Conversion application ("HCA application") of Chamber, Inc.; Ivy Holdings, Inc.; Ivy Intermediate Holdings, Inc.; Prospect Medical Holdings, Inc.; Prospect East Holdings, Inc.; Prospect East Hospital Advisory Services, LLC; Prospect CharterCARE, LLC; Prospect CharterCARE SJHSRI, LLC; and Prospect CharterCARE RWMC, LLC ("Transacting Parties").

Attached is the final *Report of the Health Services Council on the Application of Chamber, Inc. for the Change in Effective Control of Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center ("RWMC"), Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital ("OLF"), Prospect Blackstone Valley Surgicare, LLC ("BVS"), Prospect CharterCARE*

State of Rhode Island

Home Health and Hospice, LLC ("HH&H") ("Council's Report") that was reviewed and adopted by the Health Services Council ("Council") on April 20, 2021. The Council's Report reflects the Council's vote of four in favor, one opposed, and two abstained (4-1-2) to recommend that the CEC applications be approved, subject to the standard conditions.

Extensive materials were considered in my review, including application documents, the Applicant's presentations of its proposals; materials provided by PYA, P.C. ("PYA"), a consulting group engaged by RIDOH, including its presentation to the Council and a report titled *Report on Proposed Hospital Conversion Application Regarding Prospect CharterCARE* ("PYA's Report"), attached; public comments supporting and objecting to the CEC applications and the HCA application, both written and provided during public meetings; transcripts of four Council meetings and a public meeting held jointly by RIDOH and the Rhode Island Office of the Attorney General ("AG"); transcripts from the interviews for Statements under Oath that were conducted jointly by RIDOH and AG; and the recommendation of the Council to approve the CEC applications.

I relied carefully on the relevant criteria in rendering this Decision, including character, competence, commitment, continued access to affordable care for traditionally underserved populations, and retention of the workforce, and access to essential medical services needed to provide safe and adequate treatment, amongst other criteria. Addressing social and environmental determinants of health, eliminating disparities of health, promoting health equity, and ensuring access to quality health services for all Rhode Islanders, including our vulnerable populations are RIDOH's leading priorities. I further reflected on RIDOH's strategic priorities and guiding principles that have been previously shared with the Council as framework for examining applications under its review and in providing recommendations for my consideration in making decisions regarding such applications.

Introduction and Background

The above titled matter came before RIDOH on November 8, 2019 when applications were filed pursuant to the requirements of Chapter 23-17 of the General Laws of Rhode Island, titled *Health Care Facility Licensing Act of Rhode Island* ("CEC") and Chapter 23-17.14-12 of *The Hospital Conversions Act* ("HCA").

Chamber, as the Applicant, for a change in effective control of the four subject-licensed health care facilities submitted its CEC applications in accordance with CEC and the Transacting Parties filed an initial HCA application in accordance with HCA. Revised resubmissions of these applications were received by RIDOH on February 19, 2020. Staff reviewed the CEC applications, found them to be acceptable in form, and notified the Applicant and the general public by a notice on RIDOH's website and e-mail that the review would commence on March 10, 2020. The notice also advised that all persons wishing to comment on the applications submit their comments to the state agency by April 9, 2020, when practicable.

On April 8, 2020, RIDOH deemed the HCA application complete. The Transacting Parties requested confidentiality for particular sections of the HCA application. AG reviewed such

requests pursuant to § 23-17.14-6(c) and § 23-17.14-32 of the HCA to determine whether certain information contained in the HCA application was confidential and/or proprietary.

The CEC applications and HCA application are available at the following link:
CEC applications and HCA application

All written comments that were received related to these applications may be accessed via the following link:
Written Public Comments

Description of Applications and Proposed Transaction

In 2014, RIDOH approved the application of Prospect Medical Holdings, Inc. ("PMH") and CharterCARE Health Partners ("CCHP") whereby PMH purchased 85% interest in the hopsitals and CCHP retained a 15% interest. After this transaction Prospect CharterCARE, LLC was classified as a for-profit entity and operates a health care system that includes RWMC and OLF.

According to the applications submitted, the Applicant seeks approval for a change in ownership of RWMC, OLF, BVS, and HH&H's ultimate parent in order to effectuate a buy-out of the private equity investors. RWMC, OLF, and BVS are wholly owned by Prospect CharterCARE, LLC d/b/a CharterCARE Health Partners ("PCC"). In addition, RWMC wholly owns Prospect RI Home Health and Hospice, LLC ("PRIHHH"), which wholly owns HH&H a licensed home nursing care provider.

PCC is owned 85% by Prospect East Holdings, Inc. ("PEH") and 15% by CharterCARE Community Board ("CCCB"). PEH is wholly owned by Prospect Medical Holdings, Inc. ("PMH"). PMH is wholly owned by Ivy Intermediate Holding Inc. ("IIH"), which is wholly owned by Ivy Holdings Inc. ("IH"). IH is currently owned by a combination of two private equity investment limited partnerships (Green Equity Investors V, LP (44.48%) and Green Equity Investors Side V, LP (13.34%), Samuel Lee, the CEO and Chair of Board of Directors of IH and PMH (19.51%), and David Topper, the President of PMH, through the David & Alexa Family Trust (14.45%). Other management owns a small minority of shares, each with less than 10% interest in IH.

The proposed transaction involves a change to IH, where two individual shareholders, Samuel Lee, sole officer and director (66.67%) and the David & Alexa Family Trust (33.33%) are seeking to become the sole shareholders of what is a newly formed entity, Chamber Inc. ("Chamber" or "Applicant"). If approved, Chamber will become the parent of IH. The capital costs of the transaction are $11,940,992 with no debt associated with the proposed payment. According to the Applicant, the transaction includes $50 million of pension fund payments, as well as the assumption of over $1 billion in liabilities. Post transaction, the Green Equity Investors V, LP and Green Equity Investors Side V, LP and the other minority management shareholders will no longer retain any ownership in IH. According to the Applicant, the transaction funds ($11,940,992) will not be derived from or affect any of the PCC entities, yet consist of available PMH corporate cash.

Following the transaction, all existing entities described above will remain as surviving corporations. PMH will continue to own PEH, PEH will continue to own PCC, and PCC will continue to own and operate RWMC, (which will continue to own PRIHHH, which will continue to own HH&H), OLF, and BVS.

Licensed Health Care Facilities:

Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center ("RWMC") is a licensed acute care hospital (license no. HOS00133), for 220 beds, in Providence. RWMC is an academic medical center affiliated with Boston University School of Medicine.

Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital ("OLF") is a licensed acute care hospital (license no. HOS00132), for 312 beds, in North Providence.

Prospect Blackstone Valley Surgicare, LLC ("BVS") is a licensed freestanding ambulatory surgical center (license no. FAS01032) located in Johnston, Rhode Island.

Prospect CharterCARE Home Health and Hospice, LLC ("HH&H"), a licensed home nursing care provider (license no HNC02373), located in Providence, Rhode Island.

HCA Transacting Parties:

Chamber Inc. ("Chamber") is the newly formed entity, upon application approvals, which will become the parent of Ivy Holdings.

Ivy Holdings Inc. ("IH") is an investor-owned holding company. IH wholly owns Ivy Intermediate Holdings, Inc.

Ivy Intermediate Holdings, Inc. ("IIH") wholly owns Prospect Medical Holdings.

Prospect Medical Holdings, Inc. ("PMH") wholly owns Prospect East Holdings, Inc. and Prospect East Hospital Advisory Services, LLC

Prospect East Holdings, Inc. ("PEH") is wholly owned by PMH

Prospect East Hospital Advisory Services, LLC ("PEHAS") is wholly owned by PMH

Prospect CharterCARE, LLC ("PCC") is owned by PEH (85%) and CharterCARE Community Board (15%). PCC owns RWMC and OLF

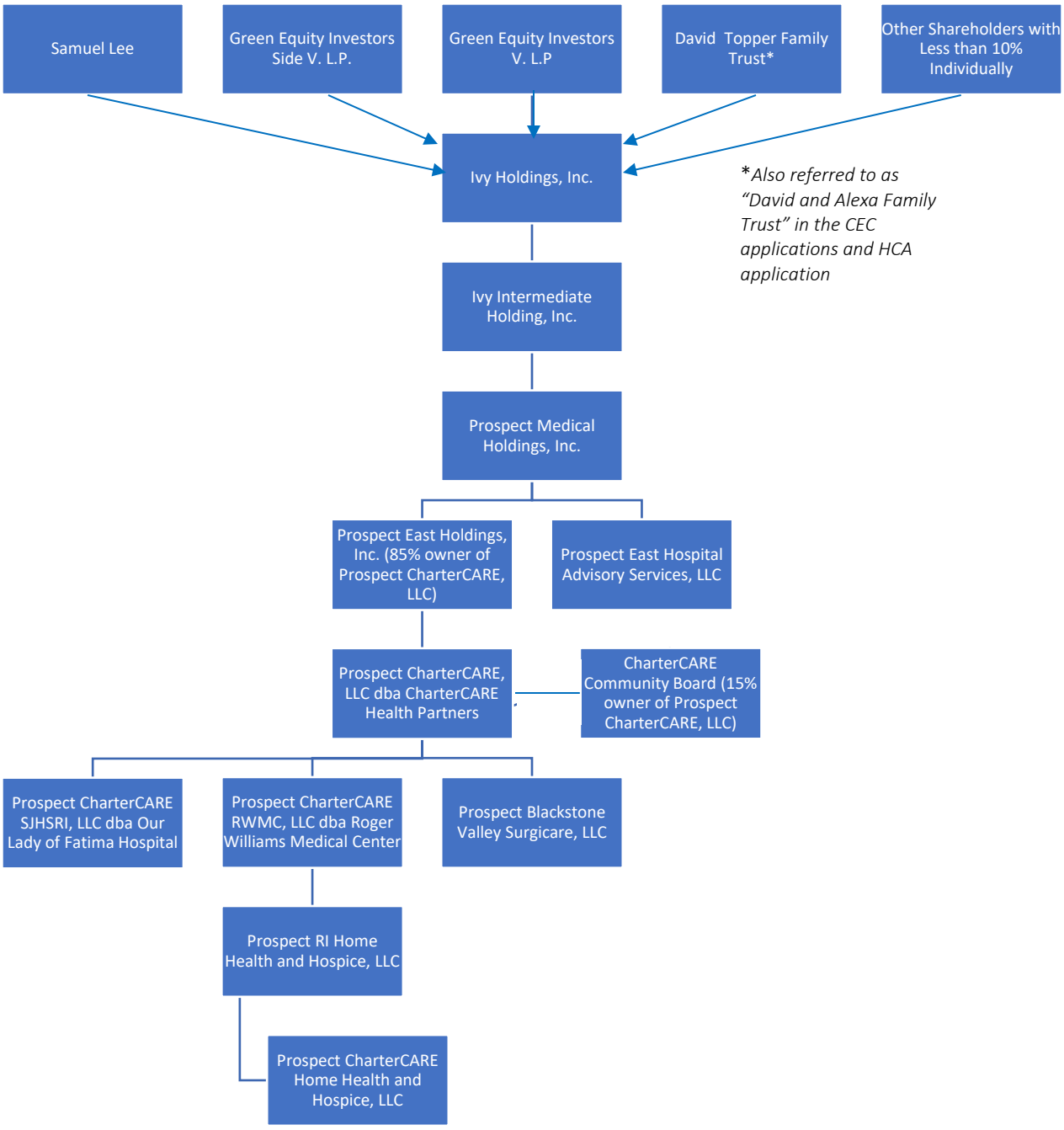
Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital ("OLF")

Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center ("RWMC")

State of Rhode Island

A copy of the pre- and post-transaction organizational charts are below, Exhibit 1 and Exhibit 2, respectively.

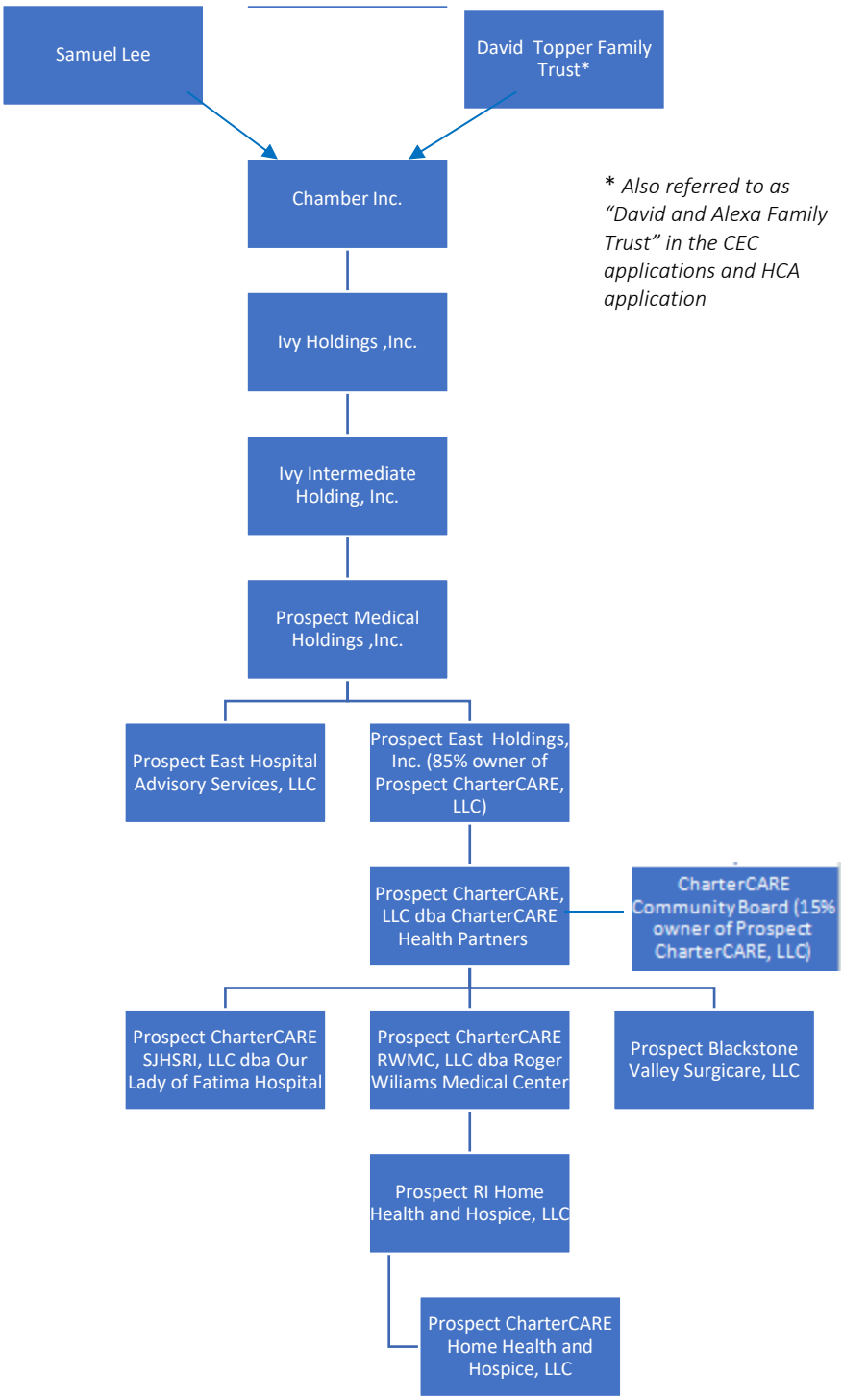
Exhibit 1: Pre-Transaction Structure[1]



[1] Tab 15 of the CEC applications and HCA application

State of Rhode Island

Exhibit 2: Post-Transaction Proposed Structure[2]



[2] Tab 15 of the CEC applications and HCA application

CEC Authority

Any proposed change in owner, operator or lessee of a licensed health care facility is required by statute to be reviewed by the Council and approved by the state-licensing agency prior to implementation. Chamber, as the Applicant, for a change in effective control of the four subject-licensed health care facilities submitted its CEC applications in accordance with the requirements of CEC.

In conducting its review, the Council considers the following review criteria:

1. The character, commitment, competence, and standing in the community of the proposed owners, operators, or directors of the health care facility;

2. In cases of initial licensure or of proposed change in owner, operator, or lessee, the extent to which the facility will provide or will continue to provide, without material effect on its viability at the time of initial licensure or of change of owner, operator, or lessee, safe and adequate treatment for individuals receiving the health care facility's services;

3. The extent to which the facility will provide or will continue to provide safe and adequate treatment for individuals receiving the health care facility's services; and

4. The extent to which the facility will provide or will continue to provide appropriate access with respect to traditionally underserved populations and in consideration of the proposed continuation or termination of health care services by the health care facility.

This Decision incorporates the complete record of the Council's CEC review pursuant to § 23-17-14.3 and § 23-17-14.4 as can be found in the attached Council's Report.

HCA Authority

Since 1997, certain transfers in ownership, assets, membership interest, authority or control of a hospital in RIDOH and AG under the rules and regulations pursuant to § 23-17.14-12 of the HCA.

§ 23-17.14-4(6) of the Act defines a "Conversion" as:

"any transfer by a person or persons of an ownership or membership interest or authority in a hospital, or the assets of a hospital, whether by purchase, merger, consolidation, lease, gift, joint venture, sale, or other disposition which results in a change of ownership or control or possession of twenty percent (20%) or greater of the members or voting rights or interests of the hospital or of the assets of the hospital or pursuant to which, by virtue of the transfer, a person, together with all persons affiliated with the person, holds or owns, in the aggregate, twenty percent (20%) or greater of the membership or voting rights or interests of the hospital or of the assets of the hospital, or the removal, addition or substitution of a partner which results in a new partner

gaining or acquiring a controlling interest in the hospital, or any change in membership which results in a new person gaining or acquiring a controlling vote in the hospital."

The proposed transaction satisfies the definition of a conversion under the HCA and is therefore subject to the prior review and approval of RIDOH and AG. Pursuant to § 23-17.14-12 of the HCA, the review is conducted by RIDOH without derogation of the authority of the AG, with the AG's review done concurrently with RIDOH's review. Separate statutory review criteria are established under the HCA for RIDOH and AG.

The Transacting Parties filed an initial HCA application in accordance with HCA.

Public Meeting

RIDOH and AG jointly held a public informational meeting to provide the opportunity for public comment on the HCA application. A notice of this public informational meeting was posted for interested parties. Due to the COVID-19 pandemic, an in-person meeting was not possible and as such, RIDOH held the meeting virtually. Jointly, RIDOH and AG's public informational meeting was held on December 10, 2020.

Counsel for the Transacting Parties presented a summary of the proposed transaction. Following the presentation, members of the public provided comment.

The transcript of this joint public meeting is available at the following links:
Transcript of RIDOH/AG Public Meeting, December 10, 2020

Interviews for Statements Under Oath

RIDOH and AG, conducted a number of investigatory interviews for Statements under Oath ("SUO") in order to obtain information to assist with their review and decisions.

The following individuals were interviewed:

PCC

1. Jeffrey H. Liebman, CEO, PCC
2. David Ragosta, CFO, PCC
3. Daniel Ison, Vice President of Finance Operations, PCC
4. Lynn Leahey, RN, Chief Nursing Officer, OLF
5. Eleanor Milo, DNP, RN, CENP, NEA-BC, Chief Nursing Officer, RWMC
6. Edwin J. Santos, former PCC Category A board member
7. Joseph DiStefano, Esq., former PCC Category A board member
8. Andrea Doyle, MD, former PCC Category A board member
9. Edward Quinlan, former PCC Category A board member

PMH

10. Samuel Lee, CEO, PMH
11. David Topper, Senior Vice President, PMH
12. Mark Johnson, CFO, PMH
13. George Pillari, Senior Vice President of Integration and Operations, PMH

Leonard Green & Partners, LP ("LGP")

14. Alyse Wagner, Partner, LGP
15. John Baumer, Partner, LGP

United Nurses & Allied Professionals ("UNAP")

16. Christopher Callaci, General Counsel, UNAP

The public transcripts of the interviews for SUO and related confidentiality determinations made by the AG, may be accessed in the following link:[3]
Transcripts of Interviews for SUO and Related AG's Confidentiality Determinations

Consulting Services

Pursuant to the provisions of § 23-17.14-13 of the HCA, RIDOH may engage experts and/or consultants in the review of a hospital conversion application. For this conversion review, RIDOH contracted with Moss Adams LLP to interpret and analyze financial information supplied by the Transacting Parties. On October 30, 2020, RIDOH was notified by Moss Adams that outside legal counsel for PMH had put Moss Adams on notice that there may be legal action against Moss Adams LLP due to comments cited in a ProPublica article which were attributed to a former employee of Moss Adams LLP. RIDOH advised Moss Adams LLP to cease work on the review of the HCA application immediately, and in a letter, dated November 9, 2020, RIDOH terminated the contract as a result of the notice of potential legal action by PMH against Moss Adams LLP.

On December 14, 2020, RIDOH executed an agreement with PYA to provide consulting services as an expert in the hospital/healthcare accounting industry for the purposes of providing financial observations in assisting in RIDOH's review of the related HCA application, pursuant to and in conjunction with the HCA. PYA incorporated their observations in the attached *Report on Proposed Hospital Conversion Application Regarding Prospect CharterCARE*.

As PYA noted in its presentation[4] to the Council on April 6, 2021, "(b)oth PCC and PMH face long-term financial viability risks" and "(s)ince PMH's acquisition in 2014, PCC has consistently been dependent upon PMH to fund operational shortfalls and capital investments." Additionally, PYA observed that "PMH has reported limited liquidity and a highly leveraged position in recent

[3] Please note this link is a live link and as confidentiality determinations are made by the AG in accordance with § 23-17.14-6(c) and § 23-17.14-32 of the HCA, the documents will be updated accordingly.
[4] PYA's Presentation to the Council, April 6, 2021

State of Rhode Island

fiscal years." In its presentation, PYA summarized, "(h)owever, despite these general observations, utilizing the information made available to us by the Transacting Parties, we did not observe impacts from the Proposed Transaction which directly affect the financial condition of PCC. We do note that PCC may be impacted indirectly as a result of any potential material effects to PMH caused by the Proposed Transaction."

Decision

Careful and thorough consideration was given to all information available in the record, including the recommendation of the Council and issues raised by all concerned parties. My undertaking and commitment are to apply the CEC-specific criteria and HCA elements statutorily outlined as the basis of my Decision. As such, when charged with carefully considering approving the applications and arriving at a criteria-based Decision, I conclude that the Applicant and Transacting Parties have demonstrated they have met such CEC and HCA criteria, as can be drawn from the record.

A central consideration in this Decision and as reflected in condition number three (3), is the attestations made in the CEC applications and the HCA application that there will be "no impact to the services provided, the populations served, the payor mix, the governance, the tax ID numbers, the provider numbers, staffing, strategic plans, financial condition, professional, clerical, administrative, or medical staff, policies and procedures (including charity care), or the assets, liabilities, and obligations." Accordingly, RIDOH will closely monitor, evaluate and assess all conditions, including the major elements contained within condition number three (3).

RIDOH accepts the recommendations of the Council and hereby approves the CEC applications, adopting the attached Council Report, including the findings incorporated in Section IV, as its final Decision in accordance with CEC and subject to the conditions specifically identified in the attached Council's Report. Additionally, the HCA application was reviewed in accordance with the requirements of HCA. The hospital conversion proposed by the Transacting Parties in order to effectuate a buy-out of the private equity investors by Samuel Lee and the David and Alexa Family Trust is also hereby approved by RIDOH, subject to the terms and conditions outlined below.

In accordance with CEC and HCA, below are the conditions of approval set forth by RIDOH, inclusive of those as recommended by the Council as enumerated in Section VI of the Council's Report. The conditions denoted with an asterisk (*) are derived from R.I. Gen. Laws, HCA § 23-17.14-28.

General:

1. That the Capital Cost not exceed $11,940,992;

2. That the operating costs are projected to be for the first full operating year for: RWMC shall not exceed approximately $192,494,718; OLF shall not exceed approximately $157,623,173; BVS shall not exceed approximately $8,597,055; and HH&H shall not exceed approximately $7,497,078;

3. That the Applicant implement the project as approved, including but not limited to, ensuring there shall be "…no impact to the services provided, the populations served, the payor mix, the governance, the tax ID numbers, the provider numbers, staffing, strategic plans, financial condition, professional, clerical, administrative, or medical staff, policies and procedures (including charity care), or the assets, liabilities, and obligations" as represented in the applications;

4. That the Applicant shall conduct national background checks on its employees;

5. That data, including but not limited to, finances, utilization, and demographic patient information, be furnished to the state agency, upon request;

6. That the Applicant provide services to all patients without discrimination including payment source and ability to pay;

Hospital Operations:

7. That the Transacting Parties shall maintain governing bodies for RWMC and OLF whose membership shall each include uncompensated, independent individuals who reside in Rhode Island;*

8. That the Transacting Parties shall keep RWMC and OLF open and operational, providing access to quality health care services, for a minimum period of time, which shall be no less than five (5) years from the effective date of this Decision;*

9. That for a period of no less than five (5) years, the Transacting Parties shall ensure that the Rhode Island licensed health care facilities report quarterly on quality improvement initiatives as determined by RIDOH, CMS, and other accrediting bodies and comply with any consent agreements, conditions, compliance orders or limitations as imposed by RIDOH, CMS, and other accrediting bodies;

10. That there shall be no material reduction or elimination in health care services at RWMC and OLF for a period of five (5) years from the effective date of this Decision without prior approval by RIDOH;

11. That there shall be no lay-offs at RWMC and OLF for a period of one (1) year from the effective date of this Decision;

Health Information Technology:

12. That the Transacting Parties shall ensure that RWMC and OLF implement any RIDOH recommendations related to Transitions of Care ("TOC") including, but not limited to:

    a. Reordering the TOC priority data elements to the top of all documents sent to community providers around a transition of care (for example, Summary of Care, discharge summary, continuity of care document ("CCD"), or state required continuity of care form);

    b. Coordinating with Rhode Island Quality Institute ("RIQI") to determine if there is a mechanism to utilize their Admission Transfer and Discharge ("ADT") event notification process to meet the new CMS interoperability rule;

    c. Collaborating with RIQI to implement the development of a TOC short form that can be sent through the Health Information Exchange ("HIE") to community providers to reduce the sending of lengthy CCD documents;

    d. Initiating a process to streamline the number of forms sent to community providers at discharge to the extent possible; and

    e. Including all 11 TOC priority data elements in the ADT notifications issued;

13. That the Transacting Parties shall ensure that PCC continue to work with RIQI to support HIE and interoperability needs across the state to include:

    a. Continuing to participate in CurrentCare, HIE as outlined in the 2014 conditions of approval;

    b. Increasing all patient enrollment in CurrentCare for as long as the system remains opt-in. If the HIE Act of 2008 is amended to support an opt-out model, then ensure that all patients are appropriately notified about their right to opt out as defined by any issued regulations, assuring such information provided is easy to understand in a variety of languages spoken in Rhode Island;

    c. Encouraging all Transacting Parties' practices to participate in CurrentCare both as a data-sharing partner (either directly, or indirectly through the Quality Reporting System) and as data users, whether through Electronic Health Records ("EHR") integrations, single sign-on efforts, or CurrentCare Viewer accounts maintained for appropriate staff; and

d. Coordinating with RIQI to use the existing HIE infrastructure to provide access to the Prescription Monitoring Drug Program ("PDMP") database directly to Transacting Parties provider's EHRs so the providers do not need to log in separately to the PDMP;

14. That the Transacting Parties shall ensure that PCC continue to participate without disruption in Health Information Technology ("HIT") activities undertaken with the Executive Office of Health and Human Services ("EOHHS") and its Departments such as:

    a. Statewide HIT Strategic Roadmap and Implementation Activities;

    b. HIT Steering Committee and related workgroups that directly impact hospitals such as the interoperability workgroup;

    c. TOC work group with RIDOH; and

    d. Others as they are formed;

15. That the Transacting Parties shall ensure that all appropriate units (provider practices, outpatient clinics, etc.) participate in the statewide Quality Reporting System ("QRS") for all patients, not solely Medicaid;

16. That the Transacting Parties shall ensure all appropriate units participate in the Community Resource Platform which provides an e-referral system to refer patients with social determinants of health ("SDOH") needs to community agencies;

17. That the Transacting Parties shall ensure that PCC develop internal infrastructure for electronically tracking bed capacity for inpatient psychiatric and Substance Use Disorder ("SUD") detoxification treatment within 18 months of this Decision, participate in the state's bed registry via automated electronic reporting, and provide a quarterly status report of planning and implementation to RIDOH and the Department of Behavioral Healthcare, Developmental Disabilities, and Hospitals, beginning within three (3) months of this Decision;

18. That the Transacting Parties shall provide complete and timely electronic information in response to requests from RIDOH regarding the *RIDOH Statewide Health Inventory*;

Health Equity:

19. That the Transacting Parties shall ensure that all appropriate units maintain compliance with the federal *National Standards for Culturally and Linguistically Appropriate Services in Health Care (National CLAS Standards),* published by the

Office of Minority Health, U.S. Department of Health & Human Services, including but not be limited to:

a. Offering language assistance to individuals who have limited English proficiency and/or other communication needs, at no cost to them, to facilitate timely access to all health care and services;

b. Informing all individuals of the availability of language assistance services clearly and in their preferred language, verbally and in writing;

c. Ensuring the competence of individuals providing language assistance, recognizing that the use of untrained individuals and/or minors as interpreters should be avoided; and

d. Providing easy-to-understand print and multimedia materials and signage in the languages commonly used by the populations in the service area;

20. That PMH, per § 23.14.3 of the rules and regulations *Pertaining to Hospital Conversions* and in alignment with its Community Health Needs Assessment ("CHNA") *Implementation Strategy*, shall:

a. Within 6 months of the effective date of this Decision, meet with the collaborative partners of the local Health Equity Zone (HEZ) to develop a written Plan which shall include its strategies and approval for the proposed investment sum of a minimum of $500,000 over a five (5) year period for the investment of financial resources to support the HEZ collaborative;

b. Within 9 months of the effective date of this Decision, submit to RIDOH the written Plan for review and approval;

c. Within 30 days of approval of the Plan by RIDOH, and every year thereafter on or about the same date, disperse funding to support the continued sustainability of the local HEZ(s) collaborative in accordance with the approved Plan; such funding need not be made in equal annual payments but each annual payment must amount to a minimum of $100,000 until the funding falls below $100,000; and

d. Submit a report annually, on or about April 1st of each year, to RIDOH on the progress of implementation of the Plan, including:

i. how the collaborative efforts with and investments in the HEZ have addressed identified community needs; and

ii. the resources expended to implement the Plan;

Financial:

21. That the Transacting Parties shall adhere to reasonable restrictions on financial incentives to patient or health plan enrollees to receive hospital services outside of the state of Rhode Island;*

22. That the Transacting Parties shall not enter into any contract or other service or purchasing arrangements with an affiliated legal entity except for contracts or arrangements to provide services or products that are reasonably necessary to accomplish the healthcare purposes of the relevant hospital and for compensation that is consistent with fair-market value for the services actually rendered, or the products actually provided;*

23. That the Transacting Parties shall require that any corporate allocation, or equivalent charge, to any affiliated organization(s) in any hospital fiscal year not exceed reasonable fair-market value for the services rendered or the assets purchased or leased from such affiliate;*

24. That PMH shall contribute a minimum of $75,000 annually, for five (5) years, in conjunction with the initial and renewed license, to the Health Professional Loan Repayment Program administered by RIDOH, to defray health professional student loan debt of primary care health providers (as defined by the Federal Bureau of Health Work Force) practicing in the state of Rhode Island;*

25. That PMH shall contribute annually, in conjunction with the initial and renewed license, a sum of $150,000 to support the state's coordinated health planning process, including but not limited to Health Equity Measures, Community Health Assessment Group, and Statewide Health Inventory;*

26. That no management fees of PMH or any other affiliated entity shall be assessed to PCC pursuant to Prospect CharterCARE Management Services Agreement or any other similar arrangements;

27. That the Transacting Parties comply with all financial commitments contained in conditions as set forth in the AG's HCA Decision letter, dated June 1, 2021;

Reporting:

28. That the Transacting Parties shall report to the Director of RIDOH on annual distributions of profit to owners;*

29. That the Transacting Parties shall provide RIDOH complete audited financial statements for the Rhode Island licensed facilities, and any other information as prescribed by the Director of RIDOH, quarterly, due by the 50th day of the end of each

quarter and the 100th day of the end of each year, unless otherwise specified below. RIDOH reserves the right to request more frequent and/or more detailed financial information as it deems necessary;

a. Liquidity:

   i. Current Ratio;

   ii. Net Working Capital % to Revenue; and

   iii. Amount of unused credit on each open line of credit;

b. Activity:

   i. Days cash on hand;

   ii. Days in accounts receivable; and

   iii. Days in accounts payable;

c. Profitability:

   i. Total margin;

   ii. PMH's annual change in equity; and

   iii. Operating margin;

d. Capitalization:

   i. Debt service coverage;

   ii. Fixed Asset; and

   iii. Capital purchases/depreciation expenses and amortization; and

e. Other information as requested by RIDOH;

30. That the Transacting Parties shall provide immediate notice to RIDOH upon entry into any preliminary or final agreement for the sale and leaseback, or liens, mortgages, or other encumbrances of its Rhode Island real estate. In no event will any sale leaseback arrangement be consummated without prior review and written approval of RIDOH;

31. That the Transacting Parties shall provide monthly written status reports, as prescribed by the Director of RIDOH, and quarterly financial statements on the following obligations:

    a. Medical Properties Trust (MPT) transaction;

    b. Promissory note (TRS);

    c. Property Assessed Clean Energy (PACE) Financing Repayment; and

    d. Coronavirus Aid, Relief and Economic Security (CARES) Act Funding including, but not limited to Medicare Advanced and Accelerated Payments (MAAP);

Monitoring and Compliance:

32. That for a period of five (5) years the Transacting Parties shall file reports with RIDOH on or before March 1st of each calendar year detailing compliance with these conditions;* and

33. That the Transacting Parties shall abide by the Reimbursement Agreement, executed on May 27, 2021, between RIDOH and PMH, and the Transacting Parties shall fund the costs for five (5) years for RIDOH to monitor, evaluate, and assess compliance of the conditions of approval set forth herein, including through the engagement of financial, legal, and monitoring consultants, whether via full-time employees and/or contractors, at RIDOH's discretion.*

The conditions set forth above shall be enforceable and have the same force and effect as if imposed as a condition of licensure in accordance with R.I. Gen. Laws § 23-17 and 23-17.14, and shall supersede and or replace any and all previous conditions. RIDOH may take appropriate action, in the sole discretion of the Director, to enforce compliance with these conditions.

If any of the aforesaid conditions or the applications thereof to any person or circumstances is held invalid, that invalidity shall not affect any other condition or application of any other condition which can be given effect without the invalid provision, condition, or application, and to this end the conditions and each of them are declared to be severable.

Sincerely,

Nicole Alexander-Scott, MD, MPH
Director, Rhode Island Department of Health

attachments

CORPORATE RESPONSIBILITY AND CORPORATE COMPLIANCE:

A Resource for Health Care Boards of Directors



THE OFFICE OF INSPECTOR GENERAL OF THE
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

AND

THE AMERICAN HEALTH LAWYERS ASSOCIATION

CONFIDENTIAL

ACKNOWLEDGEMENT

This educational resource represents a unique collaboration between the American Health Lawyers Association and the Office of the Inspector General of the United States Department of Health and Human Services. This publication would have not been possible without the dedicated effort of numerous individuals at both organizations. It is intended to be a useful resource for those serving on the Boards of Directors of our nation's health care institutions.

I. INTRODUCTION

As corporate responsibility issues fill the headlines, corporate directors are coming under greater scrutiny. The Sarbanes-Oxley Act, state legislation, agency pronouncements, court cases and scholarly writings offer a myriad of rules, regulations, prohibitions, and interpretations in this area. While all Boards of Directors must address these issues, directors of health care organizations also have important responsibilities that need to be met relating to corporate compliance requirements unique to the health care industry. The expansion of health care regulatory enforcement and compliance activities and the heightened attention being given to the responsibilities of corporate directors are critically important to all health care organizations. In this context, enhanced oversight of corporate compliance programs is widely viewed as consistent with and essential to ongoing federal and state corporate responsibility initiatives.

Our complex health care system needs dedicated and knowledgeable directors at the helm of both for-profit and non-profit corporations. This educational resource, cosponsored by the Office of Inspector General (OIG) of the U.S. Department of Health and Human Services and the American Health Lawyers Association, the leading health law educational organization, seeks to assist directors of health care organizations in carrying out their important oversight responsibilities in the current challenging health care environment. Improving the knowledge base and effectiveness of those serving on health care organization boards will help to achieve the important goal of continuously improving the U.S. health care system.

Fiduciary Responsibilites

The fiduciary duties of directors reflect the expectation of corporate stakeholders regarding oversight of corporate affairs. The basic fiduciary duty of care principle, which requires a director to act in good faith with the care an ordinarily prudent person would exercise under similar circumstances, is being tested in the current corporate climate. Personal liability for directors, including removal, civil damages, and tax liability, as well as damage to reputation, appears not so far from reality as once widely believed. Accordingly, a basic understanding of the director's fiduciary obligations and how the duty of care may be exercised in overseeing the company's compliance systems has become essential.

Embedded within the duty of care is the concept of reasonable inquiry. In other words, directors should make inquiries to management to obtain information necessary to satisfy their duty of care. Although in the *Caremark* case, also discussed later in this educational resource, the court found that the Caremark board did not breach its fiduciary duty, the court's opinion also stated the following: "[A] director's obligation includes a duty to attempt in good faith to assure that a corporate information and reporting system, which the Board concludes is adequate, exists, and that failure to do so under some circumstances, may, in theory at least, render a director liable for losses caused by non-compliance with applicable legal standards." Clearly, the organization may be at risk and directors, under extreme circumstances, also may be at risk if they fail to reasonably oversee the organization's compliance program or act as mere passive recipients of information.

On the other hand, courts traditionally have been loath to second-guess Boards of Directors that have followed a careful and thoughtful process in their deliberations, even where ultimate outcomes for the corporation have been negative. Similarly, courts have consistently upheld the distinction between the duties of Boards of Directors and the duties of management. The responsibility of directors is to provide oversight, not manage day-to-day affairs. It is the process the Board follows in establishing that it had access to sufficient information and that it has asked appropriate questions that is most critical to meeting its duty of care.

Purpose of this Document

This educational resource is designed to help health care organization directors ask knowledgeable and appropriate questions related to health care corporate compliance. These questions are not intended to set forth any specific standard of care. Rather, this resource will help corporate directors to establish, and affirmatively demonstrate, that they have followed a reasonable compliance oversight process.

Of course, the circumstances of each organization differ and application of the duty of care and consequent reasonable inquiry will need to be tailored to each specific set of facts and circumstances. However, compliance with the fraud and abuse laws and other federal and state regulatory laws applicable to health care organizations is essential for the lawful behavior and corporate success of such organizations. While these laws can be complex, effective compliance is an asset for both the organization and the health care delivery system. It is hoped that this educational resource is useful to health care organization directors in exercising their oversight responsibilities and supports their ongoing efforts to promote effective corporate compliance.

II. Duty of Care

Of the principal fiduciary obligations/duties owed by directors to their corporations, the one duty specifically implicated by corporate compliance programs is the *duty of care.*[1]

As the name implies, the *duty of care* refers to the obligation of corporate directors to exercise the proper amount of care in their decision-making process. State statutes that create the duty of care and court cases that interpret it usually are identical for both for-profit and non-profit corporations.

In most states, duty of care involves determining whether the directors acted (1) in "good faith," (2) with that level of care that an ordinarily prudent person would exercise in like circumstances, and (3) in a manner that they reasonably believe is in the best interest of the corporation. In analyzing whether directors have complied with this duty, it is necessary to address each of these elements separately.

The "good faith" analysis usually focuses upon whether the matter or transaction at hand involves any improper financial benefit to an individual, and/or whether any intent exists to take advantage of the corporation (a corollary to the duty of loyalty). The "reasonable inquiry" test asks whether the directors conducted the appropriate level of due diligence to allow them to make an informed decision. In other words, directors must be aware of what is going on about them in the corporate business and must in appropriate circumstances make such reasonable inquiry, as would an ordinarily prudent person under similar circumstances. And, finally, directors are obligated to act in a manner that they reasonably believe to be in the best interests of the corporation. This normally relates to the directors' state of mind with respect to the issues at hand.

In considering directors' fiduciary obligations, it is important to recognize that the appropriate standard of care is not "perfection." Directors are *not* required to know everything about a topic they are asked to consider. They may, where justified, rely on the advice of management and of outside advisors.

Furthermore, many courts apply the "business judgment rule" to determine whether a director's duty of care has been met with respect to corporate decisions. The rule provides, in essence, that a director will not be held liable for a decision made in good faith, where the director is disinterested, reasonably informed under the circumstances, and rationally believes the decision to be in the best interest of the corporation.

Director obligations with respect to the duty of care arise in two distinct contexts:

- The *decision-making function*: The application of duty of care principles to a specific decision or a particular board action; and
- The *oversight function*: The application of duty of care principles with respect to the general activity of the board in overseeing the day-to-day business operations of the corporation; *i.e.*, the exercise of reasonable care to assure that corporate executives carry out their management responsibilities and comply with the law.

Directors' obligations with respect to corporate compliance programs arise within the context of that oversight function. The leading case in this area, viewed as applicable to all health care organizations, provides that a director has two principal obligations with respect to the oversight function. A director has a duty to attempt in good faith to assure that (1) a corporate information and reporting system exists, and (2) this reporting system is adequate to assure the board that appropriate information as to compliance with applicable laws will come to its attention in a timely manner as a matter of ordinary operations.[2] In *Caremark,* the court addressed the circumstances in which corporate directors may be held liable for breach of the duty of care by failing to adequately supervise corporate employees whose misconduct caused the corporation to violate the law.

In its opinion, the *Caremark* court observed that the level of detail that is appropriate for such an information system is a matter of business judgment. The court also acknowledged that no rationally designed information and reporting system will remove the possibility that the corporation will violate applicable laws or otherwise fail to identify corporate acts potentially inconsistent with relevant law.

Under these circumstances, a director's failure to reasonably oversee the implementation of a compliance program may put the organization at risk and, under extraordinary circumstances, expose individual directors to personal liability for losses caused by the corporate non-

1 The other two core fiduciary duty principals are the duty of loyalty and the duty of obedience to purpose.

2 *In re Caremark International Inc. Derivative Litigation,* 698 A.2d 959 (Del. Ch. 1996). A shareholder sued the Board of Directors of Caremark for breach of the fiduciary duty of care. The lawsuit followed a multi-million dollar civil settlement and criminal plea relating to the payment of kickbacks to physicians and improper billing to federal health care programs.

compliance.[3] Of course, crucial to the oversight function is the fundamental principle that a director is entitled to rely, in good faith, on officers and employees as well as corporate professional experts/advisors in whom the director believes such confidence is merited. A director, however, may be viewed as not acting in good faith if he/she is aware of facts suggesting that such reliance is unwarranted.

In addition, the duty of care test involving reasonable inquiry has not been interpreted to require the director to exercise "proactive vigilance" or to "ferret out" corporate wrongdoing absent a particular warning or a "red flag." Rather, the duty to make reasonable inquiry increases when "suspicions are aroused or *should be aroused;*" that is, when the director is presented with extraordinary facts or circumstances of a material nature (*e.g.,* indications of financial improprieties, self-dealing, or fraud) or a major governmental investigation. Absent the presence of suspicious conduct or events, directors are entitled to rely on the senior leadership team in the performance of its duties. Directors are not otherwise obligated to anticipate future problems of the corporation.

Thus, in exercising his/her duty of care, the director is obligated to exercise general supervision and control with respect to corporate officers. However, once presented (through the compliance program or otherwise) with information that causes (or should cause) concerns to be aroused, the director is then obligated to make further inquiry until such time as his/her concerns are satisfactorily addressed and favorably resolved. Thus, while the corporate director is not expected to serve as a compliance officer, he/she is expected to oversee senior management's operation of the compliance program.

III. The Unique Challenges of Health Care Organization Directors

The health care industry operates in a heavily regulated environment with a variety of identifiable risk areas. An effective compliance program helps mitigate those risks. In addition to the challenges associated with patient care, health care providers are subject to voluminous and sometimes complex sets of rules governing the coverage and reimbursement of medical services. Because federal and state-sponsored health care programs play such a significant role in paying for health care, material non-compliance with these rules can present substantial risks to the health care provider. In addition to recoupment of improper payments, the Medicare, Medicaid and other government health care programs can impose a range of sanctions against health care businesses that engage in fraudulent practices.

Particularly given the current "corporate responsibility" environment, health care organization directors should be concerned with the manner in which they carry out their duty to oversee corporate compliance programs. Depending upon the nature of the corporation, there are a variety of parties that might in extreme circumstances seek to hold corporate directors personally liable for allegedly breaching the duty of oversight with respect to corporate compliance. With respect to for-profit corporations, the most likely individuals to bring a case against the directors are corporate shareholders in a derivative suit, or to a limited degree, a regulatory agency such as the Securities and Exchange Commission. With respect to non-profit corporations, the most likely person to initiate such action is the state attorney general, who may seek equitable relief against the director (*e.g.,* removal) or damages. It is also possible (depending upon state law) that a dissenting director, or the corporate member, could assert a derivative-type action against the directors allegedly responsible for the "inattention," seeking removal or damages.

Over the last decade, the risks associated with non-compliance have grown dramatically. The government has dedicated substantial resources, including the addition of criminal investigators and prosecutors, to respond to health care fraud and abuse. In addition to government investigators and auditors, private whistleblowers play an important role in identifying allegedly fraudulent billing schemes and other abusive practices. Health care providers can be found liable for submitting claims for reimbursement in reckless disregard or deliberate ignorance of the truth, as well as for intentional fraud. Because the False Claims Act authorizes the imposition of damages of up to three times the amount of the fraud and civil monetary penalties of $11,000 per false claim, record level fines and penalties have been imposed against individuals and health care organizations that have violated the law.

In addition to criminal and civil monetary penalties, health care providers that are found to have defrauded the federal health care programs may be excluded from participation in these programs. The effect of an exclusion can be profound because those excluded will not

3 Law is not static, and different states will have different legal developments and standards. Standards may also vary depending on whether an entity is for profit or non-profit. Boards of public health care entities may have additional statutory obligations and should be aware of state and federal statutory requirements applicable to them.

receive payment under Medicare, Medicaid or other federal health care programs for items or services provided to program beneficiaries. The authorities of the OIG provide for mandatory exclusion for a minimum of five years for a conviction with respect to the delivery of a health care item or service. The presence of aggravating circumstances in a case can lead to a lengthier period of exclusion. Of perhaps equal concern to board members, the OIG also has the discretion to exclude providers for certain conduct even absent a criminal conviction. Such conduct includes participation in a fraud scheme, the payment or receipt of kickbacks, and failing to provide services of a quality that meets professionally recognized standards. In lieu of imposing exclusion in these instances, the OIG may require an organization to implement a comprehensive compliance program, requiring independent audits, OIG oversight and annual reporting requirements, commonly referred to as a Corporate Integrity Agreement.

IV. The Development of Compliance Programs

In light of the substantial adverse consequences that may befall an organization that has been found to have committed health care fraud, the health care industry has embraced efforts to improve compliance with federal and state health care program requirements. As a result, many health care providers have developed active compliance programs tailored to their particular circumstances. A recent survey by the Health Care Compliance Association, for example, has found that in just three years, health care organizations with active compliance programs have grown from 55 percent in 1999 to 87 percent in 2002. In support of these efforts, the OIG has developed a series of provider-specific compliance guidances. These voluntary guidelines identify risk areas and offer concrete suggestions to improve and enhance an organization's internal controls so that its billing practices and other business arrangements are in compliance with Medicare's rules and regulations.

As compliance programs have matured and new challenges have been identified, health care organization boards of directors have sought ways to help their organization's compliance program accomplish its objectives. Although health care organization directors may come from diverse backgrounds and business experiences, an individual director can make a valuable contribution toward the compliance objective by asking practical questions of management and contributing his/her experiences from other industries. While the opinion in *Caremark* established a Board's duty to oversee a compliance program, it did not enumerate a specific methodology for doing so. It is therefore important that directors participate in the development of this process. This educational resource is designed to assist health care organization directors in exercising that responsibility.

V. Suggested Questions for Directors

Periodic consideration of the following questions and commentary may be helpful to a health care organization's Board of Directors. The structural questions explore the Board's understanding of the scope of the organization's compliance program. The remaining questions, addressing operational issues, are directed to the operations of the compliance program and may facilitate the Board's understanding of the vitality of its compliance program.

STRUCTURAL QUESTIONS

1. **How is the compliance program structured and who are the key employees responsible for its implementation and operation? How is the Board structured to oversee compliance issues?**

The success of a compliance program relies upon assigning high-level personnel to oversee its implementation and operations. The Board may wish as well to establish a committee or other subset of the Board to monitor compliance program operations and regularly report to the Board.

2. **How does the organization's compliance reporting system work? How frequently does the Board receive reports about compliance issues?**

Although the frequency of reports on the status of the compliance program will depend on many circumstances, health care organization Boards should receive reports on a regular basis. Issues that are frequently addressed include (1) what the organization has done in the past with respect to the program and (2) what steps are planned for the future and why those steps are being taken.

3. **What are the goals of the organization's compliance program? What are the inherent limitations in the compliance program? How does the organization address these limitations?**

The adoption of a corporate compliance program by an organization creates standards and processes that it should be able to rely upon and against which it may be held accountable. A solid understanding of the rationale and objectives of the compliance program, as well as its goals and inherent limitations, is essential if the Board is to evaluate the reasonableness of its design and the effectiveness of its operation. If the Board has unrealistic expectations of its compliance program, it may place undue reliance

on its ability to detect vulnerabilities. Furthermore, compliance programs will not prevent all wrongful conduct and the Board should be satisfied that there are mechanisms to ensure timely reporting of suspected violations and to evaluate and implement remedial measures.

4. **Does the compliance program address the significant risks of the organization? How were those risks determined and how are new compliance risks identified and incorporated into the program?**

Health care organizations operate in a highly regulated industry and must address various standards, government program conditions of participation and reimbursement, and other standards applicable to corporate citizens irrespective of industry. A comprehensive ongoing process of compliance risk assessment is important to the Board's awareness of new challenges to the organization and its evaluation of management's priorities and program resource allocation.

5. **What will be the level of resources necessary to implement the compliance program as envisioned by the Board? How has management determined the adequacy of the resources dedicated to implementing and sustaining the compliance program?**

From the outset, it is important to have a realistic understanding of the resources necessary to implement and sustain the compliance program as adopted by the Board. The initial investment in establishing a compliance infrastructure and training the organization's employees can be significant. With the adoption of a compliance program, the organization is making a long term commitment of resources because effective compliance systems are not static programs but instead embrace continuous improvement. Quantifying the organization's investment in compliance efforts gives the Board the ability to consider the feasibility of implementation plans against compliance program goals. Such investment may include annual budgetary commitments as well as direct and indirect human resources dedicated to compliance. To help ensure that the organization is realizing a return on its compliance investment, the Board also should consider how management intends to measure the effectiveness of its compliance program. One measure of effectiveness may be the Board's heightened sensitivity to compliance risk areas.

OPERATIONAL QUESTIONS

The following questions are suggested to assist the Board in its periodic evaluation of the effectiveness of the organization's compliance program and the sufficiency of its reporting systems.

A. Code of Conduct

How has the Code of Conduct or its equivalent been incorporated into corporate policies across the organization? How do we know that the Code is understood and accepted across the organization? Has management taken affirmative steps to publicize the importance of the Code to all of its employees?

Regardless of its title, a Code of Conduct is fundamental to a successful compliance program because it articulates the organization's commitment to ethical behavior. The Code should function in the same way as a constitution, *i.e.*, as a document that details the fundamental principles, values, and framework for action within the organization. The Code of Conduct helps define the organization's culture; all relevant operating policies are derivative of its principles. As such, codes are of real benefit only if meaningfully communicated and accepted throughout the organization.

B. Policies and Procedures

Has the organization implemented policies and procedures that address compliance risk areas and established internal controls to counter those vulnerabilities?

If the Code of Conduct reflects the organization's ethical philosophy, then its policies and procedures represent the organization's response to the day-to-day risks that it confronts while operating in the current health care system. These policies and procedures help reduce the prospect of erroneous claims, as well as fraudulent activity by identifying and responding to risk areas. Because compliance risk areas evolve with the changing reimbursement rules and enforcement climate, the organization's policies and procedures also need periodic review and, where appropriate, revision.[4] Regular consultation with counsel, including reports to the Board, can assist the Board in its oversight responsibilities in this changing environment.

4 There are a variety of materials available to assist health care organizations in this regard. For example, both sponsoring organizations of this educational resource offer various materials and guidance, accessible through their web sites.

C. Compliance Infrastructure

1. **Does the Compliance Officer have sufficient authority to implement the compliance program? Has management provided the Compliance Officer with the autonomy and sufficient resources necessary to perform assessments and respond appropriately to misconduct?**

Designating and delegating appropriate authority to a compliance officer is essential to the success of the organization's compliance program. For example, the Compliance Officer must have the authority to review all documents and other information that are relevant to compliance activities. Boards should ensure that lines of reporting within management and to the Board, and from the Compliance Officer and consultants, are sufficient to ensure timely and candid reports for those responsible for the compliance program. In addition, the Compliance Officer must have sufficient personnel and financial resources to implement fully all aspects of the compliance program.

2. **Have compliance-related responsibilities been assigned across the appropriate levels of the organization? Are employees held accountable for meeting these compliance-related objectives during performance reviews?**

The successful implementation of a compliance program requires the distribution throughout the organization of compliance-related responsibilities. The Board should satisfy itself that management has developed a system that establishes accountability for proper implementation of the compliance program. The experience of many organizations is that program implementation lags where there is poor distribution of responsibility, authority and accountability beyond the Compliance Officer.

D. Measures to Prevent Violations

1. **What is the scope of compliance-related education and training across the organization? Has the effectiveness of such training been assessed? What policies/measures have been developed to enforce training requirements and to provide remedial training as warranted?**

A critical element of an effective compliance program is a system of effective organization-wide training on compliance standards and procedures. In addition, there should be specific training on identified risk areas, such as claims development and submission, and marketing practices. Because it can represent a significant commitment of resources, the Board should understand the scope and effectiveness of the educational program to assess the return on that investment.

2. **How is the Board kept apprised of significant regulatory and industry developments affecting the organization's risk? How is the compliance program structured to address such risks?**

The Board's oversight of its compliance program occurs in the context of significant regulatory and industry developments that impact the organization not only as a health care organization but more broadly as a corporate entity. Without such information, it cannot reasonably assess the steps being taken by management to mitigate such risks and reasonably rely on management's judgment.

3. **How are "at risk" operations assessed from a compliance perspective? Is conformance with the organization's compliance program periodically evaluated? Does the organization periodically evaluate the effectiveness of the compliance program?**

Compliance risk is further mitigated through internal review processes. Monitoring and auditing provide early identification of program or operational weaknesses and may substantially reduce exposure to government or whistleblower claims. Although many assessment techniques are available, one effective tool is the performance of regular, periodic compliance audits by internal or external auditors. In addition to evaluating the organization's conformance with reimbursement or other regulatory rules, or the legality of its business arrangements, an effective compliance program periodically reviews whether the compliance program's elements have been satisfied.

4. **What processes are in place to ensure that appropriate remedial measures are taken in response to identified weaknesses?**

Responding appropriately to deficiencies or suspected non-compliance is essential. Failure to comply with the organization's compliance program, or violation of applicable laws and other types of misconduct, can threaten the organization's status as a reliable and trustworthy provider of health care. Moreover, failure to respond to a known deficiency may be considered an aggravating circumstance in evaluating the organization's potential liability for the underlying problem.

E. Measures to Respond to Violations

1. What is the process by which the organization evaluates and responds to suspected compliance violations? How are reporting systems, such as the compliance hotline, monitored to verify appropriate resolution of reported matters?

Compliance issues may range from simple overpayments to be returned to the payor to possible criminal violations. The Board's duty of care requires that it explore whether procedures are in place to respond to credible allegations of misconduct and whether management promptly initiates corrective measures. Many organizations take disciplinary actions when a responsible employee's conduct violates the organization's Code of Conduct and policies. Disciplinary measures should be enforced consistently.

2. Does the organization have policies that address the appropriate protection of "whistleblowers" and those accused of misconduct?

For a compliance program to work, employees must be able to ask questions and report problems. In its fulfillment of its duty of care, the Board should determine that the organization has a process in place to encourage such constructive communication.

3. What is the process by which the organization evaluates and responds to suspected compliance violations? What policies address the protection of employees and the preservation of relevant documents and information?

Legal risk may exist based not only on the conduct under scrutiny, but also on the actions taken by the organization in response to the investigation. In addition to a potential obstruction of a government investigation, the organization may face charges by employees that it has unlawfully retaliated or otherwise violated employee rights. It is important, therefore, that organizations respond appropriately to a suspected compliance violation and, more critically, to a government investigation without damaging the corporation or the individuals involved. The Board should confirm that processes and policies for such responses have been developed in consultation with legal counsel and are well communicated and understood across the organization.

4. What guidelines have been established for reporting compliance violations to the Board?

As discussed, the Board should fully understand management's process for evaluating and responding to identified violations of the organization's policies, as well as applicable federal and state laws. In addition, the Board should receive sufficient information to evaluate the appropriateness of the organization's response.

5. What policies govern the reporting to government authorities of probable violations of law?

Different organizations will have various policies for investigating probable violations of law. Federal law encourages organizations to self-disclose wrongdoing to the federal government. Health care organizations and their counsel have taken varied approaches to making such disclosures. Boards may want to inquire as to whether the organization has developed a policy on when to consider such disclosures.

VI. Conclusion

The corporate director, whether voluntary or compensated, is a bedrock of the health care delivery system. The oversight activities provided by the director help form the corporate vision, and at the same time promote an environment of corporate responsibility that protects the mission of the corporation and the health care consumers it serves.

Even in this "corporate responsibility" environment, the health care corporate director who is mindful of his/her fundamental duties and obligations, and sensitive to the premises of corporate responsibility, should be confident in the knowledge that he/she can pursue governance service without needless concern about personal liability for breach of fiduciary duty and without creating an adversarial relationship with management.

The perspectives shared in this educational resource are intended to assist the health care director in performing the important and necessary service of oversight of the corporate compliance program. In so doing, it is hoped that fiduciary service will appear less daunting, and provide a greater opportunity to "make a difference" in the delivery of health care.

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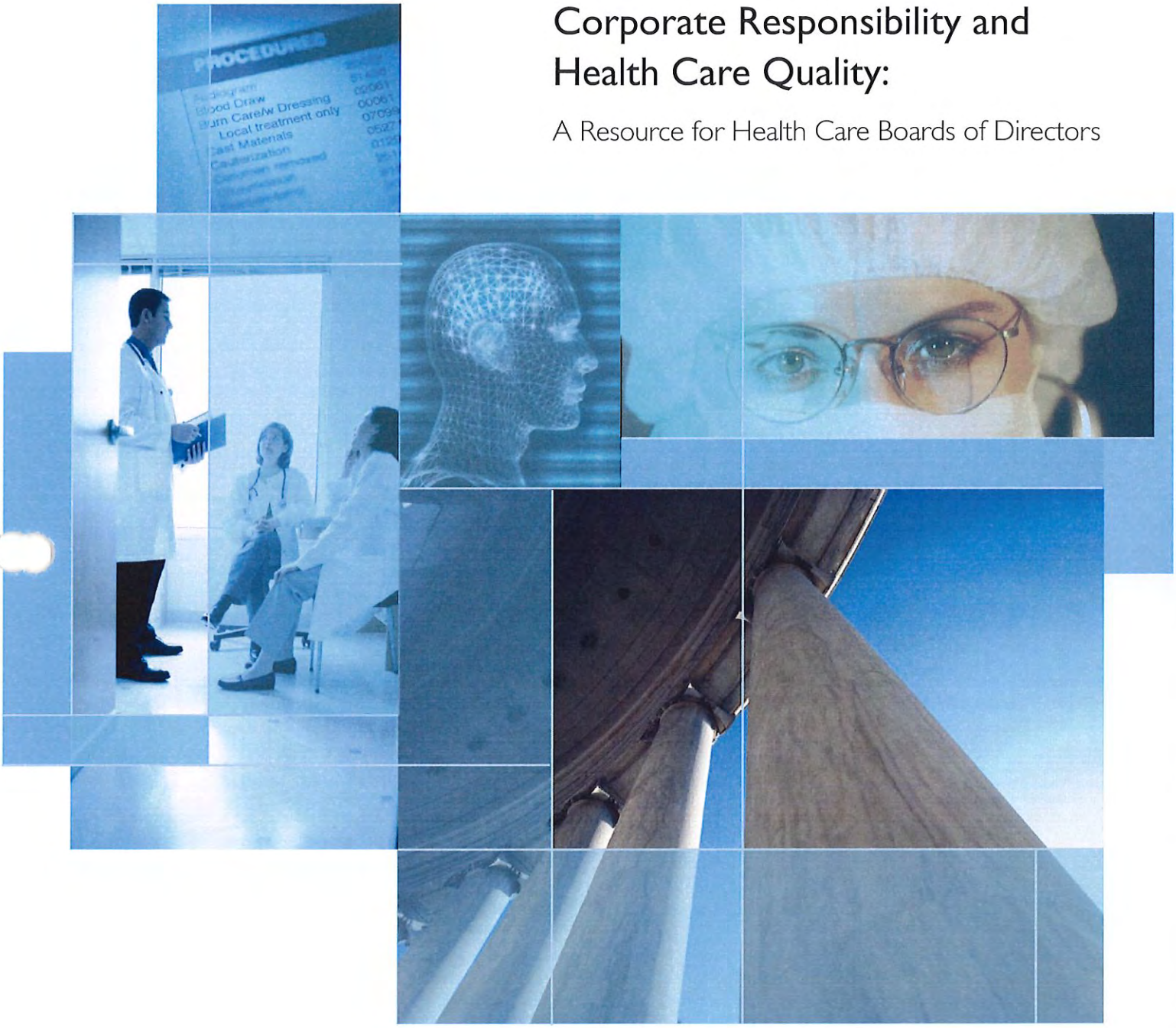
Corporate Responsibility and Health Care Quality:

A Resource for Health Care Boards of Directors



United States Department of Health and Human Services
Office of Inspector General

American Health Lawyers Association

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Corporate Responsibility and Health Care Quality:

A Resource for Health Care Boards of Directors

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I. Introduction

This educational resource is the third in a series of co-sponsored documents by the Office of Inspector General (OIG) of the U.S. Department of Health and Human Services and the American Health Lawyers Association (AHLA), the leading health law educational organization.[1] It seeks to assist directors of health care organizations in carrying out their important oversight responsibilities in the current challenging health care environment. Improving the knowledge base and effectiveness of those serving on health care organization boards will help to achieve the important goal of continuously improving the U.S. health care system.

The prior publications in this series addressed the unique fiduciary responsibilities of directors of health care organizations in the corporate compliance context. With a new era of focus on quality and patient safety rapidly emerging, oversight of quality also is becoming more clearly recognized as a core fiduciary responsibility of health care organization directors. Health care organization boards have distinct responsibilities in this area because promoting quality of care and preserving patient safety are at the core of the health care industry and the reputation of each health care organization. The heightened attention being given to health care quality measurement and reporting obligations also increasingly impacts the responsibilities of corporate directors. Indeed, quality is also emerging as an enforcement priority for health care regulators.

The fiduciary duties of directors reflect the expectations of corporate stakeholders regarding oversight of corporate affairs. The basic fiduciary duty of care principle, which requires a director to act in good faith with the care an ordinarily prudent person would exercise under similar circumstances, is being tested in the current corporate climate. Embedded within the duty of care is the concept of reasonable inquiry. In other words, directors are expected to make inquiries to management to obtain the information necessary to satisfy their duty of care.

This educational resource is designed to help health care organization directors ask knowledgeable and appropriate questions related to health care quality requirements, measurement tools, and reporting requirements. The questions raised in this document are not intended to set forth any specific standard of care, nor to foreclose arguments for a change in judicial interpretation of the law or resolution of any conflicts in interpretation among various courts. Rather, this resource will help corporate directors establish, and affirmatively demonstrate, that they have followed a reasonable quality oversight process.

Of course, the circumstances of each organization differ and application of the duty of care and consequent

1 The other two co-sponsored documents in the series are *Corporate Responsibility and Corporate Compliance: A Resource for Health Care Boards of Directors,* The Office of Inspector General of the U.S. Department of Health and Human Services and The American Health Lawyers Association, 2003; and *An Integrated Approach to Corporate Compliance: A Resource for Health Care Organization Boards of Directors,* The Office of Inspector General of the U.S. Department of Health and Human Services and The American Health Lawyers Association, 2004.

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reasonable inquiry by boards will need to be tailored to each specific set of facts and circumstances. However, compliance with standards and regulations applicable to the quality of services delivered by health care organizations is essential for the lawful behavior and corporate success of such organizations. While these evolving requirements can be complex, effective compliance in the quality arena is an asset for both the organization and the health care delivery system. It is hoped that this educational resource is useful to health care organization directors in exercising their oversight responsibilities and supports their ongoing efforts to promote effective corporate compliance as it relates to health care quality.

II. Board Fiduciary Duty and Quality in the Health Care Setting

Governing boards of health care organizations increasingly are called to respond to important new developments—clinical, operational and regulatory—associated with quality of care. Important new policy issues are arising with respect to how quality of care affects matters of reimbursement and payment, efficiency, cost controls, collaboration between organizational providers and individual and group practitioners. These new issues are so critical to the operation of health care organizations that they require attention and oversight, as a matter of fiduciary obligation, by the governing board.

This oversight obligation is based upon the application of the fiduciary duty of care board members owe the organization and, for non-profit organizations, the duty of obedience to charitable mission. It is additive to the traditional duty of board members in the hospital setting to be responsible for granting, restricting and revoking privileges of membership in the organized medical staff.

Duty of Care

The traditional and well-recognized duty of care refers to the obligation of corporate directors to exercise the proper amount of care in their decision-making process. State corporation laws, as well as the common law, typically interpret the duty of care in an almost identical manner, whether the organization is non-profit or for-profit.

In most jurisdictions, the duty of care requires directors to act (1) in "good faith," (2) with the care an ordinarily prudent person would exercise in like circumstances, and (3) in a manner that they reasonably believe to be in the best interests of the corporation.[2] In analyzing compliance with the duty of care, courts typically address each of these elements individually. In addition, in recent years, the duty of care has taken on a richer meaning, requiring directors to actively inquire into aspects of corporate operations where appropriate – the "reasonable inquiry" standard.

Thus, the "good faith" analysis normally focuses upon whether the matter or transaction at hand involves any improper financial benefit to an individual and/or whether any intent exists to take advantage of the corporation. The "prudent person" analysis focuses upon whether directors conducted the appropriate level of due diligence to allow them to render an informed decision. In other words, directors are expected to be aware of what is going on around them in the corporate business and must in appropriate circumstances make such reasonable inquiry as would an ordinarily prudent person under similar circumstances. The final criterion focuses on whether directors act in a manner that they reasonably believe to be in the best interests of the corporation. In this regard, courts typically evaluate the board member's state of mind with respect to the issues at hand.

When evaluating the fiduciary obligations of board members, it is important to recognize that "perfection" is not the required standard of care. Directors are not required to know everything about a topic they are asked to consider. They may, where justified, rely on the advice of executive leadership and outside advisors.

In addition, many courts apply the "business judgment rule" to determine whether a director's duty of care has been met with respect to corporate decisions. The rule provides, in essence, that a director will not be held liable for a decision made in good faith, where the director is disinterested, reasonably informed under the circumstances, and rationally believes the decision to be in the best interests of the corporation. In other words, courts will not "second guess" the board members' decision when these criteria are met.

Director obligations with respect to quality of care may arise in two distinct contexts:

- *The Decision-Making Function:* The application of duty of care principles as to a specific decision or a particular board action, and
- *The Oversight Function:* The application of duty of care principles with respect to the general activity of the board in overseeing the operations of the corporation (i.e., acting in good faith to assure that a reasonable information and reporting system exists).[3]

Board members' obligations with respect to supervising medical staff credentialing decisions arise within the context of the decision-making

2 American Bar Association, Section of Business Law, Revised Model Nonprofit Corporation Act, Section 8.30 (1987).

3 *In re* Caremark International Inc. Derivative Litigation, 698 A.2d 959 (Del. Ch. 1996).

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function. These are discrete decisions periodically made by the board and relate to specific recommendations and a particular process.

The emerging quality of care issues discussed in this resource arise in the context of the oversight function—the obligation of the director to "keep a finger on the pulse" of the activities of the organization.

The basic governance obligation to guide and support executive leadership in the maintenance of quality of care and patient safety is an ongoing task. Board members are increasingly expected to assess organizational performance on emerging quality of care concepts and arrangements as they implicate issues of patient safety, appropriate levels of care, cost reduction, reimbursement, and collaboration among providers and practitioners. These are all components of the oversight function.

This duty of care with respect to quality of care also is implicated by the related duty to oversee the compliance program.[4] Many new financial relationships address quality of care issues, including pay-for-performance programs, gainsharing, and outcomes management arrangements, among others. State and federal law closely regulate many of these arrangements. Given that directors have an obligation to assure that the organization has an "effective" compliance program in place to detect and deter legal violations, they may fairly be regarded as having a concomitant duty to make reasonable inquiry regarding the emerging legal and compliance issues associated with quality of care initiatives, and to direct executive leadership to address those issues. The board may direct executive staff to provide periodic briefings to the board with respect to quality of care developments so that the directors may establish a proper "tone at the top" in terms of related legal compliance. In other words, it is the role of the executive staff to brief the board concerning new developments in the law and related legal implications, and it should be the ongoing obligation of the board to reasonably inquire whether the organization's compliance program and other legal control mechanisms are in place to monitor the associated legal risks.

Duty of Obedience to Corporate Purpose and Mission

Oversight obligations with respect to quality of care initiatives also arise—for non-profit boards—in the context of what is generally referred to as the fiduciary duty of obedience to the corporate purpose and mission[5] of health care organizations. Non-profit corporations are formed to achieve a specific goal or objective (e.g., the promotion of health), as recognized under state non-profit corporation laws. This is in contrast to the typical business corporation, which often is formed to pursue a general corporate purpose. It is often said of non-profits that "the means and the mission are inseparable."[6]

The fundamental nature of the duty of obedience to corporate purpose is that the non-profit director is charged with the obligation to further the purposes of the organization as set forth in its articles of incorporation or bylaws.[7] For example, the articles of incorporation of a non-profit health care provider might describe its principal purpose as "the promotion of health through the provision of inpatient and outpatient hospital and health care services to residents in the community." Given that the board is responsible for reasonably inquiring whether there are practices in place to address the quality of patient care, it is fair to state that the concept of quality of care is inseparable from, and is essentially subsumed by, the mission of the organization.

In the hospital setting, various provisions of the law dealing with the relationship to the medical staff also provide a link to the duty of obedience to corporate purpose. These include, for example, traditional provisions that confirm the responsibility of the board for (a) the conduct of the hospital as an institution, (b) ensuring that the medical staff is accountable to the governing board for the quality of care provided to patients, and (c) the maintenance of standards of professional care within the facility and requiring that the medical staff function competently. The "duty of obedience" concept with respect to assuring compliance with law also might be considered to incorporate a duty to assure compliance with those state laws (and perhaps accreditation principles as well) that require the governing board to assume ultimate responsibility for organizational performance, which includes the quality of the provider's medical care.

Summary

In exercising his/her duty of care (and, as appropriate, duty of obedience to corporate purpose and mission), the governing board member may be expected to exercise general supervision and oversight of quality of care and patient safety issues. This is likely to include (a) being sensitive to the emergence of quality of care issues, challenges and opportunities, (b) being attentive to the development of

4 *Id.*

5 In some states, this duty is subsumed within the definition of the broader duty of loyalty.

6 Daniel L. Kurtz, Board Liability: Guide for Nonprofit Directors 84 (Moyer Bell Limited, New York, 1988), citing Commonwealth of Pennsylvania v. The Barnes Foundation, 398 Pa. 458, 159 A.2d 500, 505 (1960); *In re* Manhattan Eye, Ear & Throat Hosp., 715 N.Y.S.2d 575 (1999).

7 Kurtz, supra.

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specific quality of care measurement and reporting requirements (including asking the executive staff for periodic education), and (c) requesting periodic updates from the executive staff on organizational quality of care initiatives and how the organization intends to address legal issues associated with those initiatives. Board members are expected to make reasonable further inquiry when concerns are aroused or should be aroused. These expectations increasingly are becoming more significant with the increased attention to quality of care issues from policy makers, providers and practitioners, payors and regulators. Board members must be, and must be perceived as, responsive to this changing environment.

III. Defining Quality of Care and the Critical Need to Implement Quality Initiatives

> "The American health care delivery system is in need of fundamental change. Many patients, doctors, nurses and health care leaders are concerned that the care delivered is not, essentially, the care we should receive … Quality problems are everywhere affecting many patients. Between the healthcare we have and the care we could have lies not just a gap, but a chasm."[8]

In *Crossing the Quality Chasm*, the Institute of Medicine (IOM) provided a six-part definition of health care quality that some view as the emerging standard. According to the IOM, health care should be: *safe* – avoiding injuries to patients from the care that is intended to help them; *effective* – providing services based on scientific knowledge to all who could benefit and refraining from providing services to those not likely to benefit (avoiding underuse and overuse, respectively); *patient-centered* – providing care that is respectful of and responsive to individual patient preferences, needs, and values and ensuring that patient values guide all clinical decisions; *timely* – reducing waits and sometimes harmful delays for both those who receive and those who give care; *efficient* – avoiding waste, including waste of equipment, supplies, ideas, and energy; and *equitable* – providing care that does not vary in quality because of personal characteristics such as gender, ethnicity, geographic location, and socio-economic status.[9] Because this definition of quality increasingly is being adopted by payors, providers and regulators, health care organizations and their boards will need to be mindful of its implications.

The U.S. health care system is at a challenging point in its history. It is, for many important historical reasons, a mixed public-private system, and there is no foreseeable dynamic on the horizon suggesting a major change to this reality. The health care system also arguably is driving the U.S. economy. A recent federal forecast predicts that over the next decade, U.S. health care spending will double from today's level to $4.1 trillion and will represent 20% of the gross domestic product.[10] We have a health care system that is extraordinarily advanced, yet is inefficient, uneven and too often unsafe. A consensus is forming that improvement in the system will require better collaboration and cooperation among independent providers, payors and purchasers, more integrated care and better aligned incentives. Such collaboration and cooperation inevitably will raise legal compliance issues that health care organization boards of directors will need to understand in exercising their oversight function.

A scorecard on the U.S. health care system developed by the Commonwealth Fund in 2006 showed the following results, among others:[11]

- For 37 key indicators for five health care system dimensions (quality, access, equity, outcomes and efficiencies), the overall U.S. score was 66 out of a possible 100.
- Efficiency was the single worst score among the five dimensions. For example, in 2000/2001, the U.S. ranked 16th out of 20 countries in use of electronic health records.
- The U.S. is the worldwide leader in costs.
- The U.S. scored 15th out of 19 countries in mortality attributable to health care services.
- Basic tools (*i.e.*, Health IT) are missing to track patients through their lives.
- We do poorly at transition stages —hospital readmission rates from nursing homes are high; our reimbursement system encourages "churning."
- Improving performance in key areas would save 100,000 to 150,000 lives and $50 billion to $100 billion annually.

The report makes several key recommendations. The U.S. should expand health insurance coverage; implement major quality and safety improvements; work toward a more organized delivery system that emphasizes primary and preventive care that is patient-centered; increase transparency and reporting on quality and costs; reward performance

8 *Crossing the Quality Chasm*, Institute of Medicine, 2001, p.1
9 *Id.* at 6.
10 "Health Care Spending Projected to Pass $4 Trillion Mark by 2016," *Health Affairs*, February 21, 2007.
11 The Commonwealth Fund Commission on a High Performance Health System, "Why Not the Best? Results from a National Scorecard on U.S. Health System Performance," The Commonwealth Fund, September 2006.

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for quality and efficiency; expand the use of interoperable information technology; and encourage collaboration among stakeholders.

In a similar vein, the IOM recently stated in one of several follow-up reports to *Crossing the Quality Chasm* that the Medicare payment system does not reward efficiency and provides few disincentives for overuse, underuse or misuse of care.[12] Furthermore, the IOM proposed that incentives should encourage delivery of high-quality care efficiently, require providers to assume shared accountability for transitions between care settings and require coordination of care for patients with chronic disease.

We are entering a new era of thinking about health care quality and collaboration among health care providers. Numerous new measures of health care quality are becoming public every day. Purchasers, payors, state governments, the Joint Commission and others are requiring reporting, particularly by hospitals, of outcomes pursuant to such measures. Pay-for-performance programs are becoming common among both public and private payors. A new generation of "gainsharing" proposals and demonstrations are emerging.[13] In late February 2007, HHS Secretary Leavitt unveiled a new quality-improvement plan, called "Value Exchanges," that would establish local quality-improvement collaborations with an eye toward a national link-up in a few years.[14] All of this puts increasing focus and scrutiny on health care organizations, and their boards of directors, in connection with the quality issue. Indeed, the National Quality Forum, perhaps the most well known source of nationally approved quality measures, has issued a paper entitled "Hospital Governing Boards and Quality of Care: A Call to Responsibility."[15]

Perhaps one of the most critical—and often misunderstood—components of health care quality is the relationship between overall quality and cost efficiency. Increasingly, it is becoming more widely understood that quality and efficiency are complementary, not contradictory, elements of an effective health care system. Efficiency, by definition, means avoidance of unnecessary, and often harmful, care. As Don Berwick, a recognized national quality expert, stated in *Health Affairs* in 2005: "Right from the start it has been one of the great illusions in the reign of quality that quality and cost go in opposite directions. There remains very little evidence of that."[16]

Because it is coming from the federal government, state government and private purchasers and payors, the emphasis on collaborative arrangements and cooperation in care giving across independent providers, aggregate payment pools and aligned incentives will require providers to look for legal ways to collaborate and, indeed, align incentives through new financial relationships. In particular, innovative hospital-physician financial relationships, including a variety of formal and informal partnering arrangements, are critical to the achievement of all six of the aims set forth in *Crossing the Quality Chasm*. Examples include pay-for-performance demonstrations, gainsharing initiatives, electronic health record implementation efforts, outpatient care centers, service line joint ventures and management and leasing arrangements.

Evidence-based medicine reasonably can define proper use and increasingly is relied upon to do so. It is expected that the public sector will continue to seek to balance its role as both purchaser and regulator in the search for quality improvement in health care. The private sector at times may have to initiate change before the payment system and regulations catch up, but the rewards are potentially very high—in terms of organizational success as well as social benefit. At the same time, however, legal compliance issues likely will arise in connection with efforts to implement these changes. Health care organizations, with oversight by their boards of directors, will be required in this regard to be mindful of the anti-kickback statute, the physician self-referral (Stark) law, civil money penalty statutes, the Health Insurance Portability and Accountability Act (HIPAA), federal tax-exemption standards and antitrust law, among other legal areas.

There is an opportunity for the best performers in the industry to create profound change—and then open up these best practices through transparency of data and the promotion of collaboration to spread change. Health care boards of directors have the unique opportunity to take leadership in implementing quality systems that will advance their organizations' respective missions and the nation's health. They also have the responsibility to do so in a legally compliant manner.

12 *Rewarding Provider Performance: Aligning Incentives in Medicine*, Institute of Medicine, 2007.
13 OIG reviews gainsharing and pay-for-performance programs on a case-by-case basis, and CMS' position on applicability of the Stark Law to such programs is still evolving.
14 Press Release, U.S. Department of Health & Human Services, HHS Secretary Leavitt Unveils Plan for "Value Exchanges" to Report on Health Care Quality and Cost at Local Level (February 28, 2007).
15 "Hospital Governing Boards and Quality of Care: A Call to Responsibility," The National Quality Forum, December 2, 2004.
16 Robert Galvin, "'A Deficiency of Will and Ambition': A Conversation with Donald Berwick," *Health Affairs Web Exclusive*, January 12, 2005.

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IV. The Government's Role in Enforcing Health Care Quality

An extensive federal and state regulatory scheme governs the care delivered by health care providers. Designed to promote quality of care, these standards provide a baseline for assessing the level of care provided to the patient and, as discussed previously, increasingly determine the health care provider's reimbursement. For example, Medicare and Medicaid conditions of participation require hospitals to monitor quality through credentialing of medical staff and maintaining effective quality assessment and performance improvement programs. These conditions of participation specify that the medical staff is accountable to a hospital's governing body for the quality of care provided to patients. Long-term care providers must meet specific quality of care standards, undergo state surveys, and pass state certifications to participate in government programs. The regulatory framework includes a range of progressive administrative sanctions, including heightened oversight and monetary penalties that may be imposed against providers that fail to comply with the regulatory requirements.

In addition to these administrative remedies, the government enforcement authorities are increasingly focusing on the quality of care provided to beneficiaries of the federal health care programs. The OIG, the U.S. Department of Justice, and state Attorneys General are working collaboratively with the health care regulatory agencies to address the provision of substandard care by individuals and institutions. Sanctions may range from monetary penalties to exclusion from federal and state health care programs and even incarceration for the most serious offenses. For example, a health care provider can be subject to exclusion from the federal health care programs if it provides medically unnecessary services or services that fail to meet professionally recognized standards of care. Even individuals who are not direct care providers, such as hospital administrators and nursing home owners, may be subject to exclusion if they cause others to provide substandard care. Consequently, all levels of a health care organization, from the direct caregiver to the governing body of an institutional provider, could face liability for failing to meet the quality of care obligations applicable to government program providers.

As part of these enforcement efforts, authorities are closely evaluating quality-reporting data. For example, government authorities are increasingly scrutinizing quality data submitted by health care providers to identify inconsistencies and evidence of ongoing quality problems that providers fail to address. Sources of quality-reporting data include, for example, the hospital quality data for the annual payment updates, physician quality-reporting data reported to CMS, medical error and "sentinel event" data reported to the Joint Commission, and quality reporting required under state law. The accuracy of the data submitted to government agencies and third party payors is vital. In addition to relying on such information for monitoring quality and patient safety issues, the federal health care programs increasingly use this data for determining reimbursement, as in the case of the Minimum Data Set in the nursing home setting. Consequently, inaccurate reporting of quality data could result in the misrepresentation of the status of patients and residents, the submission of false claims, and potential enforcement action. As authorities continue to scrutinize quality-reporting data, boards will benefit from ensuring that structures and processes exist within their institution to carefully review this data for accuracy and address potential quality of care issues.

To evaluate the potential risk to the organization, it is important that board members understand the theories of liability relied upon by the government. The predominant criminal and civil fraud theories—medically unnecessary services and "failure of care"—rely on the submission of a claim for reimbursement to the government to establish jurisdiction over the provider. Medicare and Medicaid only cover costs that are reasonable and necessary for the diagnosis or treatment of illness or injury. When medically unnecessary services are provided, the patient is unnecessarily exposed to risks of a medical procedure and the federal health care programs incur needless costs. Hospitals have been subject to prosecution under this theory. For example, a grand jury indicted a Michigan hospital based on its failure properly to investigate medically unnecessary pain management procedures performed by a physician on its medical staff. In another case, a California hospital recently paid $59.5 million to settle civil False Claims Act allegations that the hospital inadequately performed credentialing and peer review of cardiologists on its staff who performed medically unnecessary invasive cardiac procedures.

The second theory of liability involves the provision of care that is so deficient that it amounts to no care at all. This theory derives from the concept commonly applied in the financial fraud context, which subjects providers to liability for billing government programs for services that were not actually rendered. These cases frequently involve providers, such as nursing homes, that receive "per diem" payments for providing all necessary treatment to patients. For example, a Colorado rehabilitation center entered into a $1.9 million civil False Claims Act settlement to resolve allegations that it provided worthless services to patients, resulting from systemic understaffing at the facility, where deficient services and abuse caused six patient deaths. Federal prosecutors in Missouri charged a long-term care facility management company, its CEO, and

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three nursing homes with conspiracy and health care fraud based on the contention that the defendants imposed budgetary constraints that they knew or should have known would prevent facilities from providing adequate care to residents. The CEO was sentenced to pay $29,000 in criminal fines and to serve an 18-month period of incarceration. The management company and nursing homes were each sentenced to pay $182,250 in criminal fines. In a related civil case, the defendants paid $1.25 million to resolve False Claims Act allegations, and agreed to be excluded from federal health care programs.

This fraud theory also is applied in cases involving violations of regulatory requirements related to quality of care. For example, a Pennsylvania hospital entered into a $200,000 civil False Claims Act settlement to resolve substandard care allegations related to the improper use of restraints.

In addition to substantial civil penalties and criminal fines, health care providers that systematically fail to provide care of an acceptable quality can be excluded from federal health care programs, meaning Medicare and Medicaid will not pay for items or services furnished by the provider. The provision of care that fails to meet accepted standards of care is an enforcement priority for OIG, which is actively pursuing these cases under administrative sanction authorities that explicitly address quality of care. OIG can impose exclusion from the federal health care programs against anyone who furnishes or causes to be furnished medically unnecessary services or services that fail to meet professionally recognized standards of health care.[17] Additionally, OIG is required by law to exclude anyone convicted of patient neglect or abuse.[18]

As part of global settlements of civil health care fraud matters, OIG may negotiate a waiver of the permissive exclusion in exchange for a provider's agreement to enter into a corporate integrity agreement (CIA). In cases involving substandard care, these agreements can involve comprehensive monitoring provisions designed to assess the provider's internal quality improvement infrastructure. Currently, thirteen nursing homes and psychiatric facilities, including eight regional and national chains, are under quality of care CIAs. A list of the health care providers currently subject to CIAs is found at OIG's website, http://hhs.gov/fraud/cias.html.

A CIA also might entail board-level obligations to help ensure that the organization embraces a commitment to the delivery of quality care. For example, the Tenet Healthcare Corporation board of directors has specific obligations under the organization's current CIA. OIG has required the board to (1) review and oversee the performance of the compliance staff, (2) annually review the effectiveness of the compliance program, (3) engage an independent compliance consultant to assist the board in its review and oversight of Tenet's compliance activities, and (4) submit to OIG a resolution summarizing its review of Tenet's compliance with the CIA and federal health care program requirements. These obligations reflect a growing recognition of the critical role that boards of directors play in ensuring that their organizations promote quality, ensure patient safety, and are in compliance with the obligations of government health care programs.

V. Health Care Board Fiduciary Duty and Quality

Health care is unique in representing both a social good and an economic commodity. Boards of directors of many health care organizations have been called upon to see that their organizations approach those realities in concert, not in competition, with each other. These boards understand that the quality of the products and services their organizations provide can have life or death implications. Health care organizations generally view themselves as mission-driven and health care quality is a key component of that mission.

Yet, the Institute of Medicine's recognition in 1999 that medical errors lead to as many as 100,000 deaths per year served as a wake-up call. Evolving evidence and research into best practices and outcomes measures have provided the impetus to today's rapidly growing "quality movement," which is triggering a whole variety of mandatory and voluntary activities by health care organizations to improve quality and reduce costs.

These new programs and requirements raise the stakes for health care organizations, both financially and legally. Poor quality and value—or the failure to demonstrate good quality and value—increasingly may affect the viability of health care providers, products manufacturers and others. Law enforcement agencies are increasing their scrutiny of providers that deliver substandard care to federal health care beneficiaries. On the other hand, demonstrated quality and value likely will have a positive mission as well as financial effect. Accurate measurement and reporting—indeed, effective compliance with an evolving set of obligations—will be required.

17 42 U.S.C. § 1320a-7(b)(6)(B).
18 42 U.S.C. § 1320a-7(a)(2).

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Directors will need to understand this evolving reality and, if they have not already done so, elevate quality—as newly defined—to the same level of focus that financial viability and regulatory compliance currently command. The next section of this resource provides directors with certain questions that may assist them in exercising their oversight responsibilities in this increasingly important area.

VI. Suggested Questions for Directors

Boards of Directors can play a critical role in advancing the clinical improvement initiatives in their organizations. To realize its full potential, a board needs to develop an understanding of the relevant quality and patient safety issues and then focus on performance goals that drive the organization to provide the best quality and most efficient care. The following series of suggested questions may be helpful as the board examines the scope and operation of the organization's quality and safety initiatives.

1. *What are the goals of the organization's quality improvement program? What metrics and benchmarks are used to measure progress towards each of these performance goals? How is each goal specifically linked to management accountability?*

There are a growing number of national public and private initiatives directed at promoting quality of care, patient safety and the corresponding reduction in medical errors. These initiatives rely on clinical care benchmarks to facilitate oversight and promote improved quality outcomes. Such benchmarks, used in conjunction with industry-wide reported data, can provide a context for creating quality of care goals, aligning organizational incentives and providing a framework for management's reports to the board. Once these parameters are defined, the board can more readily hold management accountable for meeting the organization's quality performance goals.

2. *How does the organization measure and improve the quality of patient/resident care? Who are the key management and clinical leaders responsible for these quality and safety programs?*

As a threshold matter, the board may wish to confirm its understanding of the structures and processes the organization relies upon to oversee and improve clinical quality and patient safety. Only after it has a complete understanding of how the organization's quality assurance functions operate can the board evaluate the breadth and effectiveness of a quality improvement program. The organizational assessment also can provide a common basis from which management and the board can evaluate these processes against current and emerging regulatory requirements.

3. *How are the organization's quality assessment and improvement processes integrated into overall corporate policies and operations? Are clinical quality standards supported by operational policies? How does management implement and enforce these policies? What internal controls exist to monitor and report on quality metrics?*

Consistent with the fundamental fiduciary responsibility of oversight, the board has responsibility for institutional policies and procedures relative to quality of care. Increasingly, common law recognizes among a board's nondelegable duties the duty to formulate, adopt and enforce adequate rules and policies to ensure quality care for all of the organization's patients and residents. Although boards appropriately may utilize the expertise of the medical staff and other professionals to address professional competency and quality issues, these professionals should work actively with the board to advance the institution's quality agenda, to identify systemic deficiencies and to make appropriate recommendations for action. Periodic reviews with management of the quality of care provided to patients and evaluations of the adequacy of these policies in light of evolving standards, clinical practices and claims experience or trends are consistent with board responsibilities.

4. *Does the board have a formal orientation and continuing education process that helps members appreciate external quality and patient safety requirements? Does the board include members with expertise in patient safety and quality improvement issues?*

In an era of increasing governance accountability, the boards of health care organizations are expected to understand and be involved in the assessment of performance on quality and patient safety initiatives of their organizations. An understanding of clinical quality measurements, the ability to read quality scorecards and spot red flags, and an appreciation of quality of care as a corporate governance issue may be critical to an effective board. Equally important, board members need a general understanding of national trends in health care quality. Collectively, these skills will enable the board to appreciate the interrelationship of patient safety, health care quality and performance measurement, as well as the business case for quality. For the same reasons a board has financial experts on its audit committee, health care organizations that provide or arrange for goods or services need members with competencies in quality and patient safety issues. With such resources, the board is better positioned to call for and evaluate meaningful quality information using recognized performance metrics from which to evaluate the organization's clinical quality performance.

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5. *What information is essential to the board's ability to understand and evaluate the organization's quality assessment and performance improvement programs? Once these performance metrics and benchmarks are established, how frequently does the board receive reports about the quality improvement efforts?*

The board should consider the nature and level of information it needs to oversee the quality of care in the organization. If there are too many quality indicators, the data may become overwhelming and the critical measures of success may be overlooked. The board may want to work with management and the organization's medical leadership to identify a focused number of vital indicators that are probative of quality or indicative of changes in quality of patient care. In determining which performance measures to include in its "dashboard," the board may want to consider the quality data reviewed by government agencies, the information subject to mandatory reporting requirements and relevant industry benchmarks.

As part of its oversight of the quality of care delivered by subsidiaries, parent or system boards may have different information needs. While a grounding in quality and patient safety initiatives remains important, the parent board appropriately may rely on local boards to oversee clinical quality of the local facilities under its purview. In large health care systems, the parent board may exercise its governance responsibilities by focusing on the effectiveness of the local boards.

6. *How are the organization's quality assessment and improvement processes coordinated with its corporate compliance program? How are quality of care and patient safety issues addressed in the organization's risk assessment and corrective action plans?*

As discussed in "Corporate Responsibility and Corporate Compliance: A Resource for Health Care Boards of Directors," an effective corporate compliance program can be instrumental in the board's exercise of its fiduciary duty of care. Increasingly, monitoring quality and patient safety issues is recognized as integral to promoting corporate compliance, as well as to risk management and organizational reputation. Use of regulatory compliance processes to continually assess the organization's quality performance can assist in exposing deficiency patterns, which if not recognized and addressed in a timely and effective manner, may expose the organization to enforcement action. Accordingly, as quality improvement takes on increased significance in the organization's compliance program, the board may want to assure itself that the compliance officer is collaborating with the organization's clinical leadership.

7. *What processes are in place to promote the reporting of quality concerns and medical errors and to protect those who ask questions and report problems? What guidelines exist for reporting quality and patient safety concerns to the board?*

A lack of transparency in the organization's response to concerns about quality and patient safety can contribute to a culture where problems are not addressed and are therefore likely to reoccur. Improving the effectiveness and safety of services and quality of care requires participation by clinical staff at all levels. In fulfilling its duty of care, the board should consider verifying that the organization has a mechanism to encourage constructive criticism and reporting of errors. Effective compliance programs are structured to address "whistleblower" reporting and protections and the organization should consider incorporating the reporting of quality and patient safety concerns into both existing compliance procedures and general operating practices.

8. *Are human and other resources adequate to support patient safety and clinical quality? How are proposed changes in resource allocation evaluated from the perspective of clinical quality and patient care? Are systems in place to provide adequate resources to account for differences in patient acuity and care needs?*

Participation in the federal health care programs requires that the health care organization deliver care of a quality that meets professionally recognized standards of care. When investigating allegations of substandard quality of care, the government will scrutinize whether the health care provider devoted sufficient resources to ensure that the care provided to patients or residents met basic quality requirements. Inadequate levels of professional and support staff, for example, may result in a pattern of substandard care. As part of its annual review of the organization's operating plans and budget, the board should consider the impact of these resource allocation decisions on the quality of care and patient safety. For the same reason, the board should ensure that management has assessed the impact of staff reductions or other budget constraints on quality of care.

A companion area for oversight relates to approvals of new services and significant technology acquisitions. Inquiry regarding the scientific bases supporting the efficacy and safety of new services and the identification of supportive processes to ensure quality and safety of new technology and services may serve to protect financial resources as well as patient safety.

9. *Do the organization's competency assessment and training, credentialing, and peer review processes adequately recognize the necessary focus on clinical quality and patient safety issues?*

Boards rely heavily on the expertise of their medical staff and the integrity and comprehensiveness of its competency assessment and training, credentialing,

and peer review processes to ensure the competency of clinical staff. Alignment of professional staff credentialing standards with quality data can advance a quality-driven model for the professional staff and allows the organization to take appropriate action when significant quality deficiencies are identified.

10. *How are "adverse patient events" and other medical errors identified, analyzed, reported, and incorporated into the organization's performance improvement activities? How do management and the board address quality deficiencies without unnecessarily increasing the organization's liability exposure?*

Providers operate under significant federal and state requirements relating to quality reporting and improvement. Hospitals, for example, are required to maintain an effective, data-driven quality assessment and improvement program as a condition of participation in the Medicare program. These programs must track quality indicators, including adverse patient events, and set performance improvement priorities that focus on high-risk or problem-prone areas. A growing number of states have mandatory reporting systems for at least some forms of adverse events occurring in acute care hospitals. For example, some states are mandating the reporting of "never events," those errors in medical care that are clearly identifiable, preventable and serious in their consequences for patients. Examples of "never events" include surgery on the wrong body part, a mismatched blood transfusion, and severe "pressure ulcers" acquired in the hospital. In addition, there are other reporting requirements, including the peer review reporting provisions of the Health Care Quality Improvement Act, state peer review statutes, and the privilege and confidentiality provisions of the Patient Safety and Quality Improvement Act of 2005. Although the application of these statutes to medical staff credentialing, peer review and broader quality reporting and improvement activities may be challenging, greater organizational risks may lie in the failure to address known or foreseeable quality deficiencies.

Obviously, corporate boards and managers need to evaluate and address quality and patient safety issues but without unnecessarily increasing organizational exposure to liability resulting from the provision of deficient care. It is therefore important for the board to understand the scope of federal and state statutory protections given certain quality-related activities and to make reasonable inquiry to assure that management and the medical staff effectively manage this issue. A discussion with legal counsel on this topic may be helpful.

VII. Conclusion

Contemporary health care quality, patient safety and cost efficiency initiatives provide an opportunity for health care organizations to make a positive difference to society while promoting their missions and enhancing their financial success. However, health care boards of directors will need to exercise their oversight responsibilities in this area diligently and assure that their organizations are pursuing these opportunities in compliance with evolving legal requirements. The comments and perspectives shared in this educational resource will, it is hoped, assist health care organization boards in exercising their duty of care as it relates to health care quality effectively and efficiently and in a manner that will help improve the nation's health care system.

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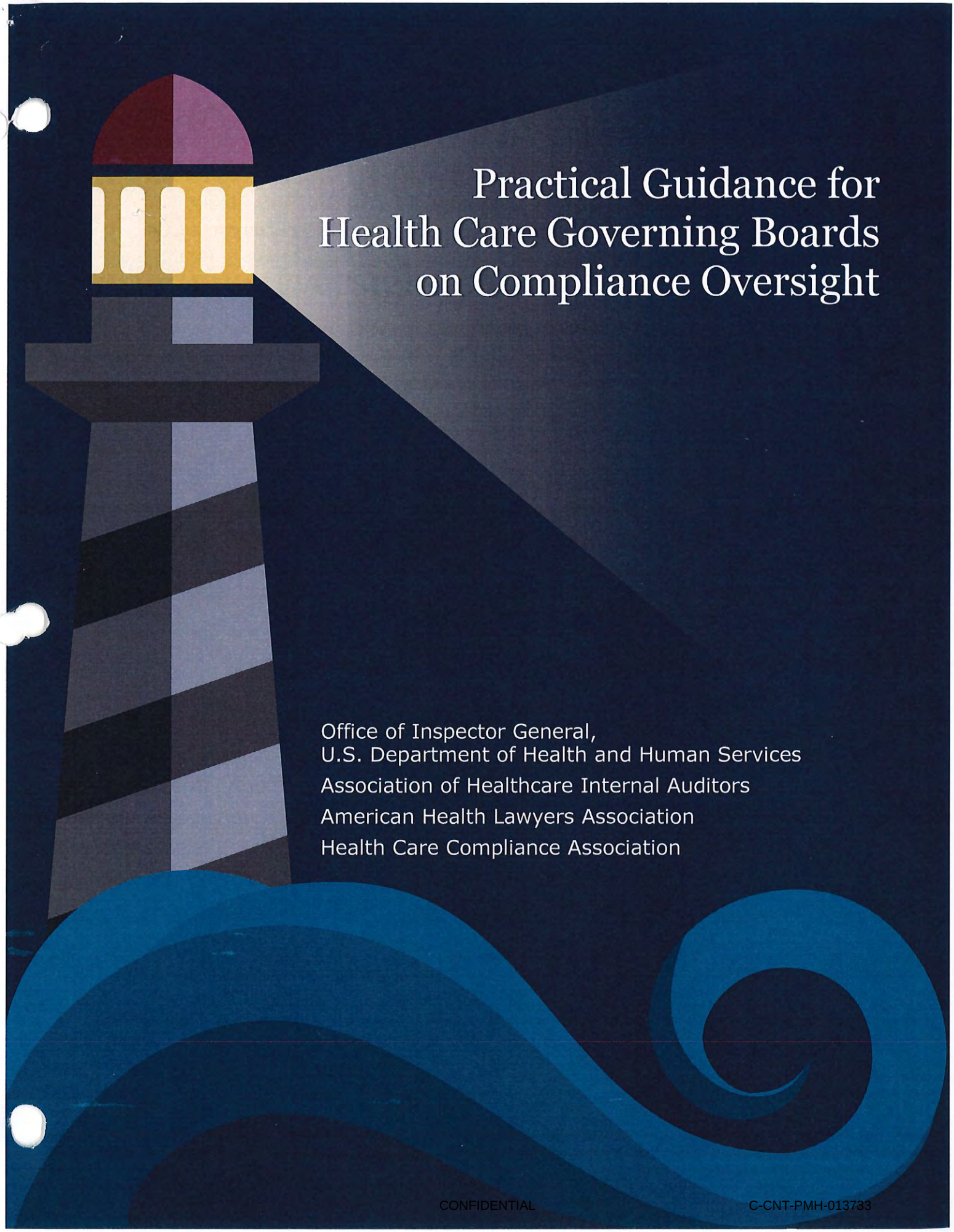

Practical Guidance for Health Care Governing Boards on Compliance Oversight

Office of Inspector General,
U.S. Department of Health and Human Services
Association of Healthcare Internal Auditors
American Health Lawyers Association
Health Care Compliance Association

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About the Organizations

This educational resource was developed in collaboration between the Association of Healthcare Internal Auditors (AHIA), the American Health Lawyers Association (AHLA), the Health Care Compliance Association (HCCA), and the Office of Inspector General (OIG) of the U.S. Department of Health and Human Services (HHS).

AHIA is an international organization dedicated to the advancement of the health care internal auditing profession. The AHLA is the Nation's largest nonpartisan, educational organization devoted to legal issues in the health care field. HCCA is a member-based, nonprofit organization serving compliance professionals throughout the health care field. OIG's mission is to protect the integrity of more than 100 HHS programs, including Medicare and Medicaid, as well as the health and welfare of program beneficiaries.

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This document is intended to assist governing boards of health care organizations (Boards) to responsibly carry out their compliance plan oversight obligations under applicable laws. This document is intended as guidance and should not be interpreted as setting any particular standards of conduct. The authors recognize that each health care entity can, and should, take the necessary steps to ensure compliance with applicable Federal, State, and local law. At the same time, the authors also recognize that there is no uniform approach to compliance. No part of this document should be taken as the opinion of, or as legal or professional advice from, any of the authors or their respective agencies or organizations.

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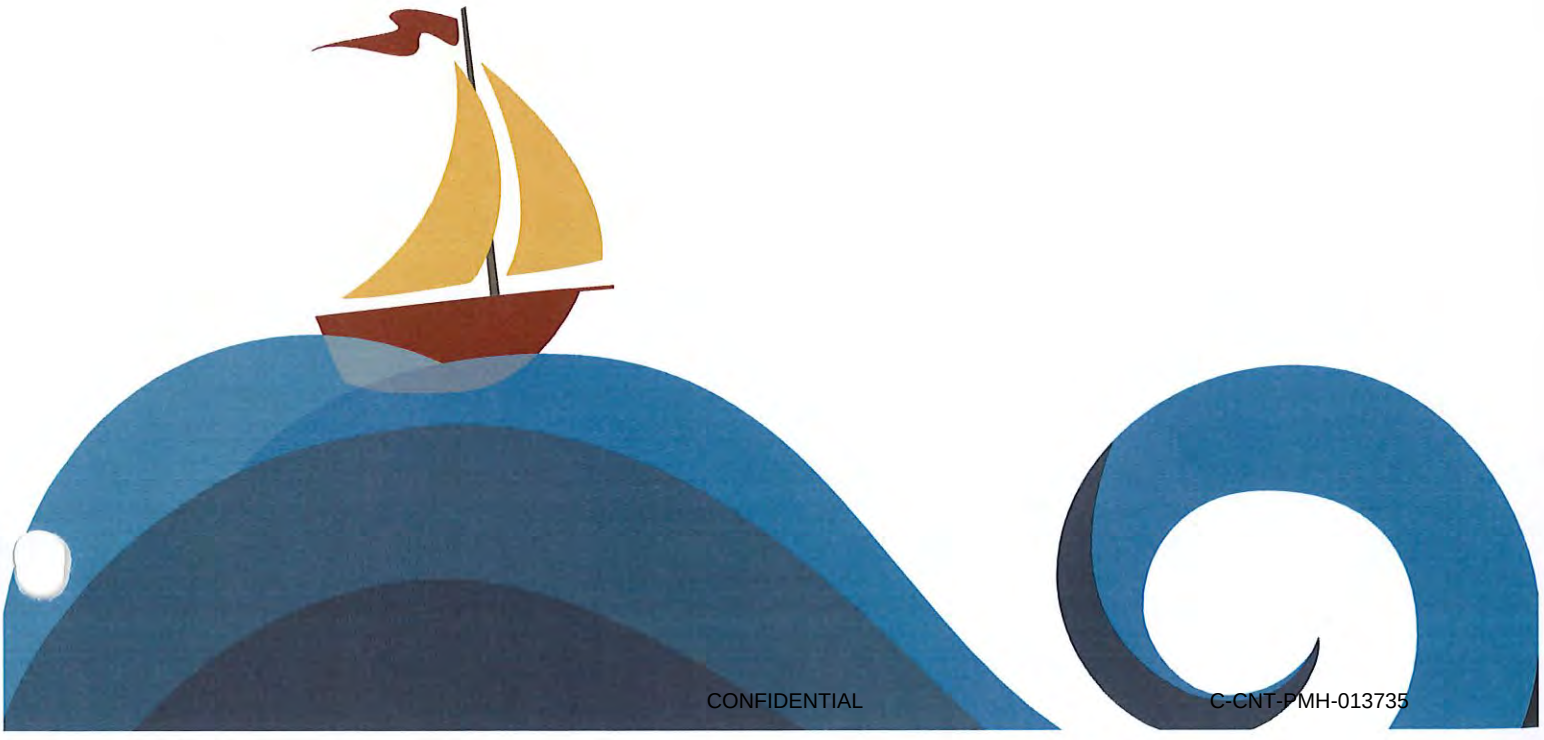

Introduction

Previous guidance[1] has consistently emphasized the need for Boards to be fully engaged in their oversight responsibility. A critical element of effective oversight is the process of asking the right questions of management to determine the adequacy and effectiveness of the organization's compliance program, as well as the performance of those who develop and execute that program, and to make compliance a responsibility for all levels of management. Given heightened industry and professional interest in governance and transparency issues, this document seeks to provide practical tips for Boards as they work to effectuate their oversight role of their organizations' compliance with State and Federal laws that regulate the health care industry. Specifically, this document addresses issues relating to a Board's oversight and review of compliance program functions, including the: (1) roles of, and relationships between, the organization's audit, compliance, and legal departments; (2) mechanism and process for issue-reporting within an organization; (3) approach to identifying regulatory risk; and (4) methods of encouraging enterprise-wide accountability for achievement of compliance goals and objectives.

A critical element of effective oversight is the process of asking the right questions....

1 OIG and AHLA, *Corporate Responsibility and Corporate Compliance: A Resource for Health Care Boards of Directors* (2003); OIG and AHLA, *An Integrated Approach to Corporate Compliance: A Resource for Health Care Organization Boards of Directors* (2004); and OIG and AHLA, *Corporate Responsibility and Health Care Quality: A Resource for Health Care Boards of Directors* (2007).

Expectations for Board Oversight of Compliance Program Functions

A Board must act in good faith in the exercise of its oversight responsibility for its organization, including making inquiries to ensure: (1) a corporate information and reporting system exists and (2) the reporting system is adequate to assure the Board that appropriate information relating to compliance with applicable laws will come to its attention timely and as a matter of course.[2] The existence of a corporate reporting system is a key compliance program element, which not only keeps the Board informed of the activities of the organization, but also enables an organization to evaluate and respond to issues of potentially illegal or otherwise inappropriate activity.

Boards are encouraged to use widely recognized public compliance resources as benchmarks for their organizations. The Federal Sentencing Guidelines (Guidelines),[3] OIG's voluntary compliance program guidance documents,[4] and OIG Corporate Integrity Agreements (CIAs) can be used as baseline assessment tools for Boards and management in determining what specific functions may be necessary to meet the requirements of an effective compliance program. The Guidelines "offer incentives to organizations to reduce and ultimately eliminate criminal conduct by providing a structural foundation from which an organization may self-police its own conduct through an effective compliance and ethics program."[5] The compliance program guidance documents were developed by OIG to encourage the development and use of internal controls to monitor adherence to applicable statutes, regulations, and program requirements. CIAs impose specific structural and reporting requirements to

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2 *In re Caremark Int'l, Inc. Derivative Litig.*, 698 A.2d 959 (Del. Ch. 1996).

3 U.S. Sentencing Commission, *Guidelines Manual* (Nov. 2013) (USSG), http://www.ussc.gov/sites/default/files/pdf/guidelines-manual/2013/manual-pdf/2013_Guidelines_Manual_Full.pdf.

4 OIG, *Compliance Guidance*, http://oig.hhs.gov/compliance/compliance-guidance/index.asp.

5 USSG Ch. 8, Intro. Comment.

promote compliance with Federal health care program standards at entities that have resolved fraud allegations.

Basic CIA elements mirror those in the Guidelines, but a CIA also includes obligations tailored to the organization and its compliance risks. Existing CIAs may be helpful resources for Boards seeking to evaluate their organizations' compliance programs. OIG has required some settling entities, such as health systems and hospitals, to agree to Board-level requirements, including annual resolutions. These resolutions are signed by each member of the Board, or the designated Board committee, and detail the activities that have been undertaken to review and oversee the organization's compliance with Federal health care program and CIA requirements. OIG has not required this level of Board involvement in every case, but these provisions demonstrate the importance placed on Board oversight in cases OIG believes reflect serious compliance failures.

Although compliance program design is not a "one size fits all" issue, Boards are expected to put forth a meaningful effort....

Although compliance program design is not a "one size fits all" issue, Boards are expected to put forth a meaningful effort to review the adequacy of existing compliance systems and functions. Ensuring that management is aware of the Guidelines, compliance program guidance, and relevant CIAs is a good first step.

One area of inquiry for Board members of health care organizations should be the scope and adequacy of the compliance program in light of the size and complexity of their organizations. The Guidelines allow for variation according to "the size of the organization."[6] In accordance with the Guidelines,

6 USSG § 8B2.1, comment. (n. 2).

OIG recognizes that the design of a compliance program will depend on the size and resources of the organization.[7] Additionally, the complexity of the organization will likely dictate the nature and magnitude of regulatory impact and thereby the nature and skill set of resources needed to manage and monitor compliance.

While smaller or less complex organizations must demonstrate the same degree of commitment to ethical conduct and compliance as larger organizations, the Government recognizes that they may meet the Guidelines requirements with less formality and fewer resources than would be expected of larger and more complex organizations.[8] Smaller organizations may meet their compliance responsibility by "using available personnel, rather than employing separate staff, to carry out the compliance and ethics program." Board members of such organizations may wish to evaluate whether the organization is "modeling its own compliance and ethics programs on existing, well-regarded compliance and ethics programs and best practices of other similar organizations."[9] The Guidelines also foresee that Boards of smaller organizations may need to become more involved in the organizations' compliance and ethics efforts than their larger counterparts.[10]

Boards should develop a formal plan to stay abreast of the ever-changing regulatory landscape and operating environment. The plan may involve periodic updates from informed staff or review of regulatory resources made available to them by staff. With an understanding of the dynamic regulatory environment, Boards will be in a position to ask more pertinent questions of management

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7 Compliance Program for Individual and Small Group Physician Practices, 65 Fed. Reg. 59434, 59436 (Oct. 5, 2000) ("The extent of implementation [of the seven components of a voluntary compliance program] will depend on the size and resources of the practice. Smaller physician practices may incorporate each of the components in a manner that best suits the practice. By contrast, larger physician practices often have the means to incorporate the components in a more systematic manner."); Compliance Program Guidance for Nursing Facilities, 65 Fed. Reg. 14,289 (Mar. 16, 2000) (recognizing that smaller providers may not be able to outsource their screening process or afford to maintain a telephone hotline).

8 USSG § 8B2.1, comment. (n. 2).

9 *Id.*

10 *Id.*

and make informed strategic decisions regarding the organizations' compliance programs, including matters that relate to funding and resource allocation. For instance, new standards and reporting requirements, as required by law, may, but do not necessarily, result in increased compliance costs for an organization. Board members may also wish to take advantage of outside educational programs that provide them with opportunities to develop a better understanding of industry risks, regulatory requirements, and how effective compliance and ethics programs operate. In addition, Boards may want management to create a formal education calendar that ensures that Board members are periodically educated on the organizations' highest risks.

Finally, a Board can raise its level of substantive expertise with respect to regulatory and compliance matters by adding to the Board, or periodically consulting with, an experienced regulatory, compliance, or legal professional. The presence of a professional with health care compliance expertise on the Board sends a strong message about the organization's commitment to compliance, provides a valuable resource to other Board members, and helps the Board better fulfill its oversight obligations. Board members are generally entitled to rely on the advice of experts in fulfilling their duties.[11] OIG sometimes requires entities under a CIA to retain an expert in compliance or governance issues to assist the Board in fulfilling its responsibilities under the CIA.[12] Experts can assist Boards and management in a variety of ways, including the identification of risk areas, provision of insight into best practices in governance, or consultation on other substantive or investigative matters.

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11 *See* Del Code Ann. tit. 8, § 141(e) (2010); ABA Revised Model Business Corporation Act, §§ 8.30(e), (f)(2) Standards of Conduct for Directors.

12 *See* Corporate Integrity Agreements between OIG and Halifax Hospital Medical Center and Halifax Staffing, Inc. (2014, compliance and governance); Johnson & Johnson (2013); Dallas County Hospital District d/b/a Parkland Health and Hospital System (2013, compliance and governance); Forest Laboratories, Inc. (2010); Novartis Pharmaceuticals Corporation (2010); Ortho-McNeil-Janssen Pharmaceuticals, Inc. (2010); Synthes, Inc. (2010, compliance expert retained by Audit Committee); The University of Medicine and Dentistry of New Jersey (2009, compliance expert retained by Audit Committee); Quest Diagnostics Incorporated (2009); Amerigroup Corporation (2008); Bayer HealthCare LLC (2008); and Tenet Healthcare Corporation (2006; retained by the Quality, Compliance, and Ethics Committee of the Board).

Roles and Relationships

Organizations should define the interrelationship of the audit, compliance, and legal functions in charters or other organizational documents. The structure, reporting relationships, and interaction of these and other functions (e.g., quality, risk management, and human resources) should be included as departmental roles and responsibilities are defined. One approach is for the charters to draw functional boundaries while also setting an expectation of cooperation and collaboration among those functions. One illustration is the following, recognizing that not all entities may possess sufficient resources to support this structure:



The compliance function promotes the prevention, detection, and resolution of actions that do not conform to legal, policy, or business standards. This responsibility includes the obligation to develop policies and procedures that provide employees guidance, the creation of incentives to promote employee compliance, the development of plans to improve or sustain compliance, the development of metrics to measure execution (particularly by management) of the program and implementation of corrective actions, and the development of reports and dashboards that help management and the Board evaluate the effectiveness of the program.

The legal function advises the organization on the legal and regulatory risks of its business strategies, providing advice and counsel to management and the Board about relevant laws and regulations that govern, relate to, or impact the organization. The function also defends the organization in legal proceedings and initiates legal proceedings against other parties if such action is warranted.

The internal audit function provides an objective evaluation of the existing risk and internal control systems and framework within an organization. Internal audits ensure monitoring functions are working as intended and identify where management monitoring and/or additional

Board oversight may be required. Internal audit helps management (and the compliance function) develop actions to enhance internal controls, reduce risk to the organization, and promote more effective and efficient use of resources. Internal audit can fulfill the auditing requirements of the Guidelines.

The human resources function manages the recruiting, screening, and hiring of employees; coordinates employee benefits; and provides employee training and development opportunities.

The quality improvement function promotes consistent, safe, and high quality practices within health care organizations. This function improves efficiency and health outcomes by measuring and reporting on quality outcomes and recommends necessary changes to clinical processes to management and the Board. Quality improvement is critical to maintaining patient-centered care and helping the organization minimize risk of patient harm.

Boards should be aware of, and evaluate, the adequacy, independence,[13] and performance of different functions within an organization on a periodic basis. OIG believes an organization's Compliance Officer should neither be counsel for the provider, nor be subordinate in function or position to counsel or the legal department, in any manner.[14] While independent, an organization's counsel and compliance officer should collaborate to further the interests of the organization. OIG's position on separate compliance and legal functions reflects the independent roles and professional obligations of each function;[15]

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13 Evaluation of independence typically includes assessing whether the function has uninhibited access to the relevant Board committees, is free from organizational bias through an appropriate administrative reporting relationship, and receives fair compensation adjustments based on input from any relevant Board committee.

14 *See* OIG and AHLA, *An Integrated Approach to Corporate Compliance: A Resource for Health Care Organization Boards of Directors*, 3 (2004) (citing Compliance Program Guidance for Hospitals, 63 Fed. Reg. 8,987, 8,997 (Feb. 23, 1998)).

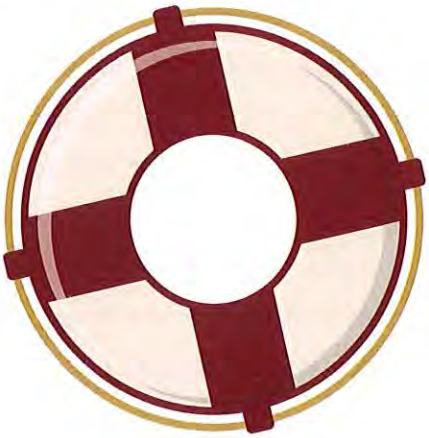
15 *See, generally, id.*

the same is true for internal audit.[16] To operate effectively, the compliance, legal, and internal audit functions should have access to appropriate and relevant corporate information and resources. As part of this effort, organizations will need to balance any existing attorney-client privilege with the goal of providing such access to key individuals who are charged with the responsibility for ensuring compliance, as well as properly reporting and remediating any violations of civil, criminal, or administrative law.

The Board should have a process to ensure appropriate access to information; this process may be set forth in a formal charter document approved by the Audit Committee of the Board or in other appropriate documents. Organizations that do not separate these functions (and some organizations may not have the resources to make this complete separation) should recognize the potential risks of such an arrangement. To partially mitigate these potential risks, organizations should provide individuals serving in multiple roles the capability to execute each function in an independent manner when necessary, including through reporting opportunities with the Board and executive management.

Boards should also evaluate and discuss how management works together to address risk, including the role of each in:

1. identifying compliance risks,
2. investigating compliance risks and avoiding duplication of effort,
3. identifying and implementing appropriate corrective actions and decision-making, and
4. communicating between the various functions throughout the process.



16 Compliance Program Guidance for Hospitals, 63 Fed. Reg. 8,987, 8,997 (Feb. 23, 1998) (auditing and monitoring function should "[b]e independent of physicians and line management"); Compliance Program Guidance for Home Health Agencies, 63 Fed. Reg. 42,410, 42,424 (Aug. 7, 1998) (auditing and monitoring function should "[b]e objective and independent of line management to the extent reasonably possible"); Compliance Program Guidance for Nursing Facilities, 65 Fed. Reg. 14,289, 14,302 (Mar. 16, 2000).

Boards should understand how management approaches conflicts or disagreements with respect to the resolution of compliance issues and how it decides on the appropriate course of action. The audit, compliance, and legal functions should speak a common language, at least to the Board and management, with respect to governance concepts, such as accountability, risk, compliance, auditing, and monitoring. Agreeing on the adoption of certain frameworks and definitions can help to develop such a common language.

Reporting to the Board

The Board should set and enforce expectations for receiving particular types of compliance-related information from various members of management. The Board should receive regular reports regarding the organization's risk mitigation and compliance efforts—separately and independently—from a variety of key players, including those responsible for audit, compliance, human resources, legal, quality, and information technology. By engaging the leadership team and others deeper in the organization, the Board can identify who can provide relevant information about operations and operational risks. It may be helpful and productive for the Board to establish clear expectations for members of the management team and to hold them accountable for performing and informing the Board in accordance with those expectations. The Board may request the development of objective scorecards that measure how well management is executing the compliance program, mitigating risks, and implementing corrective action plans. Expectations could also include reporting information on internal and external investigations, serious issues raised in internal and external audits, hotline call activity, all allegations of material fraud or senior management misconduct, and all management exceptions to the organization's

The Board should receive regular reports regarding the organization's risk mitigation and compliance efforts....

code of conduct and/or expense reimbursement policy. In addition, the Board should expect that management will address significant regulatory changes and enforcement events relevant to the organization's business.

Boards of health care organizations should receive compliance and risk-related information in a format sufficient to satisfy the interests or concerns of their members and to fit their capacity to review that information. Some Boards use tools such as dashboards—containing key financial, operational and compliance indicators to assess risk, performance against budgets, strategic plans, policies and procedures, or other goals and objectives—in order to strike a balance between too much and too little information. For instance, Board quality committees can work with management to create the content of the dashboards with a goal of identifying and responding to risks and improving quality of care. Boards should also consider establishing a risk-based reporting system, in which those responsible for the compliance function provide reports to the Board when certain risk-based criteria are met. The Board should be assured that there are mechanisms in place to ensure timely reporting of suspected violations and to evaluate and implement remedial measures. These tools may also be used to track and identify trends in organizational performance against corrective action plans developed in response to compliance concerns. Regular internal reviews that provide a Board with a snapshot of where the organization is, and where it may be going, in terms of compliance and quality improvement, should produce better compliance results and higher quality services.

As part of its oversight responsibilities, the Board may want to consider conducting regular "executive sessions" (i.e., excluding senior management) with leadership from the compliance, legal, internal audit, and quality functions to encourage more open communication. Scheduling regular executive sessions creates a continuous expectation of open dialogue, rather than calling such a session only when a problem arises, and is helpful to avoid suspicion among management about why a special executive session is being called.

Identifying and Auditing Potential Risk Areas

Some regulatory risk areas are common to all health care providers. Compliance in health care requires monitoring of activities that are highly vulnerable to fraud or other violations. Areas of particular interest include referral relationships and arrangements, billing problems (e.g., upcoding, submitting claims for services not rendered and/or medically unnecessary services), privacy breaches, and quality-related events.



The Board should ensure that management and the Board have strong processes for identifying risk areas. Risk areas may be identified from internal or external information sources. For instance, Boards and management may identify regulatory risks from internal sources, such as employee reports to an internal compliance hotline or internal audits. External sources that may be used to identify regulatory risks might include professional organization publications, OIG-issued guidance, consultants, competitors, or news media. When failures or problems in similar organizations are publicized, Board members should ask their own management teams whether there are controls and processes in place to reduce the risk of, and to identify, similar misconduct or issues within their organizations.

The Board should ensure that management consistently reviews and audits risk areas, as well as develops, implements, and monitors corrective action plans. One of the reasonable steps an organization is expected to take

under the Guidelines is "monitoring and auditing to detect criminal conduct."[17] Audits can pinpoint potential risk factors, identify regulatory or compliance problems, or confirm the effectiveness of compliance controls. Audit results that reflect compliance issues or control deficiencies should be accompanied by corrective action plans.[18]

Recent industry trends should also be considered when designing risk assessment plans. Compliance functions tasked with monitoring new areas of risk should take into account the increasing emphasis on quality, industry consolidation, and changes in insurance coverage and reimbursement. New forms of reimbursement (e.g., value-based purchasing, bundling of services for a single payment, and global payments for maintaining and improving the health of individual patients and even entire populations) lead to new incentives and compliance risks. Payment policies that align payment with quality care have placed increasing pressure to conform to recommended quality guidelines and improve quality outcomes. New payment models have also incentivized consolidation among health care providers and more employment and contractual relationships (e.g., between hospitals and physicians). In light of the fact that statutes applicable to provider-physician relationships are very broad, Boards of entities that have financial relationships with referral sources or recipients should ask how their organizations are reviewing these arrangements for compliance with the physician self-referral (Stark) and anti-kickback laws. There should also be a clear understanding between the Board and management as to how the entity will approach and implement those relationships and what level of risk is acceptable in such arrangements.

Emerging trends in the health care industry to increase transparency can present health care organizations with opportunities and risks. For example, the Government is collecting and publishing data on health outcomes and quality measures (e.g., Centers for Medicare & Medicaid Services (CMS) Quality Compare Measures), Medicare payment data are now publicly available (e.g.,

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17 *See* USSG § 8B2.1(b)(5).

18 *See* USSG § 8B2.1(c).

CMS physician payment data), and the Sunshine Rule[19] offers public access to data on payments from the pharmaceutical and device industries to physicians. Boards should consider all beneficial use of this newly available information. For example, Boards may choose to compare accessible data against organizational peers and incorporate national benchmarks when assessing organizational risk and compliance. Also, Boards of organizations that employ physicians should be cognizant of the relationships that exist between their employees and other health care entities and whether those relationships could have an impact on such matters as clinical and research decision-making. Because so much more information is becoming public, Boards may be asked significant compliance-oriented questions by various stakeholders, including patients, employees, government officials, donors, the media, and whistleblowers.

Encouraging Accountability and Compliance

Compliance is an enterprise-wide responsibility. While audit, compliance, and legal functions serve as advisors, evaluators, identifiers, and monitors of risk and compliance, it is the responsibility of the entire organization to execute the compliance program.

Compliance is an enterprise-wide responsiblity.

In an effort to support the concept that compliance is "a way of life," a Board may assess employee performance in promoting and adhering to compliance.[20] An organization may assess individual, department, or facility-level performance or consistency in executing the compliance program. These assessments can then be used to either withhold incentives or to provide bonuses

19 *See* Sunshine Rule, 42 C.F.R. § 403.904, and CMS *Open Payments*, http://www.cms.gov/Regulations-and-Guidance/Legislation/National-Physician-Payment-Transparency-Program/index.html.

20 Compliance Program Guidance for Nursing Facilities, 65 Fed. Reg. 14,289, 14,298-14,299 (Mar. 16, 2000).

based on compliance and quality outcomes. Some companies have made participation in annual incentive programs contingent on satisfactorily meeting annual compliance goals. Others have instituted employee and executive compensation claw-back/recoupment provisions if compliance metrics are not met. Such approaches mirror Government trends. For example, OIG is increasingly requiring certifications of compliance from managers outside the compliance department. Through a system of defined compliance goals and objectives against which performance may be measured and incentivized, organizations can effectively communicate the message that everyone is ultimately responsible for compliance.

Governing Boards have multiple incentives to build compliance programs that encourage self-identification of compliance failures and to voluntarily disclose such failures to the Government. For instance, providers enrolled in Medicare or Medicaid are required by statute to report and refund any overpayments under what is called the 60 Day Rule.[21] The 60-Day Rule requires all Medicare and Medicaid participating providers and suppliers to report and refund known overpayments within 60 days from the date the overpayment is "identified" or within 60 days of the date when any corresponding cost report is due. Failure to follow the 60-Day Rule can result in False Claims Act or civil monetary penalty liability. The final regulations, when released, should provide additional guidance and clarity as to what it means to "identify" an overpayment.[22] However, as an example, a Board would be well served by asking management about its efforts to develop policies for identifying and returning overpayments. Such an inquiry would inform the Board about how proactive the organization's compliance program may be in correcting and remediating compliance issues.

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21 42 U.S.C. § 1320a-7k.

22 Medicare Program; Reporting and Returning of Overpayments, 77 Fed. Reg. 9179, 9182 (Feb. 16, 2012) (Under the proposed regulations interpreting this statutory requirement, an overpayment is "identified" when a person "has actual knowledge of the existence of the overpayment or acts in reckless disregard or deliberate ignorance of the overpayment.") disregard or deliberate ignorance of the overpayment."); Medicare Program; Reporting and Returning of Overpayments; Extensions of Timeline for Publication of the Final Rule, 80 Fed. Reg. 8247 (Feb. 17, 2015).

Organizations that discover a violation of law often engage in an internal analysis of the benefits and costs of disclosing—and risks of failing to disclose—such violation to OIG and/or another governmental agency. Organizations that are proactive in self-disclosing issues under OIG's Self-Disclosure Protocol realize certain benefits, such as (1) faster resolution of the case—the average OIG self-disclosure is resolved in less than one year; (2) lower payment—OIG settles most self-disclosure cases for 1.5 times damages rather than for double or treble damages and penalties available under the False Claims Act; and (3) exclusion release as part of settlement with no CIA or other compliance obligations.[23] OIG believes that providers have legal and ethical obligations to disclose known violations of law occurring within their organizations.[24] Boards should ask management how it handles the identification of probable violations of law, including voluntary self-disclosure of such issues to the Government.

As an extension of their oversight of reporting mechanisms and structures, Boards would also be well served by evaluating whether compliance systems and processes encourage effective communication across the organizations and whether employees feel confident that raising compliance concerns, questions, or complaints will result in meaningful inquiry without retaliation or retribution. Further, the Board should request and receive sufficient information to evaluate the appropriateness of management's responses to identified violations of the organization's policies or Federal or State laws.

Conclusion

A health care governing Board should make efforts to increase its knowledge of relevant and emerging regulatory risks, the role and functioning of the organization's compliance program in the face of those risks, and the flow and elevation of reporting of potential issues and problems to

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23 *See* OIG, *Self-Disclosure Information*, http://oig.hhs.gov/compliance/self-disclosure-info.

24 *See id.*, at 2 ("we believe that using the [Self-Disclosure Protocol] may mitigate potential exposure under section 1128J(d) of the Act, 42 U.S.C. 1320a-7k(d).")

senior management. A Board should also encourage a level of compliance accountability across the organization. A Board may find that not every measure addressed in this document is appropriate for its organization, but every Board is responsible for ensuring that its organization complies with relevant Federal, State, and local laws. The recommendations presented in this document are intended to assist Boards with the performance of those activities that are key to their compliance program oversight responsibilities. Ultimately, compliance efforts are necessary to protect patients and public funds, but the form and manner of such efforts will always be dependent on the organization's individual situation.

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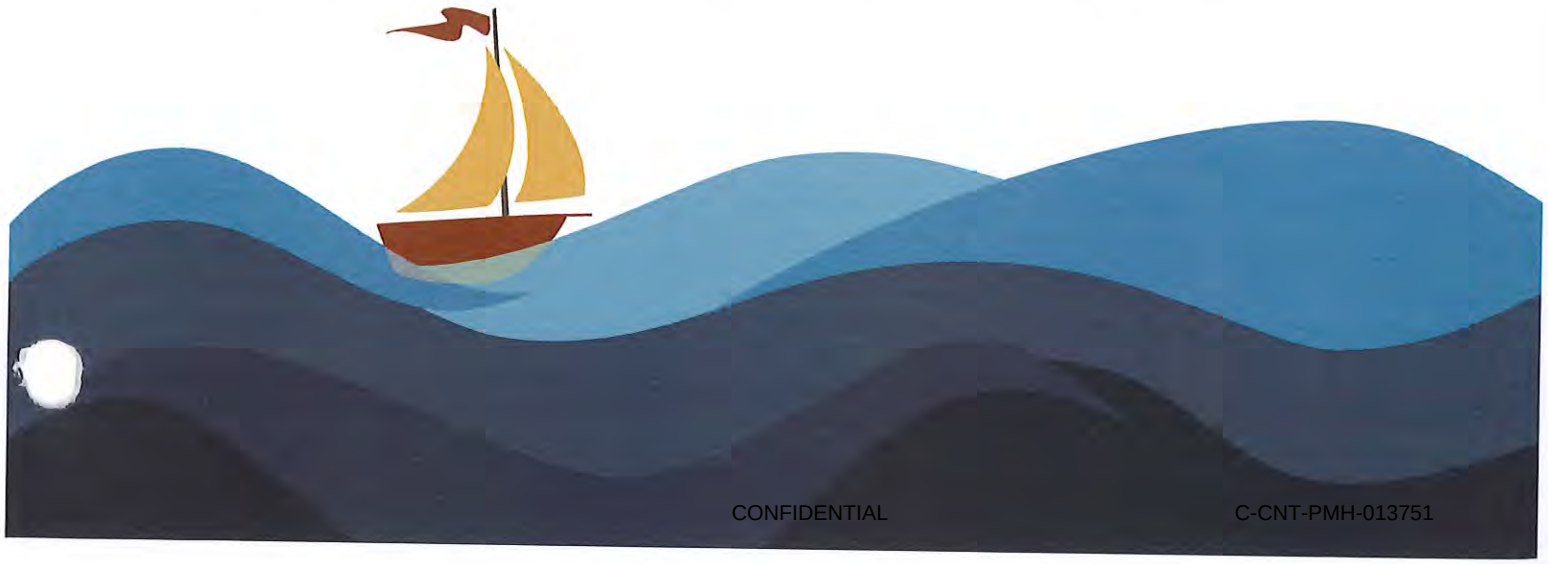



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Time: 9am - 12pm or 4pm - 7pm

Address: 1 Orms Street,
Providence, RI 02904

Crowne Plaza

Our Lady of Fatima Hospital

Day: February 10th, 2022

Time: 9am - 12pm or 4pm - 7pm

Address: 801 Greenwich Ave,
Warwick, RI 02886

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OLF: CharterCARE Health Partners Hiring Event (indeed.com)

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CONFIDENTIAL C-CNT-PMH-013810



PROSPECT MEDICAL

Consolidated Financial Statements

As of and for the Years Ended
September 30, 2021 and 2020

The report accompanying these financial statements was issued by BDO USA, LLP, a Delaware limited liability partnership and the U.S. member of BDO International Limited, a UK company limited by guarantee.

BDO

Prospect Medical Holdings, Inc.

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CONFIDENTIAL C-CNT-PMH-013870

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Independent Auditor's Report

Board of Directors
Prospect Medical Holdings, Inc.
Los Angeles, California

Opinion

We have audited the consolidated financial statements of Prospect Medical Holdings, Inc. and its subsidiaries (the Company), which comprise the consolidated balance sheets as of September 30, 2021 and 2020, and the related consolidated statements of operations and comprehensive loss, changes in stockholder's deficit, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of September 30, 2021 and 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As described in Note 2 to the consolidated financial statements, effective October 1, 2020, the Company changed its method of accounting for recognition of revenues and related disclosures in 2021 due to the adoption of Accounting Standards Codification 606, *Revenue from Contracts with Customers*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the consolidated financial statements are issued or available to be issued.

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CONFIDENTIAL C-CNT-PMH-013871

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

BDO USA, LLP

January 7, 2022

CONFIDENTIAL C-CNT-PMH-013872

Prospect Medical Holdings, Inc.

Consolidated Balance Sheets
(in thousands, except par value and share amounts)

September 30,	2021	2020
Assets		
Current assets		
Cash and cash equivalents	$ 58,993	$ 386,824
Cash held in escrow	45,270	70
Restricted cash	1,793	1,828
Restricted investments	34,283	31,354
Patient accounts receivable, net of allowance for doubtful accounts of $198,052 at September 30, 2020	296,119	288,764
Due from government payers	23,298	20,390
Other receivables, prepaid expenses and other current assets	171,204	108,343
Income taxes receivable	8,535	4,154
Inventories	35,996	36,742
Hospital fee program receivable	178,042	189,941
Current assets held for sale	16,843	18,015
Total current assets	870,376	1,086,425
Property, improvements and equipment, net	579,765	544,256
Goodwill, net	244,067	274,487
Intangible assets, net	14,870	20,054
Other assets	97,539	107,731
Long term assets held for sale	8,550	9,436
Total assets	$ 1,815,167	$ 2,042,389

See accompanying notes to the consolidated financial statements.

CONFIDENTIAL C-CNT-PMH-013873

Prospect Medical Holdings, Inc.

Consolidated Balance Sheets
(in thousands, except par value and share amounts)

September 30,	2021	2020
Liabilities and Stockholder's Deficit		
Current liabilities:		
Accrued medical claims and other healthcare costs payable	$ 93,702	$ 76,457
Accounts payable and other accrued liabilities	340,164	383,040
Accrued salaries, wages and benefits	219,142	225,125
Hospital fee program liability	71,197	70,660
Due to government payers, current portion	20,218	32,749
Refund liability, current portion	227,330	62,115
Revolving line of credit, net	45,000	-
Capital leases, current portion	12,947	6,285
Debt, current portion	16,032	19,138
MPT liabilities, current portion	50,978	47,484
Other current liabilities	7,824	15,592
Current liabilities held for sale	15,944	17,748
Total current liabilities	1,120,478	956,393
Debt, net of current portion	167,683	190,201
Malpractice reserves	121,691	103,349
Refund liability, net of current portion	-	213,951
Capital leases, net of current portion	50,094	32,670
Asset retirement obligations	6,975	6,970
Other long-term liabilities	96,716	70,868
Pension obligations	284,674	231,941
MPT liabilities, net of current portion	1,240,348	1,290,556
Long term liabilities held for sale	898	5,105
Total liabilities	3,089,557	3,102,004
Commitments, contingencies and subsequent events		
Stockholder's deficit:		
Common stock, $0.01 par value; 100 shares authorized, issued and outstanding	1	1
Additional paid-in capital	57,765	64,961
Accumulated other comprehensive loss	(63,848)	(15,614)
Accumulated deficit	(1,272,303)	(1,116,992)
Total stockholder's deficit attributable to Prospect Medical Holdings, Inc.	(1,278,385)	(1,067,644)
Non-controlling interests	3,995	8,029
Total stockholder's deficit	(1,274,390)	(1,059,615)
Total liabilities and stockholder's deficit	$ 1,815,167	$ 2,042,389

See accompanying notes to the consolidated financial statements.

CONFIDENTIAL C-CNT-PMH-013874

Prospect Medical Holdings, Inc.

Consolidated Statements of Operations
(in thousands)

For the Years Ended September 30,	2021	2020
Revenues:		
Net Hospital Services operating revenues before provision for bad debts		$ 2,339,379
Less: Provision for bad debts		(102,251)
Net Hospital Services operating revenues	$ 2,408,076	2,237,128
Other non-patient Hospital revenues	44,603	38,464
Net Hospital Services revenues	2,452,679	2,275,592
Medical Group revenues	471,333	372,646
Global Risk Management revenues	100,154	84,900
Corporate revenues	3,171	250
Total net revenues	3,027,337	2,733,388
Operating Expenses:		
Hospital operating expenses	1,981,789	1,937,766
Medical Group cost of revenues	344,275	242,314
Global Risk Management cost of revenues	67,297	52,851
General and administrative	568,353	493,486
Depreciation and amortization	81,965	80,040
Goodwill amortization	30,473	30,245
Total operating expenses	3,074,152	2,836,702
Pandemic relief grant (loss) income	(5,930)	117,148
Operating income from unconsolidated joint ventures	4,066	1,724
Operating (loss) income	(48,679)	15,558
Other expense:		
Interest expense and amortization of deferred financing costs, net	81,921	86,157
Net period benefit cost	12,219	9,242
Other expense, net	976	2,091
Total other expense, net	95,116	97,490
Loss before income taxes	(143,795)	(81,932)
Income tax benefit	(2,206)	(7,070)
Net loss from continuing operations	(141,589)	(74,862)
Loss from discontinued operations:		
Loss from discontinued operations	(7,531)	(23,610)
Income tax provision	(2)	(2)
Loss from discontinued operations, net of taxes	(7,533)	(23,612)
Loss before allocation to non-controlling interests	(149,122)	(98,474)
Net (loss) income attributable to non-controlling interests	(5,777)	1,136
Net loss attributable to Prospect Medical Holdings, Inc.	$ (143,345)	$ (99,610)

See accompanying notes to the consolidated financial statements.

CONFIDENTIAL C-CNT-PMH-013875

Prospect Medical Holdings, Inc.

Consolidated Statements of Comprehensive Loss
(in thousands)

For the Years Ended September 30,	2021	2020
Net loss attributable to Prospect Medical Holdings, Inc.	**$ (143,345)**	$ (99,610)
Other comprehensive (expense) income, net of tax:		
Pension obligation and other post-retirement benefits adjustment (net of $0 and $251 tax)	**(48,498)**	9,267
Debt and equity securities, unrealized gain	**264**	46
Total other comprehensive (loss) income, net of tax	**(48,234)**	9,313
Total comprehensive loss	**$ (191,579)**	$ (90,297)

See accompanying notes to the consolidated financial statements.

CONFIDENTIAL C-CNT-PMH-013876

Prospect Medical Holdings, Inc.

Consolidated Statements of Stockholder's Deficit
(in thousands, except share amounts)

	Number of Common Shares	Common Stock	Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Prospect Medical Holdings, Inc. Stockholder's Deficit	Non-controlling Interests	Total Stockholder's Deficit
Balance at October 1, 2019	100	$ 1	$ 64,961	$ (23,236)	$ (1,019,073)	$ (977,347)	$ 7,287	$ (970,060)
Non-controlling interest attributed to minority shareholders	-	-	-	-	-	-	(394)	(394)
Net loss	-	-	-	-	(99,610)	(99,610)	1,136	(98,474)
Other comprehensive loss, net of tax	-	-	-	9,313	-	9,313	-	9,313
ASU 2016-01 adoption (see Note 2)	-	-	-	(1,691)	1,691	-	-	-
Balance at September 30, 2020	100	1	64,961	(15,614)	(1,116,992)	(1,067,644)	8,029	(1,059,615)
Non-controlling interest attributed to minority shareholders	-	-	-	-	-	-	(453)	(453)
Net loss	-	-	-	-	(143,345)	(143,345)	(5,777)	(149,122)
Other comprehensive loss, net of tax	-	-	-	(48,234)	-	(48,234)	-	(48,234)
Distribution to Ivy Holdings, Inc. (see Note 9)	-	-	-	-	(11,966)	(11,966)	-	(11,966)
Purchase of non-controlling interest (see Note 4)	-	-	(7,196)	-	-	(7,196)	2,196	(5,000)
Balance at September 30, 2021	100	$ 1	$ 57,765	$ (63,848)	$ (1,272,303)	$ (1,278,385)	$ 3,995	$ (1,274,390)

See accompanying notes to the consolidated financial statements.

CONFIDENTIAL C-CNT-PMH-013877

Prospect Medical Holdings, Inc.

Consolidated Statements of Cash Flows
(in thousands)

For the Years Ended September 30,	2021	2020
Operating activities		
Net loss	$ (149,122)	$ (98,474)
Adjustments to reconcile net loss to net cash and cash equivalents (used in) provided by operating activities:		
Depreciation and amortization	112,438	110,285
Amortization of deferred financing costs, net	1,970	1,933
Provision for bad debts	-	102,251
Pension obligation net periodic benefit cost	13,027	9,426
Excess contribution to pension plan	(8,399)	(71,097)
Deferred income taxes, net	-	822
Undistributed earnings from unconsolidated joint ventures	(4,066)	(1,724)
Loss on disposal of assets	911	2,886
Changes in operating assets and liabilities:		
Patient accounts receivable	(7,355)	(84,429)
Due to/from government payers, net	(15,439)	4,022
Refund liability	(48,736)	276,066
Other receivables, prepaid expenses and other current assets	(51,300)	16,395
Hospital fee program receivable	11,899	(22,412)
Hospital fee program liability	537	46,298
Inventories	746	(2,513)
Income taxes payable/receivable, net	(4,381)	(11,549)
Other assets	1,282	28,521
Accrued medical claims and other healthcare costs payable	17,245	3,949
Accounts payable, other accrued liabilities and other long term liabilities	(46,805)	104,881
Net cash and cash equivalents provided by operating activities from discontinued operations	367	13,700
Net cash and cash equivalents (used in) provided by operating activities	(175,181)	429,237
Investing activities		
Purchases of property, improvements and equipment	(49,459)	(26,349)
Cash paid for acquisitions, net of cash received and working capital adjustments	-	(3,333)
Cash paid for acquisition of noncontrolling interest and equity method investment	(10,330)	-
Contribution to equity method investment	-	(17,000)
Distributions received from equity and cost method investments	22,645	1,465
Increase in investments	(2,666)	(2,018)
Net cash and cash equivalents provided by (used in) investing activities from discontinued operations	(3,871)	25,565
Net cash and cash equivalents used in investing activities	(43,681)	(21,670)

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Prospect Medical Holdings, Inc.

Consolidated Statements of Cash Flows (Continued)
(in thousands)

For the Years Ended September 30,	2021	2020
Financing activities		
Borrowings on line of credit	45,000	420,000
Repayments on line of credit	-	(490,000)
Proceeds of other debt	300	57,938
Repayments of debt	(17,357)	(52,352)
Repayment of financing leases	(1,934)	(1,840)
Repayments of capital leases	(13,299)	(14,230)
Cash paid for deferred financing costs	(4,736)	(2,906)
Dividend paid to stockholder	(11,650)	-
Repayments of insurance premium financing	(10,781)	(6,738)
Repayment of MPT liability transactions	(48,899)	(43,902)
Net cash and cash equivalents used in financing activities from discontinued operations	(448)	(8,390)
Net cash and cash equivalents used in financing activities	(63,804)	(142,420)
(Decrease) increase in cash, cash equivalents and restricted cash	(282,666)	265,147
Cash, cash equivalents and restricted cash, beginning of year	388,722	123,575
Cash, cash equivalents and restricted cash, end of year	$ 106,056	$ 388,722
Supplemental disclosure of cash flow information		
Interest paid	$ 72,720	$ 81,916
Income taxes received	$ 519	$ 397
Schedule of non-cash investing and financing activities		
Equipment acquired under capital leases	$ 37,385	$ 12,575
Equipment acquired under PACE financing	$ 14,542	$ -
Accrual of property, improvements and equipment	$ 18,990	$ 41,961
Accrual of dividends	$ 316	$ -
Insurance premium financed	$ 11,560	$ 6,738

See accompanying notes to the consolidated financial statements.

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1. Organization

Prospect Medical Holdings, Inc. ("Prospect" or the "Company" or the "Parent Entity") is a Delaware corporation and a wholly owned indirect subsidiary of Ivy Holdings Inc. ("Ivy Holdings") and its new parent company, Chamber Inc. ("Chamber"). In June 2021, Green Equity Investments V, LP, Green Equity Investments Side V, LP and other shareholders sold their shares of Ivy Holdings for a purchase price of approximately $11.9 million (see Note 11 for further discussion of the transaction). As a result of the sale, the Company became indirectly wholly-owned by two shareholders that were previously the two largest individual shareholders in Ivy Holdings.

The Company's operations are currently organized into four primary reportable segments: Hospital Services, Medical Group, Global Risk Management and Corporate, as discussed below.

COVID-19 Pandemic

During 2020 and 2021, federal, state and local authorities have taken several administrative actions intended to assist healthcare providers in providing care during the outbreak of the novel coronavirus ("COVID-19") public health emergency. Sources of relief include the Coronavirus Aid, Relief and Economic Security Act, the Paycheck Protection Program and Health Care Enhancement Act (the "PPPHCE Act"), the Continuing Appropriations Act, 2021 and Other Extensions Act, and the Consolidated Appropriations Act, 2021 (collectively, (the "COVID Acts"). With the COVID Acts, the federal government authorized funding to be distributed through the Public Health and Social Services Emergency Fund ("Provider Relief Fund" or "PRF"). U.S. Department of Health and Human Services ("HHS") will recoup PRF grant funds not utilized by the established deadlines. The COVID Acts also revised the Medicare accelerated payment program in an attempt to disburse payments to hospitals and other care providers more quickly and permitted employers to defer payment of the 6.2% employer Social Security tax beginning March 27, 2020 through December 31, 2020. In June 2021, the U.S. Department of Health and Human Services ("HHS") established new deadlines for when recipients of PRF grants must use the funding received, generally 12 to 18 months after receipt of the grant funds.

In certain circumstances, when a hospital is experiencing financial difficulty due to delays in receiving payment for the Medicare services it provided, it may be eligible for an accelerated or advance payment pursuant to the Medicare accelerated payment program. The COVID Acts revised the Medicare accelerated payment program in an attempt to disburse payments to healthcare providers more quickly. Recipients may retain the accelerated payments for one year from the date of receipt before recoupment commences, which is effectuated by a 25% offset of claims payments for 11 months, followed by a 50% offset for the succeeding six months. The initial 11-month recoupment period began in April 2021. At the end of the 29-month period, interest on the unpaid balance will be assessed at 4% per annum. As of September 30, 2021, the Company had received Medicare accelerated and advance payments of approximately $276 million, of which approximately $49 million had been repaid during year ended September 30, 2021 and approximately $227 million and $276 million were reflected in current and noncurrent refund liabilities in the accompanying consolidated balance sheets as of September 30, 2021 and 2020, respectively.

The following table shows the funds that the Company received through the PRF in both general and targeted distributions, net of amounts received for previously divested entities that were required to be repaid to HHS, during the years ended September 30, 2021 and 2020 (in thousands):

	General Funds	Targeted Funds	State funds	Other funds	Total
Funds received during the year ended September 30, 2020	$ 50,482	$ 83,088	$ 15,782	$ 33,702	$ 183,054
Transferred from discontinued operations to continuing operations	1,683	-	-	-	1,683
Applied to lost revenues	(48,004)	(69,144)	-	-	(117,148)
Applied to incremental expenses	(4,161)	(3,570)	(15,782)	(32,842)	(56,355)
Applied to incremental capital	-	-	-	(860)	(860)
Funds unused at September 30, 2020	$ -	$ 10,374	$ -	$ -	$ 10,374
Funds received during the year ended September 30, 2021	$ 6,971	$ -	$ 3,831	$ 1,146	$ 11,948
Transferred from continuing opens to discontinued operations	(1,683)	-	-	-	(1,683)
Reversal against lost revenues	5,930	-	-	-	5,930
Applied to incremental expenses	(11,218)	(10,374)	(3,831)	(948)	(26,371)
Applied to incremental capital	-	-		(198)	(198)
Unused at September 30, 2021	$ -	$ -	$ -	$ -	$ -

The amount of lost revenues (represented as a negative change in year-over-year net revenues from patient care related sources) was recorded in "pandemic relief grant income" and incremental expenses were recognized as a reduction to operating expense within the accompanying consolidated statements of operations for the years ended September 30, 2021 and 2020. The recognition of amounts received is conditioned upon the provision of care for individuals with possible or actual cases of COVID-19 after January 31, 2020, certification that payment will be used to prevent, prepare for and respond to COVID-19 and will reimburse the recipient only for healthcare related expenses or lost revenues that are attributable to COVID-19, and receipt of the funds. Amounts are recognized as a reduction to operating costs and expenses only to the extent the Company is reasonably assured that underlying conditions are met. These monies have been recognized following the grant accounting model, recognizing income or reduction to expenses over the applicable reporting period as management becomes reasonably assured of meeting the required criteria. As of September 30, 2021, the Company has no funds that had not been recognized in the consolidated statements of operations.

Liquidity

The Company had a net working capital deficit of approximately $250 million as of September 30, 2021 compared to net working capital surplus of approximately $130 million as of September 30, 2020, respectively. Additionally, the Company had a net loss before income taxes of approximately $144 million for the year ended September 30, 2021 compared to net loss before income taxes of approximately $82 million for the year ended September 30, 2020. As of September 30, 2021, the Company has a stockholder's deficit of approximately $1,274 million compared to stockholder's deficit of approximately $1,060 million as of September 30, 2020. Cash and cash equivalents generated by operations declined from cash provided by operating activities of approximately $396 million during the year ended September 30, 2020 to cash used in operating activities of approximately $175 million during the year ended September 30, 2021. Total change in cash, cash equivalents and restricted cash decreased year on year from an increase of approximately $265 million for the year ended September 30, 2020 to a decline of approximately $283 million for the year ended September 30, 2021. During the year ended September 30, 2020, the Company received approximately $276 million in funds under the Medicare accelerated payment program, and during the year ended September 30, 2021 the Company repaid approximately $49 million under this program. During the year ended September 30, 2020, the Company received stimulus funds totaling approximately $183 million for continuing operations and approximately $29 million (net of monies returned) for discontinued operations. During the year ended September 30, 2021, the Company received stimulus funds totaling approximately $12 million for continuing operations and $0 for discontinued operations. These two items account for the majority of the swings in cash generated related to operating activities, year over year. In relation to the amounts outstanding under the Medicare accelerated payment program, the Company estimates that approximately $74 million will be outstanding at the end of the 17-month period that Medicare withholds payments and will convert to an on-demand note, with interest accruing every 30 days at a rate of 4% per annum. Total debt (including MPT liabilities) decreased to approximately $1,475 million at September 30, 2021 compared to approximately $1,547 million at September 30, 2020, and the balance outstanding on the Company's revolving line of credit increased from $0 at September 30, 2020 to $45 million at September 30, 2021. At September 30, 2021, the available balance on the line was approximately $191 million. Cash and cash equivalents declined from approximately $387 million at September 30, 2020 to approximately $59 million at September 30, 2021.

The Company has various initiatives in place to generate positive cash flows from operations. From a revenue generating perspective, these include a focus on improving charge capture, improving the success rate on denials, and increasing reimbursements through rate negotiations with managed care payors, as well as improving volumes. From a cost cutting perspective, the initiatives include improvements to labor productivity and the reduction in overtime and use of registry, driven by the use of an internal registry, as well as better controls on supply and pharmacy contracts. Further, there are initiatives to focus on improving both productivity and volumes from the Company's physician groups. In addition, the shareholders have confirmed continued financial support and commitment to the Company. The Company believes that it will have sufficient cash flows from operations and available revolving facilities to provide sufficient capital resources to sustain operations, investing activities and financing for at least the next twelve months from the date these financial statements were available to be issued.

Hospital Services Segment

As of September 30, 2021, through its subsidiaries, the Company owned 16 acute care and behavioral hospitals in Southern California, Rhode Island, Pennsylvania and Connecticut with approximately 3,000 licensed beds, and a network of specialty and primary care clinics. During the year ended September 30, 2021, the Company acquired the remaining 15% interest in CharterCARE (see Note 4), and accordingly the Hospital Services segment subsidiaries are wholly owned by Prospect.

Additionally at September 30, 2021, through its subsidiaries, the Company owned one acute care hospital in New Jersey, as well as two behavioral health hospitals in Texas that were closed during the year ended September 30, 2020. In October 2020, the Company entered into an Asset Purchase Agreement to sell substantially all of the assets of the facility in New Jersey, and the sale is expected to close at the end of December 2021. For all periods presented the assets and liabilities of these businesses have been classified as "held for sale," and the operations (as related to revenues and expenses that no longer continue post sale) have been shown within discontinued operations. All of the footnotes in these consolidated financial statements refer to continuing operations unless otherwise stated.

Admitting physicians are primarily practitioners in the local area. The hospitals have payment arrangements with Medicare, Medicaid and other third-party payers, including commercial insurance carriers, health maintenance organizations ("HMOs") and preferred provider organizations ("PPOs").

Medical Group Segment

The Medical Group segment is a healthcare management services organization that provides management services to affiliated physician organizations that operate as independent physician associations ("Medical Groups" or "IPAs"). The IPAs, either directly or through Prospect's risk management entities ("RMEs"), enter into agreements with HMOs to provide HMO enrollees with a full range of medical services in exchange for fixed monthly fees ("Capitation"). The Medical Groups contract with physicians (primary care and specialist) and other healthcare providers to provide enrollees with medical services. Prospect currently manages the provision of healthcare services for contracted enrollees through Prospect's IPAs and RMEs in California, Texas, Rhode Island, Connecticut, Pennsylvania and New Jersey. The California network consists of various IPAs that are generally wholly owned by Prospect Medical Group, Inc. ("PMG") and managed by the two medical management company subsidiaries that are wholly owned by Prospect. Prospect's networks in its other states consist of IPA subsidiaries of Prospect Provider Groups, Inc. The Medical Group segment also owns clinic facilities in California that operate by employing physicians to serve their patients. In California, the clinic facilities are owned through New Genesis Medical Associates, Inc. ("NGMA"). PMG and NGMA are owned by a nominee physician shareholder pursuant to an assignable option agreement, under which Prospect has an assignable option, obtained for a nominal amount that would be due to the nominee shareholder upon an option's exercise. The option entitles Prospect to designate the purchaser (successor physician) for all or part of PMG's or NGMA's, as applicable, issued and outstanding stock in Prospect's sole discretion.

The IPAs and RMEs in California and Texas have entered into Management Service Agreements ("MSA") with Prospect Medical Systems Inc. ("PMS"), and have agreed to pay a management fee to PMS, which is based in part on the costs to the management company and on a percentage of revenues. The IPAs and RMEs in Rhode Island, Pennsylvania, Connecticut and New Jersey are operated and managed through the Global Risk Management segment discussed below. In return for payment of a management fee under each MSA in California and Texas, PMS has agreed to provide financial management, information systems, marketing, advertising, public relations, risk management, and administrative support, including for utilization review and quality of care. At its cost, PMS has assumed the obligations for all facilities and employs physician and non-physician personnel for administrative services. The management fee is earned based on a combination of percentage of revenue and share of pre-tax income. The management fees fluctuate based on the revenue and profitability of each IPA and RME. The MSAs are not terminable by the IPAs or RMEs except in the case of gross negligence, fraud or other illegal acts, or bankruptcy, of PMS.

Prospect consolidates the revenues and expenses of its IPAs (except for one entity that is a 50/50 partnership, which is accounted for under the equity method) from the respective dates of execution of the Management Agreements. All significant inter-entity balances have been eliminated in consolidation. In the case of the partnership, only that portion of the results which are contractually identified as

Prospect's are recognized in the consolidated financial statements, together with the management fee that Prospect charges the partnership for managing the other owners' share of the partnership operations.

PMS has also entered into management services agreements with unaffiliated third parties to manage services to their HMO enrollees. These management agreements do not have characteristics that give rise to the consolidation of the entities under current accounting literature. These management services agreements are terminable in accordance with the agreements' terms.

The affiliated IPAs and RMEs coordinate medical services to a combined total of approximately 634,000 and 609,000 enrollees as of September 30, 2021 and 2020, respectively. As of September 30, 2021 and 2020, the enrollees are approximately 413,000 and 394,000, respectively, including enrollees that Prospect manages for the economic benefit of certain independent third parties. The total paid member months, including managed enrollees, for the years ended September 30, 2021 and 2020 was approximately 7,404,000 and 5,635,000, respectively.

Global Risk Management Segment

The Global Risk Management ("GRM") segment exists in pursuit of Prospect's coordinated regional care ("CRC") operating model and risk management platform. The GRM segment has operations in California, Texas, Rhode Island, Pennsylvania, Connecticut and New Jersey, including Medicare accountable care organizations ("ACOs") operating in Rhode Island, Connecticut and Pennsylvania. These RMEs contract with third-party health plans, and the ACOs contract with CMS, on progressive risk reimbursement models leading to global risk contracts for physicians, other medical services and institutional services including hospital inpatient and outpatient services, home health, skilled nursing facility and other institutional services. In turn, the RMEs and ACOs contract with owned and third-party IPAs, owned and third-party hospitals and other health care providers to assume and manage this global risk. Through these contracts, Prospect manages health plan member populations with a focus on delivering coordinated care to members across our network of physicians and other providers under risk and value-based contracts.

The GRM segment also includes Coordinated Regional Care Group, Inc. ("CRCG"). CRCG incurs development and operating costs related to the GRM segment for new markets and strategic initiatives. As noted above, in California and Texas, Prospect's IPAs and RMEs have entered into MSAs with PMS to arrange for their management. CRCG provides management services to the IPAs, RMEs and ACOs in Rhode Island, Pennsylvania, Connecticut and New Jersey. Additionally, the RMEs in those states have entered into Administrative Services Agreements ("ASA") with PMS pursuant to which they have agreed to reimburse PMS for the costs of certain administrative services provided by PMS on their behalf. In return for payment of an administrative services fee, PMS has agreed to provide financial management, certain information systems, and limited administrative support. The negotiated fees fluctuate based on the services provided. The services provided under an ASA are more limited than those provided under an MSA and each ASA is terminable by either party upon the delivery of 90 days prior written notice thereof.

The GRM segment, through its contracted owned and unaffiliated providers, provides medical services for a combined total of approximately 348,000 and 298,000 enrollees as of September 30, 2021 and 2020, respectively.

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Corporate Segment

The Company has two captive insurance companies, Prospect Medical Holding Risk Retention Group, Inc. ("RRG"), based in Vermont, and Connecticut Healthcare Insurance Company ("CHIC"), based in the Cayman Islands. The RRG was formed to provide primary insurance coverage for hospital and physician professional and general liability risks for the Company's subsidiary health care organizations located in Pennsylvania. CHIC provides hospital and physician professional and general liability coverage to all of the Company's hospitals and affiliated subsidiaries outside of Pennsylvania. CHIC is an exempted Company with limited liability under the Companies Law of the Cayman Islands and it holds a Class "B(i)" Insurer's License under Section 4(3)(b) of the Cayman Islands Insurance Law 2010. CHIC's principal activity is to issue primary policies for hospital liabilities covering Prospect, its subsidiaries and employees, on a claims-made basis. CHIC also provides excess healthcare professional liability and umbrella liability insurance coverage on a claims-made basis covering healthcare professional liability, general liability, automobile liability, employer's liability, helipad liability and non-owned aircraft liability of the Company and its affiliates. This excess coverage under this policy is 100% reinsured by commercial reinsurance carriers rated at minimum A- by AM Best. CHIC also provides a deductible reimbursement policy for workers compensation to the Company's facilities all of which have high deductible program structures or are qualified self-insureds (see Note 2). In fiscal 2021, through commutation agreements certain policies and reinsurance amendments were revised, which transferred risk for self-insured layers of coverage for workers compensation deductible reimbursement program, hospital and physician professional and general liability and certain buffer layer excess programs from both of the Company's captive insurance companies to the Company's hospitals and affiliated subsidiaries. This had no impact on the Company's consolidated financial statements.

The Company does not allocate interest expense related to acquisition debt or income taxes to the other reporting segments.

2. Significant Accounting Policies

Principles of Consolidation and Basis of Presentation

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and include the accounts of all controlled subsidiaries. Such control is effectuated through ownership of voting common stock or by other means, but do not include the accounts of the parent companies, Chamber, Ivy Holdings and Ivy Intermediate Holding Inc. The Company has a variable interest in various entities under the Medical Group segment due to the existence of two call options (see "Medical Group Segment" above), under which the Company has the ability to require the holders of all of the voting common stock of the underlying subsidiaries to sell their shares at a fixed nominal price ($1,000) to another designated physician chosen by the Company. This call option agreement represents rights provided through a variable interest other than the equity interest itself that limits the returns that could be earned by the equity holders. In addition, the Company has management agreements with the physician organizations under the Medical Group segment (see "Medical Group Segment" above) which allows the Company to direct the activities of such physician organizations that most significantly impact their economic performance, retain the right to receive expected residual returns and assume the obligation to absorb losses. Accordingly, the Company is considered to be the primary beneficiary and these entities are consolidated within the accompanying consolidated financial statements.

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Operating results for acquisitions are consolidated with the Company's consolidated financial statements from their acquisition dates. All significant intercompany balances and transactions have been eliminated in consolidation. Non-controlling interests in less-than-wholly owned consolidated subsidiaries of the Company are presented as a component of total equity to distinguish between the interests of the Company and the interests of the non-controlling owners.

The consolidation of these entities does not change any legal ownership, and does not change the assets or the liabilities and equity of the Parent Entity as a stand-alone entity. These entities had total revenues of approximately $391,700,000 and $346,182,000 and total net income of approximately $39,793,000 and $36,243,000 for the years ended September 30, 2021 and 2020, respectively. The assets and liabilities of the variable interest entities are as follows (in thousands):

September 30,	**2021**	2020
Assets		
Total current assets	$ **155,767**	$ 120,920
Total non-current assets	**110,050**	110,180
Total assets	$ **265,817**	$ 231,100
Liabilities		
Total current liabilities	$ **69,258**	$ 70,963
Total long-term liabilities	**730**	730
Total liabilities	$ **69,988**	$ 71,693

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Revenues

Revenues by reportable segment are comprised of the following amounts (in thousands):

For the Years Ended September 30,	2021	2020
Net Hospital Services		
Inpatient	$ 1,437,905	$ 1,377,468
Outpatient	804,084	802,318
Capitation	161,518	147,588
Other	4,569	12,005
Total Hospital Services operating revenues (before provision for bad debts-2020 only)	2,408,076	2,339,379
Less: Provision for bad debts	-	(102,251)
Total Net Hospital Services operating revenues	2,408,076	2,237,128
Other non-patient revenues	44,603	38,464
Total Hospital Services revenues	2,452,679	2,275,592
Medical Group		
Capitation	397,670	310,521
Management fees	16,393	11,563
Other	57,270	50,562
Total Medical Group revenues	471,333	372,646
Global Risk Management		
Capitation	73,151	55,290
Other	27,003	29,610
Total Global Risk Management revenue	100,154	84,900
Corporate revenues	3,171	250
Total net revenues	$ 3,027,337	$ 2,733,388

On October 1, 2020, the Company adopted the new revenue recognition standard, Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") 2014-09, "Revenue from Contracts with Customers (Topic 606)", using a modified retrospective method of application to all contracts existing on October 1, 2020. The core principle of the guidance in ASU 2014-09 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. For the Hospital Segment, the adoption of ASU 2014-09 resulted in changes to the presentation and disclosure of revenue primarily related to uninsured or underinsured patients. Prior to the adoption of ASU 2014-09, a significant portion of the provision for doubtful accounts related to self-pay patients, as well as co-pays, co-insurance amounts and deductibles owed by patients with insurance. Under ASU 2014-09, the estimated uncollectable amounts due from these patients are generally considered implicit price concessions that are a direct reduction to net operating revenues, with a corresponding reduction in the amounts presented as provision for doubtful accounts.

The Company has revised its accounting policies related to revenues effective October 1, 2020 and these are discussed below.

The Company recognizes net operating revenues in the period in which performance obligations under contracts by transferring our services to customers are satisfied. Net operating revenues are recognized in the amounts to which the Company expects to be entitled, which are the transaction prices allocated to the distinct services.

Net operating revenues for the Hospital Segment primarily consist of net patient service revenues, principally for patients covered by Medicare, Medicaid, managed care and other health plans, as well as certain uninsured patients and other uninsured discount and charity programs. Additionally, the Hospital Segment also earns revenues from capitation arrangements that are made directly made with various managed care providers.

The following is a summary of sources of patient service revenues in the Hospital Segment (in thousands):

Years Ended September 30,	2021	2020
Medicare	$ 678,577	$ 745,780
Medicaid	780,305	757,626
Managed Care/Commercial	700,915	571,749
Self-Pay/Other	82,193	104,631
Capitation	161,518	147,588
Other	4,568	12,005
Total patient service revenue	$ 2,408,076	$ 2,339,379

Operating revenues of the Medical Group segment consist primarily of payments for medical services procured by certain entities included within the Medical Group segment ("Affiliates") under capitated contracts with various managed care providers including HMOs. Capitation revenue under HMO contracts is prepaid monthly to the Affiliates based on the number of enrollees electing any one of the Affiliates as their health care provider. Operating revenues of the Global Risk Management segment consist primarily of payments for medical services procured under global capitation arrangements from third-party health plans. Capitation revenue under these global capitation contracts is prepaid monthly to the Global Risk Management segment based on the number of enrollees. Entities within the Global Risk Management segment entered into Management Services Agreements with the Hospital Services and Medical Group segments, under which up to 98% of capitation revenue received is transferred to these segments. During the years ended September 30, 2021 and 2020, capitation revenue received from health plans was approximately $288,908,000 and $265,513,000, respectively, of which $129,738,000 and $101,556,000, and $104,274,000 and $119,328,000 were transferred to the Hospital Services segment and Medical Group segment, respectively.

Fee-for-Service ("FFS") Revenues

FFS revenues are due from patients, third-party payers (including managed care payers and government programs) and others, and they include variable consideration for retroactive revenue adjustments due to settlement of audits, reviews and investigations. Generally, the Company bills patients and third-party payers several days after the services are performed or shortly after discharge. Revenues are recognized as performance obligations are satisfied.

Performance obligations are determined based on the nature of the services provided and revenues are recognized when performance obligations satisfied over time based on actual charges incurred in relation to total expected charges. This method provides a faithful depiction of the transfer of services over the term of performance obligations based on the inputs needed to satisfy the obligations. Generally, performance obligations satisfied over time relate to patients in the Company's hospitals receiving inpatient acute care services. The Company measures the performance obligation from admission into the hospital, or the commencement of an outpatient service, to the point when it is no longer required to provide services to that patient, which is generally at the time of discharge or completion of the outpatient services. Patient encounters and related episodes of care and procedures qualify as distinct goods and services, provided simultaneously together with other readily available resources, in a single instance of service, and thereby constitute a single performance obligation for each patient encounter and, in most instances, occur at readily determinable transaction prices. All services provided are expected to result in cash flows and are therefore reflected as net revenue in the consolidated financial statements.

The transaction price is determined based on gross charges for services provided, reduced by contractual adjustments provided to third-party payers, discounts provided to uninsured patients, and implicit price concessions provided primarily to uninsured patients. The estimates of contractual adjustments and discounts are based on contractual agreements, discount policies and historical cash collection experience. As a practical expedient, the Company adopted a portfolio approach for the FFS revenue stream to group together contracts with similar characteristics and analyze historical cash collections trends. The contracts within the portfolio share the characteristics conducive to ensuring that the results do not materially differ under the new standard if it were to be applied to individual patient contracts related to each patient encounter.

The Company is responsible for confirming member eligibility, performing program utilization review, potentially directing payment to the provider and accepting the financial risk of loss associated with services rendered, as specified within the Company's patient contracts. The Company has the ability to adjust contractual fees with patients and possess the financial risk of loss in certain contractual obligations. These factors indicate the Company is the principal and, as such, the Company records gross fees contracted with patient in revenues.

Revenues under the traditional FFS service Medicare and Medicaid programs are based primarily on prospective payment systems. Retrospectively determined cost-based revenues under these programs, which were more prevalent in earlier periods, and certain other payments, such as disproportionate share hospital and bad debt expense reimbursement, which are based on our hospitals' cost reports, are estimated using historical trends and current factors. Cost report settlements under these programs are subject to audit by Medicare and Medicaid auditors and administrative and judicial review, and it can take several years until final settlement of such matters is determined and completely resolved. The Company records accruals to reflect the expected final settlements on cost reports. For filed cost reports, the accrual is recorded based on those cost reports and subsequent activity. The accrual for periods for which a cost report is yet to be filed is recorded based on estimates of what the Company expects to report on the filed cost reports. After the cost report is filed, the accrual may need to be adjusted and these accruals are adjusted in future periods as they become known.

Settlements with third-party payers for retroactive revenue adjustments due to audits, reviews or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care using the most likely outcome method. These settlements are estimated based on the terms of the payment agreement with the payer, correspondence from the payer and historical settlement activity, including an assessment to ensure that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements

are adjusted in future periods as adjustments become known, or as years are settled or are no longer subject to such audits, reviews and investigations.

The following is a summary of due from and due to governmental payers at September 30, 2021 and 2020 (in thousands):

September 30,	2021	2020
Due from government payers:		
Medicaid disproportionate share	$ 19,356	$ 14,828
Medicare cost report settlements	3,942	5,417
Medicaid Section 1115 receivable	-	145
	$ 23,298	$ 20,390
Due to government payers:		
Medicaid disproportionate share	$ 8,091	$ 4,461
Medicare cost report settlements	1,703	4,160
Medicaid cost report settlements	10,424	24,128
	$ 20,218	$ 32,749

The Company is not aware of any material claims, disputes, or unsettled matters with any payers that would affect revenues that have not been adequately provided for and disclosed in the accompanying consolidated financial statements. Because the laws, regulations, instructions and rule interpretations governing Medicare and Medicaid reimbursement are complex, subject to interpretation and can change frequently, the estimates recorded could change by material amounts.

The Company provides charity care to patients who lack financial resources and are deemed to be medically indigent based on criteria established under the Company's charity care policy. This care is provided without charge or at amounts less than the Company's established rates. Because the Company does not pursue collection of amounts determined to qualify as charity care, such amounts are not reported as net operating revenues. The direct and indirect costs related to this care totaled approximately $3,488,000 and $6,545,000 for the years ended September 30, 2021 and 2020, respectively. Direct and indirect costs for providing charity care are estimated by calculating a ratio of cost to gross charges and then multiplying that ratio by the gross uncompensated charges associated with providing care to charity patients.

Patients who are covered by third-party payers are responsible for related co-pays, co-insurance and deductibles, which vary in amount. The Company estimates the transaction price for patients with co-pays, co-insurance and deductibles and for those who are uninsured based on historical collection experience and current market conditions. The discount offered to certain uninsured patients is recognized as a contractual allowance, which reduces net operating revenues at the time the self-pay accounts are recorded. The uninsured patient accounts, net of contractual allowances recorded, are further reduced to their net realizable value at the time they are recorded through implicit price concessions based on historical collection trends for self-pay accounts and other factors that affect the estimation process. Although outcomes vary, the Company's policy is to attempt to collect amounts due from patients, including co-pays, co-insurance and deductibles due from patients with insurance, at the time of service while complying with all federal and state statutes and regulations. All of the Company's hospital facilities are subject to Emergency Medical Treatment and Active Labor Act ("EMTALA"). This federal law and accompanying regulations require any hospital that participates in the Medicare program to conduct an appropriate medical screening examination of every person who comes to the hospital's

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emergency department for treatment and, if the patient is suffering from an emergency medical condition, to either stabilize that condition or make an appropriate transfer of the patient to a facility that can treat the condition. The obligation to screen and stabilize emergency medical conditions exists regardless of a patient's ability to pay for treatment. There are severe penalties under EMTALA for violations of the law and regulations, including if a hospital fails to screen or appropriately stabilize or transfer a patient or if the hospital delays appropriate treatment in order to first inquire about the patient's ability to pay. Penalties for violations of EMTALA include civil monetary penalties and exclusion from participation in the Medicare program. In addition, an injured patient, the patient's family or a medical facility that suffers a financial loss as a direct result of another hospital's violation of the law can bring a civil suit against that other hospital. The Company believes that it is in compliance with EMTALA and is not aware of any pending or threatened EMTALA investigations involving allegations of potential wrongdoing that would have a material effect on the Company's consolidated financial statements.

State Supplemental Medicaid Programs

The various states in which the Company operates have additional programs in which certain of the Company's facilities participate in, related to medical facilities serving a disproportionate number of low-income patients. The Company recognizes revenues related to supplemental Medicaid payments under using the most likely outcome method, and the estimates also consider whether it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur. The following table shows the revenues generated by these programs during the years ended September 30, 2021 and 2020 (in thousands), which are reflected in Net Hospital Segment patient service revenues in the accompanying consolidated statements of operations:

Years Ended September 30,	2021	2020
California Medi-Cal Disproportional Share ("CA DSH")	$ 38,183	$ 32,216
Rhode Island DSH and Upper Payment Limit ("UPL")	22,273	20,239
Pennsylvania State Programs	32,042	48,988
Connecticut Medicaid DSH revenue	25,270	27,659
	$ 117,768	$ 129,102

California Hospital Fee Program

The Company recognizes revenues related to supplemental Medi-Cal payments under California provider fee programs using the most likely outcome method, which is based on formulas contained in the legislation as well as modeling performed by the California Hospital Association ("CHA"). The estimates also consider whether it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur. These programs are funded by quality assurance fees paid by participating hospitals and matching federal funds.

The Company recognized supplemental payments, included in net patient service revenue, and quality assurance fee expense, included in general and administrative in the accompanying consolidated statements of operations as follows (in thousands):

Years Ended September 30,	2021	2020
Hospital services revenues	$ 137,926	$ 140,691
General and administrative	73,720	97,270
Net pre-tax impact	$ 64,206	$ 43,421

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Capitation Revenues

Capitation revenue (net of capitation withheld to fund risk share deficits discussed below) is recognized in the month in which the providers are obligated to provide services (stand ready obligation). Minor ongoing adjustments to prior months' capitation, primarily arising from contracted HMOs' finalizing of monthly patient eligibility data for additions or subtractions of enrollees, are recognized in the month they are communicated to the Company. Additionally, Medicare pays capitation using a "Risk Adjustment model," which compensates managed care organizations and providers based on the health status (acuity) of each enrollee. Under Risk Adjustment, capitation is determined based on health severity, measured using patient encounter data. Capitation is paid on an interim basis based on data submitted for the enrollee for the preceding year and is adjusted in subsequent periods the final data is compiled. Positive or negative capitation adjustments are made for Medicare enrollees with conditions requiring more or less healthcare services than assumed in the interim payments. Since the Company cannot reliably predict these adjustments, periodic changes in capitation amounts earned as a result of Risk Adjustment are recognized generally in the fourth quarter when those changes are communicated by the health plans to the Company.

As related to the Medical Group Segment, during the years ended September 30, 2021 and 2020, the Company returned and recognized as a reduction in revenue, approximately $2,800,000 and $1,395,000, respectively, as a result of the final Hierarchical Condition Category ("HCC") reconciliation. As related to the Global Risk Management Segment, the Company recognized capitation risk adjustments of approximately $6,123,000 and $9,646,000, respectively, during the years ended September 30, 2021 and 2020.

Per Member Per Month ("PMPM") managed care contracts generally have a term of one year or longer. All managed care contracts have a single performance obligation that constitutes a series for the provision of managed healthcare services for a population of enrolled members for the duration of the contract. The transaction price for PMPM contracts is variable as it primarily includes PMPM fees associated with unspecified membership that fluctuates throughout the contract. In certain contracts, PMPM fees also include adjustments for items such as performance incentives, performance guarantees and risk sharing. The Company generally estimates the transaction price using the most likely amount methodology and amounts are only included in the net transaction price to the extent that it is probable that a significant reversal of cumulative revenue will not occur once any uncertainty is resolved. The majority of the Company's net PMPM transaction price relates specifically to the Company's efforts to transfer the service for a distinct increment of the series (e.g. month) and is recognized as revenue in the month in which members are entitled to service.

Risk Pool Settlements and Incentives

HMO contracts also include provisions to share in the risk for hospitalization, whereby the physician organization can earn additional incentive revenue or incur penalties based upon the utilization of hospital services. Typically, any shared risk deficits are not payable until and unless the Company generates future risk sharing surpluses, or if the HMO withholds a portion of the capitation revenue to fund any risk share deficits. At the termination of the HMO contract, any accumulated risk share deficit is typically extinguished. Due to the lack of access to information necessary to estimate the related costs, shared-risk amounts receivable from the HMOs are only recognized, using the most likely methodology, and only included in revenue to the extent that it is probable that a significant reversal of cumulative revenue will not occur. Risk pools for the prior contract years are generally final settled in the third or fourth quarter of the following fiscal year. For the years ended September 30, 2021 and 2020, Medical Group revenues included approximately $12,282,000 and $24,166,000, respectively, relating to risk-sharing profit. At September 30, 2021 and 2020, contingent liabilities for carry-forward risk-pool deficits expected to be forgiven, or offset against future surpluses were approximately $13,740,000 and $68,702,000, respectively, based on the available information from the health plans.

The Company also receives incentives under "pay-for-performance" programs for quality medical care, based on various criteria. The incentive programs track specific performance measures and calculate payments to the Company based on the performance measures. The Company's incentives under "pay-for-performance" programs are recognized using the most likely methodology. However, as the Company does not have sufficient insight from the health plans on the amount and timing of the shared risk pool and incentive payments these amounts are considered to be fully constrained and only recorded when such payments are known and/or received. Performance and incentive revenues recorded during the years ended September 30, 2021 and 2020 were $15,405,000 and $21,272,000, respectively.

Management fee revenue is earned in the month the services are rendered. Management fee arrangements with unaffiliated entities provide for compensation ranging from 6.5% to 10% of revenues. Consideration from management contracts is variable in nature because the majority of the fees are generally based on revenue or collections, which can vary from period to period. The Company has control over pricing. Contractual fees are invoiced to the Company's clients generally monthly and payment terms are typically due within 30 days. The variable consideration in the Company's management contracts meets the criteria to be allocated to the distinct period of time to which it relates because (i) it is due to the activities performed to satisfy the performance obligation during that period and (ii) it represents the consideration to which the Company expects to be entitled. Management fee revenues recorded during the years ended September 30, 2021 and 2020 were $15,562,000 and $11,895,000, respectively. Management fees for revenue for entities that are consolidated are eliminated on consolidation.

Contract Assets and Contract Liabilities

The receivables and payables related to the California Hospital Fee Program are the most significant contract assets and liabilities in the Company's consolidated financial statements. As of September 30, 2021 and 2020, the Company had receivables related to the California Hospital Fee Program of approximately $178,042,000 and $189,941,000, respectively, and had liabilities related to the California Hospital Fee Program of approximately $71,197,000 and $70,660,000, respectively, in the accompanying consolidated balance sheets.

Cost of revenues

The Company, for certain matters, maintains stop loss coverage for health care costs that are in excess of set thresholds.

Medical Group Cost of Revenues

The cost of health care services consists primarily of capitation and claims payments, pharmacy costs and incentive payments to contracted providers. These costs are recognized in the period incurred, or when the services are provided. Claims costs also include an estimate of the cost of services which have been incurred but not yet reported to the Company. The estimate for accrued medical costs is based on projections of costs using historical studies of claims paid and adjusted for seasonality, utilization and cost trends. These estimates are subject to trends in loss severity and frequency. Although considerable variability is inherent in such estimates, management records its best estimate of the amount of medical claims incurred at each reporting period. Estimates are continually monitored and reviewed and, as settlements are made or estimates adjusted, differences are reflected in current period. See Note 14 for changes in claims estimates during the years ended September 30, 2021 and 2020.

The Company has contractual reimbursement obligations to providers and discretionary incentive payment obligations to physicians. These payments are in large part predicated on the pay-for-performance, shared risk revenues, and favorable senior capitation risk adjustment payments received by the Company from the health plans. The Company records these revenues generally in the third or fourth quarter of each fiscal year when the incentives and capitation adjustments due from the health plans are known. During this period, the Company also finalizes the physician discretionary incentive.

The Company recorded physician incentives expense of approximately $33,932,000 and $24,230,000 for the years ended September 30, 2021 and 2020, respectively. As of September 30, 2021 and 2020, physician incentive accruals of approximately $24,776,000 and $22,484,000, respectively, were included in accounts payable and other accrued liabilities in the accompanying consolidated financial statements.

The Company also periodically evaluates the need to establish premium deficiency reserves for the probability that anticipated future health care costs could exceed future capitation payments from HMOs under capitated contracts and, where appropriate, records a premium deficiency reserve. There were no such premium deficiencies recorded at September 30, 2021 and 2020, respectively.

Global Risk Management

The cost of health care services consists primarily of the transfer of capitation revenue to the Hospital Services and Medical Group segments under the Management Services Agreements, and capitation and claims payments. These costs are recognized in the period incurred, or when the services are provided. Claims costs also include an estimate of the cost of services which have been incurred but not yet reported to the Company. The estimate for accrued medical costs is based on projections of costs using historical studies of claims paid and adjusted for seasonality, utilization and cost trends. These estimates are subject to trends in loss severity and frequency. Although considerable variability is inherent in such estimates, management records its best estimate of the amount of medical claims incurred at each reporting period. Estimates are continually monitored and reviewed and, as settlements are made or estimates adjusted, differences are reflected in current operations.

The Company also periodically evaluates the need to establish premium deficiency reserves for the probability that anticipated future health care costs could exceed future capitation payments from HMOs under capitated contracts and, where appropriate, record a premium deficiency reserve. There were no such premium deficiencies recorded at September 30, 2021 or 2020.

Patient Accounts Receivable, Net

Collection of receivables from third-party payers and patients are the Company's primary source of cash and is critical to its operating performance. For patient accounts receivable resulting from revenue recognized prior to October 1, 2020, a provision for doubtful accounts was established to reduce the carrying value of such receivables to their estimated net realizable value. Generally, the Company estimated this allowance based on the aging of our accounts receivable by hospital, its historical collection rates as well as changes in applicable laws, rules and regulations and contract terms, to assure that provisions for contractual allowances are made using the most accurate information available. The allowance for doubtful accounts was approximately $198,052,000 as of September 30, 2020, representing 41% of gross accounts receivable. Under the provisions of ASU 2014-09, which the Company adopted effective October 1, 2020, when the Company has an unconditional right to payment, subject only to the passage of time, the right is treated as a receivable. Patient accounts receivable, including billed accounts and unbilled accounts for which there is the unconditional right to payment, and estimated amounts due from third-party payers for retroactive adjustments, are receivables if the right to consideration is unconditional and only the passage of time is required before payment of that consideration is due. For patient accounts receivable subsequent to the Company's adoption of ASU 2014-

09 on October 1, 2020, the estimated uncollectable amounts are generally considered implicit price concessions that are a direct reduction to patient accounts receivable rather than allowance for doubtful accounts. Such implicit price concessions may be caused by denials for payments for services due to issues over patient eligibility for medical coverage, the Company's ability to demonstrate medical necessity for services rendered and payer authorization of hospitalization.

Property, Improvements and Equipment

Property, improvements and equipment are stated on the basis of cost or, in the case of acquisitions, at their acquisition date fair values. Depreciation is provided using the straight-line method over the estimated useful lives of the assets, and amortization of leasehold improvements is provided using the straight-line basis over the shorter of the remaining lease period or the estimated useful lives of the leasehold improvements. Leasehold improvements are generally depreciated over 5 to 40 years, buildings and improvements are depreciated over 5 to 40 years, equipment is depreciated over 2 to 15 years and furniture and fixtures are depreciated over 2 to 20 years. Equipment capitalized under capital lease obligations are amortized over the lesser of the life of the lease or the useful life of the asset.

As more fully described in Note 13, the Company is required to comply with certain seismic standards as required by the state of California by dates through July 2022. The useful life of buildings subject to seismic retrofit requirements may be limited if the Company does not make the necessary upgrades by the required compliance date.

Goodwill

Goodwill represents the excess of the consideration paid and liabilities assumed over the fair value of the net assets acquired, including identifiable intangible assets.

The Company follows the private company alternative, under which private companies can elect to amortize goodwill on a straight-line basis over 10 years, or less than 10 years if the entity demonstrates that another useful life is more appropriate. It also permits a private company to apply a simplified impairment model to goodwill, allowing impairment analysis to be evaluated at the entity level. Accordingly, the Company amortizes goodwill on a straight-line basis over 10 years. The Company evaluates goodwill for impairment at the entity level when a triggering event occurs that indicates that the fair value of the entity may be below its carrying amount. When a triggering event occurs, the Company first assesses qualitative factors to determine whether the quantitative impairment test is necessary. If that qualitative assessment indicates that it is more likely than not that goodwill is impaired, the Company performs the quantitative test to compare the entity's fair value with its carrying amount, including goodwill. If the qualitative assessment indicates that it is not more likely than not that goodwill is impaired, further testing is unnecessary. The goodwill impairment loss, if any, represents the excess of the carrying amount of the entity over its fair value. There was no goodwill impairment recorded during the years ended September 30, 2021 and 2020.

Intangible Assets

Intangible assets include customer relationships, trade names, and favorable leaseholds. The Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of such assets may not be recoverable. The Company considers assets to be impaired and writes them down to fair value if estimated undiscounted cash flows associated with those assets are less than their carrying amounts. Fair value is based upon the present value of the associated cash flows. Changes in circumstances (for example, changes in laws or regulations, technological advances or changes in strategies) may also reduce the useful lives from initial estimates. Changes in planned use of intangibles may result from changes in customer base, contractual agreements, or regulatory requirements. In such

circumstances, management will revise the useful life of the long-lived asset and amortize the remaining net book value over the adjusted remaining useful life. There were no impairments recorded during the years ended September 30, 2021 and 2020.

Insurance Reserves

Medical Malpractice Liability Insurance

The individual physicians who contract with the physician organizations carry their own medical malpractice insurance, some of which may be purchased from RRG or CHIC. In the Hospital Services segment, the Company's hospitals carry professional and general liability insurance to cover medical malpractice claims under claims-made policies. Under the policies, insurance premiums cover only those claims actually reported during the policy term. Should the claims-made policy not be renewed or replaced with equivalent insurance, claims related to occurrences during the policy term but reported subsequent to the policy's termination may be uninsured. The Company's hospitals have a consolidated policy for professional and general liability insurance with a retention that applies per claim.

Prospect RRG & Prospect Crozer, LLC ("Crozer")

During the years ended September 30, 2021 and 2020 at Crozer, RRG provided primary malpractice insurance ($500,000 per occurrence and $1,500,000 in the aggregate for physicians, and $500,000 per occurrence and $2,500,000 in the aggregate for the hospitals) and general liability ($1,000,000 per occurrence and $2,000,000 in the aggregate). The Pennsylvania MCARE fund provides the $500,000 in excess of $500,000 RRG malpractice coverage for physicians, hospitals, and certain professional corporations. For the year ended September 30, 2021, excess coverage was provided by CHIC for limits up to $80,000,000 over entity retentions, which was 100% reinsured by third party carriers. Additionally, RRG provides $1,000,000 per occurrence and $3,000,000 in the aggregate) coverage for non-healthcare provider professional liability. For the year ended September 30, 2020, RRG provided coverage for losses of $4,000,000 in excess of $1,000,000 for each hospital professional liability claim with no aggregate limit. RRG also provided additional layers of excess coverage over $5,000,000 up to $20,000,000, which was 100% reinsured to third party carriers. The excess coverage provided for general liability is over $1,000,000 up to $50,000,000, which was also 100% reinsured by third party carriers. Additionally, there is $1,000,000 per occurrence and $3,000,000 in the aggregate) coverage for non-healthcare provider professional liability.

CHIC

For the year ended September 30, 2021, the malpractice and general liability risk was retained by the Company's hospitals and affiliated subsidiaries subject to a $7,500,000 retention, except for Crozer subject to $12,500,000 retention. For the year ended September 30, 2020, CHIC provided malpractice and general liability ($5,000,000 per occurrence and $37,000,000 in the aggregate) coverage for all facilities, except Crozer. For the years ended September 30, 2021 and 2020, CHIC also provided an excess healthcare professional liability and umbrella liability insurance policy on a claims-made basis covering healthcare professional liability, general liability, automobile liability, employers' liability, helipad liability and non-owned aircraft liability. The limit provided was $80,000,000 during the years ended September 30, 2021 and 2020, for each loss event and in the annual aggregate excess of the primary coverage layers described above. This coverage was fully reinsured by third party carriers.

GAAP requires that a health care organization record and disclose the estimated costs of medical malpractice claims in the period of the incident of malpractice, if it is reasonably possible that liabilities may be incurred and losses can be reasonably estimated. The Company has recognized an estimated liability for incurred but not reported claims and the self-insured risks (including deductibles and potential claims in excess of policy limits) based upon an actuarial valuation of the Company's historical claims experience of its hospitals. At September 30, 2021 and 2020, the total gross claims liability, was approximately $121,691,000 and $103,349,000 and reinsurance recoverable on unpaid losses were approximately $16,053,000 and $17,506,000, respectively, included in other assets on the accompanying consolidated balance sheets, and were estimated using a discount factor ranging from 3.50% to 4.00%.

Workers' Compensation Insurance

The workers' compensation coverage provides the statutory benefits required by law with a $500,000 deductible reimbursement policy provided by CHIC for the Company's entities located in California and Connecticut, and Pennsylvania for the year ended September 30, 2020. The facilities in Rhode Island were fully insured for workers' compensation claims with no deductible in a guaranteed cost program.

At September 30, 2021 and 2020, included in accrued salaries, wages and benefits are accruals for uninsured claims and claims incurred but not reported of approximately $29,109,000 and $32,532,000 and reinsurance recoverable on unpaid losses of $4,952,000 and $5,218,000, respectively, included in other assets on the accompanying consolidated balance sheets. The amounts are estimated based upon an actuarial valuation of claims experience, using a discount factor of 4%.

Reserve Methodology

The claims reserve is based on the best data available to the Company. The estimate, however, is subject to a significant degree of inherent variability. The estimate is continually monitored and reviewed, and as the reserve is adjusted, the difference is reflected in current operations. While the ultimate amount of the medical malpractice and workers' compensation claims liability is dependent on future developments, management is of the opinion that the associated liabilities recognized in the accompanying consolidated financial statements are adequate to cover such claims. Management is not aware of any potential claims whose settlement, if any, would have a material adverse effect on the Company's consolidated financial position, results of operations or cash flows.

Cash and Cash Equivalents

The Company considers all highly liquid debt instruments with initial maturities of 90 days or less to be cash equivalents. Cash and cash equivalents are primarily comprised of deposits with banks. The Company maintains its cash at banks with high credit-quality ratings.

Cash Held in Escrow

As of September 30, 2021, the Company held $45,270,000 of cash held in escrow in connection with the purchase of the non-controlling interest of Prospect CharterCARE, LLC ("CharterCare") (see Note 4). As of September 30, 2020, the Company held $70,000 of cash in escrow.

Restricted Cash

Some of the Company's cash is restricted for various purposes including research, regulatory requirements and letters of credit. The Company is also required to keep restricted deposits by certain HMOs for the payment of claims. Such restricted deposits are classified as a current asset in the accompanying consolidated balance sheets, as they are restricted for payment of current liabilities. Restricted cash also include certificates of deposit with maturity dates of more than 90 days when purchased.

Restricted Investments

Investments in marketable securities, primarily mutual funds, and are classified as available for sale and are stated at fair value. Unrealized gains and losses are recorded in the statements of other comprehensive income. Investment securities are exposed to various risk, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is possible that changes in values of investment securities could occur in the near term and such changes could materially affect investment. These investments are held in the Company's captive insurance companies and are shown as restricted because the state/local regulators require their approval before dividends or return of capital to the Parent Entity.

Inventories

Inventories of supplies are valued at the lower of amounts that approximate the weighted average cost or net realizable value, which approximates market value, and are expensed as incurred. Inventories consist primarily of medical and surgical supplies and pharmaceuticals.

Internal Use Software

Included within other receivables, prepaid expenses and other current assets are hosting arrangements related to the Oracle suite of products, which are accounted for as service contracts. The gross carrying amount of capitalized service costs was approximately $30,641,000 and $14,298,000 at September 30, 2021 and 2020, respectively. There is no expected residual value for capitalized costs. As of September 30, 2021 there we no capitalized costs for hosting arrangements accounted for as service contracts that was in the development stage. As of September 30, 2020, there was approximately $12,100,000 of capitalized costs for hosting arrangements accounted for as service contracts that was in the development stage and amortization is scheduled to commence once the project is complete and ready for its intended use. The estimated amortization period is 5 years. Amortization expense was approximately $3,651,000 and $1,648,000 during the years ended September 30, 2021 and 2020, respectively.

Deferred Financing Costs

Deferred financing costs are amortized over the period in which the related debt is outstanding using the effective interest method and are classified as a deduction from the carrying amount of the related debt. As it relates to MPT liabilities, deferred financing costs are classified in other assets in the accompanying consolidated balance sheets.

Income Taxes

Deferred income tax assets and liabilities are recognized for differences between financial and income tax reporting bases of assets and liabilities based on enacted tax rates and laws. To the extent a deferred tax asset cannot be recognized under the preceding criteria, allowances must be established. The impact on deferred taxes of changes in tax rates and laws, if any, are applied to the years during which temporary differences are expected to be settled and reflected in the financial statements in the period of enactment. The Company recognizes interest and penalties associated with income tax matters and unrecognized tax benefits in the income tax expense line item of the statements of operations.

An entity is required to evaluate its tax positions using a two-step process. First, the entity should evaluate the position for recognition. An entity should recognize the financial statement benefit of a tax position if it determines that it is more likely than not that the position will be sustained on examination. Next, the entity should measure the amount of benefit that should be recognized for those tax positions that meet the more-likely-than-not test.

Sale-Leaseback Transactions

The Company evaluates sale-leaseback transactions by determining whether the transaction meets the qualifying criteria to be recognized as a sale-leaseback, including the transfer of risk and rewards of ownership as well as the absence of continuing involvement of the Company. When the qualifying criteria for a sale-leaseback transaction are not met, the Company accounts for the transaction as a financing (see Notes 9 and 10).

Comprehensive Income

Comprehensive income consists of net income and other gains and losses affecting stockholder's equity that, under generally accepted accounting principles, are excluded from net income (loss) attributable to the Company. For the Company, such items consist primarily of unrealized gains or losses on debt as well as changes related to pension and other postretirement liabilities that are not recognized immediately in net periodic benefit costs (see Note 12).

Fair Value Measurement

Relevant accounting guidance establishes a framework for measuring fair value and clarifies that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants.

The guidance requires disclosure about how fair value is determined for assets and liabilities and establishes a hierarchy for which these assets and liabilities must be grouped, based on significant levels of inputs as follows: Level 1 quoted prices in active markets for identical assets or liabilities; Level 2 quoted prices in active markets for similar assets and liabilities and inputs that are observable for the asset or liability; or Level 3 unobservable inputs for the asset or liability, such as discounted cash flow models or valuations. The determination of where assets and liabilities fall within this hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The Company's Level 1 assets include cash and cash equivalents and investments (certificates of deposit and money market mutual funds). The inputs for fair value of goodwill and intangible assets (including long-lived assets and intangible assets subject to amortization) would be based on Level 3 inputs as data used for such fair value calculations would be based on discounted cash flows that are not observable from the market, directly or indirectly.

Financial Items Measured at Fair Value on a Recurring Basis

The following table sets forth the Company's financial assets and liabilities measured at fair value on a recurring basis and where they are classified within the hierarchy (in thousands):

September 30, 2021	Total	Level 1	Level 2	Level 3
Mutual funds	$ 34,283	$ 34,283	$ -	$ -
September 30, 2020				
Mutual funds	$ 31,354	$ 31,354	$ -	$ -

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The Company's investments are classified within Level 1 of the fair value hierarchy because they are valued using quoted market prices. The Company's defined benefit pension plan assets are also measured at fair value (see Note 12).

The Company's carrying amount of debt approximated fair value as of September 30, 2021 and 2020, respectively.

Concentrations of Credit Risk

Cash and cash equivalents are maintained at financial institutions and, at times, balances may exceed federally insured limits of $250,000 per depositor of each financial institution. The Company has not experienced any losses to date related to these balances.

Financial instruments that potentially subject the Company to concentrations of credit risk consist of receivables due from Medicare, Medicaid, patients, and health plans including shared-risk arrangements.

The Company invests excess cash in liquid securities at institutions with strong credit ratings, following established guidelines relative to diversification and maturities to maintain safety and liquidity. These guidelines are periodically reviewed and modified to take into consideration trends in yields and interest rates and principal risk. Management attempts to schedule the maturities of the Company's investments to coincide with the Company's expected cash requirements. Credit risk with respect to receivables is limited since amounts are generally due from large HMOs within the Medical Group segment and from the Medicare and Medicaid programs within the Hospital Services segment. Management reviews the financial condition of these institutions on a periodic basis and does not believe the concentration of cash or receivables results in a high level of risk.

For the years ended September 30, 2021 and 2020, the Hospital Services segment received a total of 61% and 64% of its net patient revenues from Medicare and Medicaid programs, respectively, and the Medical Group segment received a total of 59% and 58% for the years ended September 30, 2021 and 2020, respectively, of their capitation revenues from its five largest HMOs, as follows (in thousands):

Years Ended September 30,		**2021**	**% of Total Revenue**			2020	% of Total Revenue
Hospital Services:							
Government Payers:							
Medicare	$	**678,577**	**28%**		$	745,780	32%
Medicaid		**780,305**	**32%**			757,626	32%
Total	$	**1,458,882**	**61%**		$	1,503,406	64%
Medical Group:							
HMO A	$	**53,780**	**14%**	HMO A		41,136	13%
HMO C		**51,208**	**13%**	HMO E		36,299	12%
HMO E		**48,304**	**12%**	HMO B		35,819	12%
HMO D		**41,996**	**11%**	HMO F		35,166	11%
HMO H		**35,090**	**9%**	HMO D		30,477	10%
Total	$	**230,378**	**59%**		$	178,897	58%

The Global Risk Management segment received all of their revenues from seven health plans during the years ended September 30, 2021 and 2020.

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities at the dates, and for the periods, that the consolidated financial statements are prepared. Actual results could materially differ from those estimates. Principal areas requiring the use of estimates include due to/from government payors, settlements under risk sharing programs, allowances for contractual discounts and implicit price concessions (doubtful accounts or bad debts in 2020), accruals for medical claims, impairment of goodwill, long-lived assets and intangible assets, share-based payments, professional and general liability claims and workers' compensation claims, reserves for pension obligations and other postretirement benefit reserves, reserves for outcome of changes in legislation and valuation allowances against deferred tax assets.

New Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, "Leases (Topic 842)" with effective dates deferred for all entities by ASU 2019-10, and further deferred for nonpublic entities by ASU 2020-05. The core principle of ASU 2016-02 is that a lessee should recognize the assets and liabilities that arise from leases, including operating leases. Under the new requirements, a lessee will recognize in the statement of financial position a liability to make lease payments (the lease liability) and the right-of-use asset representing the right to the underlying asset for the lease term. For leases with a term of 12 months or less, the lessee is permitted to make an accounting policy election by class of underlying asset not to recognize lease assets and lease liabilities. The recognition, measurement, and presentation of expenses and cash flows arising from a lease by a lessee have not significantly changed from previous GAAP. Nonpublic entities will apply the new standard for annual periods beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022. The Company is currently evaluating the standard and the impact on its consolidated financial statements and footnote disclosures.

In June 2016, the FASB issued ASU 2016-13, "Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments". The amendments in this standard require the measurement of all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. In addition, this standard amends the accounting for credit losses on available-for-sale debt securities and purchased financial assets with credit deterioration. The amendment is effective for nonpublic entities for annual reporting periods beginning after December 15, 2022. Early adoption is permitted. The Company is currently evaluating the standard and the impact on its consolidated financial statements and footnote disclosures.

In August 2018, the FASB issued ASU 2018-14, "Compensation - Retirement Benefits - Defined Benefit plans - General (Topic 715-20): Disclosure Framework - Changes to the Disclosure Requirements for Defined Benefit Plans", which amends ASC 715 to add, remove and clarify disclosure requirements related to defined benefit pension and other postretirement plans. This ASU is effective for fiscal years ending after December 15, 2021. Early adoption is permitted. The Company is currently evaluating the provision of ASU 2018-14 and its impact on its consolidated financial statements and related disclosures.

Recently Adopted Accounting Pronouncements

On October 1, 2020, the Company adopted ASU 2014-09, *Revenue from Contracts with Customers*, and all subsequent amendments thereto (collectively, "Topic 606"). Topic 606 supersedes virtually all existing revenue recognition guidance, including industry-specific guidance, and replaces it with a single, comprehensive framework for recognizing revenue from contracts with customers. Topic 606 also requires enhanced disclosure about the Company's revenue from contracts with customers. The Company elected to adopt Topic 606 using the modified retrospective method. There is minimal impact from the implementation of ASC 606 except for the classification of bad debt and it is likely that the consolidated financial statement users will not have a lack of comparability in the financial statements.

Reclassifications

Certain reclassifications were made to the prior year consolidated financial statements in order to conform to the current year presentation. These reclassifications did not have a material impact on previously reported consolidated financial statements.

3. Property, Improvements and Equipment

Property, improvements and equipment, consisted of the following (in thousands):

September 30,	2021	2020
Land and land improvements	$ 67,847	$ 68,374
Buildings and improvements	419,652	378,882
Leasehold improvements	28,614	27,971
Equipment	416,159	409,784
Furniture and fixtures	7,128	6,032
	939,400	891,043
Less: accumulated depreciation	(484,822)	(412,812)
	454,578	478,231
Construction in Progress	125,187	66,025
Property, improvements and equipment, net	$ 579,765	$ 544,256

At September 30, 2021 and 2020, the Company had assets under capitalized leases of approximately $89,823,000 and $56,244,000, respectively, and related accumulated depreciation of $56,037,000 and $11,392,000, respectively.

Depreciation expense was approximately $71,193,000 and $70,706,000 for the years ended September 30, 2021 and 2020, respectively.

Included within equipment is capitalized software costs, which relate to significant system conversions. The estimated amortization period is 5 years. The gross carrying amount of capitalized software for internal use (related to the Cerner suite of products) was approximately $66,966,000 and $36,157,000 at September 30, 2021 and 2020, respectively, and the net carrying amount considering accumulated amortization was approximately $60,443,000 and $31,870,000 at September 30, 2021 and 2020, respectively. There is no expected residual value for capitalized internal-use software. At September 30, 2021 and 2020, there was approximately $55,783,000 and $24,973,000, respectively, of capitalized costs for internal-use software that is in the development stage and amortization is scheduled to commence once the software project is complete and ready for its intended use. Amortization expense was $2,237,000 and $2,237,000 for the years ended September 30, 2021 and 2020, respectively.

4. Acquisition of Noncontrolling Interest in CharterCARE

In June 2014, the Company, through a newly formed subsidiary, Prospect CharterCARE, LLC ("CCHP"), acquired substantially all of the assets of CharterCARE Health Partners and its subsidiaries, in exchange for an 85% interest in CCHP, $43.3 million in cash and a commitment to invest at least $50 million in CCHP and its subsidiaries for strategic business development and capital improvements over the next four years (the "CharterCARE acquisition"). As a result of the acquisition, the Company had an 85% ownership interest in CCHP, with the remaining 15% being owned by the prior owner of the selling entities, CharterCARE Health Partners, which was subsequently renamed CharterCARE Community Board ("CCCB").

CCHP, through wholly owned subsidiaries, operates both Roger Williams Medical Center and St. Joseph Health Services of Rhode Island, dba Our Lady of Fatima Hospital. One of the seller entities, St. Joseph Health Services of Rhode Island, had a Retirement Plan (the "Retirement Plan") which is a defined benefit pension plan and was set up for the benefit of employees of Our Lady of Fatima Hospital when the hospital was a standalone hospital owned by a religious institution. The Company and CCHP did not acquire the Retirement Plan as part of the CharterCARE acquisition, and $14 million of the proceeds from the sale were contributed to the Retirement Plan in exchange for the Company and its subsidiaries, including CCHP, not having any liabilities related to the Retirement Plan. In August 2017, a petition was filed to place the Retirement Plan into receivership by its administrators because it was underfunded. In June 2018, the receiver for the Retirement Plan (along with various named participants) filed a lawsuit on behalf of all participants against various defendants which included CCCB, the Company, CCHP, the subsidiary which holds the Company's ownership interest in CCHP, and the two subsidiaries which own Roger Williams Medical Center and Our Lady of Fatima Hospital, along with the administrators of the Retirement Plan, The Angell Pension Group, Inc., among others. Also, in March 2019, CCCB sued the Company and various directors of the Company, and certain subsidiaries. The suits involved allegations related to the valuation of CCCB's 15% ownership interest in CCHP. In December 2019, CCCB and its subsidiaries settled with the receiver of the Retirement Plan. As a result, in January 2020 the receiver took control of CCCB's noncash assets, including its ownership interest in CCHP. In December 2019, the Company sued CCCB on the basis that CCCB had breached the original terms of the acquisition by entering into the settlement agreement with the receiver and seeking indemnity against the receiver's June 2018 lawsuit.

The Company entered into a Settlement Agreement in December 2020 to release the Company and its directors and subsidiaries from all of the various claims under the aforementioned litigation. The Settlement Agreement also provided for the Company to purchase the noncontrolling interest. Under the terms of the settlement, the Company paid $27.25 million, of which $22.25 million was to settle all of the outstanding cases between the parties, including the Company, which was subsequently released of their related claims, and $5 million was for the acquisition of the noncontrolling interest. The buyout of the noncontrolling interest was treated as an equity transaction. The payment of the settlement was conditioned upon State and Federal Court approvals, which was obtained in March 2021 and August 2021, respectively. Accordingly, the Company paid $27.25 million in August 2021, and the buyout of CCCB's noncontrolling interest in CCHP was effective on August 18, 2021.

The Company received recoveries from its insurance policies of approximately $12 million. A receivable was recorded for this amount at September 30, 2021. Such monies were received after year-end.

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5. Discontinued Operations

As of and for the years ended September 30, 2021 and 2020, the operations of Nix Hospital System ("Nix Health") in Texas and East Orange General Hospital ("EOGH") in New Jersey met the criteria under applicable accounting standards to be presented as discontinued operations and as assets held for sale. In October 2020, the Company entered into an Asset Purchase Agreement to sell substantially all of the assets of EOGH for a sale price of $6.2 million. That sale closed effective January 1, 2022 (see Note 16). The Company's decision to discontinue the operations of each of these entities was based on the strategy of the Company's management in their respective markets and financial results.

In connection with the presentation of discontinued operations, the Company was required to test the long-lived assets for impairment as of September 30, 2021 and 2020. As of September 30, 2021, as a result of the impairment test, at EOGH: (i) property, improvements and equipment were impaired by approximately $4.5 million; and (ii) other receivables, prepaid expenses and other current assets at EOGH were impaired by approximately $6.4 million. As of September 30, 2020, as a result of the impairment test, at EOGH: (i) property, improvements and equipment were impaired by approximately $5.3 million; and (ii) other receivables, prepaid expenses and other current assets at EOGH were impaired by approximately $3.6 million.

Summarized financial information for discontinued operations is included below (in thousands):

September 30,	2021	2020
Patient accounts receivable, (net of allowance for doubtful accounts-2020) and other receivables	$ 16,417	$ 11,771
Other receivables, prepaid expenses and other current assets	(1,110)	4,865
Inventories	1,536	1,379
Total current assets	16,843	18,015
Property, improvements and equipment, net	6,831	7,430
Intangible assets, net	1,555	1,555
Other assets	164	451
Total assets of the disposal groups classified as held for sale in the consolidated balance sheets	25,393	27,451
Accounts payable and other accrued liabilities	12,605	12,516
Accrued salaries, wages and benefits	3,089	4,784
Current portion of capital leases	250	448
Total current liabilities	15,944	17,748
Debt, net of current portion	898	922
Malpractice reserves	-	3,933
Capital leases, net of current portion	-	250
Total liabilities of the disposal groups classified as held for sale in the consolidated balance sheets	$ 16,842	$ 22,853

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For the Years Ended September 30,	2021	2020
Net patient service revenues		$ 77,962
Provision for bad debts		2,140
Net patient service revenues	$ 84,797	80,102
Other non-patient revenues	3,417	7,394
Total revenues	88,214	87,496
Hospital operating expenses	73,943	90,254
General and administrative	19,943	29,312
Property, improvement and equipment impairment	10,865	8,857
Total operating expenses	104,751	128,423
Pandemic relief grant income	6,841	15,658
Net operating loss	(9,696)	(25,269)
Interest expense, net	190	923
Other income	(2,355)	(2,582)
Total other income, net	(2,165)	(1,659)
Loss on discontinued operations before income taxes	(7,531)	(23,610)
Income tax provision	(2)	(2)
Loss on discontinued operations, net of taxes	$ (7,533)	$ (23,612)

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The following table shows the funds that the Company received through the PRF in both general and targeted distributions, including amounts received for Nix Health that were required to be repaid to HHS, during the year ended September 30, 2021 and 2020 (in thousands), as it relates to discontinued operations:

	PRF Funds	Hotspot Funds	Other Funds	Total
Funds received during the year ended September 30, 2020	$ 4,068	$ 12,350	$ 14,835	$ 31,253
Funds transferred from discontinued operations to continuing operations	(1,683)	-	-	(1,683)
Funds applied to lost revenues	-	(6,460)	(9,198)	(15,658)
Funds applied to incremental expenses	-	-	(5,637)	(5,637)
Funds that were refunded	(2,385)	-	-	(2,385)
Funds unused at September 30, 2020	$ -	$ 5,890	$ -	$ 5,890
Funds received during the year ended September 30, 2021	$ -	$ -	$ -	$ -
Funds transferred from continuing operations to discontinued operations	1,683	-	-	1,683
Funds applied to lost revenues	(1,683)	(5,158)	-	(6,841)
Funds applied to incremental expenses	-	(730)	-	(730)
Funds applied to incremental capital assets	-	(2)	-	(2)
Funds unused at September 30, 2021	$ -	$ -	$ -	$ -

As of September 30, 2020, the Company had $5,890,000 in funds related to EOGH that had not been recognized in the accompanying consolidated statements of operations. As these liabilities were not set to transfer upon the completion of the sale of EOGH, they were reflected in accounts payable and other accrued liabilities in the accompanying consolidated balance sheets. During the year ended September 30, 2021, such funds were used in full against incremental expenses and lost revenues and accordingly there was no liability as of September 30, 2021.

As of September 30, 2021 and 2020, the Company had recorded liabilities related to Medicare advance payments received of approximately $7,435,000 and $10,152,000, respectively, related to EOGH. These liabilities will not transfer in the sale of EOGH and accordingly are reflected in refund liabilities, current and non-current, in the accompanying consolidated balance sheets.

6. Goodwill and Intangible Assets

The net carrying value of goodwill by reporting unit is as follows (in thousands):

September 30, 2021	Gross	Accum. Impairment	Accum. Amortization	Total
Southern California Hospitals	$ 130,912	$ -	$ (26,182)	$ 104,730
California Medical Groups	30,722	-	(5,936)	24,786
CharterCare	14,718	(14,228)	(70)	420
Crozer	140,216	(978)	(27,868)	111,370
Prospect ECHN, Inc. ("ECHN")	535	-	(107)	428
Prospect Waterbury, Inc. ("Waterbury")	2,888	-	(555)	2,333
Total	$ 319,991	$ (15,206)	$ (60,718)	$ 244,067

September 30, 2020	Gross	Accum. Impairment	Accum. Amortization	Total
Southern California Hospitals	$ 130,912	$ -	$ (13,091)	$ 117,821
California Medical Groups	30,722	-	(2,864)	27,858
CharterCare	14,665	(14,228)	(22)	415
Crozer	140,216	(978)	(13,946)	125,292
ECHN	535	-	(54)	481
Waterbury	2,888	-	(268)	2,620
Total	$ 319,938	$ (15,206)	$ (30,245)	$ 274,487

The changes in the net carrying amount of goodwill for the years ended September 30 are as follows (amounts in thousands):

September 30,	2021	2020
Balance, beginning of year	$ 274,487	$ 302,377
Acquisitions	53	3,333
Disposition	-	(978)
Amortization	(30,473)	(30,245)
Balance, end of year	$ 244,067	$ 274,487

Amortization expense was $30,473,000 and $30,245,000 for the year ended September 30, 2021 and 2020, respectively, and is included in goodwill amortization expense in the accompanying consolidated statements of operations.

Estimated amortization expense for each fiscal year of goodwill is as follows (in thousands):

Years ending September 30,	
2022	$ 30,476
2023	30,476
2024	30,476
2025	30,476
2026	30,476
Thereafter	91,687
Total future amortization expense	$ 244,067

The weighted-average remaining useful life for the goodwill was approximately eight years as of September 30, 2021.

Identifiable intangible assets are comprised of the following (in thousands):

September 30,	Useful lives	2021	2020
HMO membership	14 years	$ **25,200**	$ 25,200
Trade names, net of impairment	3 - 20 years	**42,030**	42,030
Other	5 - 6 years	**-**	97
Gross carrying value		**67,230**	67,327
Accumulated amortization		**(52,360)**	(47,273)
Intangible assets, net		$ **14,870**	$ 20,054

Amortization is recognized on a straight-line basis (management's best estimate of the period of economic benefit) over the respective useful lives and expense for the years ended September 30, 2021 and 2020 was $5,184,000 and $5,491,000, respectively, and is included in depreciation and amortization expense in the accompanying consolidated statements of operations. There are no expected residual values related to these intangible assets.

Estimated amortization expense for each future fiscal year of intangible assets is as follows (in thousands):

Years ending September 30,	
2022	$ 3,395
2023	2,875
2024	2,875
2025	2,875
2026	2,435
Thereafter	415
	$ 14,870

The weighted-average remaining useful life for the intangible assets was approximately five years as of September 30, 2021.

7. Related Party Transactions

Jeereddi Prasad, M.D., was a shareholder of Ivy Holdings, a director of Ivy Holdings and the Company, through June 1, 2021, and is an officer of the Upland Medical Group, a Professional Medical Group and Pomona Valley Medical Group, Inc. (collectively "ProMed Entities"), which has ownership interests in physician medical groups that provide medical services to ProMed members, including Chaparral Medical Group, Inc., (in which the Company beneficially owns a 13.2% interest). For the period from October 1, 2020 to June 1, 2021 (date of Chamber Transaction - see Note 11) and for the year ended September 30, 2020, the ProMed Entities paid these groups approximately $16,439,000 and $19,998,000. As of September 30, 2020, the Company had accounts payable and other accrued liabilities due to these related parties of $731,000, respectively. Such transactions continue after the Chamber Transaction.

Pursuant to a Management Services Agreement, dated December 15, 2010 and amended on May 3, 2012 (the "LGP Management Agreement"), between the Company and Leonard Green & Partners, L.P. ("LGP"), a private equity fund with affiliated funds that collectively constituted the majority shareholder of Ivy Holdings, LGP provided to the Company, (a) certain investment banking services, (b) management, consulting and financial planning services and (c) financial advisory and investment banking services in connection with major financial transactions from time to time. In connection with the Chamber Transaction (see Note 11), the LGP Management Agreement was terminated on June 1, 2021. In consideration for the services provided by LGP under the LGP Management Agreement, the Company paid LGP an annual fee of $1,000,000, payable in monthly installments, and reimbursed LGP for its related expenses up to $50,000 annually. The Company ceased accruing LGP monthly fees in March 2020.

During the year ended September 30, 2021, the Company paid a dividend of approximately $11.9 million (see Note 11). There were no dividends paid during the year ended September 30, 2020.

The Company is a wholly owned indirect subsidiary of Chamber. Therefore, Chamber is the parent of an affiliated group of corporations within the meaning of Section 1504(a) of the Internal Revenue Code of 1986. On December 15, 2010, Ivy Holdings, Ivy Intermediate and the Company entered into a Tax Sharing Agreement. The Tax Sharing Agreement allows the Company to make payments to Chamber as necessary to fund their payment of any required taxes incurred due to such parent status. Under this agreement, the Company received refunds (net of payments) of $(519,000) and $(397,000) for the years ended September 30, 2021 and September 30, 2020, respectively.

8. Income Taxes

The components of the income tax (benefit) provision are as follows (in thousands):

Year Ended September 30,	2021	2020
Current:		
Federal	$ -	$ (8,944)
State	(2,206)	1,874
	(2,206)	(7,070)
Deferred:		
Federal	-	-
State	-	-
	-	-
Total:		
Federal	(2,206)	(8,944)
State	-	1,874
	$ (2,206)	$ (7,070)

Temporary differences and carry forward items that result in deferred income tax balances as of September 30, are as follows (in thousands):

September 30,	2021	2020
Deferred tax assets:		
Accrued medical claims	$ 6,233	$ 8,038
Malpractice reserves	7,009	4,013
Accounts receivable	21	723
Accrued salaries & wages	16,201	13,936
Pension obligation	70,856	58,511
Net operating losses and 163j	142,315	100,061
Tax Credits	1,045	2,350
Other comprehensive income	14,753	(297)
Lease liability	125,159	128,496
Deferred revenue	1,039	5,720
Deferred FICA tax	7,215	7,016
Deferred tax assets	391,846	328,567
Valuation allowance	(307,973)	(246,584)
Net deferred tax assets	83,873	81,983
Deferred tax liabilities:		
Property, plant & equipment	(75,261)	(71,010)
Intangible assets	(3,939)	(5,834)
Prepaid expenses	(2,840)	(2,830)
Outside basis differences	(905)	(1,920)
UTP & other	(928)	(389)
Deferred tax liabilities	(83,873)	(81,983)
Net deferred tax assets	$ -	$ -

Deferred tax assets and liabilities reflect the effect of temporary differences between the assets and liabilities recognized for financial reporting purposes and the amounts recognized for income tax purposes.

Management assesses the available positive and negative evidence to estimate whether sufficient future pretax income will be generated to permit use of the existing deferred tax assets. A significant piece of objective negative evidence evaluated was the cumulative pretax losses incurred over the three-year period ended September 30, 2021. Such objective evidence limits the ability to consider other subjective evidence, such as the Company's projections for future growth. Based on this evaluation, at September 30, 2021 and 2020, a valuation allowance of approximately $308.0 million and $246.5 million, respectively, was recorded. The amount of the deferred tax asset considered realizable, however, could be adjusted if estimates of future taxable income during the carryforward period are reduced or increased or if negative objective evidence in the form of cumulative losses is no longer present and additional weight is given to subjective evidence such as the Company's projections for growth.

A consolidated federal tax return is filed for Chamber, Inc., with the exception of Nuestra Familia Medical Group Inc., ("Nuestra"), which files its own federal tax returns. The Company files combined state tax returns for California, Texas, Rhode Island, Connecticut, New Jersey and file separate state returns for Pennsylvania and Florida. The Company's filed tax returns are generally subject to examination by the IRS and state tax boards for 3 to 4 years.

As of September 30, 2021, the Company has net operating loss ("NOL") carryforwards for federal purposes of $197 million and various states of $922 million. The federal NOL carryforwards begin to expire in fiscal year 2039 and the state NOL carryforwards begin to expire in fiscal year 2022. We believe that it is more likely than not that the benefit from federal and state carryforwards will not be realized. In recognition of this risk, we have provided a valuation allowance on the deferred tax assets related to these NOL carryforwards. Utilization of the net operating loss carryforwards may be subject to an annual limitation due to the ownership change limitations provided by the Internal Revenue Code of 1986, as amended (the "Code"), and similar state provisions. Any annual limitation may result in the expiration of net operating losses before utilization.

The Company's tax years 2017 through 2019 are open for federal income tax examination, and generally the states are open for tax years 2016 through 2019. The Company is under examination by the California Franchise Tax Board (FTB) for tax year ended September 30, 2017. During fiscal year ended September 30, 2021, the Company received a closing letter for the tax years ended September 2014 through 2016 from the California FTB auditor. In addition to finalizing the audit, the FTB allowed the inclusion of Prospect Medical Group, Inc & Subsidiaries and New Genesis Medical Associates, Inc. & Subsidiaries in the California unitary group filed by Ivy Holdings, Inc & Subsidiaries. An incremental benefit of $4.1 million was recorded to income tax receivable in the current period for the refund expected as a result of the audit close. For the period ended September 30, 2021 and 2020, the Company recorded a liability in the amount of $5.7 million and $4.1 million respectively, related to uncertain tax positions ("UTP") with respect to California Unitary Combined Filing for Fiscal year 2017 through 2021, which was recorded in other long-term liabilities in the accompanying consolidated balance sheets.

The Company has evaluated the CARES Act and does not expect the legislation to have a significant impact on the effective tax rate or the income tax payable of the Company.

The differences between the income tax provision at the federal statutory rate and that reflected in the accompanying consolidated statements of operations are summarized as follows:

Years Ended September 30,	**2021**	2020
Tax provision at statutory rate	**21%**	21%
State taxes, net of federal benefit	**14%**	20%
Return to provision adjustments	**-%**	11%
Goodwill amortization	**(4)%**	(8)%
Deferred tax adjustments	**1%**	8%
Valuation allowance	**(32)%**	(39)%
UTP	**(1)%**	(5)%
Change in State Tax Rate	**5%**	1%
Other	**(2)%**	-%
	2%	9%

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9. Debt

Debt consists of the following (in thousands):

September 30,	2021	2020
MPT TRS loan *(1)*	$ 98,606	$ 105,508
MPT Foothill loan *(1)*	51,267	51,267
Sale-leaseback financing obligations	21,935	31,401
Other debt *(2)*	11,907	21,163
Total debt	183,715	209,339
Less: current maturities	(16,032)	(19,138)
Debt, net of current maturities	$ 167,683	$ 190,201

(1) See Note 10 for more information related to MPT sale-leaseback transactions.
(2) Other debt is comprised of building, equipment and software loans.

Senior Secured and Revolving Credit Facilities

On February 22, 2018, the Company entered into an ABL Credit Agreement (the "ABL Agreement"), by and among the Company (as the borrower), the lenders party thereto and JPMorgan Chase Bank, N.A. ("JPMorgan"), as administrative agent and collateral agent. Under the ABL Agreement, the initial maximum revolving commitment was $250.0 million with ability to expand the facility to $325.0 million (the "ABL Facility"), and the ABL facility bears interest at a variable base rate plus an applicable spread that is based on excess availability under the ABL Facility, as further described in the ABL Agreement, which was 3.75% and 4.0% as of September 30, 2021 and 2020, respectively. Through various amendments and the sale of Nix Health, the maximum commitment under the ABL Agreement was $275.0 million at September 30, 2021. This commitment will decrease by $15.0 million in the month after the sale of EOGH and by a further $10.0 million when the remaining building at Nix Health is sold. In January 2020, the maximum revolving commitment under the ABL Agreement decreased by $10.0 million to $275.0 million in connection with the sale of the acute care hospital building at Nix Health in December 2019.

The ABL Facility matures on February 22, 2023. As of September 30, 2021 and 2020, the outstanding balance on the ABL facility was $45.0 million and $0, respectively, and the available balance was $190.7 million and $210.8 million, respectively.

The ABL Facility is secured by a first priority security interest on the working capital assets of the Company and its wholly owned subsidiaries except Prospect Health Plan, Inc., CHIC, RRG, Prospect Health Access Network, Inc. and certain immaterial subsidiaries and a second priority security interest on their fixed assets. The ABL Agreement does not have any financial maintenance covenants. The ABL Agreement has a "springing" fixed charge ratio covenant that applies if excess availability is less than the greater of 10% of the maximum borrowing amount and $22,000,000. The fixed charge ratio covenant was not required to be tested for the fiscal quarter ended September 30, 2021.

Effective August 16, 2021, the Company entered into an amendment on its ABL Agreement to increase the aggregate letter of credit availability from $60 million to $80 million.

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Scheduled payments under the Company's debt, current portion and debt, net of current portion as of September 30, 2021 are as follows (in thousands):

Years ending September 30,	
2022	$ 16,032
2023	15,104
2024	9,135
2025	9,404
2026	13,947
Thereafter	120,093
Total scheduled payments	183,715
Less: Current maturities	(16,032)
Total debt	$ 167,683

10. Transactions with MPT

On August 23, 2019, the Company closed a series of transactions with affiliates of Medical Properties Trust, Inc. ("MPT"), a publicly traded Real Estate Investment Trust ("REIT"). Under these transactions, the Company sold to MPT the Company's hospital buildings in California (excluding Foothill Regional Medical Center ("Foothill")), Connecticut and Pennsylvania for an aggregate purchase price of $1,386,000,000. Concurrent with the sale transactions, the Company entered into two master lease agreements whereby the hospital properties and related medical office buildings were leased back for an initial 15 year term, with options to extend twice for an additional 5 years each and for a further 4.75 year extension. Monthly rent is defined as 7.5% of the lease base, subject to annual escalation of consumer price index, limited to a minimum of 2% and a maximum of 4%. For the first master lease, the Company has the option to buy the properties at their fair value at the end of the lease term. For the second master lease, the Company has the option to purchase at a price that is fixed at the time of entering into the lease (the "Option Price"). If the Company chooses not to exercise this option, and the fair value at the end of the lease is below the Option Price, then the Company must pay MPT a sum equal to the difference between the fair value and the Option Price. These transactions do not qualify for sale leaseback accounting because of the Company's deemed continuing involvement with the buyer-lessor, including the requirements to pay reserves for major repairs, and the option to purchase included in the lease, which are considered a form of contingent collateral and results in the transaction being recorded under the financing method. All of the legal entities that are parties to the master lease agreement (which are the hospital entities in California, Connecticut and Pennsylvania) provide cross guarantees on all of the obligations to MPT, which guarantees include both lease payments under the master lease as well as indebtedness due to MPT. As of September 30, 2021 and 2020, the balances due under the leases are approximately $1,291,326,000 and $1,338,040,000, respectively, and are reflected in MPT liabilities in the accompanying consolidated financial statements.

Further, MPT provided the Company with a $51,266,700 mortgage on the Foothill property. This mortgage is secured by the buildings at Foothill. The interest on this mortgage is 7.5% per annum and is subject to annual escalation of consumer price index, limited to a minimum of 2% and a maximum of 4%. The maturity date of this loan is in August 2034. MPT can purchase the property on event of default or at end of term. The Company is required to provide MPT with the option to purchase the Foothill property and lease it back to the Company under the second master lease agreement, for an amount equal to the outstanding principal balance. As of September 30, 2021, and subject to any subsequent extension from MPT, the Company has until December 31, 2021 to offer this right to MPT. As of September 30, 2021 and 2020, the balances due under the promissory note payable to MPT are $51,267,000 and $51,267,000,

respectively, and are reflected in long term debt in the accompanying consolidated financial statements (see Note 9).

Additionally, the Company entered into a promissory note (the "TRS Note"), under which MPT has advanced to the Company $112,937,000. The interest on this note is 7.5% per annum and is subject to annual escalation of the consumer price index, limited to a minimum of 2% and a maximum of 4%. The maturity date of this note was originally scheduled to be the earlier of July 2022 or, if it occurs, a sale-leaseback of the properties in Rhode Island. In connection with the Chamber Transaction, and the approval of such transaction by the Rhode Island Attorney General, the maturity date of the TRS Note was extended to April 30, 2026. A sale-leaseback of the properties in Rhode Island is prohibited to occur before the extended maturity date. As of September 30, 2021 and 2020, the balances due under this note are $98,606,000 and $105,508,000, respectively, and are reflected in long term debt in the accompanying consolidated financial statements (see Note 9).

All of the agreements referenced in this footnote are cross-collateralized and cross defaulted among the parties and the assets included therein (which do not include any of the hospital operating entities or real properties in Rhode Island, Texas or New Jersey). Based on annualized Adjusted EBITDAR (as defined) achieved over the three years from the transaction date, additional amounts between $50 million to $250 million will be payable to the Company. As of September 30, 2021, there has been no accounting for these amounts in the consolidated financial statements.

The MPT transaction documents contain certain customary covenants and restrictions and a financial covenant based on EBITDAR performance. The Company was in compliance with all such covenants at September 30, 2021.

In connection with the transactions with MPT, the Company incurred deferred financing costs of $28,058,000. Amortization expense was approximately $1,970,000 and $1,933,000 during the year ended September 30, 2021 and 2020, respectively.

Interest expense under these agreements was $58,800,000 and $60,789,000 for the years ended September 30, 2021 and 2020, respectively.

See Note 13 for future minimum lease payments related to sale leaseback commitments as of September 30, 2021.

11. Stockholder's Equity

Chamber Transaction

In June 2021, Green Equity Investments V, LP, Green Equity Investments Side V, LP and other minority shareholders sold their shares of Ivy Holdings for a purchase price of approximately $11,900,000. As a result of the sale, the Company became indirectly wholly-owned by two shareholders that were previously the two largest individual shareholders in Ivy Holdings. The transaction, among other things, (i) merged Ivy Holdings with Chamber Merger Sub Inc., a wholly-owned subsidiary of Chamber Inc. ("Chamber") which is owned by the referenced two ultimate shareholders, and Ivy Holdings, as the surviving entity in such merger, became a wholly-owned direct subsidiary of Chamber, (ii) bought out all of the other stockholders of Ivy Holdings, (iii) terminated all stock options that have not previously been exercised.

Equity Based Compensation Plans

In December 2010, the Board of Directors of Ivy Holdings adopted the Ivy Plan that initially authorized the issuance of options exercisable for up to 155,110 shares of the common stock of Ivy Holdings ("Initial Options") to employees, certain consultants and independent members of the boards of directors, of Ivy Holdings and its subsidiaries (including the Company and its subsidiaries). These options were exercisable into Ivy Holdings stock and vested based on a number of criteria, including time, Company and Business Unit performance based on EBITDA targets and CEO and Compensation Committee discretion. Since the Ivy Holdings stock options were granted to Company employees for their services related to the Company, the related compensation cost has been recorded in the Company's consolidated financial statements. In June 2015, the Board of Directors of Ivy Holdings adopted the First Amendment to the Ivy Plan. Under the First Amendment, and subsequent amendments, a further 63,704 shares of common stock of Ivy Holdings ("New Options") could be issued.

The New Options were exercisable into Ivy Holdings stock and vested based on a number of criteria, including the same criteria as the Initial Options. However, they only became exercisable on the occurrence of certain corporate transactions, including a change in control of Ivy Holdings, as defined in the Incentive Stock Option Agreements. At the time that the Merger Agreement was executed, all options were "underwater." Accordingly, the Company determined to terminate these options and not allow them to be exercised, prior to the Chamber Transaction occurring. In May 2021, the Board of Directors agreed to terminate the options on the Effective Date, as defined in the Merger Agreement. As no options had been granted or vested during the years ended September 30, 2021 and 2020, no compensation cost has been recorded in the Company's consolidated financial statements for the years then ended.

In connection with a dividend paid to shareholders on February 22, 2018, the Board of Directors of Ivy Holdings approved special cash payouts in the amount of approximately $33 million in bonus payments to stock option holders. The approval provided that any bonus with respect to an unvested portion of an option would be payable upon the date such unvested portion becomes vested and exercisable, subject to the optionee's continued employment with Prospect through such date. At September 30, 2020, approximately $2.2 million had been accrued for bonuses in connection with such options that had previously vested, and this was paid in June 2021, in connection with the Chamber Transaction. Additionally, certain option holders that held unvested options at February 22, 2018 were entitled to a cash payment on the occurrence of certain corporate transactions, provided they remained employed by the Company at that time. Cash payments of approximately $4.1 million were made to those employees were made in June 2021. This amount was recorded as an expense during the year ended September 30, 2021.

Dividends

The Company distributed approximately $11.9 million in connection with the Chamber Transaction during the year ended September 30, 2021, which was recorded against retained earnings, and was ultimately paid to the common stockholders of Ivy Holdings, Inc. There were no distributions during the year ended September 30, 2020.

12. Retirement Benefits

The Company sponsors various employee non-contributory, defined benefit pension plans (the "DB Plan") covering certain full-time employees of Crozer, ECHN and Waterbury.

In connection with the acquisition of Crozer, its plan was frozen with all benefits accruals ceased as of July 1, 2016. With respect to each Represented Employee who is a member of the Laborers' International Union of North America, the Monthly Compensation (as defined), the Credited Service (as defined), the Eligibility Service (as defined) and the accrued benefit was frozen and determined as of July 1, 2016. No benefits accrue since that date. The plan was amended to provide for determination of Vesting Service (as defined) for employees who were employed with the Company before July 1, 2016, such that years of service shall include all periods of employment completed on and after July 1, 2016, subject to the Break in Service rules (as defined). The plan was further amended on September 3, 2016 to provide certain Qualifying Participants (as defined) the right to make a Special Benefit Election (as defined) during "2016 Lump Sum Option Window" period from October 15, 2016 through November 30, 2016 to receive or commence receiving his or her vested Accrued Benefit as of December 1, 2016 in accordance with procedures adopted by the Committee. Further, the Company will adopt a plan amendment to terminate the plan effective within such five year period and will liquidate, fully fund and satisfy, and pay all benefits owed to participants and beneficiaries of the plan by providing lump sum distributions to participants, purchasing annuities for participants who do not elect a lump sum distribution, subject to applicable filing and authorization by the applicable government agency or entity. The five-year period can be extended in the event certain discount rates fall below certain defined thresholds. Presently the discount rates are below those thresholds and the Company intends to delay the termination of the Crozer DB plan.

Crozer also sponsors a postretirement benefit program (the "OPEB Plan") which is an unfunded medical care and life insurance benefit program, and a supplemental executive retirement plan (the "SERP Plan") which is an unfunded retirement plan that covers a group of current and former executives. These plans were frozen and all benefit accruals ceased as of July 1, 2016. No benefits will accrue since that date. The SERP plan was terminated and all funds paid out. With respect to each Represented Employee who is a member of the Laborers' International Union of North America, benefits will continue to accrue until a settlement of an ongoing union contract negotiation is reached for the OPEB Plan.

ECHN sponsors a DB Plan that covered substantially all of its employees. The benefits were based upon years of service and compensation for the five highest years during the employee's last 10 years of service. On December 31, 2008, ECHN implemented a soft freeze on the plan. All qualified employees were eligible to enter into the defined contribution plan, ECHN contributed 3% of eligible employees' salaries. This contribution was non-guaranteed for all employees, except certain union workers covered under a collective bargaining agreement. Effective December 31, 2013, ECHN froze the plan for all remaining participants. During September 2013, the Board passed a resolution to freeze all benefits related to the plan.

ECHN also sponsors an OPEB Plan that provides health care benefits to vested, retired employees, who are age 55 or older and start collecting under the defined benefit plan described above once retired. The retiree must be enrolled into the medical plan on the date of retirement to be eligible for the continuation. Full-time registered nurse retirees from ECHN's Manchester facility (retired prior to October 1, 2005 and were eligible per the collective bargaining agreement) were grandfathered and required to pay at least 50% of the total cost of the medical and dental coverage they elect for themselves under the OPEB Plan.

Waterbury has a noncontributory defined benefit cash balance plan. The plan was frozen to non-union participants effective June 30, 2015. Participants who are part of the Connecticut Healthcare Associates Technical Unit remain active in the plan. Non-union employees no longer accrue additional employer contribution credits in the plan. These participants will continue to receive interest credits based on their account balances in accordance with the terms of the plan. They will be entitled to their account balance (the retirement benefit they have earned up to June 30, 2015) plus applicable interest credits after the Plan were frozen.

For all plans, the Company has made contributions sufficient to meet the minimum funding requirements of applicable laws and regulations.

The activity of the pension plans for the years ended September 30, 2021 and 2020 is as follows (in thousands):

September 30,	**2021**	2020
Changes in benefit obligations		
Projected benefit obligations, beginning of period	**$ 797,145**	$ 768,614
Service cost	**126**	184
Interest cost	**22,527**	24,457
Plan participant contributions	**-**	187
Actuarial loss	**(1,879)**	32,994
Benefits paid	**(24,780)**	(28,822)
Lump sum benefits paid and annuity purchase	**(19,266)**	(469)
Projected benefit obligation, end of year	**$ 773,873**	$ 797,145
Changes in plan assets		
Fair value of plan assets, beginning of year	**$ 559,213**	$ 460,688
Actual return on plan assets	**(40,002)**	56,532
Contributions by plan sponsor	**8,297**	71,097
Plan participant contributions	**-**	187
Benefits paid	**(24,780)**	(28,822)
Lump sum benefits paid and annuity purchase	**(19,266)**	(469)
Fair value of plan assets, end of year	**$ 483,462**	$ 559,213
Funded status of the plan, end of year	**$ (290,411)**	$ (237,932)
Accumulated benefit obligation, end of year	**$ (290,411)**	$ (237,932)

The funded status of the pension plans as of September 30, 2021 and 2020 is as follows (in thousands), split between the pension plans and the post retirement plans:

	2021 Pensions	**2021 OPEBs**	**2021 Total**	2020 Pensions	2020 OPEBs	2020 Total
Current liability	**$ -**	**$ 430**	**$ 430**	$ -	$ 440	$ 440
Non-current liability	**284,674**	**5,307**	**289,981**	231,941	5,551	237,492
	$ 284,674	**$ 5,737**	**$ 290,411**	$ 231,941	$ 5,991	$ 237,932

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The components of net periodic benefit cost for the years ended September 30, 2021 and 2020 are as follows (in thousands):

September 30,	2021	2020
Components of net periodic benefit cost:		
Service cost	$ 126	$ 184
Interest cost	22,527	24,457
Expected return on plan assets	(10,292)	(15,202)
Amortization of net loss	8	38
Effect of settlement	723	-
Amortization of prior service credit	(51)	(51)
Total net periodic benefit cost	$ 13,041	$ 9,426

Service cost is recorded in Hospital operating expenses on the consolidated statements of operations. All other components of net periodic benefit costs are recorded in other expense on the consolidated statements of operations.

	2021	2020
Other change in benefit obligations recognized in accumulated other comprehensive income:		
Loss due to participant experience	$ 143	$ 1,167
Amortization of net gain	(8)	(19)
Asset return loss (gain)	48,272	(9,523)
Prior service cost	51	51
Amount recognized due to settlement	(723)	-
Total recognized in other comprehensive loss (income) and accumulated other comprehensive loss (income)	$ 47,735	$ (8,324)

The assumptions used in determining the actuarial present value of the projected benefit obligations for pension plans as of September 30, 2021 and 2020 and for the years then ended are as follows:

	2021	2020
Weighted average assumptions used to determine benefit obligations at end of period		
Discount rate	2.65-3.01%	2.34-2.97%
Rate of compensation increase	0.00-2.00%	0.00-2.00%
Weighted average assumptions used to determine net periodic benefit cost for the period ended		
Discount rate	2.55-2.97%	2.92-3.31%
Rate of compensation increase	0.00-2.00%	0.00-2.00%
Expected return on the plan assets	0.00-3.25%	0.00-4.75%

Assumed health care cost trend rates for the next period used to measure the expected cost of benefits covered by the plan are as follows:

	2021	2020
Health care trend rate assumed for next year	**7.00%**	6.75%
Rate to which the cost trend is assumed to decline (the ultimate rate)	**3.25%**	4.75%
Year that the rate reaches the ultimate trend rate	**2029**	2028

Assumed health care cost trend rates have a significant effect on amounts reported for other postretirement benefit programs. A one-percentage-point change in assumed health care cost trends would have the following effects (in thousands):

	1% Increase	1% Decrease
Effect on other postretirement benefit obligations	$ 116	$ 106
Effect on total of service and interest cost components	$ 3	$ 3

The asset allocation percentage by major asset class for the plans and the target allocation for 2021 follows:

	Target	2021
Asset class:		
Cash and cash equivalents	0% -20%	1%
Fixed income	10% - 100%	97%
Alternative investments and hedge funds	0% - 30%	2%
		100 %

The investment objectives of the plans are to invest consistently with the fiduciary standards of ERISA, to provide for the funding and anticipated withdrawals on an ongoing basis, conserve and enhance the capital value of the plans in real terms while maintaining a moderate risk profile, to minimize principal fluctuations over the investment cycle, and achieve a long-term level of return commensurate with contemporary economic conditions. The expected long-term rate of return with respect to the plans is based on an aggregate of expected capital market returns within each asset category.

The following tables set forth the assets in the plans measured at fair value, by input level (in thousands):

September 30, 2021	Level 1	Level 2	Level 3	Net asset value	Total
Fixed income securities:					
Short-Term Duration	$ -	$ 40,502	$ -	$ -	$ 40,502
Extended Duration	-	201,527	-	-	201,527
Interim Duration	-	60,320	-	-	60,320
Long-Term Duration	-	166,901	-	-	166,901
Real estate	-	-	928	-	928
Alternative investments	-	-	10,423	-	10,423
Cash and cash equivalents	-	-	-	2,861	2,861
Total	$ -	$ 469,250	$ 11,351	$ 2,861	$ 483,462

September 30, 2020	Level 1	Level 2	Level 3	Net asset value	Total
Fixed income securities:					
Short-Term Duration	$ -	$ 41,769	$ -	$ -	$ 41,769
Extended Duration	-	231,197	-	-	231,197
Interim Duration	-	59,346	-	-	59,346
Long-Term Duration	-	210,351	-	-	210,351
Real estate	-	-	555	-	555
Alternative investments	-	-	13,142	-	13,142
Cash and cash equivalents	-	-	-	2,853	2,853
Total	$ -	$ 542,663	$ 13,697	$ 2,853	$ 559,213

Pension plan assets classified as Level 3 in the fair value hierarchy represent investments in which the trustee has used significant unobservable inputs in the valuation model. The hedge funds consist of equity/long/short funds and multi-strategy funds in which fair values have been estimated using the net asset value per share of the investment. The alternative investments primarily consist of investments in limited partnerships that invest in the Public-Private Investment Program which fair values have been estimated using the net asset value per share of the investment.

On an annual basis, the Company assesses the valuation hierarchy for pension assets recorded at fair value. From time to time, assets will be transferred within the fair value hierarchy as a result of changes in, among other things, inputs used, liquidity, or valuation methodologies. During the years ended September 30, 2021 and 2020, there were no transfers in classification within the fair value hierarchy. The following table is a rollforward of the plans' assets classified within Level 3 of the fair value hierarchy (in thousands):

September 30,	2021	2020
Balance, beginning of year	$ 13,697	$ 18,865
Actual return on plan assets:		
Unrealized loss	(2,346)	(5,168)
Balance, end of year	$ 11,351	$ 13,697

The expected long-term future benefit payments to retirees with respect to the plans and are as follows (in thousands):

2022	$ 51,580
2023	44,940
2024	45,140
2025	45,270
2026	45,887
2027 - 2031	220,580
	$ 453,397

Waterbury participates in multi-employer pension plans that cover substantially all union employees. Contributions to the plans are based upon a percentage of each participant's total salary. The risks of participating in these multi-employer plans are different from single employer plans in the following aspects:

- Assets contributed to the multi-employer plan by one employer may be used to provide benefits to employees of another participating employer.
- If a participating employer stops contributing to the plan, the unfunded obligation of the plan may be borne by the remaining participating employers.
- If Waterbury chose to stop participating in the multi-employer plans, Waterbury may be required to pay those plans an amount based on the underfunded status of the plans, referred to as a withdrawal liability.

The following table presents Waterbury's participation in these plans as of and for the years ended September 30, 2021 and 2020.

Pension Trust Fund	EIN / Pension Plan	Pension Protection Act ("PPA") Certified Zone Status *(1)* 2021	Pension Protection Act ("PPA") Certified Zone Status *(1)* 2020	FIP / RP Status Pending / Implemented *(2)*	Contributions 2021	Contributions 2020	Surcharge Imposed	Exp. Date of CBA
Connecticut Health Care Associates Pension Fund	06-1313462	Red	Red	Implemented	**$ 2,168,769**	$ 2,024,000	No	7/1/22
New England Health Care Employees Pension Fund	22-3071963	Green	Green	NA	**783,560**	818,000	No	3/15/25
Total contributions					**$ 2,952,329**	$ 2,842,000		

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(1) The most recent PPA zone status available in 2021 is for the plan's year-ending during 2020. The zone status is based on information received from the plan and is certified by the plan's actuary. Among other factors, plans in the red zone are generally less than 65 percent funded, plans in the orange zone are less than 80 percent funded and have an accumulated funding deficiency in the current year or projected in the next six years, plans in the yellow zone are less than 80 percent funded, and plans in the green zone are at least 80 percent funded.

(2) The "FIP/RP Status Pending/Implemented" column indicates plans for which a financial improvement plan ("FIP") or a rehabilitation plan ("RP") is either pending or has been implemented. As it relates to the Connecticut Health Care Associates ("CHCA") Pension Plan, the trustees adopted a Rehabilitation Plan on May 7, 2018. The Rehabilitation Period, as defined, commenced on January 1, 2019 and ends on December 31, 2028. The trustees updated the Rehabilitation Plan on December 12, 2019 which reflects various reductions to plan benefits effective January 1, 2020.

During the years ended September 30, 2021 and 2020, Waterbury's contributions to the CHCA Pension Plan and the New England Health Care Employees Pension Plan represented 81.9% and 2.5% and 80.1% and 2.5% of the total contributions made to the plans by all participating employers, respectively.

Governmental regulations impose certain requirements relative to union-sponsored pension plans. In the event of plan termination or employer withdrawal, an employer may be liable for a portion of the plan's unfunded vested benefits. As of September 30, 2021, Waterbury has not recorded any liabilities for future withdrawal obligations related to the multi-employer plans.

Defined contribution plans

The Company sponsors two defined contribution plans covering substantially all employees who meet certain eligibility requirements, which are segregated between union and non-union employees. Under these plans, employees can contribute up to 50% of their compensation up to the IRS deferred annual maximum. There is currently no company match offered under the plans, except at certain facilities in Rhode Island and Pennsylvania, for which the expense for the employer match was $16,070,000 and $17,778,000 for the years ended September 30, 2021 and 2020, respectively.

13. Commitments and Contingencies

Leases

The Company leases various office facilities and equipment from third parties under non-cancelable operating and capital lease arrangements expiring at various dates through 2034. Certain operating leases contain rent escalation clauses and renewal options, which have been factored into determining rent expense on a straight-line basis over the lease terms. Capital leases bear interest at rates ranging from 1.3% to 41.0% per annum.

The future minimum annual lease payments required under leases in effect at September 30, 2021, are as follows (in thousands):

For the Years ending September 30,	Capital Leases	Operating Leases	MPT Liability*
2022	$ 16,874	$ 25,525	$ 107,803
2023	14,849	24,101	109,959
2024	13,090	21,751	112,158
2025	9,777	19,702	114,401
2026	6,216	18,611	116,689
Thereafter	19,619	26,733	1,165,800
Total minimum lease payments	80,425	$ 136,423	1,726,810
Less: amounts representing interest	(17,384)		(482,660)
Add: amounts representing land	-		47,176
	63,041		1,291,326
Less: current portion	(12,947)		(50,978)
	$ 50,094		$ 1,240,348

* *Excludes debt related to the Foothill and TRS Notes with MPT (see Note 10).*

Rent expense related to operating leases for the years ended September 30, 2021 and 2020 was approximately $39,350,000 and $51,246,000, respectively. Sublease rental income was not material to the consolidated financial statements for the years ended September 30, 2021 and 2020.

Litigation

The Company is subject to a variety of claims and suits that arise from time to time in the ordinary course of its business, acquisitions, or other transactions. While the Company's management currently believes that resolving all of these matters, individually or in the aggregate, will not have a material adverse impact on the Company's consolidated financial position or results of operations, the litigation and other claims that the Company faces are subject to inherent uncertainties and management's view of these matters may change in the future. Should an unfavorable final outcome occur, there exists the possibility of a material adverse impact on the Company's consolidated financial position, results of operations and cash flows for the period in which the effect becomes probable and reasonably estimable.

Seismic Standards

The Company's California Hospitals (with the exception of Bellflower and Van Nuys, which currently only provide psychiatric services) are required to comply with laws that regulate the seismic performance of all aspects of hospital facilities in California and imposes near-term and long-term compliance deadlines for seismic safety assessment, submission of corrective plans, and retrofitting or replacement of medical facilities to comply with current seismic standards. These laws and regulations require hospitals to meet seismic performance standards to ensure that they are capable of providing medical services to the public after an earthquake.

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The Company was required to conduct engineering studies at its hospitals to determine whether and to what extent modifications to the hospital facilities will be required. Two buildings at Southern California Hospital at Culver City ("SCH Culver City") do not currently meet the applicable seismic requirements. These buildings are currently classified at Structural Performance Category 1 ("SPC-1") and, subject to possible deadline extensions discussed below, they must be upgraded to at least SPC-2 by July 1, 2022. That deadline date was set pursuant to an extension granted upon the Company's application submitted in accordance with California Senate Bill 90 and approved by the Office of Statewide Health Planning and Development ("OSHPD").

OSHPD has a voluntary program to re-evaluate the seismic risk of hospital buildings classified as SPC-1. These buildings are considered hazardous and at high risk of collapse in the event of an earthquake and they were required to be retrofitted, replaced or removed from providing acute care services by the applicable deadline. OSHPD is using Hazards U.S. ("HAZUS"), a state-of-the-art methodology, to reassess the seismic risk of SPC-1 buildings. Once the SPC-1 buildings have been seismically upgraded to SPC-2, they are no longer considered a significant risk to occupants, but they may not be repairable or functional after an earthquake. Participation in the HAZUS program is optional for hospital owners wishing to have their SPC-1 buildings evaluated.

Applications for HAZUS evaluation of seismic risk were submitted for all five of the Company's California acute care facilities: Southern California Hospital at Hollywood ("SCH Hollywood"); SCH Culver City; Los Angeles Community Hospital; Los Angeles Community Hospital at Norwalk ("LACH Norwalk"); and Foothill. All buildings at these five facilities obtained SPC-2 reclassification using HAZUS, except for the aforementioned two buildings at SCH Culver City that are still classified as SPC-1. Currently, failure to obtain SPC-2 reclassification for the two remaining SPC-1 buildings by July 1, 2022 would mean that the buildings deemed non-compliant would be subject to daily fines up to $5,000 per day until retrofitted to SPC-2 standards or removed from acute care services.

Recently enacted Assembly Bill 2190 was utilized to request additional extension. OSHPD granted extensions to June 1, 2022 and February 25, 2022 for the Tower Building and Pavilion Building at SCH Culver City. The construction was started in February 2020 for both buildings. SCH Culver City is evaluating pursuing an alternate "replacement" scheme that would relocate the Emergency department into the adjoining One-Story Building which currently classified as an SPC-2 structure. The Tower Building would be retained as a "non-hospital" OSHPD building useable for non-acute care services such as behavioral health and subacute/skilled nursing services.

The Company will also be required to make significant capital expenditures in the future to comply with 2030 seismic standards (i.e., upgrade to SPC-4D and NPC-4D/5) for any buildings that will be utilized for hospital facilities beyond January 1, 2030. Such modifications to the hospital facilities could potentially result in environmental remediation liabilities which may be material to the Company.

These requirements can result in significant operational changes and capital outlays. Management is continuing to assess its options and the methods of financing the required retrofits. Based on management's evaluation, the costs of renovation needed to comply with the California seismic safety standards for its acute-care facilities, including asbestos abatement, are not estimable at this time.

Legislation and HIPAA

The healthcare industry is subject to numerous laws and regulations of federal, state and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government healthcare program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Government activity has continued with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and

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regulations by healthcare providers. Violations of these laws and regulations could result in expulsion from government healthcare programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed.

The Company believes that it is in compliance with fraud and abuse regulations as well as other applicable government laws and regulations. Compliance with such laws and regulations can be subject to future government review and interpretation as well as regulatory actions unknown or unasserted at this time.

The Health Insurance Portability and Accountability Act ("HIPAA") assures health insurance portability, reduces healthcare fraud and abuse, guarantees security and privacy of health information, and enforces standards for health information. The Health Information Technology for Economic and Clinical Health Act ("HITECH Act") expanded upon HIPAA in a number of ways, including establishing notification requirements for certain breaches of protected health information. In addition to these federal rules, California has also developed strict standards for the privacy and security of health information as well as for reporting certain violations and breaches. The Company may be subject to significant fines and penalties if found not to be compliant with these state or federal provisions.

Collective Bargaining Agreements

As of September 30, 2021, the Company had approximately 17,000 employees, of whom approximately 3,700 employees or 22% are represented by various labor organizations. Of those, approximately 3,300 employees or 19% of the Company's employees are employed under union contracts that have expired or will expire before September 30, 2022.

As of September 30, 2020, the Company had approximately 17,000 employees, of whom approximately 5,200 employees or 31% are represented by various labor organizations. Of those, approximately 700 employees or 4% of the Company's employees are employed under union contracts that have expired or will expire before September 30, 2021.

Tangible Net Equity ("TNE") Requirement

The Company's affiliated California physician organizations and licensed healthcare service plans may be subject to one or more of the following requirements: minimum working capital, Tangible Net Equity, cash-to-claims ratio and claims payment requirements as prescribed by the California Department of Managed Health Care ("DMHC"). TNE is defined as net assets, less intangibles and amounts due from affiliates, plus subordinated obligations. As of September 30, 2021, the Company's affiliated California physician organizations were in compliance with these regulatory requirements.

Employee Health Plans

The Company offers self-insured EPO/HMO and PPO plans to all eligible employees.

Employee health benefits are administered by a third party claims administrator, based on plan coverage and eligibility guidelines determined by the Company, as well as by collective bargaining agreements (as reflected above). All locations were covered by insurance policies with CHIC for per occurrence losses in excess of $350,000, except for Crozer for which the limit is $750,000. CHIC maintains reinsurance coverage above $500,000 for all locations except for Crozer, for which the limit is $750,000. Effective September 30, 2020, the CHIC policies were revised to only include the reinsurance coverage noted above. An actuarially and internally estimated liability of approximately $14,861,000 and $18,114,000 for incurred but not reported claims has been included in accrued salaries, wages, and benefits as of September 30, 2021 and 2020, respectively.

Provider Contracts

Many of the Company's payer and provider contracts are complex in nature and may be subject to differing interpretations regarding amounts due for the provision of medical services. Such differing interpretations may not come to light until a substantial period of time has passed following contract implementation. Liabilities for claims disputes are recorded when the loss is probable and can be estimated. Any adjustments to reserves are reflected in current operations.

PACE financing

In August 2019 the Company entered into an agreement with a third party that specializes in property assessed clean energy ("PACE") financing to finance approximately $49.0 million for qualifying renovations for the properties in California. The full amount of the funds was deposited into an escrow account managed by a third party administrator, less deductions for the first year of prepaid interest of approximately $3.2 million and deferred financing fees totaling approximately $2.6 million. The Company received cash from the escrow account of approximately $13.5 million which was used to refinance related completed qualifying expenditures under the PACE program and invoices for construction in progress that had been paid. The amount financed is subject to an annual interest rate of 6.0% and the financing has a maturity date of September 2, 2045. Payments are collected through property tax bills as a non-ad valorem assessment. Payments commenced in July 2020. At September 30, 2021, the Company had a related financing liability of approximately $34.5 million, of which $1.2 million and $33.3 million is classified within other current liabilities and other long-term liabilities, respectively, in the accompanying consolidated balance sheets. At September 30, 2020, the Company had a related financing liability of approximately $20.0 million, which is classified within other long-term liabilities in the accompanying consolidated balance sheets. At September 30, 2021, there was approximately $18.7 million left in escrow, required to be spent on qualifying renovations.

In May 2020, the Company entered into an agreement with a third party that specializes in PACE financing to finance approximately $42.0 million for qualifying renovations for the property in Rhode Island located at Roger Williams Medical Center. The full amount of the funds were deposited into an escrow account managed by a third party administrator, less deductions for deferred financing fees totaling approximately $2.7 million and lease payoffs of approximately $6.0 million. The Company received cash from the escrow account of approximately $14.9 million which was used to refinance related completed qualifying expenditures under the PACE program and invoices for construction in progress that had been paid. The amount financed is subject to an annual interest rate of 5.75% and the financing has a maturity date of April 30, 2045. Payments are collected through property tax bills as a non-ad valorem assessment. Payments commenced in July 2020. At September 30, 2021, the Company had a financing liability of approximately $32.0 million, of which $0.8 million and $31.2 million is classified within other current liabilities and other long-term liabilities, respectively, in the accompanying consolidated balance sheets. At September 20, 2020, the Company had a financing liability of approximately $26.5 million which is classified within other long-term liabilities in the accompanying consolidated balance sheets. At September 30, 2021, there was approximately $10.7 million left in escrow, required to be spent on qualifying renovations.

In January 2021, the Company entered into an agreement with a third party that specializes in PACE financing to finance approximately $18.0 million for qualifying renovations for the property in Rhode Island located at Our Lady of Fatima Hospital. The full amount of the funds were deposited into an escrow account managed by a third party administrator, less deductions for deferred financing fees totaling approximately $1.4 million. The Company received cash from the escrow account of approximately $2.9 million which was used to refinance related completed qualifying expenditures under the PACE program and invoices for construction in progress that had been paid. The amount financed is subject to an annual interest rate of 5.75% and the financing has a maturity date of July 31, 2046. Payments are collected

through property tax bills as a non-ad valorem assessment. Payments commenced in July 2021. At September 30, 2021, the Company had a financing liability of approximately $4.9 million, of which $0.3 million and $4.6 million is classified within other current liabilities and other long-term liabilities, respectively, in the accompanying consolidated balance sheets. At September 30, 2021, there was approximately $13.4 million left in escrow, required to be spent on qualifying renovations.

14. Accrued Medical Claims and Other Healthcare Costs Payable

The following table presents the roll-forward of incurred but not reported ("IBNR") claims reserves (Medical Group segment, Global Risk Management segment, and full risk contracts) as of and for each of the years ended September 30, 2021 and 2020 (in thousands):

September 30,	2021	2020
IBNR as of beginning of year	$ 76,457	$ 72,508
Claim expenses incurred during the year:		
Related to current year	352,288	258,958
Related to prior year	(6,715)	(5,212)
Total incurred	345,573	253,746
Claims paid during the year:		
Related to current year	(274,447)	(192,609)
Related to prior year	(53,881)	(57,188)
Total paid	(328,328)	(249,797)
IBNR as of end of year	$ 93,702	$ 76,457

Following is a table showing the details of the Medical Group and Global Risk Management segments cost of revenues per the consolidated statements of operations (in thousands):

Years Ended September 30,	2021	2020
Capitation expense	$ 133,786	$ 97,903
Fee-for-service claims expense	232,103	142,971
Other physician compensation	28,428	29,628
Other cost of revenues	17,255	24,663
Total cost of revenues	$ 411,572	$ 295,165

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15. Joint Ventures and Unconsolidated Equity Investments

The Company has invested in several joint ventures with unrelated third parties, which are accounted for under the equity method of accounting. Ownership percentages as of September 30, 2021 and 2020 are as follows:

September 30,	2021	2020
CharterCare:		
Roger Williams Radiation Therapy	**20.00%**	20.00%
Southern New England Regional Cancer Center, LLC	**20.00%**	20.00%
Crozer:		
University Technology Park, Inc.	**50.00%**	50.00%
Delaware Valley Sleep Management Company, LLC	**21.25%**	21.25%
DCMH MOB Associates	**35.00%**	35.00%
ECHN:		
NRRON, LLC	**50.00%**	50.00%
Aetna Ambulance Service, Inc.	**50.00%**	50.00%
Ambulance Service of Manchester, LLC	**50.00%**	50.00%
Evergreen Endoscopy Center, LLC	**50.00%**	50.00%
Connecticut Occupational Medicine Partners, LLC	**25.00%**	25.00%
Waterbury:		
Harold Leever Regional Cancer Center Inc.	**50.00%**	50.00%
Prospect Ambulatory Holding, Inc.:		
Naugatuck Valley Endoscopy Center	**20.92%**	0.00%
PMG:		
AMVI/Prospect Medical Group	**50.00%**	50.00%

These joint ventures under the equity method are included in the other assets in the accompanying consolidated balance sheets as of September 30, 2021 and 2020 are $28,722,000 and $45,881,000, respectively. For the years ended September 30, 2021 and 2020, the Company received $22,645,000 and $1,465,000, respectively, in distributions for equity method investments, and $0 and $58,000, respectively, for cost method investments.

In December 2020, the Company purchased, through a wholly owned subsidiary, shares representing an approximate 21% ownership interest in Naugatuck Valley Endoscopy Center, a limited liability company operating an ambulatory surgery center in the State of Connecticut, for approximately $5.1 million.

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Summarized combined unaudited financial information for the Company's joint ventures as of September 30, 2021 and 2020 and for the years then ended is as follows (in thousands):

September 30,	2021	2020
Cash	$ 18,646	$ 35,793
Receivables	10,795	10,359
Other current assets	2,894	4,221
Total current assets	32,335	50,373
Property, improvements and equipment, net	33,523	32,273
Goodwill	7,142	7,142
Intangible assets	814	814
Other long-term assets	2,893	2,673
Total assets	76,707	93,275
Accounts payable and accrued liabilities	8,509	4,910
Other long-term liabilities	8,032	7,777
Equity	60,166	80,588
Total liabilities and partner's capital	$ 76,707	$ 93,275

Years ended September 30,	2021	2020
Revenues	$ 59,474	$ 65,162
Net income	$ 7,451	$ 5,346
PMH's income from equity method investments	$ 3,095	$ 2,030

16. Subsequent Events

The Company has evaluated subsequent events through January 7, 2022, the date the Company's consolidated financial statements were available for issuance.

In October 2020, the Company entered into an Asset Purchase Agreement to sell substantially all of the assets of EOGH for a sale price of $6.2 million. The sale closed effective January 1, 2022.

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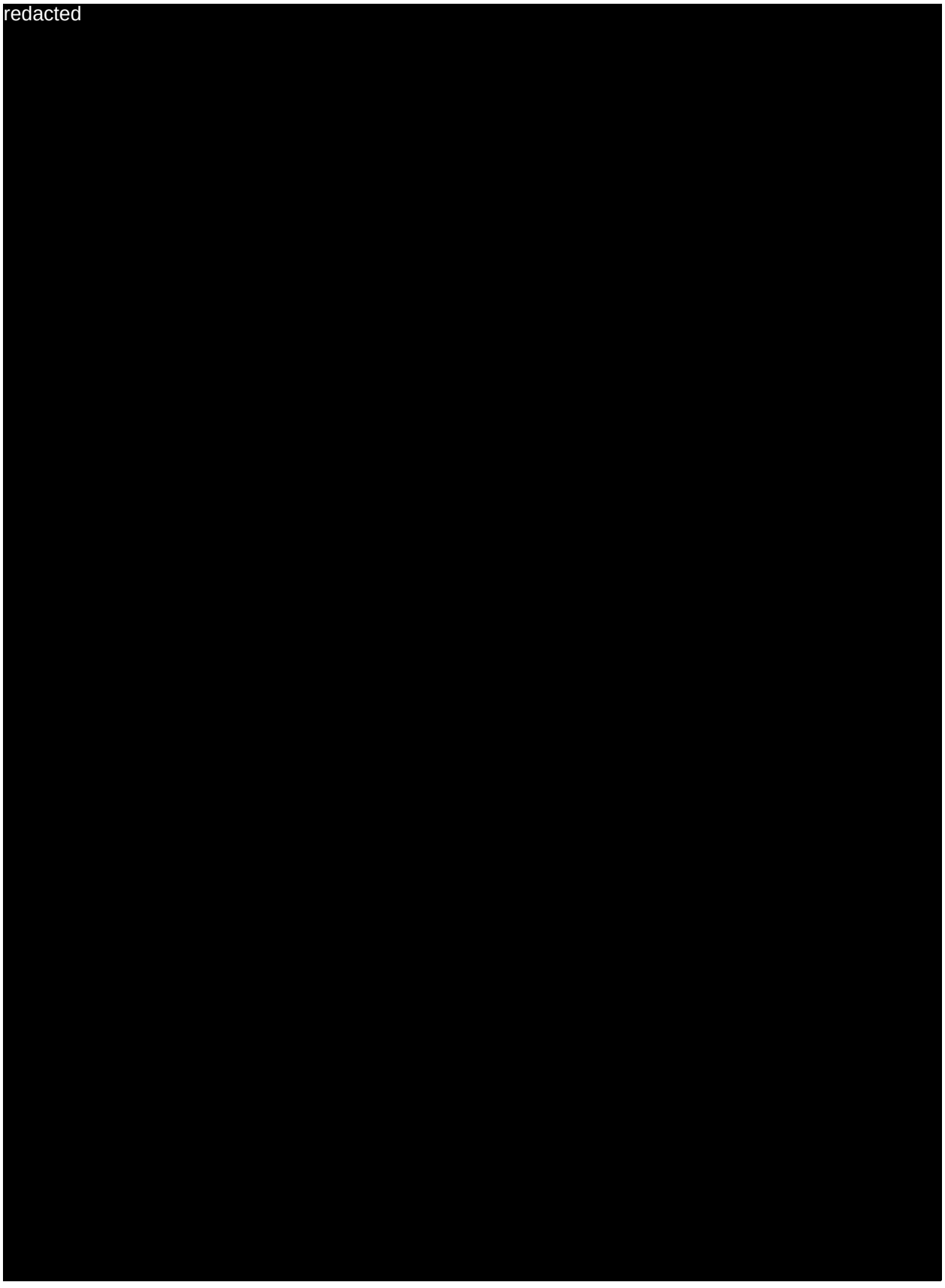


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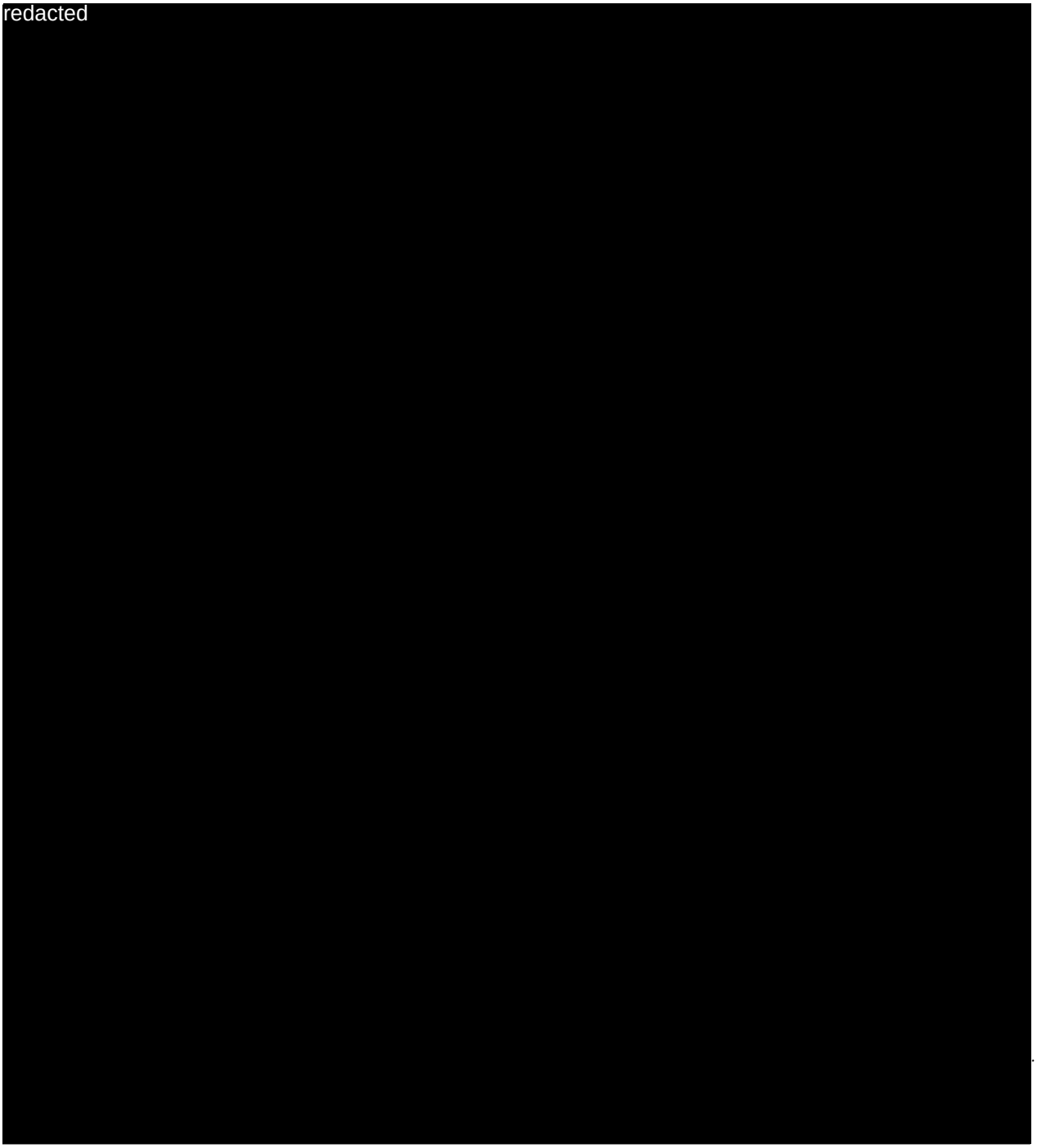
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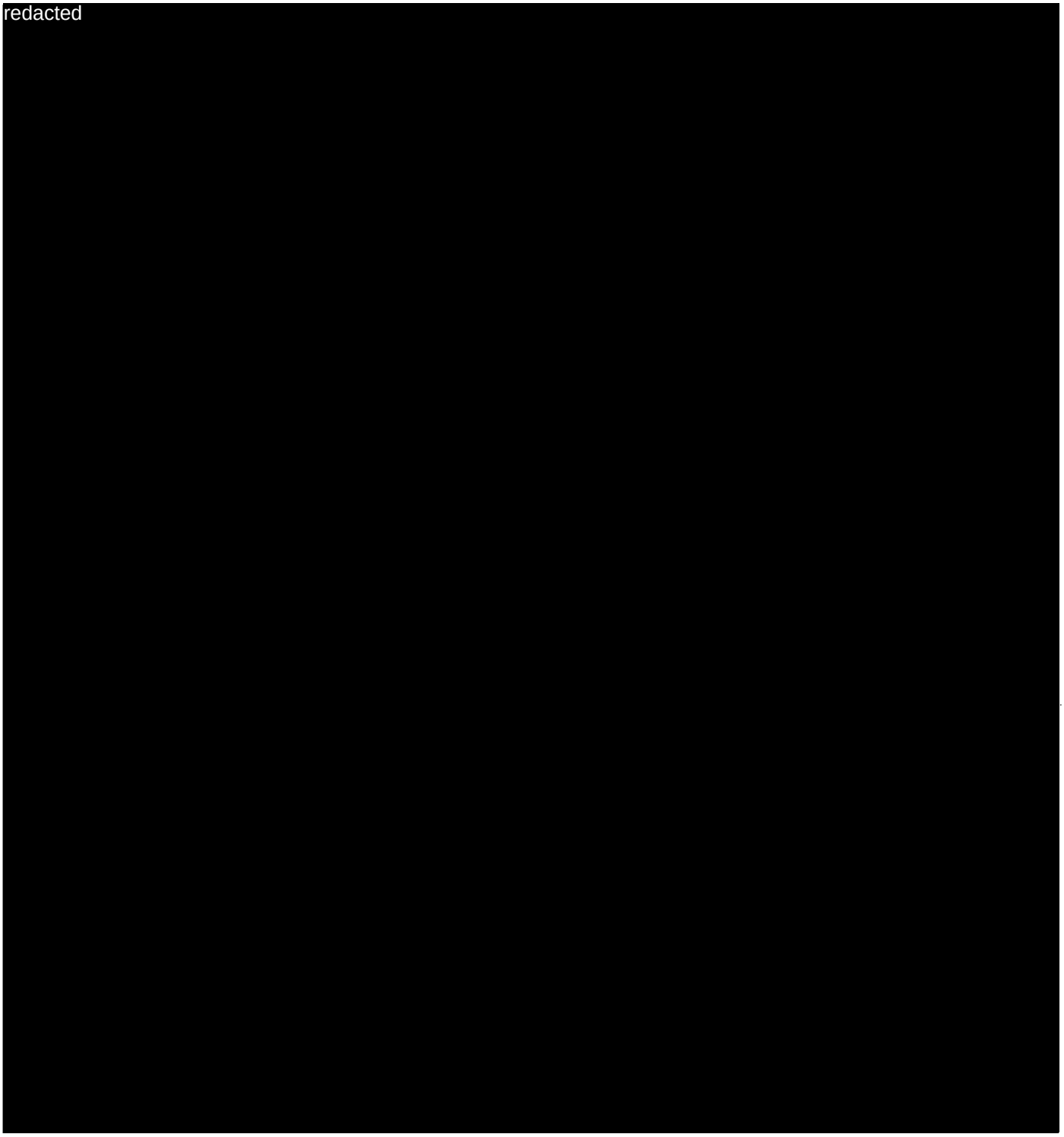

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Our Lady of Fatima Hospital

Policy Name: Blood Product Administration

Chapter: Provision of Care

Policy

This policy is to provide the transfusionist with guidelines identifying the accepted standards of practice for safe administration of blood products, as well as competence and education requirements needed to perform this procedure.

Definitions

Blood Products: A blood product is any therapeutic substance prepared from human blood. This includes: whole blood; blood components; and plasma derivatives. Whole blood is not commonly used in transfusion medicine. Blood components include: red blood cell concentrates or suspensions; platelets produced from whole blood or via apheresis; plasma; and cryoprecipitate. Plasma derivatives are plasma proteins prepared under pharmaceutical manufacturing conditions, these include: albumin; coagulation factor concentrates; and immunoglobulins.

Transfusion reaction: a systemic response to the administration of a blood product that is incompatible with that of the recipient, contains allergens to which the recipient is sensitive or allergic, or is contaminated with pathogens.

Procedure

A. Transfusionist Competency

1. Registered Nurses who have been deemed competent may administer blood and blood products with a physician's order.
2. Competency for Registered Nurses is determined by the nurse demonstrating to a competent provider that they have the knowledge, skills and ability to safely administer blood/blood products while following the institutional guidelines.
3. Documentation of competency will be kept in the employee's education file.

B. Pre-Transfusion Preparation

1. Explain the procedure to the patient and family, *because an informed patient and family can aid in the early detection of transfusion-related problems.*

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2. A Licensed Independent Practitioner (LIP) transfusion order verifying blood product to be infused, amount, and special considerations is required.
3. Standing orders have been established for type and screen, or type and cross-match for certain surgical procedures. The surgeon or anesthesiologist, based on patient condition, may override standing orders with patient specific orders.
4. A signed informed consent is required prior to transfusion unless the transfusion is an emergency. For patients having surgery, this is part of the surgical consent.
6. A professional nurse (RN) or LIP may obtain consent for transfusion from the patient. This applies to the following situation:
    a. All in-patients who require a transfusion of blood and blood components require completion of the Consent for Transfusion of Blood Components. This consent covers all episodes of transfusion throughout the admission.
    b. For outpatients, one form will cover multiple encounters providing the medical reason for transfusion is unchanged. The patient's continued understanding of the procedure should be documented in the medical record.
    c. All scheduled operative cases requiring a type and screen or type and cross-match for subsequent possible transfusions require the appropriate section on the operative consent form be completed.
7. Whenever a patient refuses transfusion or indicates exception to transfusion of any blood product:
    a. The patient must sign the Refusal to Consent to Blood Transfusion form. The registered nurse or the licensed independent practitioner will complete the form with the patient.
    b. The attending physician will be notified of the patient's refusal or exception to receive blood products and the exterior of the medical record will be flagged accordingly.
    c. In the case of refusal of transfusion of the pre-operative patient, the nurse in the Operating Room will be notified, as well as the Anesthesia Department.
    d. The registered nurse will document in the nursing assessment at Pre-admission Testing the patient's statement of refusal to receive any blood product and notify the appropriate personnel.

C. Dispensing of Blood Products

1. Once notified by Blood Bank that the blood product is ready, a Blood Request for Issue of Blood Component form must be sent to the Laboratory.
2. Blood components that are to be immediately transfused will be transported via pneumatic tube system.
2. Red Blood Cells intended for possible intra-operative use must be stored in an approved storage container prepared and issued by the Blood Bank.
3. The transfusion should be initiated as soon as possible but not more than 15 minutes after the time of dispensing.
4. If a delay is encountered in which the issued blood cannot be started and infused within 4 hours, the unit must be returned within 15 minutes of issue. If more than 15 minutes have elapsed since the time of issue, the blood will have to be discarded if returned.
6. Blood products are not to be stored in a unit refrigerator.
7. In emergency situations, the physician will record the urgent need in the patient's medical record for blood that has not completed pretransfusion testing and sign the "Release for Emergency Blood Transfusion" form.

D. Verification

1. Prior to transfusion, and in the presence of the recipient, two (2) licensed nurses and/or physician or LIP will concurrently and out loud:

a. Verify the physician's order and that the consent has been obtained.
b. Verify the patient using two patient identifiers.
c. Confirm that the patient name, medical record, unit number, unit expiration date/time, unit blood group, and patient blood groups are in agreement with the attached bag copy.
d. Check the interpretation of crossmatch test and special transfusion requirements, if applicable.
e. Any discrepancy in any of the information must be clarified and resolved before initiating the transfusion.

2. For OR patients – Upon admission to the OR, the patient's hospital ID band is checked against the anesthesia record. The "patient identification box" on this form must be checked. Prior to transfusion, information on the Record of Blood Transfusion form can be checked against the patient information on the anesthesia record rather than the identification band.
3. The transfusionist and co-identifier must enter date, time and signature on the Record of Blood Transfusion form.

E. Transfusion

1. All blood products provided non emergent must be transfused on a pump.
2. All blood must be administered through a filter. Filters may be used for multiple units of blood but should not be used for longer than a total of four (4) hours.
3. Four hours is the maximum time permitted for a transfusion. (Attachment A)
4. Take and record vital signs:
    a. Within 30 minutes before transfusion begins.
    b. Fifteen minutes after the start of the transfusion.
    c. Every hour thereafter during the transfusion.
    d. At the end of the transfusion.
    e. One hour after the transfusion has been discontinued.
5. Vital signs will be documented in the EMR.
6. A change in temperature of 2 degrees or more from base line may indicate a febrile nonhemolytic reaction (FNHTR) and must be reported to physician for treatment or discontinuation. When consecutive units are being infused the temperature taken prior to administration of the first unit is the baseline temperature used throughout the transfusions for comparison. Any time there is a substantial gap between transfusions (eg. morning transfusion and an evening transfusion), then the temperature before each unit is the baseline temperature for that transfusion.
7. If the patient requires transporting during the administration of blood or blood products, the patient must be accompanied by an RN to continue monitoring for signs of a transfusion reaction during transport.
8. No medication or intravenous solution other than 0.9% Normal Saline, Injection (USP) may be added to or administered concurrently with blood components.

F. Post-Transfusion

1. The empty blood container and attached administrations sets and any filters must be disposed of in a manner consistent with disposal of biological hazards.
2. Documentation of blood/blood product administration is completed on the Record of Blood Transfusion form.
3. Inpatients should be observed for possible late reactions (6-24 hours) which occur uncommonly.
4. After a transfusion is completed to an outpatient, the transfusionist will give the patient a list of symptoms of immediate and delayed transfusion reaction with the instructions to contact his or her physician/LIP if any of the symptoms are observed.

G. Transfusion Reaction Management

1. Follow the transfusion reaction instruction on the Record of Blood Transfusion form
2. Remove blood product, administration set and pump tubing down to the hub, and the Normal Saline bag.
3. Maintain patent intravenous (IV) line with new pump tubing and bag of 0.9% normal saline solution at a slow drip.
4. Notify physician to determine what supportive therapy is to be initiated. Document in Notes that physician was notified.
5. Notify blood bank.
6. At the bedside the nurse discontinuing the transfusion will check all labels, forms and identification and document whether or not there are discrepancies in recipient or blood identification.
7. Obtain blood sample (one purple top tube) for transfusion reaction investigation from arm opposite transfusion.
8. Return remainder of blood component, attached blood tubing and IV solution, and Record of Blood Transfusion form with appropriate symptoms checked if applicable along with the purple top tube blood sample to the blood bank.
9. Circle the transfusion reaction symptoms in the Transfusion Reaction Symptoms section of the Record of Blood Transfusion.
10. Monitor and document patient's vital signs every 15 minutes or more frequently, as needed.
11. Complete a Catalyst for the transfusion reaction.

References

Primer of Blood Administration AABB revised September 2012; https://www.bloodcenter.org/webres/File/hospitals/primerofbloodadministration.pdf; retrieved 3/30/2021.

Standards for Blood Banks and Transfusion Services; AABB; Bethesda, MD; 32st ed.; 2020.

Cohn C, Delaney M, Johnson S, Katz L; *Technical Manual;* AABB; Bethesda, MD; 20th Ed; 2020.

Review and Approval

The following CharterCARE personnel originated and approved this policy:

Contact:

Approved by: Policy Review Committee, 5/14/2021; Medical Executive Cmt., 7/1/2021

Policy Date:

Revision dates: 11/2014; 7/1/2017

Attachment A

Blood Products

Type	Indication	Time of Infusion
Red Blood Cells	Treatment of symptomatic anemia that has failed to respond to iron, Vitamin B12 or folic acid. One unit can be expected to increase the hematocrit by 3% or the hemoglobin by 1gm/dl.	2-4 hours; not to exceed 4 hours
Washed Red Blood Cells -have been cleansed with normal saline and must be given within 24 hours of preparation	Treatment of a patient that have reported severe allergic reactions to blood products in the past. It is indicated for patients who have experienced two or more non-hemolytic febrile reactions; Hematocrit may rise slightly less due to the loss of some cells during the saline washing process	2 -4 hours
Platelets contain plasma, some red cells, and some white cells (leukocytes). This causes the unit to have a somewhat cloudy, yellowish color with a pink tone	Platelets are essential for the coagulation of blood Platelets are indicated in patients with bleeding due to thrombocytopenia or platelet dysfunction or some combination of the two Units are ordered as "pooled"(random donor) or "Aphaeresis " platelets may be ordered (one donor) Platelet values should be followed closely when patients are on Weight Based Heparin. Platelet counts below 100,000 should be reported to the physician when on Weight Based Heparin Platelet counts should increase within an hour of transfusion	½ hour to one hour When prepared on site, this preparation requires time to pool and carries 4-hour expiration. This is necessary to prevent bacterial growth. Prepooled platelets by the RI Blood Center have a 5 day expiration
Fresh Frozen Plasma (FFP) FFP contains all coagulation factors. It is free of Red Blood Cells, Leukocytes and Platelets ABO compatibility is necessary but Rh need not be considered	Used in patients with documented coagulation factor deficiencies who are actively bleeding or who are about to undergo an invasive procedure. Deficiencies may be caused by: • Liver disease • Warfarin use • Congenital deficiency	15-30 minutes Once thawed FFP should be used ASAP and always within 24 hours of thawing
Cryoprecipitate (Cryo) Cryo is a concentrate of three proteins prepared from donated blood: Factor VII: VonWillebrand factor and Fibrinogen and Factor XIII	Indicated in patients with specific clotting factor deficiencies Fibrinogen or Factor VIII and was previously used in patients with hemophilia A now managed with DDAVP) and B	1-2 mL/Minute via an administration set Once ordered it is thawed and pooled.

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OUR LADY OF Fatima HOSPITAL

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MEDICAL EXECUTIVE COMMITTEE MINUTES

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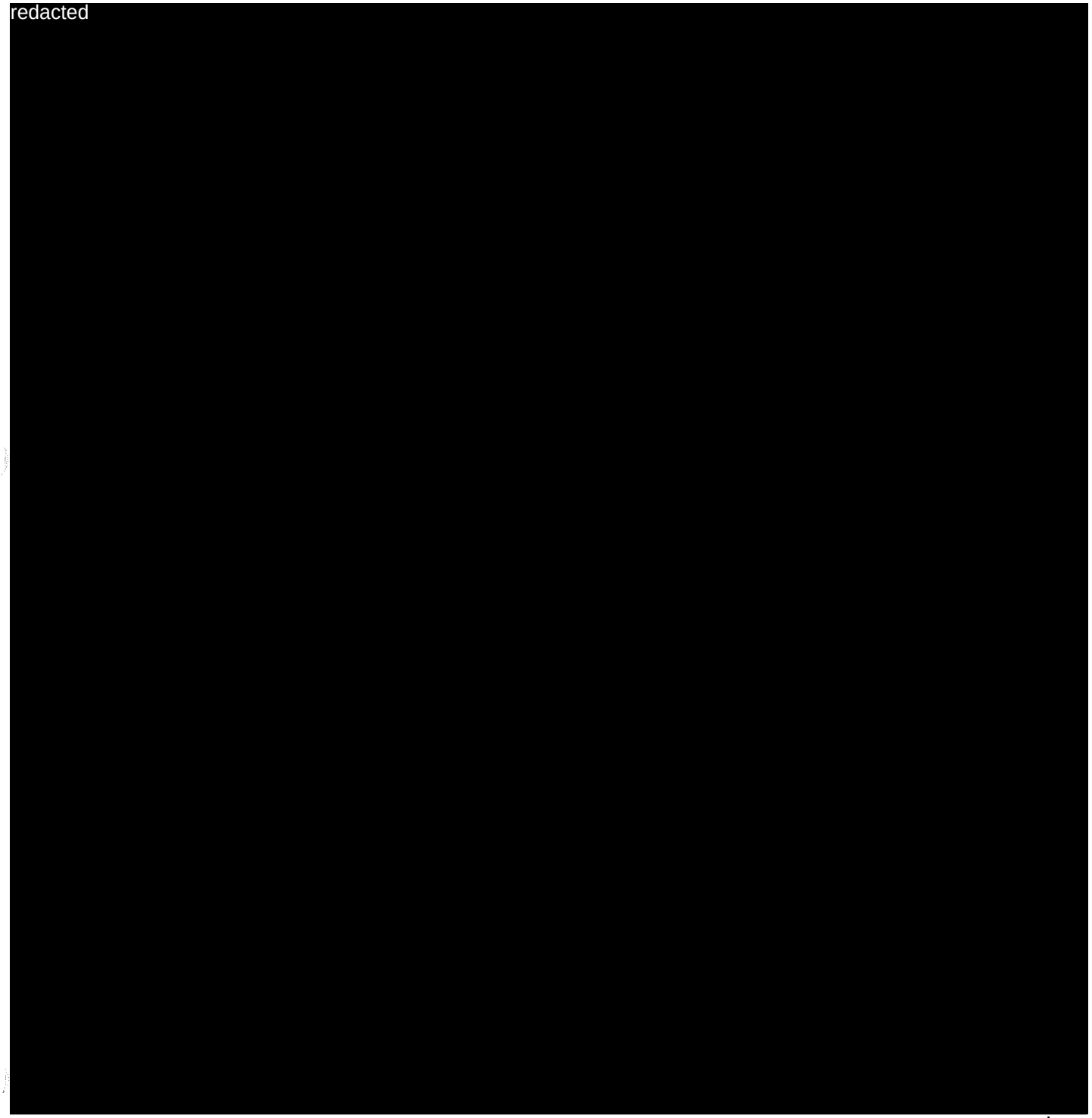

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Policy Name: CAUTI Elimination Policy

Chapter: Nursing

Policy

Our Lady of Fatima Hospital is dedicated to the prevention of catheter-associated urinary tract infections. We empower our nurses via nurse driven protocols (NPDs) to mitigate the insertion of unnecessary catheters, and remove them when no longer necessary.

Leadership encourages nurses to question the need for every indwelling urinary catheter and escalate situations of inappropriate utilization using the hospitals departmental chain of command.

The aim of this policy is to reduce the incidence of indwelling urinary catheters, which in turn decreases the potential of catheter-associated urinary tract infections (CAUTI). This is accomplished with the utilization of a nurse driven protocol which allows nurses to refuse to insert an indwelling urinary catheter when not medically necessary according to criteria, and/or to remove as early as possible without requiring a provider's order.

Scope:

Medical Staff, Nursing staff, Ancillary staff in the acute care setting.

Definitions:

Catheter-associated UTI: (CautI): A UTI where an indwelling urinary catheter was in place for more than 2 consecutive days in an inpatient location on the date of event; with day of device placement being Day 1*), AND an indwelling urinary catheter was in place on the date of even or the day before. If an indwelling urinary catheter was in place for more than 2 consecutive days in an inpatient location and then removed, the date of event for the UTI must be the day of device discontinuation or the next day for the UTI to be catheter-associated.

Indwelling Catheter: A drainage tube that is inserted into the urinary bladder through the urethra, is left in place, and is connected to a drainage back (including Leg bags). These devices

are also called Foley catheters. Indwelling urinary catheters that are used for intermittent or continuous irrigation are also included in CAUTI surveillance. Condom or straight in-and-out catheters are not included nor are nephrostomy tubes, ileal conduits, or suprapubic catheters unless an indwelling urinary catheter (IUC) is also present.

Neurogenic Bladder: Condition in which a person lacks bladder control due to a disorder or damage to the brain, spinal cord, or nerves. Symptoms vary from an overactive bladder to an underactive bladder depending on the cause.

Suprapubic Catheter: A drainage tube that is surgically inserted into the urinary bladder through a small hole in the abdomen. Indications for use include failed urethral-catheters, urethral disruption, and long-term use.

Intermittent Catheterization: A drainage tube that is inserted into the urinary bladder through the urethra to drain urine acutely and not left in place. Also called In and Out Catheterization.

Infection Window Period (IWP): defined as the 7-days during which all site-specific infection criteria must be met. It included the collection dates of the first positive diagnostic test that is used as an element to meet the site-specific infection criterion, the 3 calendar days before and the 3 calendar days after.

EMR: Electronic Medical Record

Procedure

Indwelling urinary catheters are inserted **only when medically necessary** and are evaluated every shift for need. Urinary catheters are not used solely for the convenience of patient care personnel or the patient.

Indications for Foley Insertion:

1. Strict I&O every 1-2 hours (Hemodynamically unstable patient – ICU)
2. Retention / Bladder Outlet Obstruction
3. Incontinent with a State III or IV Pressure Ulcer
4. To improve comfort for end of life care if needed.
5. Perioperative use for selected surgical procedures:
    a. Patients undergoing urologic surgery or other surgery on contiguous structure of the genitourinary tract.
    b. Anticipated prolonged duration of surgery (catheters inserted for this reason should be removed in PACU.
    c. Patients anticipated to receive large-volume infusions or diuretics during surgery.
    d. Need for intraoperative monitoring of urinary output.

6. To assist in healing of an open sacral or perineal wounds in incontinent patients.
7. Epidural catheter
8. Patients requires prolonged immobilization (e.g. potentially unstable thoracic or lumbar spine, multiple traumatic injuries such a pelvic fractures.

Alternatives to an indwelling urinary catheter are considered every time and documented in the electronic health record prior to insertion of an indwelling urinary catheter. These methods may include:

1. Voiding schedule/prompted voiding
2. Intermittent urinary catheterization (non-indwelling catheters such as straight cath.)
3. Utilization of a bladder scanner when urinary retention is suspected.
4. External male and female collection devices

Proper Insertion and Maintenance Interventions

Following the CAUTI Bundle Checklist:

1. Proper techniques for Urinary Catheter Insertion: The 2-person Urinary Catheter Insertion method should be utilized. (If two-person technique is not possible, consider alternatives such as external male/female incontinence devices or straight (in/out) catheterization.
2. Two-person Insertion Technique:
    a. Every RN who needs to insert a urinary catheter asks a second RN to observe when he/she is inserting the urinary catheter.
    b. This applies to both indwelling and straight catheterizations and applies to both men and women patients.
    c. A urinary catheter kit containing a urinary catheter and a drainage bag (closed system) securement device, and cleaning items are used.
    d. Two RNs are present at the bedside during the procedure which included these elements:
        i. Using sterile technique and following CDC guidelines for appropriate indications for indwelling urethral catheter use, while Nurse 1 cleans the periurethral area and inserted the catheter. Nurse 2 observed to ensure that Nurse 1 followed sterile technique and performed the procedure correctly. Use the Urinary Catheter Insertion checkline to guide this process.
    e. Nurse 2 is empowered to stop the procedure if sterile technique was broken at any point during the insertion procedure.
    f. Nurse 2 can assist Nurse 1 in the cleaning and positioning of the patient when necessary / maintaining asepsis during urinary catheter insertion can be challenging for a nurse working alone.
    g. Nurses find that inserting the urinary catheter has become easier and quicker because the observer was also helping.

3. The nurse discusses, with the covering/ordering provider daily, the need to continue with the catheter. *(This occurs only if the patient continues to meet criteria, otherwise, the nurse follows the nurse driven protocol for removal of indwelling urinary catheters). Using the Houdini tool.
4. If criteria for insertion/continuation of a catheter are no longer met, the nurse can
5. Refuse to insert or remove the catheter by following the nurse driven protocol. No physician order is needed for discontinuation.
6. A urinalysis is sent immediately following every indwelling urinary catheter insertion or when the patient arrives with an indwelling catheter from outside the organization, a urinalysis is sent within 24 hours of arrival.
    a. urologic patient
    b. Prostatectomy patient
    c. Urological insertion

7.. The CCHP CAUTI bundle is followed for all patients with indwelling urinary catheters

    a. Drainage tubing will be continuously connected to the catheter and the seal will only be removed when irrigation or a leg bag required.
    b. The drainage bag will remain below the level of the bladder at all times to maintain unobstructed urine flow.
    c. Drainage bag should be emptied prior to the transport of a patient for testing to avoid up-flow of urine.
    d. The drainage bag should never be placed on top of the patient stretcher for transferring a patient.
    e. An approved securing device will be used at all times.
    f. The drainage bag will be labeled with the date of insertion.
    g. Catheter care will occur daily with bathing and following each bowel movement.
    h. The spigot of the drainage bag will not come into contact with the sides of any non-sterile emptying device
    i. Indwelling catheters should not be changed at arbitrary fixed intervals.
    j. Chronic urinary catheters: It is recommended that they be changed every 4-6 weeks but should have a urology consult prior to changing or removing.
    k. Document catheter and balloon size in PCS, patient response, and alternatives attempted

Indications for bladder scanning

1. Post catheter removal: If a patient has not voided in 6 hours, or is exhibiting signs of distress scan bladder.
    a. Refer to retention algorithm (appendix a)
    b. Notify LIP or physician

Appropriate Urine Culturing:

1. Unnecessary urine cultures can lead to increases in catheter-associated urinary tract infection (CAUTI) reporting.
2. Bacteriuria = CAUTI
    a. Bacteriuria means the patient has a positive urine culture (which may include contaminants.
    b. Bacteriuria can be symptomatic or asymptomatic.
    c. CAUTI requires presence of symptoms consistent with UTI (refer to CAUTI definitions)
    d. Inappropriate triggers for urine cultures. Bacteriuria signs:
        i. Urine color
        ii. Urine smell
        iii. Urine sediment
        iv. Cloudy urine
        v. Pyuria (white blood cells or WBC in the urine)
        vi. Positive dipstick.
3. Urine Collection
    a. Obtain urine samples aseptically.
    b. If a small volume of fresh urine is needed for examination (i.e., urinalysis or culture), aspirate the urine from the needleless sampling port with a sterile syringe/cannula adapter after cleaning the port with a disinfectant.
    c. Obtain large volume of urine for special analyses (not culture) aseptically from the drainage bag.

Attachments

Urinary Retention & Indwelling Urinary Device Insertion/Continuation Algorithms

References

Urinary Tract Infection (Catheter-Associated Urinary Tract Infection (CAUTI) and Non-catheter-Associated Urinary Tract Infection (UT) Events
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Strategies to Prevent Catheter-Associated Urinary Tract Infections in Acute Care Hospitals: 2014 Update. SHEA/IDSA practice recommendations. Lo, Evelyn MD et al. Infection Control and Hospital Epidemiology May 2014, Vol. 35, No. 5

Gould CV, Umscheid CA, Agarval RK, Kintz G, Pegues DA. Healthcare Infection Control Practice Advisory Committee (HICPAC); guidelines for prevention of catheter-associated urinary tract infection, 2009. http://www.ded.gov/hicpac/cauti/001_cauti.html.

Horton TM, Bradley SF, Cardenas DO, et al. Diagnosis, prevention and treatment of catheter-associated urninary tract infection in adults. 2009 interventional clinical practice guidelines from the Infectious Disease Society of America. Clin Infect Dis 2012;50: 625-663

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Sublett, Cynthia. (2016) .Application to the evidence base: a nurse driven protocol for removal of indwelling urinary catheters across a multi – hospital academic healthcare system. Urological Nursing. September-October. 36 (5).

Durant, Danielle. (2017) Nurse-driven protocols and the prevention of catheter-associated urinary tract infections: a systemic review. American Journal of Infection Control. Vol 45.

Review and Approval

The following CharterCARE personnel originated and approved this policy:

Contact:

Approved by:

Policy Date:

Revision dates:

Attachments

Enter any content that you want to repeat, including other content controls. You can also insert this control around table rows in order to repeat parts of a table.

Fatima HOSPITAL

Guideline Name: Urinary Catheter Removal in the Absence of a Physician Order

Chapter: Patient Care Services

Guideline Statement

To define the process for the discontinuation of a urinary catheter by a Registered Nurse utilizing the HOUDINI protocol in the absence of a Physician Order.

Scope

This policy and procedure is organization-wide and applied to all nursing care units.

Definitions

HOUDINI Protocol – a generally accepted protocol for Nurse Driven removal of Urinary Catheters in the absence of specific Physician orders.

Procedure

A. The HOUDINI Protocol is to be used in the absence of a specific physician's order addressing urinary catheters. If the patient meets any of the criteria in the HOUDINI Protocol, the urinary catheter is **NOT** to be removed.

B. The Registered Nurse shall be able to discontinue the utilization of a Urinary Catheter utilizing the HOUDINI Protocol. The criteria for removal includes the **absence** of any of the following:

a. **H**ematuria, gross
b. **O**bstruction, urinary
c. **U**rologic or perineal surgery, documented difficult insertion, and/or requiring insertion by a physician
d. **D**ecubitus: To assist in the healing of open sacral or perineal injury in incontinent patients (Stage III or IV)
e. **I**ntake & Output: Critical for patient management or hemodynamic instability
f. **N**ursing end-of-life, palliative care, neurogenic bladder dysfunction
g. **I**mmobilization due to physical constraints (i.e., potentially unstable fracture, multiple traumatic injuries, IABP etc.)

If ANY criteria above is selected-DO NOT REMOVE Urinary Catheter

C. If there is any concern about the removal of the urinary catheter, the nurse will inform the physician for further guidance.

Removal Procedure

A. Identify patient using two approved patient identifiers and explain procedure.
B. Assemble equipment.
C. Provide privacy.
D. Perform hand hygiene and put on gloves.
E. Perform perineal care prior to removal.
F. Place protective pad to prevent spills on linens.
G. Attach syringe to catheter and allow water to drain by gravity from injection port.
    i. KEYPOINT: Do not cut injection port to remove water.
H. Check that volume of fluid removed is consistent with size of balloon (5mL or 30mL).
I. Gently remove catheter.
    i. KEYPOINT: Do not tug or pull at catheter if resistance is met. Notify physician or practitioner.

Post-Removal

A. Assess for voiding within six (6) hours of removal.
B. If patient spontaneously voids within six (6) hours but it's <200 mL, perform bladder scan, initiate straight catheterization if post-void residual (PVR) is > 200 mL.
C. If patient spontaneously voids within six (6) hours but patient is INCONTINENT (consider using the purewick or the condom catheter), perform bladder scan, straight catheterization if PVR is > 200 mL.
D. If patient has not voided within six (6) hours after removal of indwelling urinary catheter, perform bladderscan and notify physician or practitioner.

Patient/Family Education

A. Instruct patient to inform nurse of bladder discomfort or inability to void.
B. Explain signs and symptoms of urinary tract infection.
C. Notify nurse of first void.

Documentation

A. Date and time of removal of catheter.
B. Urine output (I & O).
C. Patient/family education.
D. Time patient is due to void.

HOUDINI

HOUDINI PROTOCOL IS TO BE USED IN THE ABSENCE OF A SPECIFIC PROVIDER ORDER ADDRESSING URINARY CATHETERS.

Select the criteria that the patient meets for CONTINUATION of a Urinary Catheter:

	Hematuria, gross
	Obstruction, urinary
	Urologic or Perineal Surgery, Documented Difficult insertion and/or Requiring insertion by a Physician
	Decubitus: To assist in the healing of open sacral or perineal injuries in incontinent patients (Stage III of IV)
	I&O: Critical for patient management or hemodynamic instability
	Nursing end-of-life, palliative care, neurogenic bladder dysfunction
	Immobilization due to physical constraints (i.e. potentially unstable fractures)

** IF any of the criteria above is selected-

DO NOT REMOVE THE CATHETER

until there is a Provider order. If none of the above criteria are present, remove the urinary catheter and document.

References

Adams, D., Bucior, H., Day, G., & Rimmer, J.-A. (2012). HOUDINI: make that urinary catheter disappear – nurse-led protocol. *Journal of Infection Prevention, 13*(2), 44–46. https://doi.org/10.1177/1757177412436818

Agency for Healthcare Research and Quality. (2013). Toolkit for reducing catheter-associated urinary tract infections in hospital units; implementation guide. Retrieved February 9, 2021 from https://www.ahrq.gov/hai/tools/cauti-hospitals/toolkit-impl.html.

Review and Approval

The following CharterCARE personnel originated and approved this policy:

Contact: Chief Nursing Officer

Approved by:

Date:

Revision dates:

Attachments: Houdini Protocol

OUR LADY OF Fatima HOSPITAL

CONFIDENTIAL

MEDICAL EXECUTIVE COMMITTEE MINUTES

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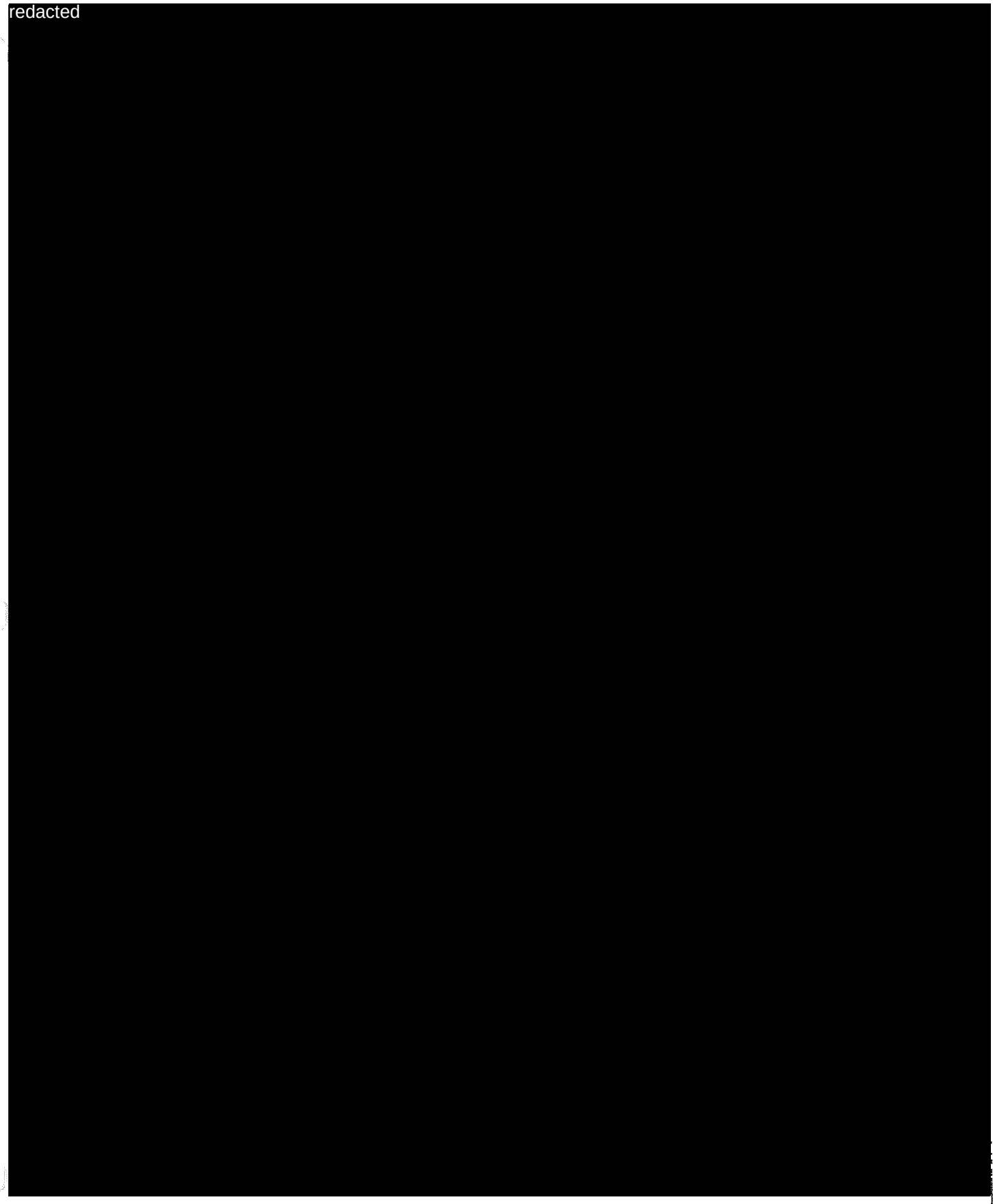

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MEDICAL EXECUTIVE COMMITTEE MINUTES

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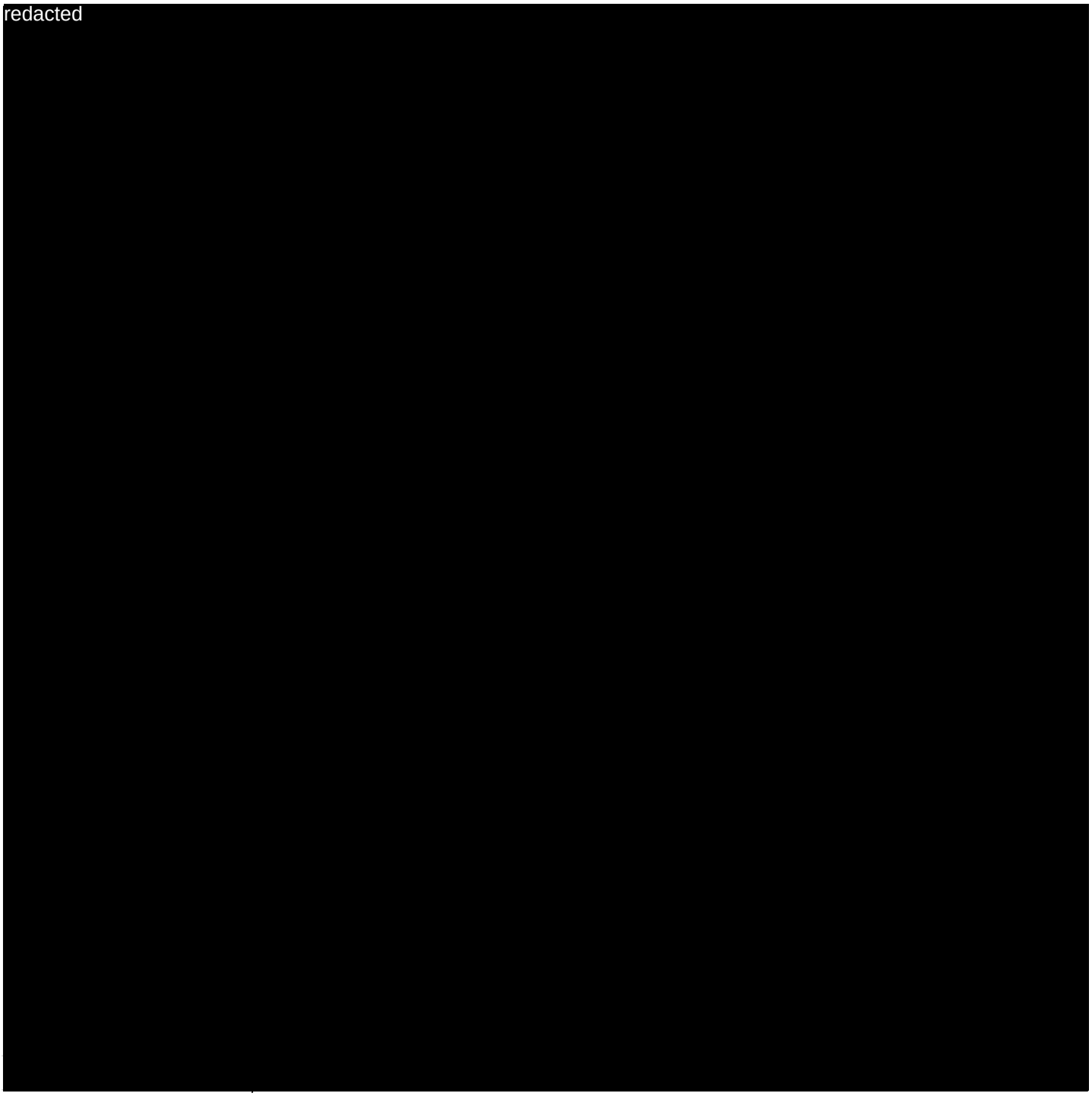

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Policy Name: Organ and Tissue Donation, Procurement, and Transfer to New England Donor Services (NEDS) when applicable.

Chapter: Provision of Care

Policy Number:

Policy

It is the policy of Our Lady of Fatima Hospital to identify and facilitate the donation of organs and tissues in collaboration with the NEDS. This provides the opportunity at the earliest point in time to ensure an opportunity to provide the family of potential donors with education and choice reflecting best-practice and compassion for donation.

Definitions

Clinical Cues for Referral- Any ventilated patient who has a non-recoverable injury or conditions as listed in section 1 of procedure.

Life Sustaining Procedures- Mechanical or artificial means may be utilized to sustain, restore or supplant a spontaneous vital function (respiration, nutrition, hydration, or cardiac function). Any medical procedure, treatment, or intervention which when applied to a patient in a terminal condition serves only to prolong the dying process is considered a life sustaining procedure. Life sustaining procedures or treatments may include, but are not limited to:

- Infusion of cardiac inotropic medications
- Mechanical ventilator support
- Mechanical cardiac assist devices
- Infusion of nutritional or hydration supplements

Brain Death- Irreversible cessation of all functions of the brain including the brainstem. A patient determined to be brain dead is legally and clinically dead.

Death (legal definition)- The presence of irreversible cessation of circulatory and respiratory functions or irreversible cessation of all functions of the brain, including the brainstem, as determined by accepted medical standards.

Organ Donation after Circulatory Death- Organ donation that occurs after the withdrawal of life sustaining therapies that lead to death. Complete cessation of all respiratory and cardiac functions

Organ Procurement Organization- Non-profit organization responsible for the evaluation and procurement of deceased-donor organs for transplantation. Once authorization for donation is obtained, candidates for the available organs are identified and coordination with a surgical team is established to ensure transplantation to a recipient.

Procedure

Organ Donation:

When to refer- Any ventilated patient who has a non-recoverable injury or condition will be referred:

1. Upon initiation of therapeutic hypothermia/TTM
2. Prior to the discussion of do not resuscitate status with the family
3. Prior to discussion of DNE/CMO with the family or removal of any mechanical or pharmaceutical support

Suitable Candidate Selection

1. Any ventilator dependent patient who
    a. Has irretrievable loss of brain function and does not fulfill brain death criteria, or
    b. Has an established cause of irreversible damage due to :
        i. Trauma
        ii. Intracranial bleed
        iii. Ischemic brain injury
        iv. Brain tumor
2. Patients with other conditions that may lead to consideration of DCD eligibility include:
    a. End stage musculoskeletal disease
    b. Pulmonary disease
    c. High spinal injury
3. Once a patient has met the Clinical Cues for Referral, the patient must be referred to NEDS within 1 hour. This facilitates coordination between clinical staff and NEDS to best serve the potential donor and his/her family. (Do not mention donation to the family prior to them being contacted by NEDS)
    a. Notification to NEDS should be made prior to any discussion of DNR or withdrawal of life support
4. Pre and post-authorization assessments for candidate suitability should be conducted by NEDS and the patient's primary health care team. This assessment may include consultation from a NEDS Medical Director and/or the Transplant Center Team. The evaluation may include, but not limited to:
    a. Review of the medical record (HIPAA extends an exception to all OPO staff)
    b. Lab and serology results
    c. Medical history and medications
    d. Tissue typing results
5. The NEDS coordinator discloses donor designation to the legal next of kin
        i. In the absence of a donor designation, a NEDS representative will obtain authorization for organ and tissue donation from legal next-of-kin per the Uniform Anatomical Gift Act.
    b. Priority among decision makers shall be given in the following order:
        i. The spouse of the decedent or the certified domestic partner of the decedent as defined in subsections 36-12-1(13) and 45-19-4.3(b) or other provisions of the state's laws.
        ii. Adult children of the decedent
        iii. Parent of the decedent
        iv. Adult siblings of the decedent
        v. Adult grandchild of the decedent
        vi. Grandparent of the decedent

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vii. An adult who exhibited special care and concern for the decedent who is familiar with the decedent's personal values and who had maintained regular contact with the decedent prior to death; this may not include any medical personnel caring for the decedent at the time of or immediately leading up to the death.
viii. The person acting as the guardian of the decedent at the time of death (court appointed)

6. After authorization for donation occurs, the NEDS coordinator facilitates the donation process.
    a. When a donation is to occur, the medical staff collaborates with the NEDS coordinator to manage the care of the donor, orders testing, medications, and treatments.
    b. A member of the patient care team notifies the Office of the State Medical Examiner of brain death or the intent to withdraw life support. Clearance for donation from the ME is obtained by NEDS.

Organ Donation After Brain Death

1. Impending brain death
    a. All impending brain deaths must be referred to NEDS when the nurse or physician becomes cognizant of the likelihood brain death will occur.
    b. Referral must be made prior to extubation of patients with severe neurological injury likely to progress to brain death.
    c. Referral must be made prior to initiation of brain death testing.
    d. Brain death will be declared in accordance with the hospital's Determination of Brain Death Policy (Refer to Brain Death Policy under Medical Staff for Determination of Brain Death Via testing).
    e. Organ function is maintained until NEDS determines medical suitability for donation.
    f. Organ recovery takes place in the hospital's Operating Room.
    g. NEDS staff notifies technical staff, OR charge nurse or supervisor, and the transplant surgeon(s) of the pending organ donation.
    h. An Anesthesiologist or Nurse Anesthetist must be present in the Operating Room for all brain dead donors in order to provide oxygenation and hemodynamic support to keep the organs perfused up to the time of recovery.

Donation After Circulatory Death (DCD)

1. The decision to withdraw life-sustaining measures must be made by the hospital's patient care team and family or legal next-of-kin and documented in the medical record. Family or legalnext of kin and the attending physician must determine:
    a. No further treatment will be performed
    b. Continued artificial support is unwarranted
    c. No resuscitation upon asystole
    d. Withdrawal of support (usually removal of the endotracheal tube from the patient)
2. An assessment of whether death is likely to occur after extubation within a time frame allowing for donation occurshall be made.
3. The standard hospital consent form is utilized for all donation related medications and donation related procedures prior to the determination of death.
4. Consent is obtained for medications and procedures by a member of the patient care team

5. NEDS staff notifies technical staff, OR charge nurse or supervisor, and the transplant surgeon(s) of the pending organ donation.
6. If lungs are to be recovered from a DCD donor, an Anesthesiologist or Nurse Anesthetist is required in the OR to re-intubate the donor after death for the purpose of re-inflating the lungs prior to recovery. If lungs are not to be recovered, they are not required in the OR.
7. If an Anesthesiologist or Nurse Anesthetist will not be in the OR, a plan must be made as to how the anesthesia monitor will be used if the travel monitor used to transport the patient to the OR doesn't have a-line ability.
8. Once all preceding preparations are complete, withdrawal of care occurs as follows:
    a. Skin preparation and draping of the potential donor
    b. Systemic heparinization with 30,000 units of intravenous heparin
    c. Pre-donation medications ordered by the physician (NEDS and affiliates do not participate in the ordering of any medications related to comfort of the patient)
    d. Extubation is performed by the hospital staff. Location is determined by NEDS in collaboration with the care team. Family should be afforded the opportunity to be present at the bedside until circulation and respirations have ceased..
    e. A time out is held immediately prior to extubation for verification of the patient's ID and review the respective roles and responsibilities of the care team, NEDS, and Organ Recovery Personnel.
    f. All administration of comfort medications are administered by the hospital care team, even after arrival in the OR.
    g. NEDS and affiliates cannot be present during the withdrawal of life sustaining measures. A family service coordinator from NEDS will support the family throughout the process and is present for the extubation if family agrees.
    h. Vital signs are monitored and recorded by NEDS. The individual responsible for declaring the death must be present from time of extubation until time of declaration.
    i. In the event of persistent cardio-respiratory function post-extubation for a time inconsistent with viable organ recovery, all efforts for donation will cease. If the extubation occurs in the OR, the patient returns to the appropriate hospital setting and remains under care of the hospital team until asystole occurs.
    j. Once the determination that circulation and respirations have ceased, a 5-minute observation period will occur using continuous objective monitoring confirming the irreversible cessation of circulation and respirations and the establishment of a declaration of death.
    k. The patient can be declared dead in the presence of pulseless electrical activity (PEA) only if intra-arterial blood pressure monitoring is available to continuously monitor absence of a pulsatile pressure throughout the 5-minute observation period. If not available, asystole must be present to pronounce death. After the 5-minute observation period,death is pronounced andthe organ recovery procedure may commence.
    l. The pronouncing physician fills out the death packet and includes the death certificate and a written pronouncement note documenting the time of death in the medical record.
    m. Donor family follow-up: Given the special nature of DCD, particular attention will be paid to the needs of the donor family. After the potential donor's family has decided to withdraw life support, they will be offered the opportunity to be present at extubation and to stay with the patient until circulation and respirations have ceased. . This request should come from a representative of the New England Donor Services alone or

In conjunction with the physician(s) primarily responsible for the patient's care. Education, support, and counseling will be provided to the donor family.

n. The New England Donor Services has formal programs that offer follow-up and counseling for donor families and recipients. These include contacting the donor families several weeks after the donation and yearly recognition ceremonies for the donor families.

9. No donation related charges are passed along to the donor family.

Tissue Donation:

Transfer of Tissue Donors to Recovery Center:

1. All potential tissue donors (all deaths) must be reported to the NEDS at 1-800-446-6362 within 1-hour of asystole.
2. The NEDS representative will ask questions related to the patient's current and past medical history.
3. NEDS will contact the patient's family related to tissue donation if the individual is eligible.
4. If the decedent is determined ineligible or the family declines the donation opportunity, the patient may be released to the funeral home or Medical Examiner.
5. Autopsy does not supersede tissue donation. Both may occur collaboratively with the pathologist.
6. If accepted, tissue may be recovered in the OR at the hospital or the patient may be transferred to the NEDS Tissue Recovery Center off site.
7. Post-mortem care remains the same regardless of if donation will occur or not.
8. Patient belongings should be sent home with the family if applicable. Belongings should not be sent with the patient.
9. The body should be transported to the morgue while awaiting the arrival of the tissue donation team.

Nursing and Operating Room Team Responsibilities:

1. Pending organ or tissue procurement, an approximate time is scheduled with collaboration between the OR nursing team and the NEDS coordinator. On evenings, weekends, and holidays, the nursing supervisor should be notified who will contact the appropriate personnel.
    a. NEDS provides a tentative list of the organs and/or tissues for recovery.
    b. NEDS requests equipment and/or supplies needed from the Donation Manual stored in the OR
2. The NEDS coordinator is responsible for ensuring all necessary documents and consents are complete prior to the initiation of any procurement of organs or tissues. These include:
    a. A declaration of brain death and pronouncement of death
    b. A signed copy of the death certificate, if decedent has not been accepted by the State Medical Examiner's Office.
    c. Disclosure form and/or authorization form signed by the family member according to section 7b.
    d. Physician's note or notification to the Medical Examiner
3. A circulating nurse and surgical technician are required for Organ Donation After Brain Death and Organ Donation After Circulatory Death and supplied by the hospital. NEDS does not require a circulating nurse or surgical technician for tissue recovery performed at the hospital. NEDS provides surgical staff for organ and tissue recovery. NEDS provides the supplies required for Tissue Recovery.
4. OR staff complete all charting in the medical record.

5. Post-mortem care is completed by hospital staff with assistance from NEDS personnel.

Attachments

Enter any content that you want to repeat, including other content controls. You can also insert this control around table rows in order to repeat parts of a table.

References

Iowa Health Des Moines. Policy 30: Organ Donation after Cardiac Death (DCD). 2/11

New England Organ Bank: Controlled Donation after Cardiac Death Recovery Protocol Model Elements

Organ Donation after Cardiac Death Robert Steinbrook, M.D. N Engl J Med 2007; 357:209-213July 19, 2007DOI: 10.1056/NEJMp078066

Society of Critical Care Medicine, "Recommendations for Nonheartbeating Organ Donation," 1826-31; and J. L. Bernat et al., "Report of a National Conference on Donation after Cardiac Death," 281-91.

Review and Approval

The following CharterCARE personnel originated and approved this policy:

Contact: Director of Quality

Approved by: Policy Review Cmt., 9/1/2021;

Policy Date:

Revision dates:

Attachments

Enter any content that you want to repeat, including other content controls. You can also insert this control around table rows in order to repeat parts of a table.

New England Donor Services

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Tissue Screening Worksheet

ALL deaths must be reported to NEDS within 1 hour of cardiac death.

1(800) 446-6362

The following information will be needed for EVERY referral:

Phone # to Unit/Unit where patient died Name of Patient Medical Record # Date of Birth

Date of Admission Cardiac Death Date/Time Preliminary COD/admission diagnosis

Was the patient mechanically ventilated within 24 hours of death

If the answer to any of these questions is YES, or if this patient has been reported to NEDS previously during this admission, please inform the NEDS Clinical Coordinator at the beginning of your call.

Age 95 or over Yes ___ No ___
<36 weeks gestation Yes ___ No ___
HIV+ Yes ___ No ___
Hepatitis B or C+ Yes ___ No ___
IV drug use within 5yrs Yes ___ No ___
Age 75+ with metastatic cancer Yes ___ No ___
Current leukemia or lymphoma Yes ___ No ___
Is sepsis COD on death certificate Yes ___ No ___
Diagnosed with Alzheimer's Yes ___ No ___

If all answers in the top box are checked NO, the patient is still a potential tissue donor.
Please have the patient's chart and the information listed below readily available.

- Clinical Course Leading to Death
  - Admitting Diagnosis, Evidence of Infection, Antibiotic Coverage, and Surgical Procedures
- Lab Results
  - Daily WBC's & Daily Temperatures (most recent, 3 days of results) and Culture Results this admission
- Medical History
  - Past Medical History
  - Current Medical Diagnoses
  - Patient's Regular Home Medications
- Physical Assessment
  - Trauma, Deformities, Amputations
  - Skin Integrity (rashes, breakdowns, ulcers, etc.), Tattoos, or Body Piercings
  - Documented Height and Weight
- Blood/Fluid Received (Need to have colloids and crystalloids accurately documented in the chart to determine whether or not there is a suitable blood sample available for serology testing)
- Next-of-Kin Contact Information (Provide # to where family/NOK can be reached & any additional contacts)
- If ED Death we will also need the name of the EMS company, any cardiac rhythm (PEA, VFIB, est. downtime)

Tissue donation may include corneas, heart valves, aortoiliac graft, bone, vein, and skin.
We ask that the potential for donation NOT be mentioned to the families at the hospital.

On behalf of the donor families that wish to give these healing gifts and the recipients, we thank you for the time you have committed to participate in the screening process.

[redacted]

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Coma, irreversible and cause known	☐
Neuroimaging explains the coma	☐
CNS depressant drug effect absent (if indicated toxicology screen; if barbiturates given, serum level < 10 micrograms/ml)	☐
No evidence of residual paralytics (electrical stimulation if paralytics used)	☐
Absence of severe acid-base, electrolyte, endocrine abnormality	☐
Normothermia or mild hypothermia (core temperature >36 Celsius)	☐
Systolic blood pressure > 100 millimeters of Mercury (mm Hg)	☐
No spontaneous respirations	☐
Examination (all must be checked)	
Pupils nonreactive to bright light	☐
Corneal reflex absent	☐
Oculocephalic reflex absent (tested only if C-spine integrity ensured)	☐
Oculovestibular reflex absent	☐
No facial movement to noxious stimuli at supraorbital nerve temporomandibular joint	☐
Gag reflex absent	☐
Cough reflex absent to tracheal suctioning	☐
Absence of motor response to noxious stimuli in all four limbs (spinally mediated reflexes are permissible)	☐
Apnea Testing (all must be checked)	
Patient is hemodynamically stable	☐
Ventilator adjusted to provide normocarbia (PaCO2 35-45 mm Hg)	☐
Patient preoxygenated with 100% Fio2 for > 10 minutes to PaO2 >200 mm Hg	☐
Patient well-oxygenated with a positive end-expiratory pressure (PEEP) of 5 cm of water	☐
Provide oxygen via a suction catheter to the level of the carina at 6L/min or attach T-piece with continuous positive airway pressure (CPAP) at 10 centimeters of water (cm H2O)	☐
Disconnect ventilator	☐
Spontaneous respirations absent	☐
Arterial blood gas drawn at 8-10 minutes, patient reconnected to ventilator	☐
PCO2 [illegible], or 20 mm Hg rise from normal baseline value	☐
OR	☐
Apnea testing aborted	☐
Ancillary Testing [illegible]	
[illegible]	☐
[illegible]	☐
[illegible]	☐
[illegible]	☐
Time of death (DD/MM/YY) \ \	☐
Name of Physician (print name →)	☐
Physician Signature	Date \ \

Appendix 1: DCD Checklist For Hospital Staff

ICU NURSE

- ☐ Once consent for donation is confirmed, draw bloods in tubes provided by NEDS coordinator for serology, tissue typing, and C/S (to be labeled by NEDS coordinator and sent to outside lab)
- ☐ Draw additional labs to be sent to your hospital lab (chemistries, abgs, LFTs for example) as requested by NEDS coordinator in collaboration with ICU team
- ☐ Maintain current therapies (pressors, fluids, antibiotics, etc.) until NEDS, ICU and OR staffs and patient's family are prepared and ready for withdrawal of support to occur
- ☐ Transport monitor to bedside (attach to patient prior to extubation)
- ☐ Stretcher (if patient to be extubated in ICU, patient may be transferred onto stretcher prior to extubation to facilitate transfer to OR)
- ☐ Death Certificate and blank progress note (place on patient chart)
- ☐ If hospital uses addressograph plates, place patient's plate on chart
- ☐ Prior to extubation, prep/drape may be performed by NEDS staff. NEDS coordinator will escort family off ICU and will support as needed while this is done.
- ☐ CMO medications (to be administered as directed by hospital CMO policy/ICU MD) to be brought down by nurse from the ICU or the nurse must have access to OR/PACU PYXIS machine. Plan should be made regarding what will be done if patient requires additional medication.
- ☐ Heparin, after consent obtained for pre-mortem administration (to be administered by ICU Nurse as directed by MD in collaboration with NEDS coordinator)

ICU PHYSICIAN

- ☐ Obtain consent for pre-mortem procedures (heparin administration and bronchoscopy as needed) consistent with hospital DCD policy and as requested by NEDS coordinator
- ☐ If case is ME reportable, notify MEO (clearance for organ donation must be obtained prior to withdrawal of support if ME accepts case)
- ☐ Establish location and time of withdrawal of support in consultation with NEDS staff and family

- ☐ Maintain current therapies (pressors, fluids, antibiotics, etc.) until NEDS, ICU and OR staffs and patient's family are prepared and ready for withdrawal of support to occur
- ☐ Enter orders for screening labs (chemistries, abgs, LFTs for example) in collaboration with NEDS coordinator
- ☐ Enter CMO order
- ☐ Pronouncing MD must be in attendance for duration of withdrawal of support and determination of death and may not be a member of the recovery or transplant team. Bunny suit/hat/mask or OR scrubs should be worn to facilitate entrance into OR for pronouncement
- ☐ Ensure that blank progress note to write death pronouncement/death certificate on chart

OR STAFF

- ☐ Assign Scrub and Circulator to do case (if patient to be a lung donor, will also need anesthetist – this will be communicated to you by NEDS coordinator at time room is booked)
- ☐ If surgery to be performed on stretcher, remove OR table from room
- ☐ If family to come to OR, chairs to room
- ☐ Room must be opened and set up with staff assigned to room prior to extubation (NEDS coordinator can help you determine what supplies you will need)
- ☐ If patient to be a lung donor, bronchoscopy cart to room

RESPIRATORY THERAPIST

- ☐ Maintain ventilator at current settings until time of withdrawal
- ☐ Continue current therapies (nebs, CPT, etc.) until NEDS, ICU and OR staffs and patient's family are prepared and ready for withdrawal of support to occur
- ☐ Establish with team who will perform extubation (in keeping with hospital's policy for withdrawal of support)

SOCIAL WORKER/CHAPLAIN

- ☐ If patient to be extubated in OR, collaborate with family and NEDS coordinator to determine if family to accompany pt. to OR and how many family members wish to be present

- ☐ Family will need to leave quickly after patient dies. Ensure that they have ample time prior to extubation to say good-byes, pray, etc.

- ☐ Collaborate with NEDS coordinator how family will be escorted from room following pt's death

ENTIRE TEAM

- ☐ Establish plan for continued supportive care if patient survives beyond pre-determined time interval following withdrawal of support

- ☐ Perform huddle prior to extubation to ensure that all staff is prepared/available and all questions are answered

OUR LADY OF Fatima HOSPITAL

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MEDICAL EXECUTIVE COMMITTEE MINUTES

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Battalion Chief Robert DeAngelis
North Providence Fire Department
EMS@northprovidenceri.gov
401-231-8505 Ext 1306

Professional Experience

- Rhode Island Ambulance Service (EMT-C)- 1995-1999
- North Providence Fire Department (NPFD) - 1999-present
  - Firefighter Rescue Company 1-NPFD - 1999-2004
  - Lieutenant Rescue Company 2-NPFD - 2004-2012
  - Captain Rescue Company 1 and 2-NPFD - 2012-2018
  - Rescue Division Battalion Chief-NPFD - 2018-present
- Chief of Emergency Medical Service-Town of North Providence
- International Association of Fire Fighters Local 2334 Members Assistance Program Co-Chair
- Infection Control Officer-Town of North Providence
- Elderly Affairs Advocate NPFD

Academic History.

- North Providence High School - 1994
- Fire Academy Municipal/North Providence -1999
- State University of New York AS-Emergency Management - 2008

Key Skills and Qualifications

- Emergency Medical Technician - 1995
- Advanced Emergency Medical Technician - Cardiac 1997
- Federal Emergency Management Agency- Incident Command System Training-100,200,300,400,700 and 800 - 1999-2008
- Emergency Medical Technician Instructor Coordinator - 2010

Gerald Marsocci, M.D., F.A.C.S.
SURGERY

725 RESERVOIR AVENUE, SUITE 202
CRANSTON, RHODE ISLAND 02910
TELEPHONE (401) 943-8824
FAX (401) 943-8854

CURRICULUM VITAE
Gerald Marsocci, M.D. F.A.C.S.

PERSONAL:

Wife:	Patricia G. Marsocci, R.N.
Children:	Jeffrey, Susan, Tiffany
Office:	725 Reservoir Avenue, Cranston, RI 02910

EDUCATION:
Providence College, 1963 A.B.
Tufts University School of Medicine, 1963, M.D. 6/1/1967

INTERN:
Rhode Island Hospital 1967-1969, 1971-1975
Jr. Assistant Resident 7/1/1968 – 6/30/1969
Resident 9/1/1971 – 6/30/1974
Senior Resident 1974-1975

MILITARY:
U.S. Air Force 1969-1971 (Captain – Major)

SPECIALTY:
Breast, Colorectal, Laparoscopic and General Surgery
Board Certified 1977, Re-certified 1988, 1999, 2011 –
Fellow of the American College of Surgeons 1980-present

SOCIETIES:
1. R.I. Medical Society
2. American College of Surgeons
3. New England Cancer Society
4. Providence Medical Society
5. American Society of General Surgeons
6. American Lithotripsy Society
7. R.I. Chapter of the American College of Surgeons
8. American Society of Breast Surgeons 9/2/1997 cert# 392
9. American Medical Association
10. Society of Laparoendoscopic Surgeons

APPOINTMENTS:
1. Clinical Associate Professor of Surgery
   Brown University School of Medicine
2. Division C – Director of Laparoscopic/Endoscopic Surgery
   Roger Williams Medical Center 1991-1994
3. Board of Directors – Providence Medical Associates 1990-1992
4. Council – R.I. Chapter American College of Surgeons 1994-1995
5. Chief, Division of General Surgery – St. Joseph's Health Services 2007-present
6. Chief, Division of General Surgery – Roger Williams Medical Center 1985-1990
7. Surgical Advisory Committee – Blue Cross and Blue Shield of R.I. 1995-2000
8. Board of Directors – R.I. Medical Group Partners 2000-2002

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Gerald Marsocci, M.D., F.A.C.S.
SURGERY

725 RESERVOIR AVENUE, SUITE 202
CRANSTON, RHODE ISLAND 02910
TELEPHONE (401) 943-8824
FAX (401) 943-8854

HOSPITAL AFFILIATION:

1. Roger Williams Medical Center
2. St. Joseph's Hospital
3. Rhode Island Hospital
4. Women and Infants Hospital

STATE LICENSE:

1. Rhode Island 9/18/1968, # RI4017
2. Massachusetts (inactive)

HONORS:

1. Who's Who In The East
2. Outstanding Young Men of America
3. Past President of Woonasquatucket Chapter – American Cancer Society
4. Past Team Physician – Providence College Basketball Team
5. Boys and Girls Club of America Wanskuck Chapter – Hall of Fame Inductee
6. President, Medical Staff – St. Joseph's Health Services 1999-2001
7. Chief of Surgery – St. Joseph's Hospital 2007-present
8. Named One of Leading General and Breast Surgeons of Rhode Island in Rhode Island Monthly Magazine
9. Named One of Outstanding Doctors in America 2003
10. Named One of Outstanding Doctors in America 2006
11. 2015 Top Doctors in Rhode Island Surgery – Rhode Island Monthly Magazine
12. President Team Surgeons for Providence College Athletics
13. Chief of Surgery – Roger Williams Medical Center 1985-1990
14. Top Doctors in Rhode Island – Rhode Island Monthly Magazine 1995
15. Board of Trustees – St. Joseph's Health Services 1999-2003

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JEFFREY E. DODGE, D.M.D.

redacted

PRIVATE PRACTICE: General Dentistry
1438 Park Avenue
Woonsocket, RI 02895
1986- Present

EDUCATION: Tufts University School of Dental Medicine
Boston, MA
D.M.D. Degree
1982-1986

St. Michael's College
Winooski, VT
B.A. Degree in Biology
1978-1982

APPOINTMENTS: Rhode Island Board of Dental Examiners (Governor's Appointment) 2014-

Chair (Appointed by Director of Department of Health) 2015- 2019

Clinical Examiner- Council on Dental Competency Assessment (NERB) 2015-

Associate Director
Advanced Education in General Dentistry Program, NYU Langone, Providence site- St. Joseph Health Center.
3/2018- 7/2020

Attending Dentist
Advanced Education in General Dentistry, NYU Langone, Providence site, St. Joseph Health Center.
2013- 2020

CareLink, Mobile Dentistry (visit nursing homes and assisted living sites)

Lead Dentist 6 /2020 -

Oral Health Professional Advisory Committee
2008-
Chair 2011-2013

Rhode Island Dental Education Loan Repayment Committee
2012- 2015

Rhode Island Oral Health Commission- through office of the Lt. Governor
2009-
Co-Chair Workforce Workgroup 2011-

Elizabeth H. Roberts "Oral Health Champions Award" 2015

Council Member- Council on Members Insurance and Retirement Programs
American Dental Association
2010-2013

Dental Consultant
Delta Dental of Rhode Island
1998- 2005

Clinical Instructor
Department of Restorative Dentistry, Tufts University School of Dental Medicine
1986-1987

COMMITTEES:

Chair, Rhode Island Mission of Mercy (RIMOM), through the Rhode Island Oral Health Foundation
2011-

Member Quality Improvement Committee for the Rhode Island Rite Smiles Program-United Health Care

2019-

Co-Chair Dental Advisory Committee, through Rhode Island Department of Health

2021-

Co-Chair, Ad-Hoc Committee on workforce review, Rhode Island Dental Association
2012-2013

Co-Chair, Strategic Planning Committee, RIDA
2006-2007

Action Team Leader, RIDA Political Action Committee
2010-

Liaison to Sen. Sheldon Whitehouse and Cong. Langevin

Chair, Ad Hoc Committee on Guest Trustee, RIDA
2009-2010

President
Rhode Island Dental Association
2008-2009

President- Elect
Rhode Island Dental Association
2007-2008

Vice-President
Rhode Island Dental Association
2006-2007

Secretary/Treasurer and Chair Council on Scientific Sessions
Rhode Island Dental Association
2005-2006

Chair, Council on Peer Review
Rhode Island Dental Association
2000-2006

Delegate, American Dental Association House of Delegates
2007-2008

Alternate Delegate, American Dental Association House of Delegates
2006-2007, 2010-2012

Delegate, Rhode Island Dental Association, House of Delegates
1992-1996, 2000-2005, 2009-2014

Alternate Delegate, Rhode Island Dental Association, House of Delegates
1996-2000

Chair, Peer Review Council, Greater Woonsocket District Dental Society
Rhode Island Dental Association
1995-1999

Presiding Chair/Room Coordinator
Yankee Dental Congress
1999-2009

Core Committee Member Yankee Dental Congress
2008-2010, 2013-2016
Chair Sign Committee- 2010
Chair Registration Committee- 2015

Co-Chair- Exhibits Committee- 2016

Yankee Dental Congress- Oversight Committee- 2017-
Chair 2018-

Armand Nalban Volunteer Award- 2016

Secretary, Treasurer, Vice-President, President
Greater Woonsocket District Dental Society
1994-1998

Committee on Health Care Accessibility
Rhode Island Dental Association
1992

PRESENTATIONS:

"Pandemic-Driven Disruptions in Oral Health: 10 Transformative Trends in Care for Older Adults"

The Gerontological Society of America, October 2020

"Logistics of Starting a Mission of Mercy, Free Dental Clinic"

Rural Health Round Table, Annual Meeting, 2018

"Mission of Mercy as a Volunteer Opportunity for the Retired Dentist"

Annual meeting of the Association of Retiring Dentists, 2017

"Volunteer Opportunities in Dentistry" Presented to RIDAA, 2013

Guest Lecturer- Community College of Rhode Island- Dental Hygiene and Dental Assisting classes. 2015-2016

Guest Lecturer- Lincoln Technical Institute, Dental Assisting Classes, 2014

MEMBERSHIPS:

American Dental Association

Etherington Award Recipient (First District ADA)- 2018

Rhode Island Dental Association

A. James Kershaw Award Recipient 2012- distinguished service.

Greater Woonsocket District Dental Society

Academy of General Dentistry

Fellow- Pierre Fauchard Academy

Distinguished Dentist Award Recipient, 2014

Fellow- American College of Dentists

Fellow- International College of Dentists

Distinguished Deputy Regent Award Recipient, 2017

Deputy Regent- Rhode Island 2010-2018

Vice- Regent- First District 2019-

Treasurer, District 1 2014-

Rhode Island Public Health Association

Distinguished Service Award – 2020

American Mobile and Teledentistry Alliance

Volunteer Activities:

Prepare and provide protective mouthguards for each member of St. John's School boys basketball team 2005-2009

Provider Dentist for Donated Dental Services, (Dental Life Line Network) RI 2002-

Provider Dentist for Give Kids a Smile initiative through American Dental Association- 2002-

Volunteer Dentist through "Christina's Smile" 2007-2009

Volunteer Dentist with Missions of Mercy-
Connecticut 2008-
Rhode Island 2011-

Rhode Island Oral Health Foundation (Sponsor of RIMOM) a 501c3 non-profit
Founder and President 2011-

Volunteer Judge- Science Fair
Bishop Feehan High School 2009- 2017

Other Interests: Antique and Classic Cars (Member Cadillac LaSalle Club, Antique Automobile Club of America)

Golf, Travel , Outdoor and Family activities

Our Lady of Fatima Hospital
CharterCare Board of Directors
Consent Agenda
November 2022

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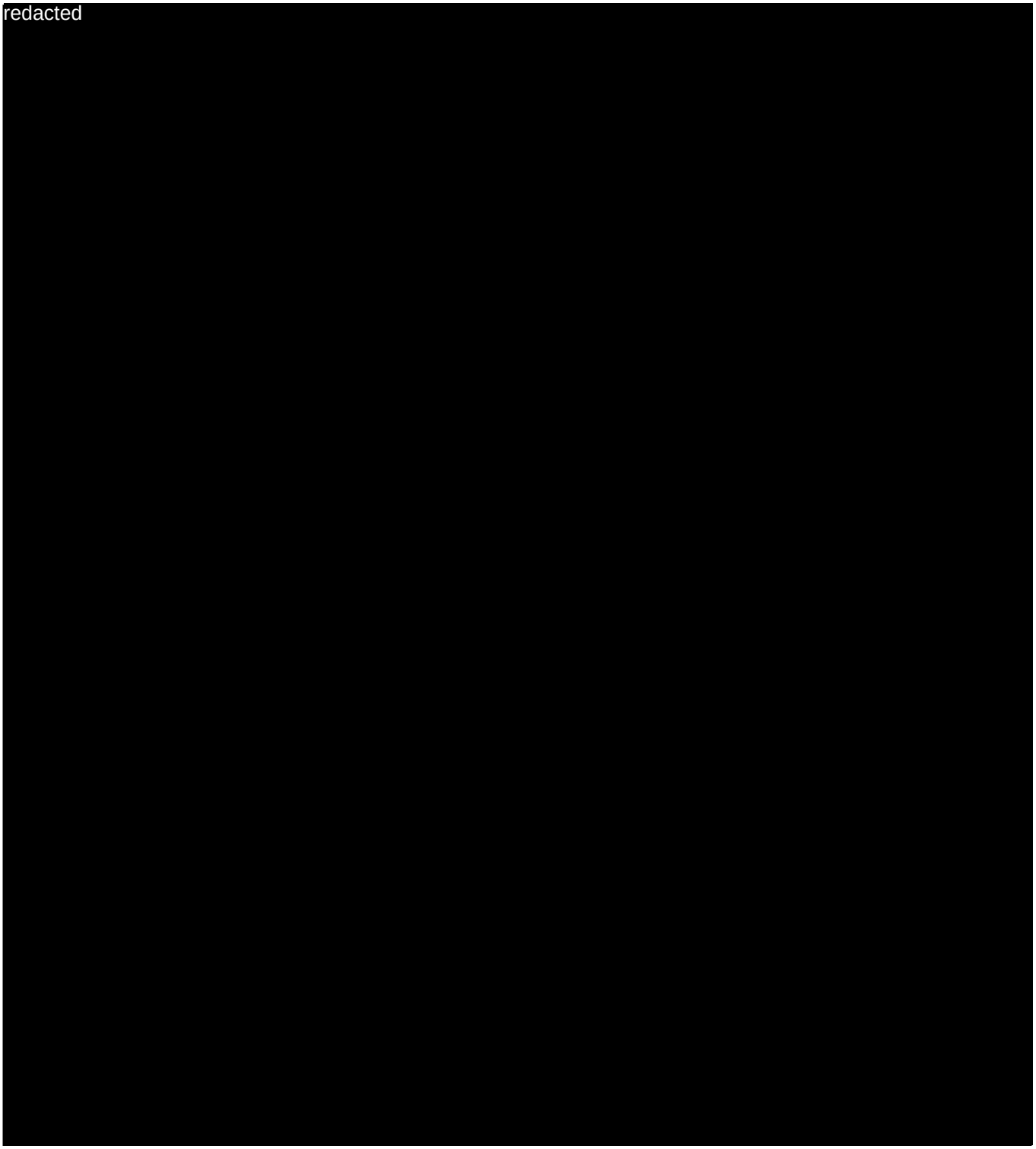

OUR LADY OF Fatima HOSPITAL

CONFIDENTIAL

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Our Lady of Fatima Hospital	Our Lady of Fatima Hospital 200 High Service Avenue North Providence, RI **Consent to Surgery or Other Procedures**	Patient Identification

I voluntarily authorize _____, to perform &/or supervise the performance of (describe in medical/lay terms)

_____

He/she has explained to me the nature of my present medical condition and the reasons for the recommended surgery or other procedures.

Risk, Complications, Side Effects, Blood Transfusions, Additional Surgery: My physician has fully explained to me & I understand that there are risk & complications to my proposed surgery or procedure, alternative treatment for my condition, as well as no treatment at all. I understand than any laparoscopic procedure may result in an open surgical procedure. I understand that "Risks and Complications" refer to events that may occur during or after surgery, such as: bleeding, blood clots, allergic reactions, infection, heart stoppage, nerve damage, injury to a nearby organ, tissue or blood vessel, brain damage or even death.

The possible need for blood transfusions was explained to me along with a discussion of the potential risks, benefits, & alternatives to transfusion. ☐ I **consent** ☐ **do not consent** to the use of blood & blood products, if they are required.

My physician has explained to me that sometimes during surgery it is determined additional surgery is needed immediately. If I need additional surgery during my operation, I permit the physician to proceed. I agree that such additional procedures be performed, *except as I may indicate below on this form.* (**STATE EXCLUSIONS, IF ANY, OR WRITE "NONE"**).

_____

_____

I understand & acknowledge that: a **Physician Assistant** requested by my surgeon may participate in the surgical procedure; a **sales representative** may be present in the operating /procedure room at the request of my physician & may or may not render technical assistance; the hospital may use for teaching or scientific purposes, or may otherwise dispose of, tissue, parts, or organs removed during the procedure; & the hospital may use photographing/filming/videotaping of the surgery/procedure if indicated for the purpose of teaching & patient care & that they are the property of the above mentioned physician or hospital & may be made a part of my medical record & I authorize its use.

I understand that I am under no obligation to proceed with the surgery or procedure until all information I have requested has been provided and all of my questions have been answered to my satisfaction. I acknowledge that all of the above has been completed and I hereby give my free, voluntary and informed consent to the surgery or procedure. I understand that no guarantees or promises have been made to me that this procedure will improve my condition.

_____ _____

Patient's Signature Patient's Legal Representative/Relationship to Patient

_____ **Time of Signing** _____ **AM/PM Date** _____

Patient's Name (Printed)

PHYSICIAN'S ACKNOWLEDGEMENT: I acknowledge & declare that I have personally explained the above information to the patient or the patient's legal representative & I have answered all of their questions. The patient or patient's legal representative agrees to proceed.

_____

Physician Signature

TELEPHONE CONSENT ☐ **INTERPRETER** ☐

Date & Time: _____ **AM/PM** _____ _____

Name of Person Called/Relationship/Interpreter Signature of Witness to Telephone Consent

OUR LADY OF Fatima HOSPITAL

Policy Name: Informed Consent Policy

Chapter: Patient Rights

Policy Number:

Policy

Our Lady of Fatima Hospital requires physicians to obtain the informed consent of their patients before performing surgery, or invasive, diagnostic and therapeutic procedures as is deemed appropriate by custom and practice in the profession. This policy shall be adhered to for all inpatient and outpatient surgeries or invasive, diagnostic and therapeutic procedures. There may be other informed consent forms and policies within specialty areas in our hospital.

Ensure that patients provide fully informed consent authorization and that such consent is properly documented in the hospital medical record. The obligation of obtaining the informed consent rests solely with the physician performing the surgery or invasive, diagnostic and therapeutic procedure(s); whereas the hospital has the administrative duty of ensuring that an informed consent form has been executed and is in the hospital medical record.

Surgery or invasive, diagnostic and therapeutic procedures that typically require informed consent include the following:

- Major and minor surgical procedures (see definitions section below)
- Other invasive procedures (see definitions section below)

Definitions

Informed Consent: The legal doctrine requiring a physician or his or her designee (defined herein) to explain the facts, risks, complications and benefits of treatment, alternative treatments, or non-treatment to a patient upon which the patient makes a knowledgeable (informed) voluntary decision to accept or reject the proposed medical treatment.

Disclosure of Information: The physician or his or her designee must disclose, in lay terms, the "material" facts about the patient's diagnosis, treatment options, risks, complications, benefits and expected results of each proposed treatment option, as well as the consequences of receiving no treatment. A "material" fact or risk is information which a physician or his or her designee should reasonably know that the patient will hold as significant in making his or her decision regarding the proposed surgery or procedure.

Consent Form: The document that Our Lady of Fatima Hospital requires a physician or his or her designee to complete and execute for each patient before surgery or invasive, diagnostic and therapeutic procedure is performed. This form must be placed in the patient's medical record before the procedure may be performed. Our Lady of Fatima Hospital staff will confirm that this form has been completed, executed and inserted in the medical record. Our Lady of Fatima Hospital's staff will confirm that at a minimum, this form (attachment #1) has been properly completed.

Allied Health Professional (AHP): Credentialed Nurse Practitioner, Physician Assistant, Certified Nurse Anesthetists, who are under the direct or indirect supervision of a credentialed physician member of the medical staff.

Major and Minor Surgical Procedures: Involves entry into the body through an incision or a natural body opening, but also includes cardiac catheterizations, myelograms, arteriograms, insertion of devices and / or appliances under the skin and excisional debridements.

Other Invasive Procedures: Includes PICC lines, ports, pacemakers, tenkoff catheters, central lines, arterial lines, permacatheters, paracentesis, thoracentesis, lumbar punctures, **but excludes peripheral intravenous catheters, nasogastric tubes, indwelling urinary catheters and blood draws.**

Designee: Any credentialed allied health professional who is under the direct or indirect supervision, control, responsibility and direction of a credentialed physician member of the medical staff and/or residents, interns and fellows who are under the direct or indirect supervision, control, responsibility and direction of a credentialed physician member of the medical staff.

Procedure

A. Documenting Informed Consent

1. The physician or his/her designee shall disclose and discuss with the patient the "material" facts about the patient's diagnosis, treatment options, risks, complications, benefits and expected results of each proposed treatment option, as well as the consequences of receiving no treatment.

2. All Laparoscopic procedures require documentation on the informed consent form that the procedure may be changed to an open procedure by using words such as ? open, or question open procedure with an understanding that the patient was informed of the possibility.

3. The hospital employed surgical Physician Assistant designee must document in the medical record that he/she communicated with the physician the need to perform an invasive procedure on their patient and received permission to do so prior to performing the procedure.

4. The patient or representative shall date, time and sign the informed consent form voluntarily after the patient has had an opportunity to ask all questions and their questions have been satisfactorily answered (attachment 1).

5. The physician or his/her designee shall sign the consent form (Attachment 1).

6. It is recommended that the physician or his/her designee shall write a note in the hospital medical record (e.g., progress note or operative note), documenting the discussion with the patient regarding the "material" facts about the patient's diagnosis, treatment options, risks, complications (e.g., bleeding, blood clots, allergic reactions, infection, heart stoppage, nerve damage, injury to nearby organ, tissue or blood vessel, brain damage & death, etc) additional surgery, benefits and expected results of each proposed treatment option, as well as the consequences of receiving no treatment.

7. All adult (age 18 or older) patients and emancipated minors may sign the consent form (attachment 1) on their own behalf. Unemancipated minor patients (under age 18) and adult patients who lack capacity must have the consent form signed by their legal guardian or representative, or legal parent. Any questions regarding capacity of a patient or their representative to sign a consent form should be directed to the Risk Management Department.

8. The physician or his/her designee shall have a conversation with the patient or legal representative who has a DNR/DNI order as to whether or not they want their DNR order honored or suspended during the procedure. This conversation will be documented in the progress note by the physician.

B. Duration of Consent

If this consent form is signed in a pre-procedure/surgical area or the physician's private office in advance of admission for surgery or other procedures, the consent should be reasonably contemporaneous to the date of the surgery or procedure for which consent has been given. The patient must be re-consented if their condition changes or there is a change in the surgical procedure. The informed consent shall be completed no more than **ninety (90) days** before surgery or procedure. The consent form must be in the hospital medical record before the surgery or procedure may be performed.

In the event that the consent exceeds **90 days**, the physician or his/her designee shall have a conversation with the patient or representative regarding the proposed surgery or procedure. If the patient's condition has not changed, the patient or representative and the physician shall initial and date the original informed consent.

It is recommended that the physician or his/her designee write a note in the hospital medical record (e.g., progress note or operative note), documenting the discussion with the patient or legal representative regarding any changes in the patient's condition.

C. Telephone Consent

In the unusual event that the patient lacks capacity to give informed consent and the patient's legal representative (surrogate, legal guardian or designee, under a Durable Power of Attorney for Health Care) is not reasonably available, the physician or his/her designee shall obtain telephone consent from the legal representative after a good faith effort to obtain a written informed consent in person is unsuccessful. In this event, follow this procedure:

1. The physician or his/her designee shall document in the medical record detailing why informed consent was obtained by telephone and confirm that the "material" facts about the patient's diagnosis, treatment options, risks, complications, benefits and expected results of each proposed treatment option, as well as the consequences of receiving no treatment.

2. The consent form shall document that telephone consent was obtained, from whom the consent was received and their relationship to the patient. The person who witnesses the telephone consent between the physician or his/her designee and the patient's legal representative shall sign the form in the appropriate place. (Attachment #1)

D. **Emergency Situations**

In the event of an emergency medical situation in which a delay in treatment is likely to result in significant physical impairment or loss of life, the procedures detailed above may be waived. In the event of an emergency situation, follow this procedure:

1. The physician or his/her designee, if possible, should speak with the patient's family members or legal representative who are present, or may be promptly contacted by telephone and record the discussion and consent, if granted, in the hospital medical record.

2. The physician or his/her designee shall write a detailed note describing the patient's condition, explaining the nature of the emergency medical situation requiring immediate action without informed consent.

3. Once the patient has sufficiently recovered from the surgery or procedure, and has capacity, the physician or his/her designee should explain the emergency situation to the patient. This discussion between the physician or his/her designee and patient should be documented in the patient's hospital medical record.

E. **Concerns**

Any questions or concerns regarding an informed consent issue should be immediately directed to the Risk Management Department.

Attachments

1. Consent to Surgery or Other Procedures

References

1. Medicare Conditions of Participation §482.51(b) (2)

2. TJC standard RI.01.03.01

Review and Approval

The following CharterCARE personnel originated and approved this policy:

Contact: Risk Management

Approved by: Policy Committee, OR Committee

Policy Date: 6/2020

Revision dates: 6/2020, 3/2022

Attachments Consent to Surgery or Other Procedures

OUR LADY OF Fatima HOSPITAL

Policy Name: Medication Administration

Chapter: Patient Care Services

Policy Number:

Policy

Our Lady of Fatima Hospital has established policies and procedures around transcribing Physician / designee orders for medications, documenting on eMAR in PCS, and the subsequent administration of ordered medications using an automated medication dispensing system.

This policy outlines processes that are utilized consistently throughout the organization to provide a mechanism whereby safe medication administration is promoted. Consistent procedures eliminate variables that increase risk for error in medication preparation and administration.

Definitions

eMAR: Electronic Medication Administration Record

PCS: Patient Care System in Electronic documentation system Client Server

Time – Critical Scheduled Medications: Time – critical scheduled medications are those for which an early or late administration of greater than thirty minutes might cause harm or have significant, negative impact on the intended therapeutic or pharmacological effect.[1]

CPOE: Computer Physician Order Entry

Procedure

A. General Instructions: CPOE

1. Physicians or their designees put orders in the computer
2. These medication orders are verified by pharmacy.
3. The RN frequently reviews the "status board" for "Acknowledge" (ACK) indicating new orders have been entered on patients.
4. The RN must ACK orders on the Status Board indicating that the order is noted and reviewed.

B. Transcription of Orders

1. To start CONTINUED medications

a. All written Physician or designee orders are faxed to pharmacy.

b. The first column is the Start/Stop/ Current Status column. Pharmacy will enter the start date and time of a medication when it is received in pharmacy. If there is a specific stop date, this is where it can be viewed.

c. The Status of the med will be either ACTIVE / DISCONTINUE / HOLD / or CANCELLED.

d. The Medication column is the name of the medication that has been entered by pharmacy. The BOLD name of the medication is the trade name of the medication. The generic name will appear beneath the trade name with the dosage of the medication as it is supplied in Medication Automated Dispensing System.

e. The Dose, Route, Frequency column represents what the physician has ordered.

f. The History column tells the RN/RT the last time/hours/amount the medication was given.

g. Next scheduled column displays the time at which medication is to be given; the bold text indicates the next scheduled dose using military time.

h. Standard administration times will be used when choosing hours due, unless otherwise ordered (see attachment #2).

i. Discontinued medications will appear at the bottom of the scheduled meds highlighted in yellow. DISCONTINUED will appear under Current Status in the first column, and DC will appear in the NEXT SCHEDULED COLUMN.

j. If a medication order reads "every four hours" for example, the first dose starts at the next even hour.

2. PRN medications:

a. PRN medications appear below the scheduled and discontinued meds.

3. STAT and ONCE only medications:

a. Pharmacy will enter the physician order for a STAT or ONCE med.
b. ONCE or STAT will appear under the frequency of the medication.
c. RN is responsible for administration of the medication if medication is ordered STAT or ONCE.

If a medication is taken out of Medication Automated Dispensing System as an over-ride, it will appear in the eMAR as a Stock med. The RN will ACK this medication and perform NON-ADMIN Reasons from the bottom menu tab. A drop box menu will appear on the screen; the nurse will highlight OVER-RIDE Medication Automated Dispensing System MEDICATION, click, OK then SAVE.

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• Once pharmacy receives the physician order to coincide with this override, the RN will do a RETROSPECTIVE eMAR Administration to document the time this medication was given. (This does not apply to the ED/ENDO departments).

• This medication will then become highlighted in yellow once ADMINISTERED, and move down below the scheduled medications and will drop off the eMAR the next day.

4. LPNs
   a. Omnicell (login/fingerprint setup/removal), returning and waste compliance program for medications, discrepancy resolution.
   b. Bedside medication verification (scheduled, PRN and stat meds including reassessment).
   c. Verifying correct patient (two patient identifiers), medications, dose, route, and time.
   d. Verifying correct purpose, reason, response and documentation, identified allergies.
   e. Demonstrates ability to administer oral, intravenous, subcutaneous, intramuscular, ***inhalation, topical medications, vaccines, G-tube, NGT (****excludes: IVP medications including during an emergent situation,* ***initial IV fluids & initial piggyback medications, titration of any medication and IV narcotics).***
   f. **May administer subsequent IV fluids and piggyback medications.**
   g. Patient Education regarding medication.
   g. Reviews process for adverse drug reactions, medication error.

5. Discontinuance of any medication:
   a. If a medication is discontinued by the physician, it will appear at the bottom of the scheduled medications and be highlighted yellow.

6. To change times of administration of a medication:

   a. All medications will be entered in the eMAR according to the Standard times of Administration by pharmacy. (If a patient requests a certain time of medication to keep on home schedule, pharmacy must be called)
   b. If a medication is entered as a QxH (x = a numerical time), the RN will be able to change the schedule of administration by using the ADMIN SCHEDULE on the bottom menu tabs.
   c. For pharmacy substitutions, Pharmacy will indicate the approved substituted drug in the comments section.
   d. To change STAT or ONCE ONLY medications:
   e. If medications are ordered for tests and test is cancelled, document as NON- ADMIN reason. This will cause the medication to be discontinued.
   f. If test is reordered and time or date is changed, fax the new order to pharmacy.

7. Pharmacy enters orders, such as antibiotics, with the approved renewal requirements and follows these renewals with the physician / designee.

8. To transcribe medications where the initial dose is larger or smaller than the routine dosage:
   a. Pharmacy will enter the first dose as STAT one time in the eMAR.
   b. The routine dosage will be entered in eMAR. (Example: Give Librium 20 mg po now, then Give Librium 25 mg po q 4 hr.).

9. To transcribe medications where initial dose of medication is given in PACU:

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- Dosage given in PACU is signed off on order sheet and medication is documented in EMR under "Phase I" of the perioperative sheet under medication section.
- Any antibiotic given in PACU is considered the first dose. This dose must be counted towards the total number of doses given or towards the 24-hour discontinuation of the antibiotic.

10. Policy review: Medication Administration – Guidelines for Managing High Risk or High Alert Medications.

11. Post-Operative Medications:
    - Postoperatively, all medications need to be reordered.
    - All pre-op meds will be discontinued and must be reordered.
    - "Resume pre-op meds" is NOT a valid order.

12. Electronic Medication Administration Record (eMAR):
    Note: A continuous updated medication record is available for each patient.

C. Administration and recording of medications:

1. Continuous Medications:
    a. Review the eMAR and review the date times that the medication is due. The next date and due time is in bold lettering.
    b. Proceed to Medication Automated Dispensing System and enter user ID and fingerprint/password Do not share password with anyone.
    c. From main menu, select Remove.
    d. Select patient whose medications are due.
    e. Select medication.
    f. Sounds like/ looks like alert will appear on the Medication Automated Dispensing System screen these alerts must be accepted to continue.
    g. Enter quantity of medications desired.
    h. Select Remove Now. To remove medications for multiple meds, select More Removes and repeat the previous steps.
    i. Do not remove meds for more than one patient at a time. Do not pre-pour.
    j. Drawer containing medication will open and the drawer number will appear on screen.
    k. Find bin number listed on screen and remove medication. Bin containing med will appear on screen.
    l. Verify the Ten (5+5) "R"s of medication administration: right patient, right drug, right dose, right route, right time & frequency, right reason and documentation, right history & assessment, right drug-drug interaction evaluation, right education & information.

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m. If medication is a Schedule II-V drug i.e. Narcotics, additional Medication Automated Dispensing System functions are required. See Narcotic/PRN section.

n. Do not open unit dose pkgs. until at bedside.

o. Make sure drawer is shut and exit the program before leaving Medication Automated Dispensing System (alarm will sound if left open).

p. Identify patient using 2 patient identifiers, scan WOW, scan barcode on patient ID bracelet and scan barcode on medication, then give medications.

q. Stay with patient until patient has taken all meds; do not leave meds at bedside.

r. Once patient takes the meds, click on SAVE.

s. Complete charting in eMAR by saving. An Administer Comment maybe entered to record the site of injection, in the TEXT BOX prior to saving.

t. If any dose is omitted, choose NON-ADMIN REASON from the bottom menu tabs. A drop box with a menu or reasons will appear. Highlight the reason for which the medication is not being given, click OK, and then SAVE.

u. If med was removed and not administered, it should be returned:

2. Returning Medications
   a. Enter Medication Automated Dispensing System using ID and fingerprint/password.
   b. Select Return from main menu.
   c. Select patient whose meds you are returning.
   d. Select Return now. Then select More Returns (if more than one return).
   e. Verify number returning, and then select Accept.
   f. Screen will tell you where to return med (drawer/bin).

3. Narcotic and PRN medications:
   a. These medications will be found at the end of the Medication Administration Record (eMAR).
   b. A reason must be given for a prn medication by the physician in the orders.
   c. Determine if an acceptable time period has elapsed since last dose.
   d. Assess patient's pain using the appropriate pain scale and medicate accordingly.
   e. Reassess patient's pain (refer to Pain Policy:
   f. Chart patient response in eMAR.

4. Controlled substance administration:
   a. "Verify Count" screen will appear. Count must be verified before med is removed from pocket.
   b. If count is incorrect, select NO then enter actual quantity (a discrepancy is recorded). Then select Accept.
   c. Discrepancies must be resolved as soon as possible and prior to end of shift. If unable to resolve, incident is documented in Catalyst.

5. Controlled substance with Wasting:

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a. Message on Medication Automated Dispensing System. Screen asks if you plan to administer a
full dose, select No if not administering full dose.

b. Witness screen appears and a witness must enter ID and fingerprint/password. Press enter and enter amount to be given to patient, then select Accept.

c. Medication must be appropriately wasted.

d. Wasting function can be done as a two-step process, where-by the waste is witnessed by another staff member, and logged as such in the Medication Automated Dispensing System. after the medication has been administered.

6. Intravenous Medications:

a. Intravenous medications are stored in locked medication rooms – IV meds are normally refrigerated. In addition, large volume IVs with additives such as KCL may be included in Medication Automated Dispensing Systems.

b. Intravenous medications will appear on the eMAR. They will be listed with the medication first then the IV solution type.

7. Patient Specific Meds-Multiple Use:

a. If department has a Medication Automated Dispensing System, these meds are accessed utilizing Medication Automated Dispensing System procedure.

b. On Patient Profile screen there should be an entry titled, Floor Stock.

c. At removing prompt, key in "1" when prompted for dose.

d. If department does not have tower unit, patient meds are kept in the Medication Automated Dispensing System under "Floor Stock".

e. Floor Stock will be listed in the eMAR on every patient.

8. Holding Medications:

a. Physician's order must specify length of time a medication is to be withheld.

b. If a medication is to be held for a period of time, pharmacy will enter the medication in the eMAR; but "HOLD" will be entered under the status column.

c. HOLD will be in the next scheduled column.

d. Hold orders without a resume date/time are treated as discontinued.

e. When the medication is resumed, fax the physician order to pharmacy and the med will now have ACTIVE in the status column of the eMAR.

f. Pharmacy will enter the times of administration. The RN will ACKNOWLEDGE the order and ADMINISTER as ordered.

9. Time – Critical Scheduled Medications

a. Must be given 30 minutes before or after scheduled Dosing Time

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b. The following medications categories are considered time-critical scheduled medications hospital wide except for certain circumstances (e.g. diagnosis, clinical situation, risk factors, therapeutic intent, unit specific) :
Antibiotics Anticoagulants
Insulin Anticonvulsants
Immunosuppressive agents
Meds based on special timing as ordered
Meds that require administration apart for optimal therapeutic effects
Meds prescribed more frequently than every 4 hours

10. Physician should be notified if any Time-Critical Scheduled Medications willnot be given. Policy review: Medication Administration – Guidelines for Managing High Risk or High Alert Medications.

Attachments

Unapproved Abbreviation List

Algorithm: Meds Requires Exact or Precise Administration Time

References

CMS Manual System. Appendix A/§ 482.23© Standard: Preparation and Administration of Drugs/A-0405. December 22, 2011. Update 2017

ISMP (Institute for Safe Medication Practices) January 2017.

TJC. MM.06.01.01; MM.04.01.01.

Review and Approval
The following CharterCARE personnel originated and approved this policy:

Contact: Nursing Education

Approved by: Policy Review Committee 3-10-2021 Medical Executive Committee, 4/1/21

Policy Date: 5/2003

Revision dates: 5/2006, 9/2010, 6/2015, 3/2021

Attachments 1

Attachment 1

Unapproved Abbreviations List

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Set	*Item*	*Abbreviation*	*Potential Problem*	*Preferred Term*
1.	1.	U (for unit)	Mistaken as zero, four or cc	Write out unit
2.	2.	IU (for international unit)	Mistaken as IV (intravenous) or 10 (ten).	Write out "International Unit"
3.	3. 4.	Q.D. Q.O.D. (Latin abbreviation for once daily and every other day)	Mistaken for each other. The period after the Q can be mistaken for an "I" and the "O" can be mistaken for "I."	Write out "daily" and "every other day"
4.	5. 6.	Trailing zero (X.0 mg), Lack of leading zero (.X)mg	Decimal point is missed.	Never write a zero by itself after a decimal point (X mg), and always use a zero before a decimal point (0.X mg)
5.	7. 8. 9.	MS MSO_4 $MgSO_4$	Confused for one another. Can mean morphine sulfate or magnesium sulfate.	Write our "morphine sulfate" or "Magnesium sulfate"
6.	10.	ug (for microgram)	Mistaken for mg (milligrams) resulting in a thousand-fold dosing overdose	Write "mcg" or "micrograms"
7.	11.	S.C. or S.Q. (for subcutaneous)	Mistaken as SL for sublingual, or "5 every."	Write "Sub-q," or "SubQ" or "subcutaneously"
8.	12. 13.	A.S., A.D., A.U. (Latin abbreviation for left, right, or both ears) O.S., O.D., O.U. (Latin abbreviation for left, right, or both eyes)	Mistaken for each other (e.g. AS for OS, AD for OD, AU for OU etc.)	Write: "left ear," "right ear," or "both ears", "left eye," "right eye," or "both eyes."

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Our Lady of Fatima Hospital

Policy Name: Patient Fall Prevention and Management

Chapter: Patient Care Services

Policy

All employees are responsible for creating a safe environment of care. Measures are taken by direct providers to identify fall risk and put interventions in place based on the individual needs of the patient as well as the patient population. The use of restraints for the prevention of falls shall not be considered a routine part of the fall prevention program.

Definitions

Fall (National Qualify forum definition): A patient fall is an unplanned descent to the floor (or extension of the floor, i.e., trash can or other equipment), with or without injury to the patient. This includes:

- Patient who are found on the floor with or without injury
- Patients who experience a fall, and are assisted to a lower surface by another person

Licensed Independent Practitioner: An individual permitted by low and by the organization to provide care, treatment, and services without direct supervision. A licensed independent practitioner operates within the scope of his or her license, consistent with individually granted clinical privileges.

Medfrat: Memorial Emergency Department Fall Risk Assessment: An evidenced based fall risk assessment tool for use in the Emergency Department.

Humpty Dumpty Fall Scale (HDFS): A scale to address and identify the need of the pediatric patient at risk for a fall event.

Procedure:

I. Assessment and Interventions by Patient Type:
   A. Fall Risk Assessment – Adult Inpatient
      1. The nurse documents a fall risk assessment for each patient on admission to every unit (including Behavioral units), each shift and following a fall.

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2. Adult patients: The Medfrat Fall Scale will be the fall risk assessment tool for all adult patients unless otherwise noted in Addendum. The tool includes the following elements:
    a. Fall History
    b. Secondary Diagnosis
    c. Ambulatory Aid(s)
    d. IV Heparin Lock
    e. Gait/Transferring
    f. Mental Status

B. Intervention – Adult Patients
1. Interventions are individualized based on patient's risk factors and environmental risk factors and are documented in the medical record. Interventions may include the following:
    a. Provide an identifier for patients who score high fall risk on the risk assessment, as well as any patient deemed high fall risk, per nursing judgement.
    b. Orient patients to room and call system or call process.
    c. Put patient's bed in lowest position with wheels locked.
    d. Put personal items including eyeglasses, dentures, hearing aids, mobility aids within reach.
    e. Encourage patient to use ambulatory assist devices as appropriate.
    f. Encourage patient to use handrails and bathroom safety bars.
    g. Encourage use of non-skid socks.
    h. Provide clutter free environment and clear path to the bathroom.
    i. Provide fall prevention education to patient/family/patient representative.
    j. Encourage family members to observe the patient as frequently as possible and alert staff of physical or behavioral changes from patient's baseline.
    k. Provide routine comfort rounds, to address positioning, toileting, pain management, possessions.
    l. Provide adequate lighting without glare.
    m. Communicate fall risk at handoff to other staff who are providing care to the patient.

2. Additional interventions for high fall risk patients should be individualized according to each patient's needs and any environmental risk factors and are documented in the patient's record. Additional interventions to consider based on individual needs may include but not be limited to:
    a. Place patient as close as possible to the nurses' station.
    b. Use bed and/or chair alarms.
    c. Place pharmacy consult to evaluate patient's fall risk medications as needed.
    d. Assess activity orders daily to promote functional mobility.

e. Place nutrition consult to evaluate patient's nutritional status as needed.
f. LIP may order a physical therapy consult as needed.

C. Assessment and Intervention – Emergency Department Patients
1. Nurse completes the MEDFRAT Fall Risk Assessment for adult patients.
    a. Individualized interventions are put in place based on the fall risk assessment and may include but are not limited to:
        i. Bed stretcher should be in lowest position with brake lock on.
        ii. Identifier for patients at high risk for falls or any patient deemed high risk to fall per nursing judgement,
        iii. Orient patient to room and call system. Call lights within reach.
        iv. Put personal items such as eyeglasses, hearing aids, etc., within reach.
        v. Provide non-skid socks and clutter free environment.
        vi. Encourage patients to use handrails and bathroom safety bars.
        vii. Fall prevention alarms as needed for high fall risk patients.
        viii. Comfort rounds to address toileting (potty), positioning, pain assessments, possessions, and peaceful environment.
        ix. Fall prevention for patient teaching for patient/family/significant other; customized to patient age, fall risk and diagnosis.
        x. Communicate fall risk at handoff to other staff providing care for patient.

D. Assessment – Emergency Department Pediatric Patient
1. The Humpty Dumpty tool will be the fall risk assessment tool for Pediatric Emergency Department patients.
2. The Humpty Dumpty fall risk assessment will be documented in the medical record for the pediatric patient as appropriate.

E. Interventions – Pediatric Emergency Department Patients.
1. When a pediatric patient is assessed at risk to fall, fall prevention interventions along with fall prevention teaching for patient/parent/significant other, customized to patient age, fall risk and diagnosis, is documented in the medical record.

F. Assessment and Intervention – Outpatient Ambulatory Care Patients
1. In outpatient departments where nurses provide care, the nurse will use independent clinical judgement in providing fall risk assessment and intervention. Fall risk assessment include but not be limited to asking patients about a history of falls and/or the use of an assistive device. Nurses should provide fall prevention teaching in patients are assessed at risk for falls.

2. All other outpatient areas: all employees must be alert to the possibility that any patient can fall, and that reasonable actions should be taken to prevent patients from falling.
3. For all outpatients, universal fall prevention measures may be used in addition to individualized measure by nurse in nurse attended areas:
    a. Stretchers and wheelchairs with locked wheels when not being used for transporting patient.
    b. Stretcher at lowest position.
    c. Clutter free environment.
    d. Adequate lighting.
4. Humpty Dumpty Fall Scale will be used on all pediatric patients ages 1-16.

II. Post Fall Management by Patient Type

A. Inpatients

1. If a patient falls, the nurse will conduct immediate physical assessment and document findings. Assessment should include vital signs, neurological vital signs, pain, and not if the patient is taking any anticoagulants or has a bleeding disorder. If nurse suspects head or neck injury, help may be sought from the Emergency Services Department.
2. The nurse documents Physician or designee notifications in the medical record.
3. Physician or designee evaluates patient and orders appropriate diagnostic testing as needed.
4. The nurse reassesses fall risk status and documents in the medical record.
5. The nurse will add "Fall" to the patient's medical record with goals and interventions.
6. The nurse will complete the post fall assessment including injury assessment in the medical record. Based on these findings, the plan of care may be adjusted based on the information gathered at the time of fall. If new interventions are identified, they may be added to the pan of care and communicated in hand off.
7. Nurse caring for the patient after the fall will continue to reassess for potential injury.
8. Fall event is reported to the patient's family if the circumstances allow for this disclosure.
9. The nurse will initiate an incident report in the Incident Reporting System.
10. The nurse will complete a Post Fall Huddle with staff who are knowledgeable about the patient fall incident.

B. Emergency Department / Outpatient/Ambulatory Care

1. Any emergency room patient who falls will be assessed for treatment.
2. Any outpatient who falls will be referred for treatment in the Emergency Department.
    a. If patient refuses to go to the Emergency Department, document refusal in the medical record and incident reporting system.
3. All falls are reported in the incident reporting system.

III. Staff Education

A. Staff shall receive education on the fall prevention program to include:
   1. Fall Prevention Policy
   2. Fall risk assessment
   3. Techniques to prevent falls.
   4. Transfer protocols to safely transfer patient to wheelchair, stretcher, chair or bed.

IV. Quality Assurance

A. Fall prevention team will be established at each hospital to work with department leaders to examine falls and falls with injury, interdisciplinary review of falls will be provided. Department leader will be responsible for improvement plans when applicable. Quality/Risk department will provide fall data and trending statistics and will also assist with in depth review as needed.

Attachments

MEDFRAT Fall Risk Assessment
PCS
Humpty Dumpty Falls Prevention Program Assessment Tool

References:

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The following CharterCARE personnel originated and approved this policy:

Contact: Fall Committee

Approved by: Fall Committee 2/27/20, 3/9/22 (Part of the Nurse Practice Council) ,Policy Review Committee, 3/22/2022; Medical Executive Committee

Policy Date: 2/27/20

Revision dates: 2013, 8/2017, 5/2019, 3/3022

MEDFRAT Fall Risk Assessment

MEDFRAT Fall Risk Assessment			
Fall Risk Assessment Tool			
History of Falling In Last 3 Months. Include since admission	○ No	○ Y-Single Mechanical fall ○ Y-Physiological fall	○ Y-Fall prone
Is patient confused or disoriented?	○ No	○ Yes	○ Unable to assess
Is patient intoxicated or sedated?	○ No	○ Yes	○ Unable to assess
Does patient have an impaired gait?	○ No	○ Yes	○ Unable to assess
Does patient use a mobility assistance device?	○ No	○ Yes	○ Unable to assess
Is patient experiencing altered elimination?	○ No	○ Yes	○ Unable to assess
Fall Risk Score			
Fall Interventions			
Low Risk (1-2) Fall Interventions	☐ Sign outside door ☐ Bed in low position	☐ Socks ☐ Call light within reach	☐ 1 hour rounding
Moderate/High Risk (>/= to 3) Fall Interventions	☐ Sign outside door ☐ Fall alarm ☐ Constantly observed ☐ Call light within reach	☐ Socks ☐ 1 hour rounding ☐ Bed in low position ☐ Assistance with toileting	
Fall Risk Education Completed	○ Yes ○ No		

Programming:

- First section – all questions required with message stating "All questions are required to achieve score."
- Fall Risk Score will calculate as responses are entered.
- Low Risk Fall Interventions question is required for a score of 1-2.
  - Error message states "Low Risk Interventions required."
- High Risk Fall Interventions question is required for a score of 3 or higher.
  - Error message states "Moderate/High Risk Interventions required."
- Fall Risk Education Completed question required for any score higher than 0.
  - Error message states "Education question is required if Fall Risk present."

Note: In TEST system as FALL. Add to test.

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Humpty Dumpty Fall Scale	
Age	○ Less than 3 years old ○ 3 to less than 7 yrs old ○ 7 to less than 13 yrs old ○ 13 years old and above
Gender	○ Male ○ Female
Diagnosis	○ Neurological Diagnosis ○ Alteration in Oxygenation ○ Psych/Behavioral Disorder ○ Other Diagnosis Alterations in Oxygenation examples - Respiratory Diagnosis, Dehydration, Anemia, Anorexia, Syncope/Dizziness, etc.
Cognitive Impairments	○ Not Aware of Limitations ○ Forget Limitations ○ Oriented to own Ability
Environmental Factors	○ Toddler Placed in Bed ○ Infant Placed in Bed ○ History of Falls ○ Furniture/Lighting ○ Infant/Toddler in Crib ○ Pt uses assistive devices ○ Patient Placed in Bed ○ Outpatient Area
Response to Surgery/Sedation/ Anesthesia	○ Within 24 hours ○ Within 48 hours ○ More than 48 hours/None
Medication Usage	○ Multiple Usage of Meds ○ One of the Meds listed ○ Other Medications/None Medical Usage of: Sedatives (excluding ICU patients sedated and paralyzed), Hypnotics, Barbituates, Phenothiazines, Antidepressants, Laxatives/Diuretics, Narcotics
Total	[ ] Low Risk Humpty Dumpty Score = 7-11 High Risk Humpty Dumpty Score = 12 or above
Humpty Dumpty - Low Risk (7-11) Interventions	☐ Orientation to room ☐ Bed low & locked ☐ Side rails up ☐ Use of nonskid socks ☐ Assess elimination needs ☐ Call light within reach ☐ Environment clear ☐ Adequate light ☐ Patient/Family education ☐ Fall prevention teaching ☐ Sign outside door
Humpty Dumpty - High Risk (12 or above) Interventions	☐ Add Humpty Dumpty sticker ☐ Fall prevention teaching ☐ Hourly rounding ☐ Accompany on ambulation ☐ Appropriate bed choice ☐ Consider moving pati ☐ Assess for constant obs ☐ Evaluate medication times ☐ Environment clear ☐ Keep door open ☐ Bed low & locked ☐ Complete fall care pla ☐ Sign outside door

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MEDICAL EXECUTIVE COMMITTEE MINUTES

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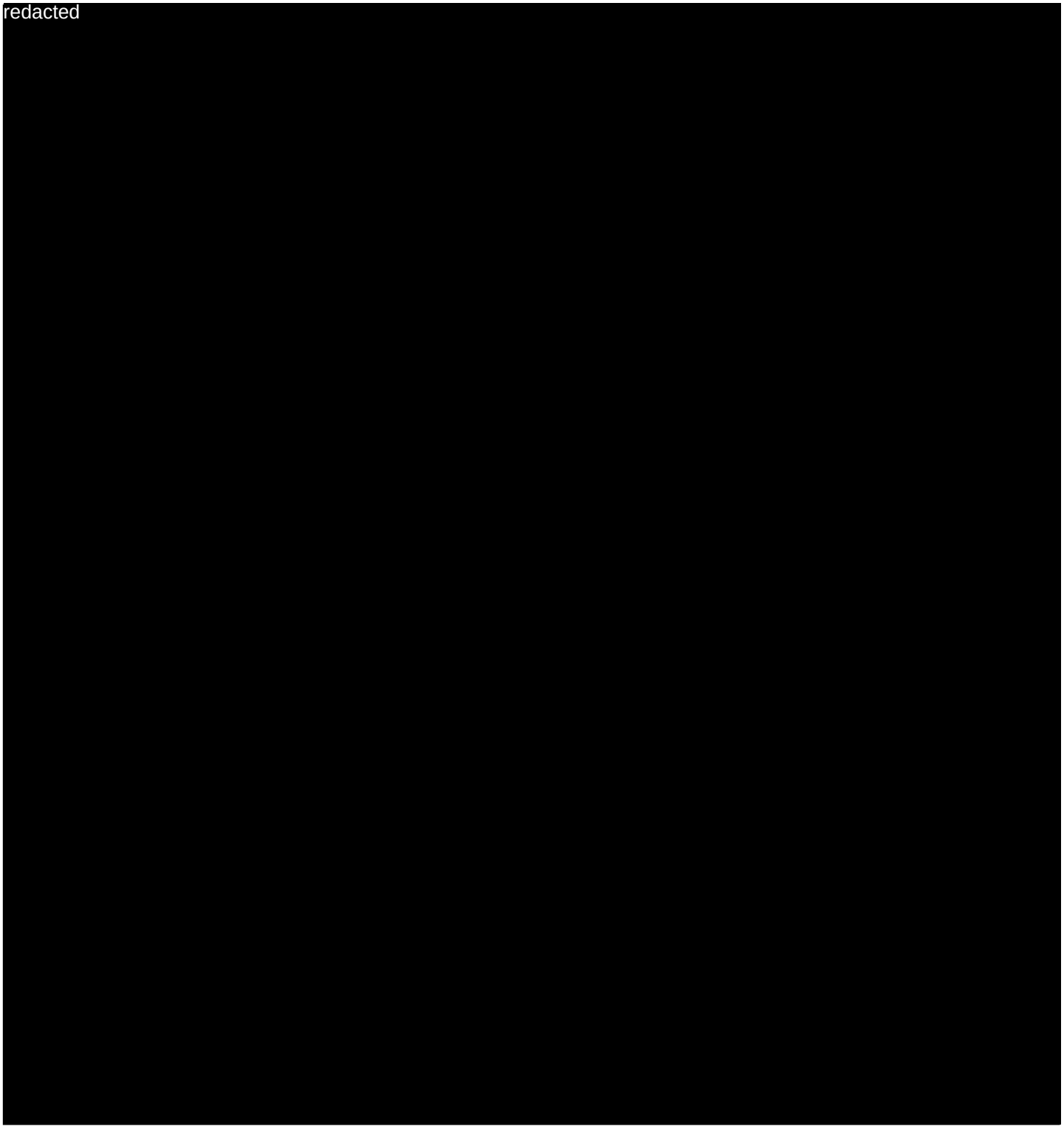

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MEDICAL EXECUTIVE COMMITTEE MINUTES

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Our Lady of Fatima Hospital

Policy Name: Aromatherapy for Postoperative Nausea/Vomiting – A Nurse-Driven Protocol

Chapter: Provision of Care

Number:

Policy

Post-operative nausea / vomiting (PONV) can delay discharge and cause preventable postoperative complications. Evidence suggests that aromatherapy effectively reduces PONV, either alone or in conjunction with antiemetics. Therefore, nurses may use a hospital-approved aromatherapy product for reduction of PONV without a provider order.

Definitions

Aromatherapy - Aromatherapy is a holistic healing treatment that uses natural plant extracts to promote health and well-being. Sometimes it's called essential oil therapy. Aromatherapy uses aromatic essential oils medicinally to improve the health of the body, mind, and spirit. It enhances both physical and emotional health.

Nausea - It is an unpleasant sensation referred to a desire to vomit not associated with expulsive muscular movement.

Vomiting - It is the forceful expulsion of even a small amount of upper gastrointestinal contents through the mouth.

PONV – Postoperative nausea and vomiting is influenced by multiple factors which are related to the patient, surgery, and pre-, intra-, and post-operative anesthesia factors.

Antiemetics - Drugs used to treat or prevent nausea and vomiting (emesis) resulting from anesthesia and/or opioid administration.

Procedure

1. Patients are assessed for nausea and vomiting on admission to the Post Anesthesia Care Unit (PACU) and as warranted by the patient's condition using the PONV Intensity Scale and documented in ORM.
2. The PACU nurse may choose to use the hospital-approved aromatherapy product as the first line of treatment or for breakthrough nausea / vomiting following administration of an antiemetic.
3. The PACU nurse will instruct the patient how to use the product.
4. The aromatherapy product will go with the patient when admitted or discharged home for continued use.

5. The PACU nurse will include the use of aromatherapy in the hand-off report to the unit.
6. The inpatient unit nurse will assess the patient for PONV on admission to the unit using the PONV Impact Scale intervention in PCS and every shift thereafter.
7. The inpatient unit nurse will determine if aromatherapy is effective in relieving PONV or if it is to be used in conjunction with antiemetics.
8. Aromatherapy effectiveness is assessed and documented in the PONV Impact Scale intervention.
9. The aromatherapy product is replaced according to manufacturer's instructions for use.

Attachments

PONV (post-op nausea/vomiting) Intensity Scale	
Impact Scale	
Have you vomited or had dry-retching?	o No o Once o Twice o Three or more times
	Note: Count distinct episodes: several vomits or retching events occurring over a short time frame, say 5 min. should be counted as one vomiting/dry-retching episode; multiple episodes require distinct time periods without vomiting/dry-retching.
Have you experienced a feeling of nausea?	o Yes o No
If yes, has your feeling of nausea interfered with activities of daily living?	o No o Sometimes o Often or most of the time o All of the time
What was the duration of your feeling of nausea?	o Less than 30 minutes o Less than one hour o 1 to 2 hours o 2 to 4 hours o 4 to 6 hours o More than 6 hours
PONV intensity score	
	Note: A PONV Impact Scale score of ≥5 defines clinically important PONV
Consequence of PONV	
	□ Unable to move about freely in bed □ Unable to drink □ Unable to eat □ Unable to walk or participate in PT/OT □ Requires IV fluids □ Electrolyte imbalance □ None
Treatment	
	□ None □ Antiemetic □ Aromatherapy

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CREDENTIALS COMMITTEE MEETING MINUTES

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QUARTERLY MEDICAL STAFF MEETING MINUTES
January 31, 2022 – Via Teams

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OUR LADY OF FATIMA HOSPITAL
QUARTERLY MEDICAL STAFF MEETING MINUTES
May 12, 2022

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A Game Changer In the Treatment of Blood Cancers.

Kymriah Therapy Now Available at Roger Williams Cancer Center.

We can now use reengineered cells from a patient's blood to cure blood cancers such as leukemia. This innovative immunotherapy is only available at Roger Williams Cancer Center. Visit www.weknowcancer.org to learn more.

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Roger Williams Cancer Center

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HEALTH EQUITY EDUCATION

CMS Framework for Health Equity 2022–2032



PILLAR: HEALTH EQUITY

2022 STRATEGY

The first pillar of the Centers for Medicare & Medicaid Services' (CMS) Strategic Plan is health equity. CMS' strategy to advance health equity will address the health disparities that underlie our health system through stakeholder engagement and by building this pillar into the core functions of CMS. CMS' health equity strategy will build on the Biden-Harris Administration's commitment to advancing racial equity and support for underserved communities through the federal government, as described in President Biden's Executive Order 13985.

CMS defines health equity as the attainment of the highest level of health for all people, where everyone has a fair and just opportunity to attain their optimal health regardless of race, ethnicity, disability, sexual orientation, gender identity, socioeconomic status, geography, preferred language, and other factors that affect access to care and health outcomes.

CMS is working to advance health equity by designing, implementing, and operationalizing policies and programs that support health for all people served by our programs by incorporating the perspective of lived experiences and integrate safety net providers and community-based organizations into our programs. Together this work will eliminate avoidable differences in health outcomes experienced by people who are disadvantaged or underserved, and providing the care and support that people need to thrive.

CMS programs cover more than 150 million people across the country through Medicare, Medicaid, the Children's Health Insurance Program (CHIP), and Marketplace coverage. These programs distribute hundreds of billions of dollars throughout the U.S. health care system annually and provide quality oversight of the majority of health care facilities and providers across the country and care settings. Together with the private sector, we can achieve our health equity goals. **CMS calls on private sector partners to engage with this health equity strategy to sustain long-term action.**

The Centers for Medicare & Medicaid Services health equity goals:

- ✓ **Close the gaps in health care access, quality, and outcomes** for underserved populations.

- ✓ **Promote culturally and linguistically appropriate services** to ensure understandable and respectful care and services that are responsive to preferred languages, health literacy, and other diverse communication needs.

- ✓ **Build on outreach efforts** to enroll eligible people across Medicare, Medicaid/CHIP and the Marketplace.

- ✓ **Expand and standardize the collection and use of data,** including on race, ethnicity, preferred language, sexual orientation, gender identity, disability, income, geography, and other factors across CMS programs.

- ✓ **Evaluate policies to determine how CMS can support safety net providers**, partner with providers caring in underserved communities, and ensure care is accessible to those who need it.

- ✓ **Ensure engagement with and accountability to the communities CMS serves** in policy development and the implementation of CMS programs.

- ✓ **Incorporate screening for and promote broader access to health-related social needs,** including greater adoption of related quality measures, coordination with community-based organizations, and collection of social needs data in standardized formats across CMS programs and activities.

- ✓ **Ensure CMS programs serve as a model and catalyst to advance health equity** through our nation's health care system, including with states, providers, plans, and other stakeholders.

- ✓ Use the framework under the CMS National Quality Strategy, **aiming to promote the highest quality outcomes and safest care for all people**.

BUILDING HEALTH EQUITY INTO THE DNA OF CMS

CMS Administrator Chiquita Brooks-LaSure has charged each CMS Center and Office with building health equity into its core work. The following section details key actions undertaken by CMS Centers and Offices to advance health equity:

Center for Medicare

Health equity goal: The Center for Medicare will advance equity for people with Medicare through operations and policies in the Traditional Medicare, Medicare Advantage and Part D programs, ensuring that services are culturally and linguistically appropriate, care is high-value and person-centered, underserved communities have access to quality care, disparities are eliminated, and social needs are addressed.

Actions to Date:

- ✓ **Develop expanded stratified reporting of Medicare Advantage (MA) and Part D star ratings measures,** establish a new health equity index as an enhancement to the MA and Part D Star Ratings, and maximize alignment on such quality reporting with other CMS components.
  - **Impact:** Allows beneficiaries to assess plans based on performance on health equity measures, and incentivizes plans to invest in health equity initiatives.

- ✓ **Increase Graduate Medical Education slots** to promote workforce training in underserved areas.
  - **Impact:** Improves access to care in underserved areas by building capacity for the health care workforce.

- ✓ **Propose to reinstate the requirement that MA and Part D plans include a multi-language insert** to inform beneficiaries of the availability of free language and translation services.
  - **Impact:** Advances language access, health literacy, and culturally tailored services for all beneficiaries.

- ✓ **Propose new supplemental payment for Indian Health Service and Tribal hospitals.**
  - **Impact:** Supports stability in uncompensated care payments and avoids undue long-term financial disruption for these hospitals.

Center for Clinical Standards and Quality

Health equity goal: Focusing on a person-centric approach as part of an overarching CMS Quality Strategy, which strives toward creating a care journey that is free from inequity while optimizing opportunities and access for underserved populations. Identifying measurable interventions to close gaps in quality care and outcomes.

Actions to Date:

- ✓ **Explore the development of health equity-focused measures** in all care settings, including a measure of hospital commitment to health equity, a measure of the percent of adults screened for social drivers of health, and a measure of those who have been screened positive for harmful social drivers of health.
  - **Impact:** Fosters leadership across all care settings and organizational culture of equity; promotes patient screening and subsequent access to services; expands the collection, reporting, and analysis of standardized data.

- ✓ **Propose a "Birthing-Friendly" hospital designation** to capture hospital maternity care quality improvement efforts as a facility characteristic, with the goal of displaying this information in a user-friendly format on the "Care Compare" website.
  - **Impact:** Enhances focus on health equity for birthing people and holds hospital leadership accountable for outcomes, as well as allows consumers to choose hospitals that have implemented improvements in birthing practices.

- ✓ **Directing quality improvement resources** to populations identified for the greatest health disparities using social vulnerability index, area deprivation index, and food access data.
    - **Impact:** Provides technical assistance and education to disadvantaged communities, and providers serving those communities to ensure access to health care services, and better outcomes.

Center for Medicare and Medicaid Innovation

Health equity goal: CMMI's goal is to promote a health system that achieves equitable outcomes through high-quality, affordable, person-centered care.

Actions to Date:

- ✓ **Incorporate equity in model design**, including development and implementation of health equity plans, quality measurement, and robust evaluation for health equity impact.
    - **Impact:** Ensures equity is a central focus of all models.

- ✓ **Address historical underinvestment through payment adjustments or enhanced benefits** to expand access and improve care for underserved populations.
    - **Impact:** Supports providers who disproportionately care for medically and socially complex beneficiaries in CMMI models.

- ✓ **Improve rates of participation** among safety net providers, including community health centers and disproportionate share hospitals.
    - **Impact:** Guarantees beneficiaries in underserved communities benefit from increased access to innovative models designed to improve care quality.

- ✓ **Increase collection of sociodemographic data** to measure the proportion of patients from underserved populations in models.
    - **Impact:** Allows assessment of inclusion of underserved populations.

Medicare-Medicaid Coordination Office

Health equity goal: Improving access to care and health outcomes for individuals dually eligible for Medicare and Medicaid.

Actions to Date:

- ✓ **Support providers in delivering disability-competent and accessible care** by providing training curriculum and resources through the Resources for Integrated Care technical assistance.
    - **Impact:** Improve access to care for people with disabilities.

- ✓ **Improve access to the Medicare Savings Programs** through public outreach and partnership with states.

- **Impact:** Improve access to care and economic security for low-income older adults and people with disabilities.

✓ **Improve coordination between Medicare and Medicaid** for people dually eligible for both programs through proposed rulemaking to strengthen dual eligible special needs plans, elevate the voices of enrollees in plan governance, and better identify and address housing instability, food insecurity, and barriers to transportation.

- **Impact:** Improve enrollee experiences and coordination of care.

Center for Medicaid and CHIP Services

Health equity goal: Closing gaps in coverage, access, and quality of care among people who are Medicaid- and CHIP-eligible or enrolled, improve data collection and analysis of disparities in coverage and care, support innovation, and orient activities to close gaps.

Actions to Date:

✓ **Roll back restrictive Medicaid policies** that prevented access to coverage and care in Medicaid and violated the core objectives of Medicaid, including state policies that took coverage away from people who didn't meet work requirements.

- **Impact:** Removed barriers to access that disproportionately, negatively affected underserved communities.

✓ **Improve access to continuous coverage and quality of care in the postpartum period** by working closely with states to encourage uptake of 12 months of extended postpartum coverage for pregnant people enrolled in Medicaid and CHIP.

- **Impact:** Increases access to services in the postpartum period for underserved enrollees known to be at higher risk of adverse outcomes.

✓ **Work with states to identify opportunities to connect justice-involved individuals with community-based services** immediately upon release, including through section 1115 demonstration approaches that provide individuals with transitional services upon re-entry.

- **Impact:** Promotes access to essential services to increase foundational footing for individuals re-entering communities.

✓ **Release Request for Information on issues related to access to care**, enrollment, and maintenance of coverage. The RFI ("Request for Information (2022): Access to Coverage and Care in Medicaid & CHIP") was open for a 60-day period through Monday, April 18, 2022.

- **Impact:** Ensures access by addressing barriers beneficiaries face across fee-for-service and managed care, as well as across physical health, behavioral health, and home and community-based services.

✓ **Expanded access to home- and community-based services (HCBS) through the American Rescue Plan.** The American Rescue Plan provided states with a temporary 10 percentage point increase to the federal funding for certain Medicaid HCBS. CMS is working to invest in high-

value services to help people with disabilities and older adults live safely and independently in their communities.

- **Impact:** HCBS benefits provide critical services to millions of people, allowing them to receive health services in their homes and communities, rather than in nursing homes and other institutions.

Center for Consumer Information and Insurance Oversight

Health equity goal: Increase coverage among the underserved who are Marketplace-eligible or enrolled, make Marketplace coverage more accessible and available to underserved populations, ensure and strengthen consumer protections for coverage, and improve data collection and analysis to reduce health disparities.

Actions to Date:

- ✓ **Increase federally facilitated Marketplace enrollment among underrepresented populations by 25%** by quadrupling the number of Navigator grantees, initiating a new Special Enrollment Period for consumers with household incomes at or below 150% of the federal poverty level.
  - **Impact:** Reduces the uninsured rate among underserved communities.

- ✓ **Acted to decrease the number of single-issuer rural counties in the individual market by incentivizing issuers to enter service areas.**
  - **Impact:** Through greater competition, increase choice and affordability for consumers in rural communities.

- ✓ **Consider new requirements for network adequacy for qualified health plans on the federally facilitated Marketplace for 2023.**
  - **Impact:** Would ensure that consumers, especially those in underserved communities, can utilize their insurance to get needed care.

- ✓ **Consider requiring issuers of qualified health plans in Marketplaces using the federal platform to offer standardized plans.**
  - **Impact:** Would allow consumers to compare plan options easily to choose a plan that meets their medical and financial needs, as well as makes baseline health benefits more transparent.

- ✓ **Consider strengthening Health and Human Services essential community provider requirements.**
  - **Impact:** Would improve access to providers for underserved communities.

- ✓ **Propose new regulations prohibiting Marketplaces, issuers, agents, and brokers from discriminating against consumers based on sexual orientation and gender identity.**
  - **Impact:** Would ensure consumers do not face discrimination based on their gender identity and sexual orientation.

- ✓ **Promulgate new regulations under the No Surprises Act related to surprise medical bills and unexpected health care costs.**
    - **Impact:** Ensures consumers, especially those in underserved communities, understand their rights and can access protections against financial harm, as well as reduces medical debt-related bankruptcies.

Office of Minority Health

Health equity goal: Driving change across the agency by supporting the advancement and integration of health equity in the development, evaluation, and implementation of these and other CMS policies, programs, and partnerships. Developing capacity at minority-serving institutions to research health disparities and social determinants of health, understand root causes of health disparities, and disseminate best practices uncovered through research funded by the CMS Office of Minority Health Minority Research Grant Program.

Actions to Date:

- ✓ **Provide technical assistance** through the CMS Health Equity Technical Assistance Program to support health care professionals, health plans and systems, State Medicaid Agencies, federal, state, tribal and territorial, and local health agencies, universities, community partners and all other external CMS stakeholders, as well as across CMS, as they we work together to embed health equity within CMS programs, policies, and operations.
    - **Impact:** Builds capacity within CMS to assess health equity impacts of our programs, and identify and eliminate barriers experienced by members of underserved communities and health care professionals who serve these communities. In addition, builds capacity among local communities and CMS partners to design and operate equitable health care systems and help ensure that all CMS benefits, services and supports, and coverage are available to all individuals, particularly those located in and serving underserved communities.

- ✓ **Create and distribute provider training materials** to help health care professionals understand the needs of those they serve and remove barrier to improve quality, experience of care, and access to care for members of underserved communities.
    - **Impact:** Ensures that health care professionals across all settings and coverage types have the tools and information they need to provide culturally and linguistically tailored, accessible care that meets the unique needs of each person they serve.

- ✓ **Expand community outreach** efforts to gain valuable insight from stakeholders using roundtables, listening sessions, and events for meaningful, bidirectional engagement with a broadened base of underserved populations.
    - **Impact:** Provides CMS with current information about the dynamic and diverse needs of each community we serve, ensuring our CMS programs, policies, and operations are designed and implemented with an intersectional lens that reflects the priorities of our populations, particularly members of underserved communities who may not have a long history of engaging with CMS.

Office of Communications

Health equity goal: Driving change across the agency by integrating health equity into the development of public facing materials and communications that CMS releases to stakeholders on a daily basis.

Actions to Date:

- ✓ **Continued support and outreach for Medicare beneficiaries on Medicare Savings Programs and other cost-savings programs**.
  - **Impact:** Increases the education of beneficiaries on the availability of programs to reduce their costs. For example, during the recent Open Enrollment period we included messaging on MSP in the outreach campaign such as within a print advertisement and social media. 1-800 MEDICARE representatives are also trained to provide education on the Medicare Savings Programs as well as other ways for beneficiaries to reduce their costs.

- ✓ **Expand culturally competent and linguistically accessible education campaign outreach.**
  - **Impact:** Increases reach in historically underserved communities. For example, during the recent Open Enrollment Period, the Biden-Harris Administration made a concerted effort to make affordable health care more accessible to historically uninsured and underinsured populations by conducting targeted outreach to historically underserved communities. This included advertising in Chinese (Mandarin and Cantonese), Korean, Vietnamese, Tagalog, and Hindi, and specific campaigns to the Black and Latino communities. As a result of this work in part, HealthCare.gov states enrollment among Hispanic people increased by 26% and Black people increased by 35%.

- ✓ **Translate the "Medicare & You" handbook and other educational materials for Medicare beneficiaries into additional languages.**
  - **Impact**: Increases the accessibility of CMS programs and resources. For example, CMS translated the Medicare & YOU handbook into Chinese, Korean, and Vietnamese for the first time.

The Rhode Island Health Equity Measures

Developed through the RIDOH Community Health Assessment Group



Imagine a Rhode Island where every person has a fair and just opportunity to be healthy. This is known as health equity. We all want to live in a place without obstacles to health like poverty and discrimination. And we all want to live in communities where we and our loved ones can access good jobs with fair pay, quality education, and safe environments. Yet in every neighborhood, a range of conditions affect people's health and safety every day.

How the Rhode Island Health Equity Measures were developed

The CHAG includes partners from diverse sectors, including representatives from local and state government, academia, philanthropy, community-based organizations, healthcare, Health Equity Zones, nonprofit policy and advocacy organizations, and the private sector. CHAG members spent more than two years developing this set of measures through an extensive community engagement process that included the following phases:

Phase 1: Identified policy priorities and reviewed similar work nationally and internationally.

Phase 2: Examined 180+ potential measures.

Phase 3: Selected a core set of measures.

Phase 4: Encouraging use of the measures as the statewide standard to assess progress toward health equity in Rhode Island.

Health happens inside our homes, schools, jobs, and communities

Generations-long social, economic, and environmental inequities have resulted in adverse health outcomes. They affect communities differently and have a greater influence on health outcomes than individual choices or access to healthcare. Reducing these inequities can help improve opportunities for everyone. To improve surveillance of the socioeconomic and environmental factors that drive health inequities, the Rhode Island Department of Health (RIDOH) collaborated with members of the Community Health Assessment Group (CHAG) to develop Rhode Island's first set of statewide health equity measures.

Key information

The Rhode Island Health Equity Measures include 15 determinants of health in five domains that affect health equity: integrated healthcare, community resiliency, physical environment, socioeconomics, and community trauma. Data come from various sources. When possible, data are reported by geographic location, race/ethnicity, disability status, income level, or other demographic characteristics.

How to use the data

We encourage Rhode Islanders to collaborate across sectors to address barriers to health and advance health equity. The Rhode Island Health Equity Measures can help identify systems and policies that affect the ability of every Rhode Islander to live a healthy life and achieve their full potential. They are intended to help communities measure the impact of health equity interventions, such as RI's **Health Equity Zone** initiative, by providing baseline data and informing outcomes evaluation. They also provide a way to measure our shared progress.

To learn more about the Measures, visit **www.health.ri.gov/data/healthequity.**

To learn more about how RIDOH's Health Equity Institute is collaborating with state leaders and community partners to build healthy, resilient communities, contact **Christopher.Ausura@health.ri.gov** or call **401-222-1383.**

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Domain	Determinant	Measure	Data Source
Integrated Healthcare	Healthcare Access	Percentage of adults who reported not seeking medical care or dental care due to cost (2 measures)	Behavioral Risk Factor Surveillance System (BRFSS)
	Social Services	Ratio: Number of individuals receiving to number of individuals eligible for SNAP benefits, based on income	Supplemental Nutrition Assistance Program (SNAP), US Census Bureau
	Behavioral Health	Ratio: Number of naloxone kits distributed to number of overdose deaths	RIDOH, Prevent Overdose RI website
Community Resiliency	Civic Engagement	Percentage of registered voters participating in the most recent presidential election	Rhode Island Board of Elections
	Social Vulnerability	Index score that reflects the social vulnerability of communities	Centers for Disease Control and Prevention (CDC) Social Vulnerability Index, Agency for Toxic Substances and Disease Registry (ATSDR)
	Equity in Policy	Ratio: Number of low to moderate-income housing units to number of low to moderate-income households	HousingWorks RI, Comprehensive Housing Affordability Strategy
Physical Environment	Natural Environment	Percentage of overall landmass with tree canopy cover	US Department of Agriculture (USDA) Forest Service i-Tree Tools
	Transportation	Index score that reflects the affordability of transportation for renters	US Department of Housing and Urban Development (HUD) Low-Cost Transportation Index
	Environmental Hazards	Number and percentage of children with blood lead levels higher than 5 micrograms per deciliter	RIDOH Environmental Lead Program
Socio-economics	Housing Cost Burden	Percentage of cost-burdened renters and owners	American Community Survey
	Food Insecurity	Percentage of population who are food insecure	Feeding America
	Education	Percentage of high school students graduating with a regular diploma within four years	Rhode Island Department of Education
Community Trauma	Discrimination	Percentage of adults reporting racial discrimination in healthcare settings in the past 12 months	BRFSS (available 2020)
	Criminal Justice	Number of non-violent offenders under Rhode Island probation and parole (per 1,000 residents age 18 and older)	Rhode Island Department of Corrections, US Census Bureau
	Public Safety	Violent crime rate and non-violent crime rate (per 100,000 people)	Rhode Island State Police Uniform Crime Reports, FBI Uniform Crime Reporting Program

Notes

- Many efforts are already underway in Rhode Island and across the country to address obstacles to health and evaluate initiatives to advance health equity. The Rhode Island Health Equity Measures were developed to complement this work and provide a statewide standard for assessing progress to improve the social, economic, and environmental conditions that impact health.
- The measures are strategically aligned with, and intended to complement, other measures related to socioeconomic and environmental determinants of health, such as Governor Gina M. Raimondo's Third Grade Reading Goal and the nationwide Health Opportunity and Equity (HOPE) Initiative, supported by Robert Wood Johnson Foundation and led by National Collaborative for Health Equity and Texas Health Institute in partnership with Virginia Commonwealth University's Center on Society and Health.
- The set of measures includes some positive measures (e.g. tree canopy, graduation rates), and some negative measures (e.g. cost-burdened renters and owners, violent crime rate). The measures reflect a range of systems and policies that affect the ability of every Rhode Islander to live a healthy life in a healthy community.
- Measures reflect data available at this time. As additional data become available, some measures may be updated.

CharterCARE
HEALTH PARTNERS

For Grad Nurses, A Pathway to Proficiency






The CharterCARE Nurse Residency Program

Greetings!

For newly licensed nurses, the transition from the academic setting to the clinical environment can be challenging and intimidating. Our 12-month Nurse Residency Program is designed to successfully transition the new graduate nurse to the role of a proficient and expert registered nurse. Our program expands the knowledge and skills of grad nurses to move confidently from entry level nurse competency.

Program Goals

- Encourage commitment to lifelong learning by promoting an optimal learning environment that serves as the foundation for the Nurse Residency Program.
- Teach evidenced-based practices that support Nurse Residents to provide compassionate, efficient, and quality individualized patient care.
- Develop opportunities to promote confidence in our Nurse Residents, to strengthen inter-professional communication and practice at the top of their nursing license.
- Review and evaluate quality outcomes to strive for improved scores as it relates to nurse-sensitive clinical indicators, recruitment and retention, satisfaction scores, and clinical outcomes.

How It Works

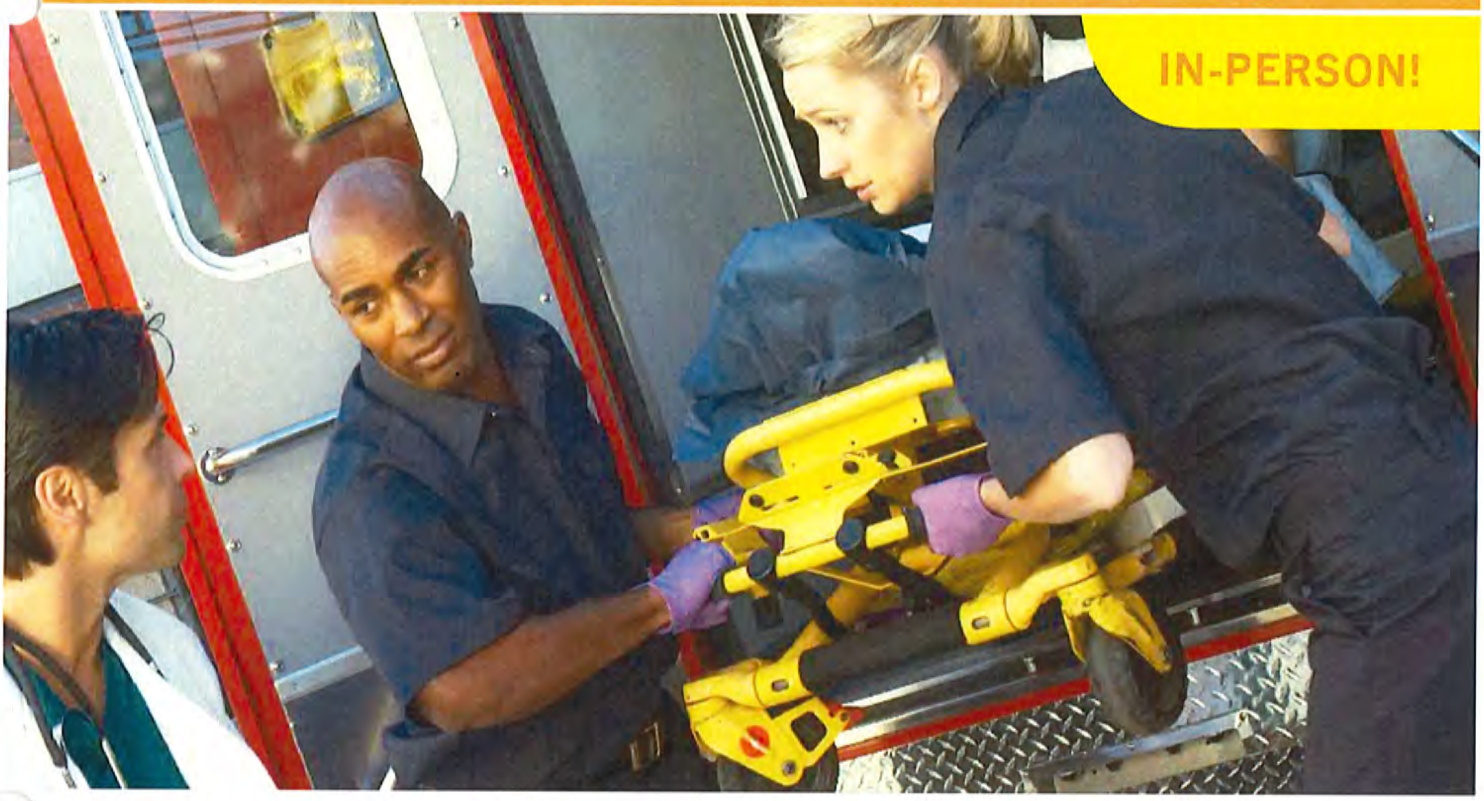
Upon completion of a one-week orientation, newly hired grad nurses enter a 20-week, paid, unit specific orientation, guided by an experienced preceptor. The new grad meets weekly with a nurse educator and their preceptor to review progress, identify any needs, and provide feedback. We believe that this supportive, positive approach will help reduce new nurses' anxiety, increase self-confidence to become progressively more independent and successfully adjusted to their new role as registered nurse.

Who Qualifies

Our Nurse Residency program is available to currently licensed nurses with 12 months or less of nursing experience, who have been hired at CharterCARE and who have successfully completed our hospital and basis nursing orientations.

To learn more, please contact Debra Campo, DNP, MBA, Director of Nursing Practice & Professional Development, at deb.campo@chartercare.org or call 456-3054.

EMERGENCY MEDICINE GRAND ROUNDS



Topic: Surviving Cardiac Arrest: Beyond the H's and T's

Speaker: John Jardine, MD, Emergency Medicine Physician

Thursday, February 23rd, 2023 | 6pm
Our Lady of Fatima Hospital Cafeteria
THIS WILL BE IN PERSON. DINNER PROVIDED!

Medical, nursing, and technical staff involved in the care of Emergency patients are invited to attend.

Please RSVP by calling 401-456-3030 or by emailing dsingleton@chartercare.org.

CharterCARE HEALTH PARTNERS

A Coordinated Regional Care Network

- OUR LADY OF FATIMA HOSPITAL
- ROGER WILLIAMS MEDICAL CENTER
- ROGER WILLIAMS CANCER CENTER
- ST. JOSEPH HEALTH CENTER
- BLACKSTONE VALLEY SURGICARE
- SOUTHERN NE REHABILITATION CENTER
- CHARTERCARE MEDICAL ASSOCIATES
- CHARTERCARE PROVIDER GROUP RI, LLC
- CHARTERCARE HOME HEALTH

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Yet Another Surgical Advance From Fatima Hospital!



Mako Surgical Technology For Joint Replacement Surgery.

Now Available for Metro Providence

Imagine a joint replacement surgical technology that fits your body precisely rather than trying to fit your body to a prosthetic.

Imagine no more, because once again Fatima Hospital is bringing a striking surgical advance to the metropolitan Providence area. This time, it's the Mako Smart Robtics system, including 3D CT-based technology.

Using Mako, surgeons customize a surgical plan based on a patient's unique anatomy. This enables the surgeon to have a more predictable surgical experience that includes increased precision and accuracy. The Mako system limits soft tissue damage, resulting in less post-operative pain, and better patient outcomes. This is good news since studies have shown that approximately 20% of patients are dissatisfied after conventional joint replacement surgery Fatima Hospital was also the first hospital in this area to offer robot-assisted spine surgery.

The Mako procedure is done on an outpatient basis, but patients have the option of an overnight stay if they are not comfortable going home on the same day.

To learn more, visit chartercare.org

OUR LADY OF Fatima HOSPITAL

Policy Name: PATIENT COMPLAINT and GRIEVANCES

Chapter: Patient Rights

Policy Number:

1. POLICY

Our Lady of Fatima Hospital encourages patients and their families to voice complaints, grievances and compliments about care and services. It is the policy to implement an effective system to address concerns about any aspect of care or service delivered at our location(s).

II. Definitions:

Grievant: the person who initiates a Patient Grievance.

Patient Complaint: Patient issues that can be resolved promptly and involve staff who are present (e.g. Nursing, Administration, Patient Advocates) at the time of the complaint. Example: food is cold, room needs to be cleaned.

Patient Grievance: a written or verbal complaint (when the verbal complaint about patient care is not resolved at the time of the complaint by staff present) by a patient, or the patient's representative, regarding the patient's care, abuse or neglect, issues related to the hospital's compliance with the CMS Hospital Conditions of Participation (CoPs), or a Medicare beneficiary billing complaint related to rights and limitations.

- A Staff Member such as a supervisor, manager or patient experience officer who can quickly come to the patient's location is considered to be 'present.'
- All other billing issues are usually not considered grievances.
- All verbal or written complaints regarding abuse, neglect, patient harm, or hospital compliance with CMS requirements are considered grievances.
- A written complaint is always considered a grievance, whether from an inpatient, outpatient, released/discharged patient or his/her representative regarding the patient care provided, abuse or neglect, or the hospital's compliance with CoPs.

- Letter, e-mail or fax is considered written.

- Whenever a patient or patient's representative requests that his/her complaint be handled as a formal complaint or grievance or when the patient requests a response from the hospital, the complaint is considered a grievance.

- Patient complaints that become grievances also include situations where a patient or a patient's representative telephones the hospital with a complaint regarding his/her patient care or with an allegation of abuse or neglect, or failure of the hospital to comply with one of more Cops, or other CMS requirements. Those post-hospital verbal communications regarding patient care that would routinely have been handled by staff present if the communication occurred during his/her stay/visit, are not required to be defined as a grievance.

- Information obtained from patient satisfaction surveys usually do not meet the definition of a grievance unless the identified patient writes or attaches a written complaint on survey requesting resolution or if the hospital would usually treat such a complaint as a grievance if received as written letter of complaint.

Resolved: when the grievant is satisfied with the actions taken

Staff Member: a permanent, part time or temporary hospital employee

111. Purpose

Our Lady of Fatima Board of Trustees has delegated the responsibility of reviewing and resolving grievances to the Quality Council of the hospital, which has appointed a Committee to review all grievances as described in this policy as a subcommittee of the Quality Council.

This Grievance Procedure will be used for complaints specific to but not limited to:

- Quality of clinical care;

- Alleged harassment or discrimination of any type including discrimination against any person on the basis of race, color, national origin, disability, or age in admission, treatment, or participation in its programs, services and activities;

- Alleged abuse of patient rights;
- Violation of privacy/confidentiality;

- Provider/staff behavior not consistent with assurances of patient rights;

- Issues related to the hospital's compliance with the CMS Hospital Conditions of Participation;

- Medicare beneficiary billing complaints related to rights and limitations.

IV. Procedure

A. Education of Patients, Family and Staff Members about Complaint and Grievance Process

redacted

2. Orientation of Staff: redacted

B. Early Complaint Resolution: redacted

C. Reporting Grievances: redacted

D. Receipt, Investigation and Resolution

1. Grievance Initial Notification: redacted

2. Investigation: redacted

redacted

3. Resolution: redacted

redacted

redacted

4. Documentation: redacted

5. Follow-up: redacted

6. All patients will be provided with the following contact information to file a grievance:

Rhode Island Department of Health
Division of Facilities Regulation
3 Capitol Hill, Providence, RI 02908
Phone: 401-222-5200

The Joint Commission (TIC)
Office of Quality and Monitoring
One Renaissance Boulevard
Oakbrook Terrace, IL 60181
TJC Complaint Hotline 1-800-994-6610;
Fax: 1-630-792-5636;
E-mail: patientsafetyreport@jointcommission.org

For Medicare Beneficiaries: see State specific contact for the local Quality Improvement Organization:

1-888-319-8452

E. Complaints received from External Agencies

redacted

F. Quality Assurance

Summaries of complaints and grievances will be reported to designated hospital committees on scheduled basis.

Attachments: None

Enter any content that you want to repeat, including other content controls. You can also insert this control around table rows in order to repeat parts of a table.

References:
§482.13 Conditions of Participations: Patient Rights
CMS Manual System, Department of Health and Human Services, "Interpretive Guidelines for Hospitals," Rev. 116, 06-06-14. Joint Commission Standards: RI.OI .07.01
Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and Regulations of the U.S. Department of Health and Human Services issued pursuant to these statutes at Title 45 Code of Federal Regulations Parts 80, and 84

Review and Approval

The following CharterCARE personnel originated and approved this policy:

Contact: Risk Management

Approved by: Board of Trustee 3/2020, Policy Committee 4/2022

Policy Date:

Revision dates: 4/2022

CONFIDENTIAL C-CNT-PMH-014881

Infection Prevention and Control Recommendations for Healthcare Personnel During the SARS-CoV-2 Pandemic

Chapter: Infection Control

Chapter Number: IC 99

Policy

This policy provides interim guidance updated based upon currently available information about SARS-COV-2 and the current situation in the United States. Updates were made to reflect the high levels of vaccine and infection-induced immunity and the availability of effective treatments and prevention tools. This guidance provides a framework to implement select infection prevention and control practices (e.g. universal source control) based on their individual circumstances (e.g. levels of community transmission). This policy also contains Rhode Island specific infection prevention measures as affirmed by the RIDOH.

Scope

This guidance applies to Roger Williams Medical Center / Our Lady of Fatima Hospital and other entities where healthcare is delivered. Hospitals should be aware that other local, territorial, tribal, state, and federal requirements may apply, including those promulgated by OSHA.

Definitions

Aerosol Generating Procedures (AGPs): are defined as any medical and patient care procedure that results in the production of airborne particles (aerosols). One AGP can produce airborne particles <5 micrometers (µm) in size which can remain suspended in the air, travel over a distance and may cause infection if they are inhaled. Therefore, AGPs create the potential for airborne transmission of infections.

Airborne Isolation Infection Room (AIIR): is a single-occupancy patient-care room used to isolate persons with a suspected or confirmed airborne infectious disease; formally negative pressure room.

Healthcare Personnel (HCP): refers to all paid and unpaid persons serving in healthcare settings who have the potential for direct or indirect exposure to patients or infectious materials.

N95 Respirator Facemask: a respiratory protective device designed to achieve a very close facial fit and is very efficient at filtrating small airborne particles. Requires medical clearance and fit testing prior to use.

PAPR: Powered Air-Purifying Respirators. These are respirators that filter our contaminants in the air and use a battery-powered-operated blower to provide the user with clean air through a tight-fitting respirator, a loose-fitting hood, or a helmet.

Personal Protective Equipment (PPE): Equipment worn by a health care worker for protection against infectious materials. This may include gloves, gown, facemask, goggles, or face shield.

Social Distancing: also referred to as "physical distancing", means keeping space between yourself and other people outside of your home. To practice social distancing: Stay at least 6 feet (about 2 arms' lengths) from other people.

Source Control: refers to use of well-fitting facemasks to cover a person's mouth and nose to prevent spread of respiratory secretions when they are breathing, talking, sneezing, or coughing.

Standard Precautions: are used in the care of all patients, regardless of diagnosis or presumed infection status, in order to reduce the risk of transmission of microorganisms from either recognized or unrecognized sources of infection. This includes: hand hygiene, use of personal protective equipment, respiratory hygiene / cough etiquette, sharps safety. safe injection practices, sterile instruments and devices and clean and disinfected environmental surfaces

Transmission-Based Precautions: Measures taken to reduce the risk of transmission of communicable disease when Standard Precautions alone are not enough. The Transmission-Based Precautions specific to SARS-COV-2 includes Contact and Airborne.

- Contact Precautions: used for patients with known or suspected infections or evidence of syndromes that represent an increased risk for contact transmission.
- Airborne Precautions: used for patients known or suspected to be infected with infectious agents transmitted person-to-person by the airborne route.

Vaccination Status

- Fully Vaccinated: means a person has received their primary series of SARS-COV-2 vaccines (2 weeks after final dose in a primary series or 2 weeks after the first dose in a single-dose vaccine).
- Up to date: means a person has received all recommended SARS-COV-2 vaccines, including any booster doses (s) when eligible. A person is considered up-to-date right after getting their booster dose.

Procedure

A. Hazard Assessment and Employee Protections

CCHP/RWMC/OLF conducts a workplace-specific hazard assessment of its workplace(s) to determine potential workplace hazards related to COVID-19. A hazard assessment was conducted by a multidisciplinary group of hospital leaders initially and also whenever changes at the workplace create a new potential risk of employee exposure to COVID-19 (e.g., new work activities at the workplace). The Hazard Risk Assessment is managed and held by the Safety Manager/COVID-19 Safety Coordinator.

B. Community Transmission

Community Transmission refers to measures of the presence and spread of SARS-CoV-2. The community transmission rate is based on 1 metric: new SARS-COV-2 cases per 100,000 people. Healthcare or congregate care settings should continue to use Community Transmission Rates, which can be found here: https://rhode-island-SARS-CoV-2 -congregate-care-rihealth.hub.arcgis.com/#CTR. The RIDOH Community Transmission rates will be published weekly (or as often as is updated by RIDOH) on the CharterCare Intranet. Select Infection Prevention and Control (IPC) Measures (e.g. use of source control, screening testing of admissions) are influenced by levels of SARS-CoV-2 transmission in the community.

B. Clinical Presentation

1. The signs and symptoms of SARS-COV-2 present at illness onset vary, but over the course of the disease many people with SARS-COV-2 will experience the following:

- Fever or chills
- Cough
- Shortness of breath or difficulty breathing
- New loss of taste or smell
- Muscle or body aches, fatigue
- Sore throat
- Congestion or runny nose
- Nausea or vomiting
- Diarrhea

2. Symptoms may differ with severity of disease.

3. Asymptomatic infections can be common and may lead to increase rates of SARS-COV-2 transmission.

C. Recommended Routine Infection Prevention and Control (IPC) Practices during the SARS-COV-2 Pandemic

1. Remain up to date with all recommended SARS-COV-2 vaccine doses.

2. Ensure everyone is aware of recommended IPC practices in the facility by posting visual alerts (e.g., signs, posters) at the entrance and in strategic places (e.g., waiting areas, elevators, cafeterias) with instructions about current IPC recommendations (e.g., when to use source control & perform hand hygiene). These alerts should be dated.

3. Establish a process to make everyone entering the facility aware of recommended actions to prevent transmission to others if they have any of the following three criteria:

    a. A positive viral test for SARS-COV-2
    b. Symptoms of SARS-COV-2 , or
    c. Close contact with someone with SARS-COV-2 infection (patient or visitor) or a higher risk exposure (for healthcare personnel (HCP).

4. Provide guidance (posted signs at entrances, instructions when scheduling appointments) about recommended actions for patients and visitors who have any of the above three criteria

5. HCP will self-screen for SARS-COV-2 symptoms at home prior to the beginning of their shift. HCP should report any of the three above criteria to employee health, even if they are up to date with all recommended SARS-COV-2 vaccine and booster doses.

6. Patients being seen in the Emergency Department should be assessed using the SARS-COV-2 Risk assessment in Meditech. The vaccination status of the patient will be assessed by nursing using the SARS-COV-2 Vaccine Assessment in Meditech (or on paper and scanned into the medical record) for all inpatients and patients reporting to the Emergency Department. In addition, all patients admitted to the facility will be tested for SARS-COV-2 prior to admission.

7. Employee Vaccination,
    a. The Human Resources Department in collaboration with Employee Health manage the SARS-COV-2 vaccination policy. CCHP encourages everyone to remain up to date with all recommended SARS-COV-2 vaccine doses.

8. Implement Source Control Measures – source control refers to the use of respirators or well-fitting facemasks to cover a person's mouth and nose to prevent spread of respiratory secretions when they are breathing, talking, sneezing or coughing.

    a. To prevent the transmission of SARS-COV-2, all persons entering must wear a facemask while in the facility. CCHP Senior Leadership will make the decision to relax face masking requirements based on CDC/RIDOH recommendations and RIDOH Community Transmission Rates.

    b. When used solely for source control, respirators or well-fitting facemasks could be used for an entire shift unless they become soiled, damaged, or hard to breathe through.

    c. When used during the care of a patient for which a NIOSH approved respirator or facemask is indicated for personal protective equipment (PPE) (e.g. NIOSH approved N-95 or equivalent of higher level respirator during the care of a patient with SARS-CoV-2 infection, facemask during a surgical procedure or during the care of a patient on Droplet Precautions), they should be removed and discarded after the patient care encounter and a new one should be donned.

    d. When SARS-Co-V-2 Community Transmission levels are high (>100/100,000 persons), source control is recommended for everyone in a healthcare setting when they are in areas of the healthcare facility where they could encounter patients. When Community Levels are high (>100/100,000 persons), source control is recommended for everyone.

    e. When SARS-CoV-2 Community Transmission levels are NOT high (<100/100,000), healthcare facilities could choose not to require universal source control. The decision to reduce source control in CCHP facilities will be made by the Senior Leadership Team in consultation with any RIDOH guidance, and discussion with infectious disease physicians and other stakeholders.

    f. Individuals might also choose to continue source control based on personal preference, informed by their perceived level of risk for infection based on their recent activities (e.g. attending crowded indoor gatherings with poor ventilation) and their potential for developing severe disease

    g. When communicating with people who are deaf or hard of hearing who rely on lip reading, or for other disabled people who have trouble communicating with other people wearing masks the facilities mobile interpreter technology can be used.

9. Patient Visitation

    a. CCHP recognizes that all patients have the right to receive visitors of their choosing and at the time of their choosing, and in a manner that does not impose on the rights of another patient. Visitation policy for non COVID-19 infectious patients will be allowed. Visitation for COVID-19 infected patients who remain on isolation precautions is not allowed at this time, unless through extraordinary instances. The Chief Nursing Officer will make decisions about visitation in consultation with the clinical medical and nursing teams.

    b. Visitors are screened via an active or passive process. The process level (active or passive) is determined by Senior Leadership in collaboration with Incident Command and in accordance with State and Federal Guidelines and virus activity within the community.

        a. Active Screening – a trained member of the hospital staff is physically present at all open entrances and ensures each visitor is asymptomatic and masked.

b. Passive screening – signage and supplies of masks, and hand hygiene disinfectant are present at all open entrances instructing all visitors to leave the building if symptomatic and to wear a mask at all times when in the building. Visitors are asked to check in at the nursing station prior to entering any patient room.

c. Visitors with confirmed SARS-Co_V-2 infection or compatible symptoms, or who have had close contact with someone with SARS-CoV-2 Infection, should defer non-urgent in person visitation until they have met the healthcare criteria to end isolation, generally about 10 days from onset of symptoms, a COVID+ test, or contact with someone known to have SARS-CoV-2 infection.

1. Facilities should apply alternative electronic methods for communication between patients and all other visitors, such as Skype, Facetime, Microsoft Teams.

2. Facilities should provide instruction, before visitors enter the patient's room, on hand hygiene, limiting surfaces touched, and the use of PPE according to current facility policy. Visitors should be instructed to only visit the patient room. They should minimize their time spent in other locations in the facility.

d. Hospitals may prohibit visitation on a case-by-case basis if visitation poses a significant infection control risk to the patients, visitor, or staff.

10. Personal Protective Equipment

a. All HCPs who enter the room of a patient with suspected or confirmed SARS-CoV-2 infection should adhere to contact precautions and use a NIOSH-approved particulate respirator with N95 filters or higher, gown, gloves, and eye protection (goggles or face shield that covers the front and sides of face). Prescription eye glasses alone are not sufficient for eye protection.

a. Universal Facemask: is the mask that you are given to wear throughout the day during the SARS-COV-2 pandemic. This mask is for source control so that we can protect each other. The decision to require source control in CCHP facilities will be made by the Senior Leadership Team in consultation with RIDOH guidance, and discussion with infectious disease physicians and other stakeholders. When required all staff, outpatients, and visitors will be required to wear a face mask when in the hospital. The facemask should be changed and discarded when soiled, wet, difficult to breathe, or misshapen so that you cannot get a good fit.

b. N95 Respirator Mask or Equivalent must be worn by all Healthcare Personnel (HCP) who enter the patient room o N95 mask will be donned prior to entering the room

1. N95 mask will be discarded upon exiting the patient room and replaced with the source control facemask, donned outside of the patient room

2. N95 masks require fit testing prior to use

3. A Seal Check should be performed each time the mask is put on to assure a proper fit (Refer to Attachment E: NIOSH Donning, Doffing, & Seal Check of N95 Respirator)

c. Gloves – regular, nitrile gloves in appropriate sizes.

1. After performing hand hygiene, gloves should be donned upon entry into the patient room and should be changed between tasks or if they become torn or heavily contaminated and hand hygiene performed.

2. Gloves should be removed when leaving the patient's room and discarded in regular trash and then hand hygiene performed.

d. Gowns – isolation, fluid resistant gowns

1. must be donned upon entry into the patient's room, must be changed if it becomes soiled and must be removed before leaving the patient room.

e. Goggles or Face Shield

1. Should be worn upon entry to the patient room, should cover the front and sides of the face and should be disposed of if using a disposable product or, if reusable, should be cleaned and decontaminated after leaving the patient room.

2. Eyeglasses alone are not sufficient eye protection.

F. Donning and Doffing of PPE

1. It is important to know how to correctly put on (don) to prevent contamination from the patient and how to safely remove (doff) and dispose of to prevent self-contamination

2. Staff could consider the use of a "PPE Buddy", a co-worker who can observe your donning and doffing to ensure safety

3. Donning and doffing of PPE should be completed following the CDC sequencing guidelines (Refer to Attachment D: CDC Sequence for Donning and Doffing PPE)

g. Strategies for Optimizing the Supply of PPE During the SARS-COV-2 Pandemic

1. CDC's optimization strategies for PPE offer several options for use when PPE supplies are stressed, running low, or exhausted during surge capacity (the ability to manage a sudden increase in patient volume that severely challenge or exceed the present capacity of a facility). Refer to Attachment F: Strategies for Optimizing PPE During Shortages, for alternative options when PPE supplies are strained.

2. PPE can be used as long as it maintains the proper fit and function.

3. PPE should not be reused it becomes soiled or damaged

4. The CDC PPE Sequence for Donning and Doffing Procedures (Attachment E) should be followed by all HCP to prevent the chance of contamination of the patient during donning or self-contamination during doffing.

11. Encourage Physical Distancing

a. When SARS-COV-2 transmission rates are high (>100 cases/100,000 persons) social distancing will be encouraged in waiting rooms, the cafeteria, treatment/exam rooms, and elevators.

12. Optimize the Use of Engineering Controls and Indoor Air Quality

a. Optimize the use of engineering controls to reduce or eliminate exposures by shielding HCP and other patients from infected individuals (e.g., physical barriers at reception/triage). Take

measures to limit crowding in communal spaces, such as scheduling appointments to limit the number of patients in waiting rooms or treatment areas. Explore options, in consultation with facility engineers to improve ventilation delivery and indoor air quality in all shared spaces.

13. Perform SARS-CoV-2 Viral Testing

a. Anyone with even mild symptoms of SARS-COV-2 , regardless of vaccination status, should receive a viral test for SARS-CoV-2 as soon as possible.

b. Patients with close contact with someone with SARS-CoV-2 infection (e.g. roommates, or in an outbreak situation), should have a series of three viral tests for SARS-CoV-2 infection. Testing is recommended immediately (but generally not earlier than 24 hours after the exposure), if negative, again 48 hours after the first negative test, and if negative, again 48 hours after the second test. This will typically be at day 1 (where exposure is day 0), day 3, and day 5.

c. If implementing a screening testing program, testing decisions should not be based on the vaccination status of the individual being screened. To provide the greatest assurance that someone does not have SARS-CoV-2 infection, using a NAAT test option is best.

d. Pre-Procedure or Pre-Admission Testing is at the discretion of the facility.
    1. At CCHP facilities, including Our Lady of Fatima Hospital, or Roger Williams Medical Center, all patients that are expected to be admitted post procedure are tested.
    2. All unvaccinated patients regardless of In Patient or Out Patient testing follow the below:
        a. If negative, proceed with the procedure
        b. If positive and asymptomatic, wait 10 days, and procedure can be rebooked. Testing is not required if within 90 days of a previous known documented COVID infection.
        c. If positive and symptomatic, rescheduled after 10 days when symptoms are over and safe to rebook.
        d. All children who are having dental procedures
        e. All patients expected to be admitted following their procedure should be tested no longer than 2 days prior to their procedure
        f. If a patient becomes inpatient after their procedure or surgery, they will be tested in PACU, prior to transfer to the in-patient floors.

14. Responding to SARS-COV-2 Exposures Among HCP and others.

a. Any HCP who tests positive for SARS-COV-2 or becomes symptomatic reports this information to their manager and to Employee Health. CCHP Human Resources has implemented guidelines for medical removal from the Workplace and Return to Work Criteria in collaboration with RIDOH Guidance.

b. After notification of infection, an initial investigation is performed by Employee Health.

c. If healthcare-associated transmission is suspected or identified, consultation with infectious disease physicians, and with the Rhode Island Department of Health (RIDOH) may consider expanded testing of HCP and patients as determined by distribution and number of cases throughout the facility and ability to identify close contacts

15. Duration of Transmission Based Precautions
    a. Symptomatic Patients being Evaluated for SARS-CoV-2 Infection
        1. The decision to discontinue Transmission-Based Precautions by excluding the diagnosis of current SARS-CoV-2 infection for a patient with symptoms of SARS-COV-2 can be made based upon having negative results from at least one viral test.
        2. If a patient suspected of having SARS-CoV-2 infection is never tested, the decision to discontinue Transmission-Based Precautions can be made based on time from symptom onset as described in the Isolation section below. Ultimately, clinical judgement and suspicion of SARS-CoV-2 infection determine whether to continue or discontinue empiric Transmission-Based Precautions.
    b. Asymptomatic Patients following Close Contact with Someone with SARS-CoV-2 Infection
        1. Patients placed in Transmission-Based Precautions based on close contact with someone with SARS-CoV-2 infection should be maintained in Transmission-Based Precautions for the following time periods.
            a. Patients can be removed from Transmission-Based Precautions after day 7 following the exposure (count the day of exposure as day 0) if they do not develop symptoms and all viral testing as described for asymptomatic individuals following close contact is negative.
            b. If viral testing is not performed, patients can be removed from Transmission-Based Precautions after day 10 following the exposure (count the day of exposure as day 0) if they do not develop symptoms.
    c. Patients confirmed with SARS CoV-2 Infection
        1. (Refer to Attachment I: Guidelines for Discontinuing Transmission-Based Precautions in SARS-COV-2 Patients)
        2. Consultation with local Infectious disease physicians (where available), Hospitalists, or the Rhode Island Department of Health (RIDOH) should be considered when making decisions about discontinuing SARS-COV-2 precautions for patients who might remain infectious longer than 20 days or have unique circumstances effecting transmissibility (e.g., severely immunocompromised, Geripsych or long-term care patients).

16. Patient Placement

    a. Place a patient with suspected or confirmed SARS-COV-2 infection in a single-person room. The door should be kept closed (if safe to do so). Ideally, the patient should have a dedicated bathroom. And precaution isolation signage should be posted to the door. (See Attachment B: Special Airborne + Contact Sign)

    b. Airborne Isolation Infection Rooms (AIIR) should be reserved for patients receiving aerosol generating procedures

    c. Asymptomatic patients who are on quarantine and patients under suspicion for SARS-COV-2 awaiting test results should NOT be cohorted with a SARS-COV-2 positive patient. All cohorting of patients with SARS-COV-2 needs to be reviewed with Infection Prevention and Control.

    d. Dedicated patient care equipment should be used (when available)

    e. Shared patient care equipment must be cleaned with an EPA-approved hospital-grade germicidal product that has been approved for use against SARS-COV-2 (Refer to CDC for the

most up-to-date list at List N Advanced Search Page: Disinfectants for Coronavirus (COVID-19) | US EPA.

f. Communicate information about patients with suspected or confirmed SARS-COV-2 infection to appropriate personnel before transferring them to other departments in the facility or to other healthcare facilities.

17. Aerosol Generating Procedures (AGPs)

a. Refer to Attachment H: Aerosol Generating Procedures in Healthcare Settings for a list of AGPs

b. Procedures that could generate infectious aerosols should be performed cautiously and avoided if appropriate alternatives exist.

c. AGPs should take place in an AIIR room, if possible. If the procedure is complete in a non- AIIR room, the door to the room should remain closed during the procedure and after for up to 60 minutes (depending on the air exchange rate of the room) to allow for a complete air change. Refer to Attachment G: Room Air Exchange Guidelines.

d. The number of HCP present during the procedure should be limited to only those essential for patient care and procedure support. Visitors should not be present for the procedure.

e. HCP should wear an N95 respirator, eye protection, isolation gown, and gloves while in the room during the AGP.

f. The room and all patient care equipment should be cleaned and disinfected promptly at the completion of the procedure.

18. Environmental Infection Control

a. CCHP has implemented, and continues to implement, policies and procedures for cleaning, disinfection, and hand hygiene as part of a multi-layered infection control approach. Hand washing stations and hand sanitizer dispensers (with hand rub that is at least 60% alcohol) have been installed throughout the facility for employees to use. In addition, signs will be posted encouraging frequent handwashing and use of hand sanitizers.
b. CCHP/RWMC/OLF Environmental Services (EVS) Department is primarily charged with cleaning and disinfection tasks under this section, but employees also have an individual responsibility to follow CCHPs cleaning and disinfection guidelines in this section wherever appropriate.
c. Dedicated medical equipment should be used when caring for a patient with suspected or confirmed SARS-COV-2 .
d. All non-dedicated, non-disposal medical equipment used for patient care should be cleaned and disinfected according to the manufacturer's instructions before use on another patient.
e. In patient care areas and for medical devices and equipment LMC follows standard practices for cleaning and disinfection of surfaces and equipment in accordance with CDC's "COVID-19 Infection Prevention and Control Recommendations" and CDC's "Guidelines for Environmental Infection Control."
f. In all other areas, CCHP requires the cleaning of high-touch surfaces and equipment at least once a day, following manufacturers' instructions for the application of cleaners.

c. The manufacturer's written instructions for use and the appropriate contact times should be followed for the product(s) used for routine cleaning and disinfection procedures.

c. Dispose of all wipes in the general trash upon completion of the cleaning. DO NOT FLUSH IN TOILET

d. Management of laundry, food service utensils, and medical waste should be performed in accordance with routine procedures (refer to hospital-specific protocols).

e. Once the patient has been discharged or transferred the room should undergo appropriate cleaning and surface disinfection before it is returned to routine use.

Attachments

Attachment A: Visitation Guidelines

Attachment B. Sample Special Airborne+Contact Precaution Sign

Attachment C: Personal Protective Equipment Guidance

Attachment D: CDC Sequence for Donning and Doffing PPE

Attachment E: NIOSH Donning, Doffing, & Seal Check of N95Fattach Respirator

Attachment F: Strategies for Optimizing the Supply of PPE During Shortages

Attachment G: Room Air Exchange Guidelines

Attachment H: Aerosol Generating Procedures in Healthcare Settings

Attachment I: Guidelines for Discontinuing Transmission-Based Precautions in SARS-COV-2 Patients

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Review and Approval

The following Roger Williams Medical Center personnel originated and approved this policy:

Contact::	System Director Infection Prevention and Control or any Infection Preventionist
Approval:	Our Lady of Fatima Hospital IP&C Committee: 02/03/2023
	Our Lady of Fatima Hospital Policy Committee: xx/xx/xxxx
	OLF Medical Executive Committee: 02/02/2023
Policy Date:	xx/xx/xxxx
Replaces:	

Infection Prevention and Control Recommendations for Healthcare Personnel During the SARS-CoV-2 Pandemic
Chapter: Infection Control
Chapter Number: IC 99
Attachments

Attachments

Attachment A: Visitation Guidelines

Attachment B. Sample Special Airborne+Contact Precaution Sign

Attachment C: Personal Protective Equipment Guidance

Attachment D: CDC Sequence for Donning and Doffing PPE

Attachment E: NIOSH Donning, Doffing, & Seal Check of N95Fattach Respirator

Attachment F: Strategies for Optimizing the Supply of PPE During Shortages

Attachment G: Room Air Exchange Guidelines

Attachment H: Aerosol Generating Procedures in Healthcare Settings

Attachment I: Guidelines for Discontinuing Transmission-Based Precautions in SARS-COV-2 Patients

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Review and Approval

The following Our Lady of Fatima Hospital personnel originated and approved this policy:

Contact::	System Director Infection Prevention and Control or any Infection Preventionist
Approval:	OLF IP&C Committee: xx/xx/xxxx
	OLF IP&C Committee: xx/xx/xxxx
	OLF Medical Executive Committee: xx/xx/xxxx
	OLF Governing Body: xx/xx/xxxx
Policy Date:	xx/xx/xxxx
Replaces:	SARS CoV-19 and Other Novel Emerging Pathogens

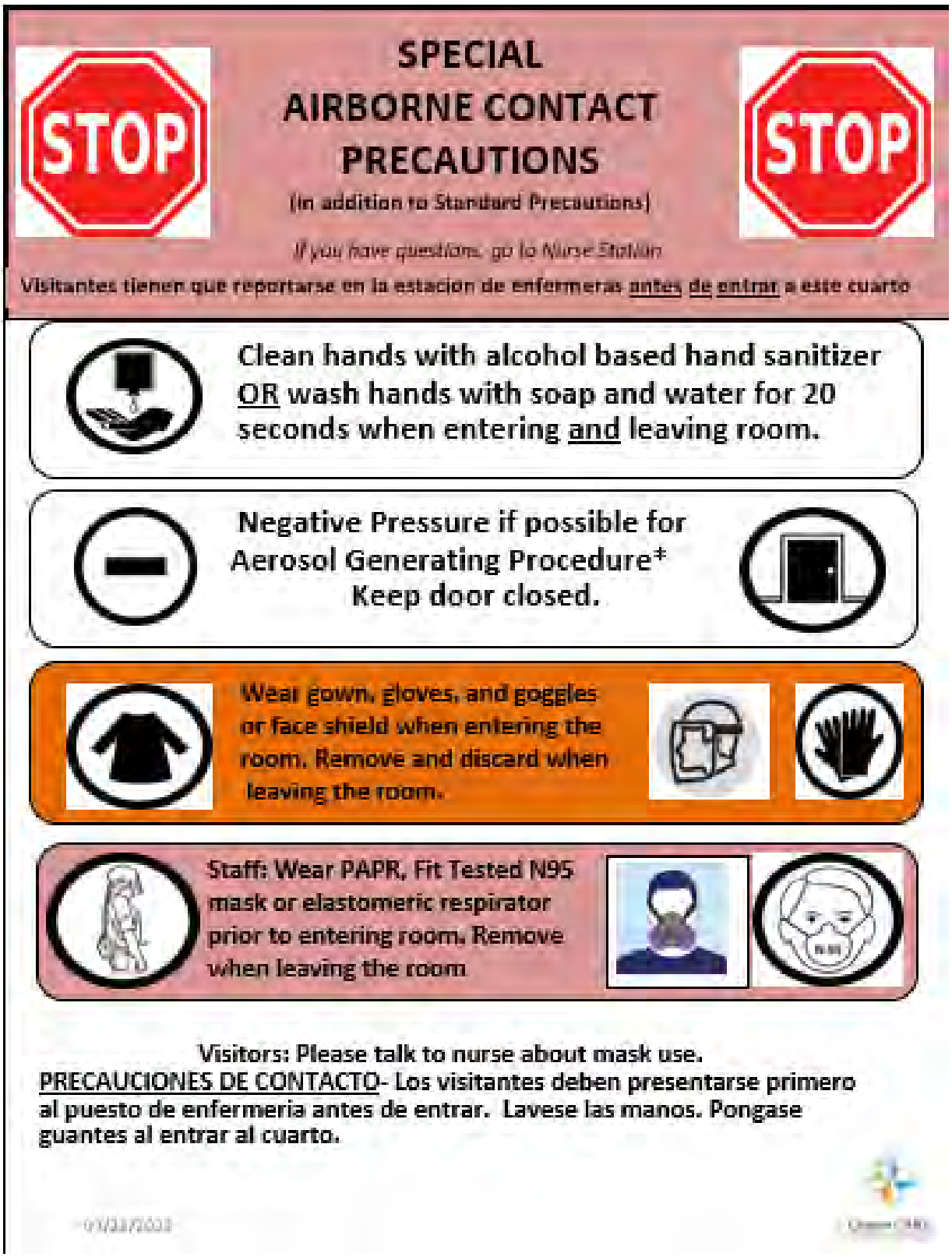
Attachment A: Visitation Guidelines for non COVID-19 Infected patients.

1. All Potential Visitors must:
    a. Enter through the designated areas of the hospital.
    b. At the current time, patients who are on isolation precautions for COVID-19, are not permitted in-person visitation. COVID+ patients will defer visitation until the minimum time required to meet the discontinuation of transmission based precautions guidance is met; in most often cases this will be for 10 days starting at the time of positive test, or time of symptom onset.
    c. Visitors who respond YES to any of the three screening questions are encouraged to not visit at the current time and instead use alternate communication methods.
        i A positive viral test for SARS-COV-2
        ii Symptoms of SARS-COV-2 , or
        iii Close contact with someone with SARS-COV-2 infection (patient or visitor) or a higher risk exposure (for healthcare personnel (HCP).
    d. Visitation by those under the age of 18 is not recommended but allowed.
    e. Always wear a facemask. If unable to tolerate a facemask, allow the visitor to wear a scarf, loose fitting face covering, or face shield.
    f. Perform hand hygiene upon entering the facility and upon leaving the patient room.
    g. Maintain social distancing while in the facility.
    h. Remain in the patient's room during the visit.

2. Visitors to non COVID + patients must adhere to the following guidelines:
    a. One to two visitors at a time
    b. For ambulatory or outpatient services, one individual or companion may accompany the patient

3. Hospitals may prohibit visitation on a case-by-case basis if visitation poses a significant infection control risk to the patients, visitor, or staff

Attachment B: Special Airborne+Contact Precautions Signage



Special Airborne Contact Precautions

Display sign outside the door. Housekeeping to remove sign after room is cleaned.

Common Conditions:

For COVID-19 and Other Novel Emerging Pathogens	For Chickenpox, Disseminated Herpes Zoster, and Measles:
Airborne Infection Isolation Room: If possible, place patient in negative pressure airborne isolation room if performing AGP (aerosol generating procedures include: open suctioning of the airways, sputum induction, CPR, endotracheal intubation and extubation, Bi-PAP, CPAP, bronchoscopy, manual ventilation, nebulizer, high flow O2 delivery).	• Doctors, Staff, families, and visitors enter room only if immune by history, titer, or immunization. • Parents and siblings who have not had the disease or immunization may be incubating the disease and be contagious for two days prior to the onset of rash or other symptoms, putting other patients and staff at risk. • Please post Restricted Room Entry sign.

At OLF: Nurse to notify Respiratory Therapy and Infection Control when starting and stopping precautions. Respiratory Therapy must check to ensure room is negative pressure at least once per day when room is in use.

At RWMC: Nurse to notify Facilities/Engineering and Infection Control when starting or stopping precautions. Facilities/ Engineering must check to ensure room is negative pressure at least once per day when room is in use.

- **Dishes/Utensils:** No special precautions. Kitchenware sanitized in dishwasher.
- **Equipment and Supplies:**
  - Clean and disinfect reusable equipment including IV pumps, cell phone or pagers (if used in room), and other electronics, supplies, and equipment prior to removing from patient's room with hospital approved disinfectant wipes.
  - Ensure blood pressure cuff and stethoscope are cleaned and disinfected between patients.
  - Only essential supplies in room.
- **Linen Management:** Bag linen in the patient's room.
- **Patient Identification Procedure**: Use patient label for validation of patient identity and destroy in room

Personal Protective Equipment:

Put ON in this order:	Take OFF and Dispose in room
1. Perform Hand Hygiene 2. Gown 3. PAPR, N-95, Elastomeric respirator 4. Goggles or faceshield (unless using PAPR) 5. Gloves	1. Gloves 2. Gown 3. Perform Hand Hygiene, leave room and remove PAPR, faceshield/goggles, then remove N95 or elastomeric 4. Perform Hand Hygiene (even if gloves used)

- **Room Cleaning:** After a patient is discharged, keep door closed to allow for the air to be circulated. For a standard negative pressure room this takes approximately one hour. For other rooms, please consult with infection prevention regarding length of time needed. Then, routine cleaning procedures with addition of cubicle curtain changes/cleaning per hospital procedure. *Note: If patient wore mask in an outpatient setting and NO AGP took place, routine room cleaning is warranted.*
- **Transport:** Essential transport only. Have patient wear a surgical mask. Clean and disinfect transport vehicle. Alert receiving department regarding patient's isolation precaution status.

03/21/2022

Attachment C - Personal Protection Equipment Guidance (Updated May 2022)

Situation	Required PPE	Conventional Status Low to Moderate Community Transmission	Contingency Status Substantial or High Community Transmission
Caring for a SARS-COV-2 Suspected or Confirmed Patient	• N95 Respirator Mask • Eye Protection* • Isolation Gown • Gloves ***Eye protection includes goggles or face shield*	• N95 must be discarded after exiting the patient room. • Disposable eye protection must be discarded when removed for any reason – reusable eye protection should be decontaminated after removing & prior to storing • Isolation gown (if not cloth reusable gown) & gloves must be discarded upon exiting the room	• N95 options may include: O Extend the use for multiple patient encounters – but discard when removed for any reason **OR** O Reuse the same N95 for multiple patient encounters over the entire shift, discard at the end of shift or immediately if contaminated • N95 used for other patients on Airborne Precautions should be discarded upon exiting the room • Disposable eye protection must be discarded when removed for any reason – reusable eyewear should be decontaminated after doffing or when contaminated • Isolation gown & gloves must be discarded upon exiting the room
During an Aerosol-Generating Procedure on a SARS-COV-2 Suspected or Confirmed Patient	• N95 Respirator Mask • Eye Protection* • Isolation Gown • Gloves ***Eye protection includes goggles or face shield*	N95, if required, must be discarded after exiting the patient room. Disposable eye protection must be discarded – reusable eye protection should be decontaminated when removed & prior to storing • Isolation gown & gloves must be discarded upon exiting the room	N95 Respirator Mask options may include: • Extend the use for multiple patient encounters – but discarded when removed for any reason • Reuse the same N95 for multiple patient encounters over the entire shift, discard at the end of shift or immediately if contaminated • Eye protection, isolation gowns, gloves discard after exiting the patient room
For Source Control	Universal Facemask Eye protection* ***Eye protection includes goggles or face shield*	Universal Facemask can be worn for repeated encounters with different patients; must be discarded when: • Contaminated • Removed for any reason & end of shift • Upon exiting the room when used protect from respiratory secretions or patients requiring Droplet Precautions Eye protection is not required as part of source control for <u>non-SARS-COV-2 patient encounters</u>	• Facemask can be worn for repeated encounters with patients but should be discarded and replaced when soiled or hard to breathe through; when removed (i.e., for breaks or lunch); at the end of the shift or when used to protect mouth & nose from exposure to respiratory secretions or other patients requiring Droplet Precautions • Eye protection is required for HCP for all patient encounters regardless of SARS-COV-2 status

HOMEMADE AND CLOTH FACEMASKS ARE NOT CONSIDERED PPE AND ARE NOT TO BE WORN BY HEALTHCARE WORKERS IN THE HEALTHCARE SETTING

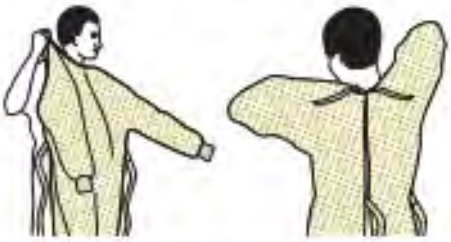
Attachment D: Donning and Doffing PPE

SEQUENCE FOR PUTTING ON PERSONAL PROTECTIVE EQUIPMENT (PPE)

The type of PPE used will vary based on the level of precautions required, such as standard and contact, droplet or airborne infection isolation precautions. The procedure for putting on and removing PPE should be tailored to the specific type of PPE.

1. GOWN

- Fully cover torso from neck to knees, arms to end of wrists, and wrap around the back
- Fasten in back of neck and waist



2. MASK OR RESPIRATOR

- Secure ties or elastic bands at middle of head and neck
- Fit flexible band to nose bridge
- Fit snug to face and below chin
- Fit-check respirator



3. GOGGLES OR FACE SHIELD

- Place over face and eyes and adjust to fit



4. GLOVES

- Extend to cover wrist of isolation gown



USE SAFE WORK PRACTICES TO PROTECT YOURSELF AND LIMIT THE SPREAD OF CONTAMINATION

- Keep hands away from face
- Limit surfaces touched
- Change gloves when torn or heavily contaminated
- Perform hand hygiene

CDC

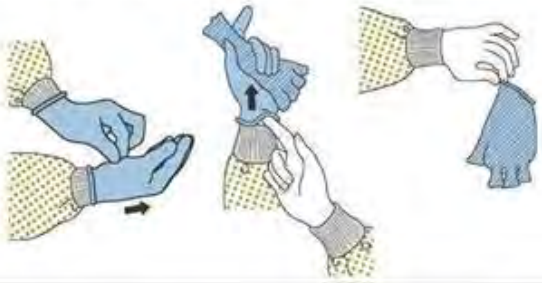
Attachment E: NIOSH Donning and Doffing Disposable Respirator

HOW TO SAFELY REMOVE PERSONAL PROTECTIVE EQUIPMENT (PPE) EXAMPLE 1

There are a variety of ways to safely remove PPE without contaminating your clothing, skin, or mucous membranes with potentially infectious materials. Here is one example. **Remove all PPE before exiting the patient room** except a respirator, if worn. Remove the respirator **after** leaving the patient room and closing the door. Remove PPE in the following sequence:

1. GLOVES

- Outside of gloves are contaminated!
- If your hands get contaminated during glove removal, immediately wash your hands or use an alcohol-based hand sanitizer
- Using a gloved hand, grasp the palm area of the other gloved hand and peel off first glove
- Hold removed glove in gloved hand
- Slide fingers of ungloved hand under remaining glove at wrist and peel off second glove over first glove
- Discard gloves in a waste container



2. GOGGLES OR FACE SHIELD

- Outside of goggles or face shield are contaminated!
- If your hands get contaminated during goggle or face shield removal, immediately wash your hands or use an alcohol-based hand sanitizer
- Remove goggles or face shield from the back by lifting head band or ear pieces
- If the item is reusable, place in designated receptacle for reprocessing. Otherwise, discard in a waste container



3. GOWN

- Gown front and sleeves are contaminated!
- If your hands get contaminated during gown removal, immediately wash your hands or use an alcohol-based hand sanitizer
- Unfasten gown ties, taking care that sleeves don't contact your body when reaching for ties
- Pull gown away from neck and shoulders, touching inside of gown only
- Turn gown inside out
- Fold or roll into a bundle and discard in a waste container

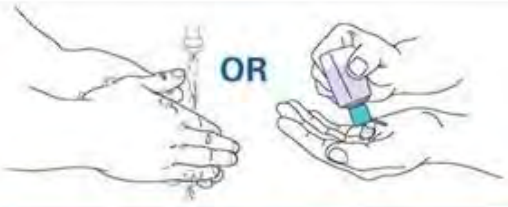


4. MASK OR RESPIRATOR

- Front of mask/respirator is contaminated — DO NOT TOUCH!
- If your hands get contaminated during mask/respirator removal, immediately wash your hands or use an alcohol-based hand sanitizer
- Grasp bottom ties or elastics of the mask/respirator, then the ones at the top, and remove without touching the front
- Discard in a waste container



5. WASH HANDS OR USE AN ALCOHOL-BASED HAND SANITIZER IMMEDIATELY AFTER REMOVING ALL PPE



PERFORM HAND HYGIENE BETWEEN STEPS IF HANDS BECOME CONTAMINATED AND IMMEDIATELY AFTER REMOVING ALL PPE

Attachment D: Donning and Doffing PPE

HOW TO SAFELY REMOVE PERSONAL PROTECTIVE EQUIPMENT (PPE) EXAMPLE 2

Here is another way to safely remove PPE without contaminating your clothing, skin, or mucous membranes with potentially infectious materials. **Remove all PPE before exiting the patient room** except a respirator, if worn. Remove the respirator after leaving the patient room and closing the door. Remove PPE in the following sequence:

1. GOWN AND GLOVES

- Gown front and sleeves and the outside of gloves are contaminated!
- If your hands get contaminated during gown or glove removal, immediately wash your hands or use an alcohol-based hand sanitizer
- Grasp the gown in the front and pull away from your body so that the ties break, touching outside of gown only with gloved hands
- While removing the gown, fold or roll the gown inside-out into a bundle
- As you are removing the gown, peel off your gloves at the same time, only touching the inside of the gloves and gown with your bare hands. Place the gown and gloves into a waste container



2. GOGGLES OR FACE SHIELD

- Outside of goggles or face shield are contaminated!
- If your hands get contaminated during goggle or face shield removal, immediately wash your hands or use an alcohol-based hand sanitizer
- Remove goggles or face shield from the back by lifting head band and without touching the front of the goggles or face shield
- If the item is reusable, place in designated receptacle for reprocessing. Otherwise, discard in a waste container

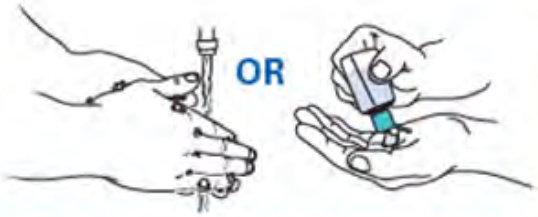


3. MASK OR RESPIRATOR

- Front of mask/respirator is contaminated — DO NOT TOUCH!
- If your hands get contaminated during mask/respirator removal, immediately wash your hands or use an alcohol-based hand sanitizer
- Grasp bottom ties or elastics of the mask/respirator, then the ones at the top, and remove without touching the front
- Discard in a waste container



4. WASH HANDS OR USE AN ALCOHOL-BASED HAND SANITIZER IMMEDIATELY AFTER REMOVING ALL PPE



PERFORM HAND HYGIENE BETWEEN STEPS IF HANDS BECOME CONTAMINATED AND IMMEDIATELY AFTER REMOVING ALL PPE

CDC

CS250673-E

Attachment E: NIOSH Donning and Doffing Disposable Respirator

How to Properly Put on and Take off a Disposable Respirator

WASH YOUR HANDS THOROUGHLY BEFORE PUTTING ON AND TAKING OFF THE RESPIRATOR.

If you have used a respirator before that fit you, use the same make, model and size.

Inspect the respirator for damage. If your respirator appears damaged, DO NOT USE IT. Replace it with a new one.

Do not allow facial hair, hair, jewelry, glasses, clothing, or anything else to prevent proper placement or come between your face and the respirator.

Follow the instructions that come with your respirator.[1]

Putting On The Respirator



Position the respirator in your hands with the nose piece at your fingertips.



Cup the respirator in your hand allowing the headbands to hang below your hand. Hold the respirator under your chin with the nosepiece up.



The top strap (on single or double strap respirators) goes over and rests at the top back of your head. The bottom strap is positioned around the neck and below the ears. Do not crisscross straps.



Place your fingertips from both hands at the top of the metal nose clip (if present). Slide fingertips down both sides of the metal strip to mold the nose area to the shape of your nose.

Checking Your Seal[2]



Place both hands over the respirator, take a quick breath in to check whether the respirator seals tightly to the face.



Place both hands completely over the respirator and exhale. If you feel leakage, there is not a proper seal.



If air leaks around the nose, readjust the nosepiece as described. If air leaks at the mask edges, re-adjust the straps along the sides of your head until a proper seal is achieved.



If you cannot achieve a proper seal due to air leakage, ask for help or try a different size or model.

Removing Your Respirator



DO NOT TOUCH the front of the respirator! It may be contaminated!



Remove by pulling the bottom strap over back of head, followed by the top strap, without touching the respirator.



Discard in waste container. WASH YOUR HANDS!

Employers must comply with the OSHA Respiratory Protection Standard, 29 CFR 1910.134 if respirators are used by employees performing work-related duties.

1 Manufacturer instructions for many NIOSH approved disposable respirators can be found at www.cdc.gov/niosh/npptl/topics/respirators/disp_part/

Attachment F

Strategies for Optimizing the Supply of PPE During Shortages

https://www.cdc.gov/coronavirus/2019-ncov/hcp/ppe-strategy/general-optimization-strategies.html

PPE Type	Conventional Capacity Strategies that should already be in place as part of general IPC plans in healthcare settings	Contingency Capacity Strategies that can be used during periods of anticipated PPE shortages	Crisis Capacity* Strategies that can be used when supplies cannot meet the facility's current or anticipated PPE utilization rate *Not commensurate with U.S. standards or care
All PPE	• Use physical barriers and other engineering controls • Limit number of patients going to hospital or outpatient settings • Use telemedicine whenever possible • Limit all HCP not directly involved in patient care • Limit face-to-face HCP encounters with patients • Limit visitors to the facility to those essential for patients' physical and emotional well-being • Cohort patients and/or HCP	Selectively cancel elective and non-urgent procedures and appointments for which PPE is typically used by HCP Decrease length of hospital stay for medically stable patients with an infectious diagnosis for whom PPE use is recommended during their care	Cancel all elective and non-urgent procedures and appointments for which PPE is typically used by HCP
N95 Respirators	• Implement just-in-time fit testing • Limit respirators during training • Implement qualitative fit testing • Use alternative to N95 respirators such as other filtering facepiece respirators, elastomeric respirators, and PAPR or CAPR	• Temporarily suspend annual fit testing • Use N95 respirators beyond the manufacturer designated shelf life for training and fit testing • Extend the use of N95 respirators by wearing the same N95 for repeated close contact encounters with several different patients • Prioritize N95 respirators for HCP who are using them as respiratory protection when caring for patients	• Use respirators beyond the manufacturer designated shelf life for healthcare delivery • Use respirators approved under standards used in other counties • Implement limited reuse of N95 respirators. During times of crisis, it may be needed to practice limited re-use on top of extended use. • Use additional respirators beyond the manufacturerdesignated shelf life that have not been evaluated by NIOSH. • Prioritize the use of N95 respirators and facemasks by activity.

CONFIDENTIAL C-CNT-PMH-014903

Attachment F

Strategies for Optimizing the Supply of PPE During Shortages

https://www.cdc.gov/coronavirus/2019-ncov/hcp/ppe-strategy/general-optimization-strategies.html

PPE Type	Conventional Capacity Strategies that should already be in place as part of general IPC plans in healthcare settings	Contingency Capacity Strategies that can be used during periods of anticipated PPE shortages	Crisis Capacity* Strategies that can be used when supplies cannot meet the facility's current or anticipated PPE utilization rate *Not commensurate with U.S. standards or care
Facemasks	• Use facemasks according to product labeling and local, state, and federal requirements in healthcare settings, facemasks are used by HCP as: PPE to protect their nose and mouth from exposure to splashed, sprays, splatter, and respiratory secretions (e.g., for patients on Droplet Precautions) – when used for this purpose, facemasks should be removed and discarded after each patient encounter; used for source control to cover their mouth and nose to prevent spread of respiratory secretions when they are talking, sneezing, or coughing. When used for this purpose, facemasks may be used until them become soiled, damaged, or hard to breathe through and should be discarded after removal.	• Remove facemasks from facility entrances and other public areas. • Implement extended use of facemasks as PPE (e.g., for patients on Droplet Precautions) during encounters with several different patients, without removing the facemask between encounters. When used for this purpose the facemask should be discarded whenever it is removed, if it becomes soiled, damaged, or hard to breathe through. HCP should not touch the front of the mask. If they do, they should perform hand hygiene immediately. HCP should leave the patient care area if they need to remove the facemask. • Restrict facemasks for use by HCP only when needed as PPE. Patients and HCP requiring **only** source control may use a cloth mask.	• Use facemasks beyond the manufacturer-designated shelf life during patient care activities • Implement limited reuse of facemasks with extended use (removing it after several encounters and redonning for further patient encounters). The facemask should be discarded if soiled, damaged, or hard to breathe through. Can be stored between uses, folded inward against itself, in a sealable paper bag or container. • Prioritize facemasks for HCP for selected activities such as essential surgeries, activities where splashes and sprays are anticipated and contact with an infectious patient, for whom facemask use is recommended **When no respirators or facemasks are available:** • Use a face shield that covers the entire front (that extends to the chin or below) and sides of the face with no facemask

CONFIDENTIAL C-CNT-PMH-014904

Attachment F

Strategies for Optimizing the Supply of PPE During Shortages

https://www.cdc.gov/coronavirus/2019-ncov/hcp/ppe-strategy/general-optimization-strategies.html

PPE Type	Conventional Capacity Strategies that should already be in place as part of general IPC plans in healthcare settings	Contingency Capacity Strategies that can be used during periods of anticipated PPE shortages	Crisis Capacity* Strategies that can be used when supplies cannot meet the facility's current or anticipated PPE utilization rate *Not commensurate with U.S. standards or care
Gowns	• Use isolation gown alternatives that offer equivalent or higher protection including reusable (i.e., washable gowns) • Note: In general, the CDC does not recommend the use of more than one isolation gown at a time when providing care to confirmed or suspected SARS-COV-2 patients • Additional Guidance here: https://www.cdc.gov/coronavirus/2019-ncov/hcp/ppe-strategy/isolation-gowns.html#conventional-capacity •	• Consider use of coveralls • Use gowns beyond the manufacturer designated shelf life for training • Use gowns or coveralls conforming to international standards – use of coveralls that conform to international standards • Prioritize gowns for higher risk activities (use with SARS-COV-2 patients and patients infected or colonized with emerging highly resistant organisms including Candida auris, Carbapenemase producing, carbapenem resistant, Enterobacterales, pseudomonas, and Acinetobacter. • Suspend the use of gowns for ESBL	• Extend the use of isolation gowns • Prioritize gowns for activities where splashes and sprays are anticipated, during high-contact patient care, and for patients colonized or infected with emerging highly resistant organisms. • Consider using gown alternatives that have not been evaluated as effective. • Reuse of isolation gowns is not recommended (risk of transmission among HCP and patients likely outweigh any potential benefits). • Additional guidance here: https://www.cdc.gov/coronavirus/2019-ncov/hcp/ppe-strategy/isolation-gowns.html#crisis-capacity
Eye Protection	• Use eye protection according to product labeling and local, state, and federal requirements • Shift eye protection supplies from disposable to re-usable devices. Ensure appropriate cleaning and disinfection after use • Additional Guidance here: https://www.cdc.gov/coronavirus/2019-ncov/hcp/ppe-strategy/eye-protection.html#conventional-capacity	• Extend the use of eye protection (can be applied to disposable and reusable devices) • Eye protection should be removed, cleaned, and disinfected if it becomes visibly soiled or difficult to see through • Eye protection should be discarded if damaged • HCP should leave the patient care area prior to removing eye protection.	• Use eye protection devices beyond the manufacturer designated shelf life • Prioritize eye protection for activities where splashes or sprays are anticipated or when close contact with a potentially infectious patient is unavoidable. Consider using safety glasses that cover the sides of the eyes. Clean eye protection by carefully wiping the inside followed by the outside.

CONFIDENTIAL C-CNT-PMH-014905

Attachment G : AIR CHANGES per HOUR

Table B.1. Air changes/hour (ACH) and time required for airborne-contaminant removal by efficiency *

The number of air changes per hour and time and efficiency.	
ACH § ¶	Time (mins.) required for removal 99% efficiency
2	138
4	69
6+	46
8	35
10+	28
12+	23
15+	18
20	14
50	6

* This table is revised from Table S3-1 in reference 4 and has been adapted from the formula for the rate of purging airborne contaminants presented in reference 1435.
the formula for the rate of purging airborne contaminants presented in reference 1435.

+ Denotes frequently cited ACH for patient-care areas.

https://www.cdc.gov/infectioncontrol/guidelines/environmental/appendix/air.html

Attachment H: Aerosol Generating Procedures in Healthcare Settings

Some procedures performed on patients are more likely to generate higher concentrations of infectious respiratory aerosols than coughing, sneezing, talking, or breathing. These aerosol generating procedures (AGPs) potentially put healthcare personnel and others at an increased risk for pathogen exposure and infection.

Development of a comprehensive list of AGPs for healthcare settings has not been possible, due to limitations in available data on which procedures may generate potentially infectious aerosols and the challenges in determining if reported transmissions during AGPs are due to aerosols or other exposures.

There is neither expert consensus, nor sufficient supporting data, to create a definitive and comprehensive list of AGPs for healthcare settings.

In addition to commonly performed medical procedures that are often considered AGPs, the Occupation Health and Safety Administration has also defined the following as Aerosol Generating Procedure, or that might create uncontrolled respiratory secretions, include:

- open suctioning of airways
- sputum induction
- cardiopulmonary resuscitation
- endotracheal intubation and extubation
- non-invasive ventilation (e.g., BiPAP, CPAP)
- bronchoscopy
- manual ventilation

Based on limited available data, it is uncertain whether aerosols generated from some procedures may be infectious, such as:

- nebulizer administration*
- high flow O2 delivery

*Aerosols generated by nebulizers are derived from medication in the nebulizer. It is uncertain whether potential associations between performing this common procedure and increased risk of infection might be due to aerosols generated by the procedure or due to increased contact between those administering the nebulized medication and infected patients.

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Attachment I: Guidelines for Discontinuing Transmission-Based Precautions in SARS-COV-2 Patients

This document provides guidance for management of Transmission-Based Precautions for SARS-COV-2 confirmed patients in the inpatient setting.

Strategy	Patient Type	Criteria
Symptom-Based Strategy Preferred for ALL patients	Patients with Mild to Moderate Disease who are *not* moderately to severely immunocompromised[6]	• At least **10 days*** have passed since symptoms first appeared **&** • At least 24 hours have passed since last fever without the use of fever-reducing medications **&** • Symptoms (e.g., cough, shortness of breath) have improved
	Patients who were asymptomatic throughout their infection and are *not* moderately to severely immunocompromised	• At least 10 days have passed since the date of their first positive diagnostic viral test
	Patients with Severe or Critical Illness and who are not moderately to severely immunocompromised	• At least 10 days and up to 20 days* have passed since symptoms first appeared **&** • At least 24 hours have passed since last fever without the use of fever-reducing medications **&** • Symptoms (e.g., cough and shortness of breath) have improved • The test-based strategy for moderately to severely immunocompromised can be used in consultation with an infectious disease specialist (if available)
	Patients who are Moderately to Severely immunocompromised	• May produce may produce replication-competent virus beyond 20 days after symptom onset or, for those who were asymptomatic throughout their infection, the date of their first positive viral test. • Use of a test-based strategy and (if available) consultation with an infectious disease specialist is recommended to determine when Transmission-Based Precautions could be discontinued for these patients.
Test-Based Strategy Considered for severely immunocompromised in consultation with local infectious disease experts	Patients who are Symptomatic	• Resolution of fever without the use of fever-reducing medications **&** • Improvement in symptoms (e.g., cough, shortness of breath) **&** • Results are negative from at least two (2) consecutive respiratory specimens collected 48 hours apart (total of two negative specimens) tested using an antigen test or NAAT.
	Patients who are not symptomatic	• Results are negative from at least two (2) consecutive respiratory specimens collected 48 hours apart (total of two negative specimens) tested using an antigen test or NAAT.

*Where Day zero (0) is the date of test or date of symptom onset (whichever comes first)

Policy Name: PATIENT COMPLAINT and GRIEVANCES

Chapter: Patient Rights

Policy Number:

1. POLICY

Roger Williams Medical Center encourages patients and their families to voice complaints, grievances and compliments about care and services. It is the policy to implement an effective system to address concerns about any aspect of care or service delivered at our location(s).

II. Definitions:

Grievant: the person who initiates a Patient Grievance.

Patient Complaint: Patient issues that can be resolved promptly and involve staff who are present (e.g. Nursing, Administration, Patient Advocates) at the time of the complaint. Example: food is cold, room needs to be cleaned.

Patient Grievance: a written or verbal complaint (when the verbal complaint about patient care is not resolved at the time of the complaint by staff present) by a patient, or the patient's representative, regarding the patient's care, abuse or neglect, issues related to the hospital's compliance with the CMS Hospital Conditions of Participation (CoPs), or a Medicare beneficiary billing complaint related to rights and limitations.

- A Staff Member such as a supervisor, manager or Patient Advocate who will respond to the patient's location.
- All other billing issues are usually not considered grievances.
- All verbal or written complaints regarding abuse, neglect, patient harm, or hospital compliance with CMS requirements are considered grievances.
- A written complaint is always considered a grievance, whether from an inpatient, outpatient, released/discharged patient or their representative

regarding the patient care provided, abuse or neglect, or the hospital's compliance with CoPs.

- Letter, e-mail or fax is considered written.

- Whenever a patient or patient's representative requests that their complaint be handled as a formal complaint or grievance or when the patient requests a response from the hospital, the complaint is considered a grievance.

- Patient complaints that become grievances also include situations where a patient or a patient's representative telephones the hospital with a complaint regarding their patient care or with an allegation of abuse or neglect, or . failure of the hospital to comply with one of more CoPs, or other CMS requirements. Those post-hospital verbal communications regarding patient care that would routinely have been handled by staff present if the communication occurred during their stay/visit, are not required to be defined as a grievance.

- Information obtained from patient satisfaction surveys usually do not meet the definition of a grievance unless the identified patient writes or attaches a written complaint on survey requesting resolution or if the hospital would usually treat such a complaint as a grievance if received as written letter of complaint.

Patient Advocate: is a hospital employee whose specific function is to help patients cope with the often complex and frightening process of hospitalization and to help resolve any problems the patient might face during their stay. The patient advocate performs a valuable risk management function by solving small problems before they become large ones and by helping patients feel that they are being treated fairly by the healthcare facility.

Resolved: when the grievant is satisfied with the actions taken

Staff Member: a permanent, part time or temporary hospital employee

111. Purpose

The Roger Williams Medical Center Board of Trustees has delegated the responsibility of reviewing and resolving grievances to the Quality Council of the hospital, which has appointed a Committee to review all grievances as described in this policy as a subcommittee of the Quality Council.

This Grievance Procedure will be used for complaints specific to but not limited to:

- Quality of clinical care;

- Alleged harassment or discrimination of any type including discrimination against any person on the basis of race, color, national origin, disability, or age in admission, treatment, or participation in its programs, services and activities;

- Alleged abuse of patient rights;
- Violation of privacy/confidentiality;

- Provider/staff behavior not consistent with assurances of patient rights;

- Issues related to the hospital's compliance with the CMS Hospital Conditions of Participation;

- Medicare beneficiary billing complaints related to rights and limitations.

IV. Procedure

A. Education of Patients, Family and Staff Members about Complaint and Grievance Process

redacted

2. Orientation of Staff: redacted

B. Early Complaint Resolution: redacted

C. Reporting Grievances: redacted

D. Receipt, Investigation and Resolution

l. Grievance Initial Notification: redacted

2. Investigation: redacted

redacted

redacted

3. Resolution: redacted

redacted

4. Documentation: redacted

5. Follow-up: redacted

6. All patients will be provided with the following contact information to file a grievance:

Rhode Island Department of Health
Division of Facilities Regulation
3 Capitol Hill, Providence, RI 02908
Phone: 401-222-5200

The Joint Commission (TJC)
Office of Quality and Monitoring
One Renaissance Boulevard
Oakbrook Terrace, IL 60181
TJC Complaint Hotline 1-800-994-6610;
Fax: 1-630-792-5636;
E-mail: patientsafetyreport@jointcommission.org

For Medicare Beneficiaries: see State specific contact for the local Quality Improvement Organization:

1-888-319-8452

E. Complaints received from External Agencies

redacted

F. Quality Assurance

Summaries of complaints and grievances will be reported to designated hospital committees as requested.

Attachments: None

Enter any content that you want to repeat, including other content controls. You can also insert this control around table rows in order to repeat parts of a table.

References:
§482.13 Conditions of Participations: Patient Rights
CMS Manual System, Department of Health and Human Services, "Interpretive Guidelines for Hospitals," Rev. 116, 06-06-14. Joint Commission Standards:
RI.O1.07.01
Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and Regulations of the U.S. Department of Health and Human Services issued pursuant to these statutes at Title 45 Code of Federal Regulations Parts
80, and 84

Review and Approval

The following CharterCARE personnel originated and approved this policy:

Contact: Risk Management

Approved by: Quality Counsel: 1/10/20,

Board of Trustees: 3/2020

Policy Committee: 12/20/22

Grievance Committee: 12/2/22

Policy Date: 1/20

Revision dates: 4/05, 10/05, 6/11, 4/22, 11/2020

As outlined by the CMS (Center for Medicare & Medicaid Services) Conditions of Participation (COPs) the following must occur:

§484.105 (a) Standard: **Governing body**. A governing body (or designated persons so functioning) must assume full legal authority and responsibility for the agency's overall management and operation, the provision of all home health services, fiscal operations, review of the agency's budget and its operational plans, and its quality assessment and performance improvement program.

§484.105(b) Standard: **Administrator**.

Implementation: §484.105(b)(1) The administrator must: G946

Be appointed by and report to the governing body;

Functions: Be responsible for all day-to-day operations of the HHA; Ensure that a clinical manager is available during all operating hours; Ensure that the HHA employs qualified personnel, including assuring the development of personnel qualifications and policies. the administrator reports directly to the governing body with no intermediaries.

A motion to be taken for approval of naming Lynn Leahey, RN, MSN Ps & Q as the Interim Administrator of Prospect CharterCARE, Home Health and Hospice, 50 Maude St. Providence, RI to be effective April 1, 2023.

(Vote to Approve)

Home Health Services

As outlined by the CMS Conditions of Participation (COPs) the following must occur:

§484.105 (a) Standard: **Governing body**. A governing body (or designated persons so functioning) must assume full legal authority and responsibility for the agency's overall management and operation, the provision of all home health services, fiscal operations, review of the agency's budget and its operational plans, and its quality assessment and performance improvement program.

§484.105(b) Standard: **Administrator**.

Implementation: §**484.105(b)(1) The administrator must**: G946 **Be appointed by and report to the governing body;**

Functions: Be responsible for all day-to-day operations of the HHA; Ensure that a clinical manager is available during all operating hours; Ensure that the HHA employs qualified personnel, including assuring the development of personnel qualifications and policies. the administrator reports directly to the governing body with no intermediaries.

***A Motion to be made for the approval of naming Lynn Leahey, RN, MSN Ps & Q as the Interim Administrator of Prospect CharterCARE Home Health and Hospice. 50 Maude St. Providence, RI. Effective April 1, 2023*.**



Consolidated Financial Statements and Supplementary Information

As of and for the Years Ended
September 30, 2022 and 2021

The report accompanying these financial statements was issued by BDO USA, LLP, a Delaware limited liability partnership and the U.S. member of BDO International Limited, a UK company limited by guarantee.

Prospect Medical Holdings, Inc.

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Independent Auditor's Report

Board of Directors
Prospect Medical Holdings, Inc.
Los Angeles, California

Opinion

We have audited the consolidated financial statements of Prospect Medical Holdings, Inc. and its subsidiaries (the Company), which comprise the consolidated balance sheets as of September 30, 2022 and 2021, and the related consolidated statements of operations and comprehensive loss, changes in stockholders' deficit, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of September 30, 2022 and 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the consolidated financial statements are issued or available to be issued.

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BDO is the brand name for the BDO network and for each of the BDO Member Firms.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

BDO USA, LLP

May 25, 2023

Prospect Medical Holdings, Inc.

Consolidated Balance Sheets
(in thousands, except par value and share amounts)

September 30,	**2022**	2021
Assets		
Current assets		
Cash and cash equivalents	**$ 56,084**	$ 58,993
Restricted cash	**35,743**	47,063
Restricted investments	**33,298**	34,283
Patient accounts receivable, net	**264,274**	254,908
Due from government payers	**21,797**	17,297
Other receivables, prepaid expenses and other current assets	**167,088**	144,947
Inventories	**9,822**	7,233
Hospital fee program receivable	**180,228**	178,042
Current assets held for sale	**115,614**	127,609
Total current assets	**883,948**	870,375
Property, improvements and equipment, net	**163,831**	175,666
Goodwill, net	**113,352**	129,515
Intangible assets, net	**2,351**	3,355
Other assets	**53,973**	60,659
Long term assets held for sale	**607,159**	575,597
Total assets	**$ 1,824,614**	$ 1,815,167

See accompanying notes to the consolidated financial statements.

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Prospect Medical Holdings, Inc.

Consolidated Balance Sheets
(in thousands, except par value and share amounts)

September 30,	**2022**	2021
Liabilities and Stockholders' Deficit		
Current liabilities:		
Accrued medical claims and other healthcare costs payable	**$ 120,218**	$ 93,619
Accounts payable and other accrued liabilities	**386,508**	311,038
Accrued salaries, wages and benefits	**136,831**	149,966
Hospital fee program liability	**96,813**	71,197
Due to government payers	**45,385**	16,359
Refund liability, current portion	**23,638**	206,397
Revolving line of credit, net	**196,300**	45,000
Debt, current portion	**4,082**	14,667
MPT liabilities, current portion	**81,976**	50,978
Other current liabilities	**12,819**	9,074
Current liabilities held for sale	**125,742**	152,182
Total current liabilities	**1,230,312**	1,120,477
Debt, net of current portion	**296,814**	158,942
Malpractice reserves	**132,257**	121,691
Refund liability, net of current portion	**45,231**	-
Pension obligations	**235,184**	284,674
MPT liabilities, net of current portion	**1,184,347**	1,240,348
Other long-term liabilities	**60,215**	62,231
Long term liabilities held for sale	**98,395**	101,194
Total liabilities	**3,282,755**	3,089,557
Commitments, contingencies (Note 11) and subsequent events (Note 13)		
Stockholders' deficit:		
Common stock, $0.01 par value; 100 shares authorized, issued and outstanding	**1**	1
Additional paid-in capital	**57,675**	57,765
Accumulated other comprehensive loss	**(14,087)**	(63,848)
Accumulated deficit	**(1,505,641)**	(1,272,303)
Total stockholders' deficit attributable to Prospect Medical Holdings, Inc.	**(1,462,052)**	(1,278,385)
Non-controlling interests	**3,911**	3,995
Total stockholders' deficit	**(1,458,141)**	(1,274,390)
Total liabilities and stockholders' deficit	**$ 1,824,614**	$ 1,815,167

See accompanying notes to the consolidated financial statements.

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Prospect Medical Holdings, Inc.

Consolidated Statements of Operations
(in thousands)

For the Years Ended September 30,	**2022**	2021
Revenues:		
Net Hospital Services revenues	**$ 819,954**	$ 736,217
Medical Group revenues	**528,387**	471,296
Global Risk Management revenues	**191,925**	100,154
Corporate revenues	**4,655**	3,171
Total net revenues	**1,544,921**	1,310,838
Operating Expenses:		
Hospital operating expenses	**674,535**	577,159
Medical Group cost of revenues	**380,751**	344,275
Global Risk Management cost of revenues	**155,457**	67,297
General and administrative	**292,037**	270,081
Depreciation and amortization	**18,505**	22,050
Goodwill amortization	**16,163**	16,163
Total operating expenses	**1,537,448**	1,297,025
Operating (loss) income from unconsolidated joint ventures	**(71)**	20
Operating income	**7,402**	13,833
Other expense:		
Interest expense and amortization of deferred financing costs, net	**35,723**	38,472
Net period benefit cost	**12,973**	12,217
Other expense (income), net	**2,771**	(2,172)
Total other expense, net	**51,467**	48,517
loss before income taxes	**(44,065)**	(34,684)
Income tax benefit	**(2,671)**	(2,265)
Loss from continuing operations	**(41,394)**	(32,419)
Loss from discontinued operations, net of income taxes	**(190,907)**	(116,703)
Net loss	**(232,301)**	(149,122)
Net income (loss) attributable to non-controlling interests	**928**	(5,777)
Net loss attributable to Prospect Medical Holdings, Inc.	**$ (233,229)**	$ (143,345)

See accompanying notes to the consolidated financial statements.

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Prospect Medical Holdings, Inc.

Consolidated Statements of Comprehensive Loss
(in thousands)

For the Years Ended September 30,	**2022**	2021
Net loss attributable to Prospect Medical Holdings, Inc.	**$ (233,229)**	$ (143,345)
Other comprehensive income (expense), net of tax:		
Pension obligation and other post-retirement benefits adjustment, net – discontinued operations	**59,324**	(48,498)
Debt and equity securities, unrealized (loss) gain	**(9,672)**	264
Total other comprehensive income (loss), net of tax	**49,652**	(48,234)
Total comprehensive loss	**$ (183,577)**	$ (191,579)

See accompanying notes to the consolidated financial statements.

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Prospect Medical Holdings, Inc.

Consolidated Statements of Stockholders' Deficit
(in thousands, except share amounts)

	Number of Common Shares	Common Stock	Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Prospect Medical Holdings, Inc. Stockholders' Deficit	Non-controlling Interests	Total Stockholders' Deficit
Balance at September 30, 2020	100	$ 1	$ 64,961	$ (15,614)	$ (1,116,992)	$ (1,067,644)	$ 8,029	$ (1,059,615)
Non-controlling interest attributed to minority shareholders	-	-	-	-	-	-	(453)	(453)
Net loss	-	-	-	-	(143,345)	(143,345)	(5,777)	(149,122)
Other comprehensive loss, net of tax	-	-	-	(48,234)	-	(48,234)	-	(48,234)
Distribution to Ivy Holdings, Inc. (see Note 10)	-	-	-	-	(11,966)	(11,966)	-	(11,966)
Purchase of non-controlling interest (see Note 3)	-	-	(7,196)	-	-	(7,196)	2,196	(5,000)
Balance at September 30, 2021	100	$ 1	57,765	(63,848)	(1,272,303)	(1,278,385)	3,995	(1,274,390)
Non-controlling interest attributed to minority shareholders	-	-	-	-	-	-	(1,012)	(1,012)
Net loss	-	-	-	-	(233,229)	(233,229)	928	(232,301)
Other comprehensive income, net of tax	-	-	-	49,652	-	49,652	-	49,652
PMG Share repurchase	-	-	(90)	-	-	(90)	-	(90)
CHIC reclassification	-	-	-	109	(109)	-	-	-
Balance at September 30, 2022	100	$ 1	$ 57,675	$ (14,087)	$ (1,505,641)	$ (1,462,052)	$ 3,911	$ (1,458,141)

See accompanying notes to the consolidated financial statements.

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Prospect Medical Holdings, Inc.

Consolidated Statements of Cash Flows
(in thousands)

For the Years Ended September 30,	**2022**	2021
Cash flows from operating activities		
Net loss	**$ (232,301)**	$ (149,122)
Less: Loss from discontinued operations	**(190,907)**	(116,703)
Net loss from continuing operations	**(41,394)**	(32,419)
Adjustments to reconcile net loss to net cash and cash equivalents used in operating activities:		
Depreciation and amortization	**34,668**	38,213
Amortization of deferred financing costs, net	**2,086**	1,970
Pension obligation net periodic benefit cost	**11,994**	13,028
Excess contribution to pension plan	**(3,433)**	(8,399)
Undistributed earnings from unconsolidated joint ventures	**71**	(20)
Loss on disposal of assets	**-**	605
Changes in operating assets and liabilities:		
Patient accounts receivable	**(9,366)**	(972)
Due to/from government payers, net	**(113,002)**	(56,732)
Other receivables, prepaid expenses and other current assets	**(17,814)**	(55,286)
Hospital fee program receivable	**(2,186)**	11,899
Hospital fee program liability	**25,616**	537
Inventories	**(2,589)**	(208)
Income taxes payable/receivable, net	**7,643**	(4,381)
Other assets	**4,900**	(5,395)
Accrued medical claims and other healthcare costs payable	**26,599**	17,162
Accounts payable, other accrued liabilities and other long term liabilities	**119,005**	(33,521)
Net cash and cash equivalents provided by operating activities - continuing operations	**42,798**	(113,919)
Net cash and cash equivalents used in by operating activities - discontinued operations	**(188,683)**	(58,293)
Net cash and cash equivalents used in operating activities	**(145,885)**	(172,212)
Cash flows from investing activities		
Purchases of property, improvements and equipment	**(3,357)**	(9,925)
Distributions received from equity and cost method investments	**-**	17,000
Cash paid for acquisition of noncontrolling interest and equity method investment	**(90)**	(5,053)
Increase in investments	**(8,687)**	(2,666)
Net cash and cash equivalents used in by investing activities - continuing operations	**(12,134)**	(644)
Net cash and cash equivalents used in by investing activities - discontinued operations	**(33,829)**	(44,853)
Net cash and cash equivalents used in investing activities	**(45,963)**	(45,497)

(Continued on next page)

Prospect Medical Holdings, Inc.

Consolidated Statements of Cash Flows (Continued)
(in thousands)

For the Years Ended September 30,	**2022**	2021
Cash flows from financing activities		
Borrowings on line of credit	**207,000**	45,000
Repayments on line of credit	**(55,700)**	-
Proceeds of debt	**101,295**	-
Repayments of debt	**(17,945)**	(17,357)
Repayment of financing leases	**-**	(1,934)
Repayments of capital leases	**(1,556)**	(1,554)
Cash paid for deferred financing costs	**(371)**	(4,736)
Repayments of insurance premium financing	**(12,750)**	(10,781)
Dividend paid to stockholder	**-**	(11,650)
Borrowings of MPT liability transactions	**3,750**	-
Repayment of MPT liability transactions	**(29,801)**	(47,785)
Net cash and cash equivalents provided by (used in) financing activities - continuing operations	**193,922**	(50,797)
Net cash and cash equivalents used in by financing activities - discontinued operations	**(16,303)**	(14,162)
Net cash and cash equivalents provided by (used in) financing activities	**177,619**	(64,959)
Net decrease in cash, cash equivalents and restricted cash	**(14,229)**	(282,666)
Cash, cash equivalents and restricted cash, beginning of year	**106,056**	388,722
Cash, cash equivalents and restricted cash, end of year	**$ 91,827**	$ 106,056
Supplemental disclosure of cash flow information		
Interest paid	**$ 76,683**	$ 66,130
Income taxes received	**$ 1,267**	$ 519
Schedule of non-cash investing and financing activities		
Equipment acquired under capital leases	**$ 3,782**	$ 1,734
Insurance premium financed	**$ 11,970**	$ 11,560
Accrual of dividends	**$ -**	$ 316
Equipment acquired under PACE financing	**$ 8,751**	$ 9,005
Accrual of property, improvements and equipment	**$ 1,622**	$ 6,227
Accounts payable converted to Cerner promissory note	**$ $44,410**	$ -

See accompanying notes to the consolidated financial statements.

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1. Significant Accounting Policies

Description of Business

Prospect Medical Holdings, Inc. ("Prospect" or the "Company" or the "Parent Entity") is a Delaware corporation and a wholly owned indirect subsidiary of Ivy Holdings Inc. ("Ivy Holdings") and its new parent company, Chamber Inc. ("Chamber"). In June 2021, Green Equity Investments V, LP, Green Equity Investments Side V, LP and other shareholders sold their shares of Ivy Holdings. As a result of the sale, the Company became indirectly wholly-owned by two shareholders that were previously the two largest individual shareholders in Ivy Holdings.

Our business consists of four primary reportable segments: Hospital Services, Medical Group, Global Risk Management and Corporate. Our Hospital Services segment is comprised of 16 acute care and behavioral hospitals in Southern California, Rhode Island, Pennsylvania and Connecticut with approximately 3,000 licensed beds, and a network of specialty and primary care clinics. Our Medical Group segment is a healthcare management services organization that provides management services to affiliated physician organizations that operate as independent physician associations ("Medical Groups" or "IPAs"). Our Global Risk Management ("GRM") segment exists in pursuit of Prospect's coordinated regional care ("CRC") operating model and risk management platform. During the first quarter of 2022, following a strategic review of the company's growth strategies and structure, our management approved a plan to sell the hospital operations, Rhode Island, Pennsylvania and Connecticut. See Note 4 – "*Discontinued Operations*" for further information.

Basis of Presentation

Our Consolidated Financial Statements include the accounts of Prospect and its wholly owned and majority-owned subsidiaries. We eliminate intercompany accounts and transactions in consolidation and we include the results of operations of businesses that are newly acquired in purchase transactions from their dates of acquisition. We account for significant investments in other affiliated companies using the equity method. We also utilize the equity method when we have the ability to exercise significant influence over the affiliated company, despite not holding a significant percentage of its ownership interest. The Company has a variable interest in various entities under the Medical Group segment due to the existence of two call options, under which the Company has the ability to require the holders of all of the voting common stock of the underlying subsidiaries to sell their shares at a fixed nominal price to another designated physician chosen by the Company. This call option agreement represents rights provided through a variable interest other than the equity interest itself that limits the returns that could be earned by the equity holders. In addition, the Company has management agreements with the physician organizations under the Medical Group segment which allows the Company to direct the activities of such physician organizations that most significantly impact their economic performance, retain the right to receive expected residual returns and assume the obligation to absorb losses. Accordingly, the Company is considered to be the primary beneficiary and these entities are consolidated within the accompanying consolidated financial statements. Operating results for acquisitions are consolidated with the Company's consolidated financial statements from their acquisition dates. All significant intercompany balances and transactions have been eliminated in consolidation. Unless otherwise indicated, all financial and statistical data included in these notes to our Consolidated Financial Statements relate to our continuing operations.

The consolidation of these entities does not change any legal ownership, and does not change the assets or the liabilities and equity of the Parent Entity as a stand-alone entity. These entities had total revenues of approximately $423.3 million and $391.7 million and total net income of approximately $33.2 million and $39.8 million for the years ended September 30, 2022 and 2021, respectively. The assets and liabilities of the variable interest entities are as follows (in thousands):

September 30,	**2022**	2021
Assets		
Total current assets	**$ 209,298**	$ 155,767
Total non-current assets	**92,154**	110,050
Total assets	**$ 301,452**	$ 265,817
Liabilities		
Total current liabilities	**$ 76,192**	$ 69,258
Total long-term liabilities	**720**	730
Total liabilities	**$ 76,912**	$ 69,988

Noncontrolling Interests in Consolidated Entities

The consolidated financial statements include all assets, liabilities, revenues and expenses of less than 100% owned entities that we control. For certain less than 100% owned entities, non-controlling interest is shown as a component of stockholders' equity on the consolidated balance sheets and the share of income (loss) attributable to non-controlling interest is shown as a component of income (loss) in the consolidated statements of operations.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

Reclassifications

Certain prior period amounts have been reclassified to conform to the current period presentation. These reclassifications did not affect net loss, revenues and stockholders' equity. See Note 4 – "*Discontinued Operations*" for further information.

COVID-19 Pandemic

In response to the COVID-19 pandemic, federal, state and local authorities have taken several administrative actions intended to assist healthcare providers in providing care during the outbreak of the novel coronavirus ("COVID-19") public health emergency. Sources of relief include the Coronavirus Aid, Relief and Economic Security Act, the Paycheck Protection Program and Health Care Enhancement Act (the "PPPHCE Act"), the Continuing Appropriations Act, 2021 and Other Extensions Act, and the Consolidated Appropriations Act, 2021 (collectively, (the "COVID Acts"). With the COVID Acts, the federal government authorized funding to be distributed through the Public Health and

Social Services Emergency Fund ("Provider Relief Fund" or "PRF"). U.S. Department of Health and Human Services ("HHS") will recoup PRF grant funds not utilized by the established deadlines. The COVID Acts also revised the Medicare accelerated payment program in an attempt to disburse payments to hospitals and other care providers more quickly and permitted employers to defer payment of the 6.2% employer Social Security tax beginning March 27, 2020 through December 31, 2020.

PRF Fund— As a condition to receiving distributions, providers must agree to certain terms and conditions, including, among other things, that the funds are being used for lost revenues and unreimbursed COVID-related costs as defined by HHS, and that the providers will not seek collection of out-of-pocket payments from a COVID-19 patient that are greater than what the patient would have otherwise been required to pay if the care had been provided by an in-network provider. All recipients of PRF payments are required to comply with the reporting requirements described in the terms and conditions and as determined by the Secretary of the U.S. Department of Health and Human Services ("HHS"). In June 2021, HHS established new deadlines for when recipients of PRF grants must use the funding received, generally 12 to 18 months after receipt of the grant funds. HHS will recoup PRF grant funds not utilized by the established deadlines.

During the years ended September 30, 2022 and 2021, we, including our discontinued operations, received approximately $20.8 million and $11.9 million, respectively, from the PRF. At September 30, 2022 and 2021, we had unrecognized funds balances of $0 and $0, respectively.

Medicare Accelerated Payment Program— In certain circumstances, when a hospital is experiencing financial difficulty due to delays in receiving payment for the Medicare services it provided, it may be eligible for an accelerated or advance payment pursuant to the Medicare accelerated payment program. The COVID Acts revised the Medicare accelerated payment program to disburse payments to healthcare providers more quickly. Recipients may retain the accelerated payments for one year from the date of receipt before recoupment commences, which is effectuated by a 25% offset of claims payments for 11 months, followed by a 50% offset for the succeeding six months. At the end of the 29-month period, interest on the unrecouped balance will be assessed at 4.00% per annum. The initial 11-month recoupment period began in April 2021.

The Company, including discontinued operations, received advance payments from the Medicare accelerated payment program during 2020. As of September 30, 2021, the Company had received Medicare accelerated and advance payments of approximately $276 million, of which approximately $49 million had been recouped through a reduction of those affiliates' Medicare claims payments during year ended September 30, 2021. During the year ended September 30, 2022, approximately $158 million was recouped through a reduction of our Medicare claims payments and no additional advances were received. We have the option to submit a Request for Extended Repayment Schedule ("ERS") Form and ERS can be requested with a minimum of 6 months to the maximum of 60 months.

Liquidity

The Company had a net working capital deficit of approximately $346.4 million as of September 30, 2022 compared to net working capital deficit of approximately $250.1 million as of September 30, 2021, respectively. Additionally, the Company had a net loss of approximately $233.2 million for the year ended September 30, 2022 compared to net loss of approximately $143.3 million for the year ended September 30, 2021. As of September 30, 2022, the Company has a stockholders' deficit of approximately $1,458.1 million compared to stockholders' deficit of approximately $1,274.4 million as of September 30, 2021. Cash and cash equivalents used in operations declined from cash used in operating activities of approximately $172.2 million during the year ended September 30, 2021 to

cash used in operating activities of approximately $145.9 million during the year ended September 30, 2022. Total change in cash, cash equivalents and restricted cash decreased year on year from a decrease of approximately $282.7 million for the year ended September 30, 2021 to a decline of approximately $14.2 million for the year ended September 30, 2022.

Total debt (including MPT liabilities) increased to approximately $1,763.5 million at September 30, 2022 compared to approximately $1,509.9 million at September 30, 2021, and the balance outstanding on the Company's revolving line of credit increased from $45.0 million at September 30, 2021 to $196.3 million at September 30, 2022. Cash and cash equivalents declined from approximately $59.0 million at September 30, 2021 to approximately $56.1 million at September 30, 2022. See Note 8 – "*Debt*" for further information.

The Company has undertaken a number of actions, including approximately $1.2 billion restructuring of debt and new term loans with Medical Properties Trust, Inc. ("MPT"), Centerbridge Credit CS, L.P. and Blue Torch Capital LP (see Note 13 - "*Subsequent Events*"), and the planned divestiture of the hospital operations at Rhode Island, Pennsylvania, and Connecticut. The Company has executed APAs for both Connecticut and Rhode Island and continues to solicit sale proposals for Pennsylvania (see Note 4 - "*Discontinued Operations*"). The Company also has various initiatives in place to generate positive cash flows from operations. From a revenue generating perspective, these include a focus on improving charge capture, improving the success rate on denials, and increasing reimbursements through rate negotiations with managed care payors, as well as improving volumes. From a cost cutting perspective, the initiatives include improvements to labor productivity and the reduction in overtime and use of registry, driven by the use of an internal registry, as well as better controls on supply and pharmacy contracts. Further, there are initiatives to focus on improving both productivity and volumes from the Company's physician groups. The Company believes that it will have sufficient cash flows from operations and available borrowing facilities to provide sufficient capital resources to sustain operations, investing activities and financing for at least the next twelve months from the date these consolidated financial statements were available to be issued.

Revenues

On October 1, 2020, the Company adopted the new revenue recognition standard, Accounting Standards Update ("ASU") 2014-09, "Revenue from Contracts with Customers (Topic 606)", using a modified retrospective method of application to all contracts existing on October 1, 2020. The core principle of the guidance in ASU 2014-09 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. For the Hospital Segment, the adoption of ASU 2014-09 resulted in changes to the presentation and disclosure of revenue primarily related to uninsured or underinsured patients. Prior to the adoption of ASU 2014-09, a significant portion of the provision for doubtful accounts related to self-pay patients, as well as co-pays, co-insurance amounts and deductibles owed by patients with insurance. Under ASU 2014-09, the estimated uncollectable amounts due from these patients are generally considered implicit price concessions that are a direct reduction to net operating revenues, with a corresponding reduction in the amounts presented as provision for doubtful accounts.

The Company recognizes net operating revenues in the period in which performance obligations under contracts by transferring our services to customers are satisfied. Net operating revenues are recognized in the amounts to which the Company expects to be entitled, which are the transaction prices allocated to the distinct services.

Revenues by reportable segment are comprised of the following amounts (in thousands):

For the Years Ended September 30,	**2022**	2021
Net Hospital Services		
Inpatient	**$ 544,580**	$ 545,307
Outpatient	**42,397**	40,321
Capitation	**229,278**	154,511
Other	**3,699**	(3,922)
Total Hospital Services revenues	**819,954**	736,217
Medical Group		
Capitation	**454,221**	397,670
Management fees	**13,438**	16,393
Other	**60,728**	57,233
Total Medical Group revenues	**528,387**	471,296
Global Risk Management		
Capitation	**167,418**	73,151
Other	**24,507**	27,003
Total Global Risk Management revenues	**191,925**	100,154
Corporate revenues	**4,655**	3,171
Total net revenues	**$ 1,544,921**	$ 1,310,838

Hospital Services operating revenues— We report Fee-For-Service ("FFS") net patient service revenues at the amounts that reflect the consideration we expect to be entitled to in exchange for providing patient care. These amounts are due from patients, third-party payers (including managed care payers and government programs) and others, and they include variable consideration for retroactive revenue adjustments due to settlement of audits, reviews and investigations. Generally, the Company bills patients and third-party payers several days after the services are performed or shortly after discharge. Revenues are recognized as performance obligations are satisfied.

Performance obligations are determined based on the nature of the services provided and revenues are recognized when performance obligations satisfied over time based on actual charges incurred in relation to total expected charges. This method provides a faithful depiction of the transfer of services over the term of performance obligations based on the inputs needed to satisfy the obligations. Generally, performance obligations satisfied over time relate to patients in the Company's hospitals receiving inpatient acute care services. The Company measures the performance obligation from admission into the hospital, or the commencement of an outpatient service, to the point when it is no longer required to provide services to that patient, which is generally at the time of discharge or completion of the outpatient services. Patient encounters and related episodes of care and procedures qualify as distinct goods and services, provided simultaneously together with other readily available resources, in a single instance of service, and thereby constitute a single performance obligation for each patient encounter and, in most instances, occur at readily determinable transaction prices. All services provided are expected to result in cash flows and are therefore reflected as net revenue in the consolidated financial statements.

The transaction price is determined based on gross charges for services provided, reduced by contractual adjustments provided to third-party payers, discounts provided to uninsured patients, and implicit price concessions provided primarily to uninsured patients. The estimates of contractual adjustments and discounts are based on contractual agreements, discount policies and historical cash collection experience. As a practical expedient, the Company adopted a portfolio approach for the FFS revenue stream to group together contracts with similar characteristics and analyze historical cash collections trends. The contracts within the portfolio share the characteristics conducive to ensuring that the results do not materially differ under the new standard if it were to be applied to individual patient contracts related to each patient encounter.

Gross charges are retail charges. They are not the same as actual pricing, and they generally do not reflect what a hospital is ultimately paid and, therefore, are not displayed in our consolidated statements of operations. Hospitals are typically paid amounts that are negotiated with insurance companies or are set by the government. Gross charges are used to calculate Medicare outlier payments and to determine certain elements of payment under managed care contracts (such as stop-loss payments). Because Medicare requires that a hospital's gross charges be the same for all patients (regardless of payer category), gross charges are what hospitals charge all patients prior to the application of discounts and allowances.

The Company is responsible for confirming member eligibility, performing program utilization review, potentially directing payment to the provider and accepting the financial risk of loss associated with services rendered, as specified within the Company's patient contracts. The Company has the ability to adjust contractual fees with patients and possess the financial risk of loss in certain contractual obligations. These factors indicate the Company is the principal and, as such, the Company records gross fees contracted with patient in revenues.

Revenues under the traditional FFS service Medicare and Medicaid programs are based primarily on prospective payment systems. Retrospectively determined cost-based revenues under these programs, which were more prevalent in earlier periods, and certain other payments, such as disproportionate share hospital and bad debt expense reimbursement, which are based on our hospitals' cost reports, are estimated using historical trends and current factors. Cost report settlements under these programs are subject to audit by Medicare and Medicaid auditors and administrative and judicial review, and it can take several years until final settlement of such matters is determined and completely resolved. The Company records accruals to reflect the expected final settlements on cost reports. For filed cost reports, the accrual is recorded based on those cost reports and subsequent activity. The accrual for periods for which a cost report is yet to be filed is recorded based on estimates of what the Company expects to report on the filed cost reports. After the cost report is filed, the accrual may need to be adjusted and these accrual are adjusted in future periods as they become known.

Hospital Services operating revenues primarily consist of net patient service revenues, principally for patients covered by Medicare, Medicaid, managed care and other health plans, as well as certain uninsured patients and other uninsured discount and charity programs. Additionally, Hospital Services operating revenues include revenues from capitation arrangements that are made directly made with various managed care providers.

The following is a summary of sources of patient service revenues in the Hospital Segment (in thousands):

Years Ended September 30,	**2022**	2021
Medicare	**$ 156,873**	$ 164,240
Medi-Cal	**380,548**	377,937
Managed Care/Commercial	**38,288**	35,090
Self-Pay/Other	**11,268**	8,361
Capitation	**229,278**	154,511
Other	**3,699**	(3,922)
Total patient service revenue	**$ 819,954**	$ 736,217

Patients who are covered by third-party payers are responsible for related co-pays, co-insurance and deductibles, which vary in amount. The Company estimates the transaction price for patients with co-pays, co-insurance and deductibles and for those who are uninsured based on historical collection experience and current market conditions. The discount offered to certain uninsured patients is recognized as a contractual allowance, which reduces net operating revenues at the time the self-pay accounts are recorded. The uninsured patient accounts, net of contractual allowances recorded, are further reduced to their net realizable value at the time they are recorded through implicit price concessions based on historical collection trends for self-pay accounts and other factors that affect the estimation process. Although outcomes vary, the Company's policy is to attempt to collect amounts due from patients, including co-pays, co-insurance and deductibles due from patients with insurance, at the time of service while complying with all federal and state statutes and regulations. All of the Company's hospital facilities are subject to Emergency Medical Treatment and Active Labor Act ("EMTALA"). This federal law and accompanying regulations require any hospital that participates in the Medicare program to conduct an appropriate medical screening examination of every person who comes to the hospital's emergency department for treatment and, if the patient is suffering from an emergency medical condition, to either stabilize that condition or make an appropriate transfer of the patient to a facility that can treat the condition. The obligation to screen and stabilize emergency medical conditions exists regardless of a patient's ability to pay for treatment. There are severe penalties under EMTALA for violations of the law and regulations, including if a hospital fails to screen or appropriately stabilize or transfer a patient or if the hospital delays appropriate treatment in order to first inquire about the patient's ability to pay. Penalties for violations of EMTALA include civil monetary penalties and exclusion from participation in the Medicare program.

The Company provides charity care to patients who lack financial resources and are deemed to be medically indigent based on criteria established under the Company's charity care policy. This care is provided without charge or at amounts less than the Company's established rates. Because the Company does not pursue collection of amounts determined to qualify as charity care, such amounts are not reported as net operating revenues. Direct and indirect costs for providing charity care are estimated by calculating a ratio of cost to gross charges and then multiplying that ratio by the gross uncompensated charges associated with providing care to charity patients.

The various states in which the Company operates have additional programs in which certain of the Company's facilities participate in, related to medical facilities serving a disproportionate number of low-income patients. The Company recognizes revenues related to supplemental Medicaid payments under using the most likely outcome method, and the estimates also consider whether it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur.

The Company recognizes revenues related to supplemental Medi-Cal payments under California provider fee programs using the most likely outcome method, which is based on formulas contained in the legislation as well as modeling performed by the California Hospital Association ("CHA"). The estimates also consider whether it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur. These programs are funded by quality assurance fees paid by participating hospitals and matching federal funds.

The Company recognized supplemental payments, included in net patient service revenue, and quality assurance fee expense, included in general and administrative in the accompanying consolidated statements of operations as follows (in thousands):

Years Ended September 30,	**2022**	2021
Hospital services revenues	**$ 146,828**	$ 137,926
General and administrative	**77,028**	73,720
Net pre-tax impact	**$ 69,800**	$ 64,206

Medical Group revenues— the revenues consist primarily of payments for medical services procured by certain entities included within the Medical Group segment ("Affiliates") under capitated contracts with various managed care providers including HMOs. Capitation revenue under HMO contracts is prepaid monthly to the Affiliates based on the number of enrollees electing any one of the Affiliates as their health care provider.

Global Risk Management revenues— the revenues consist primarily of payments for medical services procured under global capitation arrangements from third-party health plans. Capitation revenue under these global capitation contracts is prepaid monthly to the Global Risk Management segment based on the number of enrollees.

Capitation Revenues

Capitation revenue (net of capitation withheld to fund risk share deficits) is recognized in the month in which the providers are obligated to provide services (stand ready obligation). Minor ongoing adjustments to prior months' capitation, primarily arising from contracted HMOs' finalizing of monthly patient eligibility data for additions or subtractions of enrollees, are recognized in the month they are communicated to the Company. Additionally, Medicare pays capitation using a "Risk Adjustment model," which compensates managed care organizations and providers based on the health status (acuity) of each enrollee. Under Risk Adjustment, capitation is determined based on health severity, measured using patient encounter data. Capitation is paid on an interim basis based on data submitted for the enrollee for the preceding year and is adjusted in subsequent periods the final data is compiled. Positive or negative capitation adjustments are made for Medicare enrollees with conditions requiring more or less healthcare services than assumed in the interim payments. Since the Company cannot reliably predict these adjustments, periodic changes in capitation amounts earned as a result of Risk Adjustment are recognized generally in the fourth quarter when those changes are communicated by the health plans to the Company.

Per Member Per Month ("PMPM") managed care contracts generally have a term of one year or longer. All managed care contracts have a single performance obligation that constitutes a series for the provision of managed healthcare services for a population of enrolled members for the duration of the contract. The transaction price for PMPM contracts is variable as it primarily includes PMPM fees associated with unspecified membership that fluctuates throughout the contract. In certain

contracts, PMPM fees also include adjustments for items such as performance incentives, performance guarantees and risk sharing. The Company generally estimates the transaction price using the most likely amount methodology and amounts are only included in the net transaction price to the extent that it is probable that a significant reversal of cumulative revenue will not occur once any uncertainty is resolved. The majority of the Company's net PMPM transaction price relates specifically to the Company's efforts to transfer the service for a distinct increment of the series (e.g. month) and is recognized as revenue in the month in which members are entitled to service.

Risk Pool Settlements and Incentives

HMO contracts also include provisions to share in the risk for hospitalization, whereby the physician organization can earn additional incentive revenue or incur penalties based upon the utilization of hospital services. Typically, any shared risk deficits are not payable until and unless the Company generates future risk sharing surpluses, or if the HMO withholds a portion of the capitation revenue to fund any risk share deficits. At the termination of the HMO contract, any accumulated risk share deficit is typically extinguished. Due to the lack of access to information necessary to estimate the related costs, shared-risk amounts receivable from the HMOs are only recognized, using the most likely methodology, and only included in revenue to the extent that it is probable that a significant reversal of cumulative revenue will not occur. Risk pools for the prior contract years are generally final settled in the third or fourth quarter of the following fiscal year.

The Company also receives incentives under "pay-for-performance" programs for quality medical care, based on various criteria. The incentive programs track specific performance measures and calculate payments to the Company based on the performance measures. The Company's incentives under "pay-for-performance" programs are recognized using the most likely methodology. However, as the Company does not have sufficient insight from the health plans on the amount and timing of the shared risk pool and incentive payments these amounts are considered to be fully constrained and only recorded when such payments are known and/or received. Management fee revenue is earned in the month the services are rendered.

Management fee arrangements with unaffiliated entities provide for compensation ranging from 6.5% to 10% of revenues. Consideration from management contracts is variable in nature because the majority of the fees are generally based on revenue or collections, which can vary from period to period. The Company has control over pricing. Contractual fees are invoiced to the Company's clients generally monthly and payment terms are typically due within 30 days. The variable consideration in the Company's management contracts meets the criteria to be allocated to the distinct period of time to which it relates because (i) it is due to the activities performed to satisfy the performance obligation during that period and (ii) it represents the consideration to which the Company expects to be entitled.

Contract Assets and Contract Liabilities

The receivables and payables related to the California Hospital Fee Program are the most significant contract assets and liabilities in the Company's consolidated financial statements. As of September 30, 2022 and 2021, the Company had receivables related to the California Hospital Fee Program of approximately $180.2 million and $178.0 million, respectively, and had liabilities related to the California Hospital Fee Program of approximately $96.8 million and $71.2 million, respectively, in the accompanying consolidated balance sheets.

Patient Accounts Receivable, Net

Patient accounts receivable, include billed accounts and unbilled accounts for which there is the unconditional right to payment, and estimated amounts due from third-party payers for retroactive adjustments, are receivables if the right to consideration is unconditional and only the passage of time is required before payment of that consideration is due.

Receivables from government agencies are significant to our operations, but are not a significant credit risk. We do not believe there are any other significant concentrations of revenues from any particular payer that would subject us to any significant credit risks in the collection of our accounts receivable.

Changes in general economic conditions, patient accounting service center operations, payer mix, or federal or state governmental health care coverage could affect our collection of accounts receivable, cash flows and results of operations.

Estimated uncollectable amounts are generally considered implicit price concessions that are a direct reduction to patient accounts receivable. Such implicit price concessions may be caused by denials for payments for services due to issues over patient eligibility for medical coverage, the Company's ability to demonstrate medical necessity for services rendered and payer authorization of hospitalization.

Property, Improvements and Equipment

Property, improvements and equipment are stated on the basis of cost or, in the case of acquisitions, at their acquisition date fair values. Depreciation is provided using the straight-line method over the estimated useful lives of the assets, and amortization of leasehold improvements is provided using the straight-line basis over the shorter of the remaining lease period or the estimated useful lives of the leasehold improvements. Leasehold improvements are generally depreciated over 5 to 40 years, buildings and improvements are depreciated over 5 to 40 years, equipment is depreciated over 2 to 15 years and furniture and fixtures are depreciated over 2 to 20 years. Equipment capitalized under capital lease obligations are amortized over the lesser of the life of the lease or the useful life of the asset.

Impairment of Long lived Assets

We review our long-lived assets, including intangible assets, for impairment whenever events or circumstances indicate that the carrying value of these assets may not be recoverable. The assessment of possible impairment is based on our ability to recover the carrying value of our asset based on our estimate of its undiscounted future cash flows. If the analysis indicates that the carrying value is not recoverable from future cash flows, the asset is written down to its estimated fair value and an impairment loss is recognized. Fair values are determined based on estimated future cash flows using appropriate discount rates.

Long-lived assets to be disposed of are reported at the lower of their carrying amounts or fair value less costs to sell or close. The estimates of fair value are usually based upon recent sales of similar assets and market responses based upon discussions with and offers received from potential buyers. There were no impairments recorded during the years ended September 30, 2022 and 2021.

Goodwill

Goodwill is measured as the excess of consideration transferred and the net of the acquisition date fair value of assets acquired, and liabilities assumed in a business acquisition.

We follow the private company alternative, under which private companies can elect to amortize goodwill on a straight-line basis over 10 years, or less than 10 years if the entity demonstrates that another useful life is more appropriate. It also permits a private company to apply a simplified impairment model to goodwill, allowing impairment analysis to be evaluated at the entity level. Accordingly, the Company amortizes goodwill on a straight-line basis over 10 years. The Company evaluates goodwill for impairment at the entity level when a triggering event occurs that indicates that the fair value of the entity may be below its carrying amount. When a triggering event occurs, the Company first assesses qualitative factors to determine whether the quantitative impairment test is necessary. If that qualitative assessment indicates that it is more likely than not that goodwill is impaired, the Company performs the quantitative test to compare the entity's fair value with its carrying amount, including goodwill. The goodwill impairment loss, if any, represents the excess of the carrying amount of the entity over its fair value. The Company has negative carrying value as of September 30, 2022 and 2021, respectively. Since the Company adopted ASU 2017-04, Goodwill generally will not be impaired as the fair value of an entity is rarely negative. Accordingly, there was no goodwill impairment recorded during the years ended September 30, 2022 and 2021.

Intangible Assets

Intangible assets include customer relationships, trade names, and favorable leaseholds. The Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of such assets may not be recoverable. The Company considers assets to be impaired and writes them down to fair value if estimated undiscounted cash flows associated with those assets are less than their carrying amounts. Fair value is based upon the present value of the associated cash flows. Changes in circumstances (for example, changes in laws or regulations, technological advances or changes in strategies) may also reduce the useful lives from initial estimates. Changes in planned use of intangibles may result from changes in customer base, contractual agreements, or regulatory requirements. In such circumstances, management will revise the useful life of the long-lived asset and amortize the remaining net book value over the adjusted remaining useful life. There were no impairments recorded during the years ended September 30, 2022 and 2021.

Insurance Reserves

The Company has two captive insurance companies, Prospect Medical Holding Risk Retention Group, Inc. ("RRG"), based in Vermont, and Connecticut Healthcare Insurance Company ("CHIC"), based in the Cayman Islands. RRG was formed to provide primary insurance coverage for hospital and physician professional and general liability risks for the Company's subsidiary health care organizations located in Pennsylvania. CHIC provides hospital and physician professional and general liability coverage to all of the Company's hospitals and affiliated subsidiaries outside of Pennsylvania.

Medical Malpractice Reserves

The individual physicians who contract with the physician organizations carry their own medical malpractice insurance, some of which may be purchased from RRG or CHIC. In the Hospital Services segment, the Company's hospitals carry professional and general liability insurance to cover medical malpractice claims under claims-made policies. Under the policies, insurance premiums cover only those claims actually reported during the policy term. Should the claims-made policy not be renewed or replaced with equivalent insurance, claims related to occurrences during the policy term but reported subsequent to the policy's termination may be uninsured. The Company's hospitals have a consolidated policy for professional and general liability insurance with a retention that applies per claim.

Prospect RRG & Prospect Crozer, LLC ("Crozer")

During the years ended September 30, 2022 and 2021 at Crozer, RRG provided primary malpractice insurance ($500,000 per occurrence and $1,500,000 in the aggregate for physicians, and $500,000 per occurrence and $2,500,000 in the aggregate for the hospitals) and general liability ($1,000,000 per occurrence and $2,000,000 in the aggregate). The Pennsylvania MCARE fund provides the $500,000 in excess of $500,000 RRG malpractice coverage for physicians, hospitals, and certain professional corporations. For the year ended September 30, 2021, excess coverage was provided by CHIC for limits up to $80,000,000 over entity retentions, which was 100% reinsured by third party carriers. Additionally, RRG provides $1,000,000 per occurrence and $3,000,000 in the aggregate) coverage for non-healthcare provider professional liability. For the year ending September 30, 2022 and 2021, excess coverage was provided by CHIC for limits up to $80M over entity retentions which was 100% reinsured by third party carriers. Additionally, RRG provides $1,000,000 per occurrence and $3,000,000 in the aggregate) coverage for non-healthcare provider professional liability.

CHIC

For the year ended September 30, 2022 and 2021, the malpractice and general liability risk was retained by the Company's hospitals and affiliated subsidiaries subject to a $7,500,000 retention, except for Crozer subject to $12,500,000 retention. For the years ended September 30, 2022 and 2021, CHIC also provided an excess healthcare professional liability and umbrella liability insurance policy on a claims-made basis covering healthcare professional liability, general liability, automobile liability, employers' liability, helipad liability and non-owned aircraft liability. The limit provided was $80,000,000 during the years ended September 30, 2022 and 2021, for each loss event and in the annual aggregate excess of the primary coverage layers described above. This coverage was fully reinsured by third party carriers.

GAAP requires that a health care organization record and disclose the estimated costs of medical malpractice claims in the period of the incident of malpractice, if it is reasonably possible that liabilities may be incurred and losses can be reasonably estimated. The Company has recognized an estimated liability for incurred but not reported claims and the self-insured risks (including deductibles and potential claims in excess of policy limits) based upon an actuarial valuation of the Company's historical claims experience of its hospitals. At September 30, 2022 and 2021, the total gross claims liability, including our discontinued operations, was approximately $126.9 million and $121.7 million and reinsurance recoverable on unpaid losses were approximately $14.6 million and $16.1 million, respectively, included in other assets on the accompanying consolidated balance sheets, and were estimated using a discount factor ranging from 3.50% to 4.00%.

Workers' Compensation Insurance

For the year ended September 30, 2022, the workers' compensation program provides the statutory benefits required by law through a qualified and approved self-insurance program for the Company's entities located in California and Connecticut. A large deductible program is purchased for entities in Pennsylvania and for remote employees in other states. In both programs, the entities retain the first $500,000 of each claim. For any claim amount in excess of $500,000, workers compensation coverage is purchased from a commercial insurer. The entities in Rhode Island were fully insured for workers' compensation claims with no deductible in a guaranteed cost program.

At September 30, 2022 and 2021, included in accrued salaries, wages and benefits are accruals for uninsured claims and claims incurred but not reported of approximately $30.4 million and $29.1 million, including our discontinued operations, and reinsurance recoverable on unpaid losses of $4.9 million and $5.0 million, respectively, included in other assets on the accompanying consolidated balance sheets. The amounts are estimated based upon an actuarial valuation of claims experience, using a discount factor of 4%.

Reserve Methodology

The claims reserve is based on the best data available to the Company. The estimate, however, is subject to a significant degree of inherent variability. The estimate is continually monitored and reviewed, and as the reserve is adjusted, the difference is reflected in current operations. While the ultimate amount of the medical malpractice and workers' compensation claims liability is dependent on future developments, management is of the opinion that the associated liabilities recognized in the accompanying consolidated financial statements are adequate to cover such claims. Management is not aware of any potential claims whose settlement, if any, would have a material adverse effect on the Company's consolidated financial position, results of operations or cash flows.

Cash and Cash Equivalents

The Company considers highly liquid investments with insignificant interest rate risk and original maturities to the Company of three months or less to be cash equivalents.

Cash and cash equivalents are maintained at financial institutions and, at times, balances may exceed federally insured limits of $250,000 per depositor of each financial institution. The Company has not experienced any losses to date related to these balances.

Restricted Cash

Some of the Company's cash is restricted for various purposes including research, regulatory requirements and letters of credit. The Company is also required to keep restricted deposits by certain HMOs for the payment of claims. Such restricted deposits are classified as a current asset in the accompanying consolidated balance sheets, as they are restricted for payment of current liabilities. Restricted cash also include certificates of deposit with maturity dates of more than 90 days when purchased.

Restricted Investments

Investments in marketable securities, primarily mutual funds, are classified as available for sale and are stated at fair value. Unrealized gains and losses are recorded in the statements of other comprehensive income. Investment securities are exposed to various risk, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is possible that changes in values of investment securities could occur in the near term and such changes could materially affect investment. These investments are held in the Company's captive insurance companies and are shown as restricted because the state/local regulators require their approval before dividends or return of capital to the Parent Entity.

Inventories

Inventories of supplies are valued at the lower of amounts that approximate the weighted average cost or net realizable value. Inventories consist primarily of medical and surgical supplies and pharmaceuticals.

Internal Use Software & Hosted Software

Capitalized costs for hosting arrangements are accounted for as service contracts that was in the development stage and amortization is scheduled to commence once the project is complete and ready for its intended use. Included within other receivables, prepaid expenses and other current assets are hosting arrangements related to the Oracle suite of products and Cerner, which are accounted for as service contracts. The gross carrying amount of capitalized service costs was approximately $95,853,000 and $32,416,000 at September 30, 2022 and 2021, respectively. The estimated amortization period is 10 years. Amortization expense was approximately $11,323,000 and $6,747,000 during the years ended September 30, 2022 and 2021, respectively.

Deferred Financing charges

Deferred financing costs are amortized over the period in which the related debt is outstanding using the effective interest method and are classified as a deduction from the carrying amount of the related debt. As it relates to MPT liabilities, deferred financing costs are classified in other assets in the accompanying consolidated balance sheets.

Income Taxes

Deferred income tax assets and liabilities are recognized for differences between financial and income tax reporting bases of assets and liabilities based on enacted tax rates and laws. To the extent a deferred tax asset cannot be recognized under the preceding criteria, allowances must be established. The impact on deferred taxes of changes in tax rates and laws, if any, are applied to the years during which temporary differences are expected to be settled and reflected in the financial statements in the period of enactment.

We consider many factors when evaluating our uncertain tax positions, and such judgments are subject to periodic review. Tax benefits associated with uncertain tax positions are recognized in the period in which one of the following conditions is satisfied: (1) the more likely than not recognition threshold is satisfied; (2) the position is ultimately settled through negotiation or litigation; or (3) the statute of limitations for the taxing authority to examine and challenge the position has expired. Tax benefits associated with an uncertain tax position are derecognized in the period in which the more likely than not recognition threshold is no longer satisfied.

Sale-Leaseback Transactions

The Company evaluates sale-leaseback transactions by determining whether the transaction meets the qualifying criteria to be recognized as a sale-leaseback, including the transfer of risk and rewards of ownership as well as the absence of continuing involvement of the Company. When the qualifying criteria for a sale-leaseback transaction are not met, the Company accounts for the transaction as a financing (see Notes 8 and 9).

Comprehensive Income (Loss)

Comprehensive income consists of net income and other gains and losses affecting stockholders' deficit that, under generally accepted accounting principles, are excluded from net income (loss) attributable to the Company. For the Company, such items consist primarily of unrealized gains or losses on restricted investments as well as changes related to pension and other postretirement liabilities that are not recognized immediately in net periodic benefit costs.

Fair Value Measurement

The Company measures at fair value certain of its financial and non-financial assets and liabilities by using a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, essentially an exit price, based on the highest and best use of the asset or liability. The levels of the fair value hierarchy are:

Level 1 — Quoted market prices in active markets for identical assets or liabilities;

Level 2 — Significant other observable inputs (e.g., quoted prices for similar items in active markets, quoted prices for identical or similar items in markets that are not active, inputs other than quoted prices that are observable, such as interest rate and yield curves, and market-corroborated inputs); and

Level 3 — Unobservable inputs in which there is little or no market data, which require the reporting unit to develop its own assumptions.

The following table sets forth the Company's financial assets and liabilities measured at fair value on a recurring basis and where they are classified within the hierarchy (in thousands):

September 30, 2022	**Total**	**Level 1**	**Level 2**	**Level 3**
Mutual funds	**$ 33,298**	**$ 33,298**	**$ -**	**$ -**
September 30, 2021				
Mutual funds	$ 34,283	$ 34,283	$ -	$ -

The Company's investments are classified within Level 1 of the fair value hierarchy because they are valued using quoted market prices. The Company's defined benefit pension plan assets are also measured at fair value (see Note 11).

Concentration of Risks

For the years ended September 30, 2022 and 2021, the Hospital Services segment received a total of 65% and 73% of its net patient revenues from Medicare and Medicaid programs, respectively, and the Medical Group segment received a total of 48% and 59% for the years ended September 30, 2022 and 2021, respectively, of their capitation revenues from its five largest HMOs, as follows (in thousands):

Years Ended September 30,	**2022**	**% of Total Revenue**		2021	% of Total Revenue
Hospital Services:					
Government Payers:					
Medicare	**$ 156,873**	**19%**		$ 164,240	22%
Medicaid	**380,548**	**46%**		377,937	51%
Total	**$ 537,421**	**65%**		$ 547,177	73%
Medical Group:					
HMO A	**$ 58,464**	**11%**	HMO A	53,780	14%
HMO G	**56,734**	**11%**	HMO C	51,208	13%
HMO E	**53,026**	**10%**	HMO E	48,304	12%
HMO C	**48,613**	**9%**	HMO D	41,996	11%
HMO B	**38,547**	**7%**	HMO H	35,090	9%
Total	**$ 255,384**	**48%**		$ 230,378	59%

Recently Issued Accounting Standards

In February 2016, the FASB issued ASU 2016-02, "Leases (Topic 842)" with effective dates deferred for all entities by ASU 2019-10, and further deferred for nonpublic entities by ASU 2020-05. The core principle of ASU 2016-02 is that a lessee should recognize the assets and liabilities that arise from leases, including operating leases. Under the new requirements, a lessee will recognize in the statement of financial position a liability to make lease payments (the lease liability) and the right-of-use asset representing the right to the underlying asset for the lease term. For leases with a term of 12 months or less, the lessee is permitted to make an accounting policy election by class of underlying asset not to recognize lease assets and lease liabilities. The recognition, measurement, and presentation of expenses and cash flows arising from a lease by a lessee have not significantly changed from previous GAAP. Nonpublic entities will apply the new standard for annual periods beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022. The Company is currently evaluating the standard and the impact on its consolidated financial statements and footnote disclosures.

In June 2016, the FASB issued ASU 2016-13, "Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments". The amendments in this standard require the measurement of all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. In addition, this standard amends the accounting for credit losses on available-for-sale debt securities and purchased financial assets with credit deterioration. The amendment is effective for nonpublic entities for annual reporting periods beginning after December 15, 2022. Early adoption is permitted.

The Company is currently evaluating the standard and the impact on its consolidated financial statements and footnote disclosures.

In November 2021, the FASB issued ASU 2021-10, "Government Assistance (Topic 832)" ("ASU 2021-10"). The amendments in this update require additional disclosures regarding government grants and money contributions, including information on the nature of transactions and related accounting policies used to account for transactions, detail on the line items on the balance sheet and income statement affected by these transactions, and significant terms and conditions of the transactions. ASU 2021-10 is effective for all entities within their scope for financial statements issued for annual periods beginning after December 15, 2021, with early adoption permitted. The adoption of this guidance will not impact our financial position, results of operations or cash flows.

In November 2021, the FASB issued ASU 2021-09, "Leases (Topic 842): Discount Rate for Lessees That Are Not Public Business Entities". The amendments in this update allow those lessees to make the risk-free rate election by class of underlying asset, rather than at the entity-wide level. Entities that have not yet adopted Topic 842 as of November 11, 2021, are required to adopt the amendments in this Update at the same time that they adopt Topic 842. The Company is currently evaluating the provision of ASU 2018-14 and its impact on its consolidated financial statements and related disclosures.

2. Property, Improvements and Equipment

Property, improvements and equipment, consisted of the following (in thousands):

September 30,	**2022**	2021
Land and land improvements	**$ 33,621**	$ 34,698
Buildings and improvements	**105,458**	104,115
Leasehold improvements	**4,541**	4,436
Equipment and Software	**149,658**	143,366
Furniture and fixtures	**6,026**	5,957
	299,304	292,572
Less: accumulated depreciation	**(178,164)**	(162,145)
	121,140	130,427
Construction in Progress	**42,691**	45,239
Property, improvements and equipment, net	**$ 163,831**	$ 175,666

At September 30, 2022 and 2021, the Company had assets under capitalized leases of approximately $6.0 million and $4.3 million, respectively, and related accumulated depreciation of $1.2 million and $2.3 million, respectively.

Depreciation expense was approximately $17.5 million and $19.3 million for the years ended September 30, 2022 and 2021, respectively.

3. Acquisition of Noncontrolling Interest in CharterCARE

In June 2014, the Company, through a newly formed subsidiary, Prospect CharterCARE, LLC ("CCHP"), acquired substantially all of the assets of CharterCARE Health Partners and its subsidiaries, in exchange for an 85% interest in CCHP, $43.3 million in cash and a commitment to invest at least $50

million in CCHP and its subsidiaries for strategic business development and capital improvements over the next four years (the "CharterCARE acquisition"). As a result of the acquisition, the Company had an 85% ownership interest in CCHP, with the remaining 15% being owned by the prior owner of the selling entities, CharterCARE Health Partners, which was subsequently renamed CharterCARE Community Board ("CCCB").

CCHP, through wholly owned subsidiaries, operates both Roger Williams Medical Center and St. Joseph Health Services of Rhode Island, dba Our Lady of Fatima Hospital. One of the seller entities, St. Joseph Health Services of Rhode Island, had a Retirement Plan (the "Retirement Plan") which is a defined benefit pension plan and was set up for the benefit of employees of Our Lady of Fatima Hospital when the hospital was a standalone hospital owned by a religious institution. The Company and CCHP did not acquire the Retirement Plan as part of the CharterCARE acquisition, and $14 million of the proceeds from the sale were contributed to the Retirement Plan in exchange for the Company and its subsidiaries, including CCHP, not having any liabilities related to the Retirement Plan. In August 2017, a petition was filed to place the Retirement Plan into receivership by its administrators because it was underfunded. In June 2018, the receiver for the Retirement Plan (along with various named participants) filed a lawsuit on behalf of all participants against various defendants which included CCCB, the Company, CCHP, the subsidiary which holds the Company's ownership interest in CCHP, and the two subsidiaries which own Roger Williams Medical Center and Our Lady of Fatima Hospital, along with the administrators of the Retirement Plan, The Angell Pension Group, Inc., among others. Also, in March 2019, CCCB sued the Company and various directors of the Company, and certain subsidiaries. The suits involved allegations related to the valuation of CCCB's 15% ownership interest in CCHP. In December 2019, CCCB and its subsidiaries settled with the receiver of the Retirement Plan. As a result, in January 2020 the receiver took control of CCCB's noncash assets, including its ownership interest in CCHP. In December 2019, the Company sued CCCB on the basis that CCCB had breached the original terms of the acquisition by entering into the settlement agreement with the receiver and seeking indemnity against the receiver's June 2018 lawsuit.

The Company entered into a Settlement Agreement in December 2020 to release the Company and its directors and subsidiaries from all of the various claims under the aforementioned litigation. The Settlement Agreement also provided for the Company to purchase the noncontrolling interest. Under the terms of the settlement, the Company paid $27.3 million, of which $22.3 million was to settle all of the outstanding cases between the parties, including the Company, which was subsequently released of their related claims, and $5 million was for the acquisition of the noncontrolling interest. The buyout of the noncontrolling interest was treated as an equity transaction. The payment of the settlement was conditioned upon State and Federal Court approvals, which was obtained in March 2021 and August 2021, respectively. Accordingly, the Company paid $27.3 million in August 2021, and the buyout of CCCB's noncontrolling interest in CCHP was effective on August 18, 2021.

The Company received recoveries from its insurance policies of approximately $12 million. A receivable was recorded for this amount at September 30, 2021 and received subsequent to September 30, 2021.

4. Discontinued Operations

As of and for the year ended September 30, 2021, the operations of East Orange General Hospital ("EOGH") in New Jersey met the criteria under applicable accounting standards to be presented as discontinued operations and as assets held for sale. In October 2020, the Company entered into an Asset Purchase Agreement to sell substantially all of the assets of EOGH for a sale price of $6.2 million. That sale closed effective January 1, 2022. We have classified the results of EOGH as discontinued operations in our consolidated statement of operations for all periods presented.

Additionally, the related assets and liabilities associated with the discontinued operations in the prior year consolidated balance sheet are classified as discontinued operations.

In addition to the sale of the EOGH and Nix Health, we are actively marketing for sale the businesses in our operations in Pennsylvania, Rhode Island, and Connecticut. The Company's plan is to refocus its operations in the hospitals, managed care operations and health system in California.

During the first quarter of 2022, our management approved a plan to sell the operations of Crozer-Keystone Health System ("Crozer"), Eastern Connecticut Health Network, Inc. ("ECHN"), Greater Waterbury Health Network, Inc. ("Waterbury"), and CharterCARE Health Partners ("CharterCare"), respectively. On January 11, 2022, we signed a non-binding Letter of Intent ("LOI") for Centurion Foundation, Inc. to acquire CharterCare. On February 3, 2022, we signed a non-binding LOI for Christiana Care Health System, Inc. to acquire Crozer. However, that LOI was later terminated effective August 8, 2022. Crozer is still actively being marketed for sale and solicitations are being entertained. On February 4, 2022, we signed a non-binding LOI for Yale New Haven Health to acquire ECHN and Waterbury. We have classified the results as discontinued operations in our consolidated statement of operations for all periods presented. Additionally, the related assets and liabilities associated with the discontinued operations in the prior year consolidated balance sheet are classified as discontinued operations. Refer to Note 13, "*Subsequent events*" of the Consolidated Financial Statements for additional information related to the sale of these operations.

The following table presents the aggregate carrying amounts of the classes of assets and liabilities held for sale related to discontinued operations of businesses (in thousands):

September 30,	**2022**	2021
Patient accounts receivable, net and other receivables	**$ 38,258**	$ 57,628
Other receivables, prepaid expenses and other current assets	**45,763**	39,683
Inventories	**31,593**	30,298
Total current assets	**115,614**	127,609
Property, improvements and equipment, net	**449,993**	410,931
Intangible assets, net	**10,718**	13,070
Goodwill	**110,380**	114,552
Other assets	**36,068**	37,044
Total assets of the disposal groups classified as held for sale in the consolidated balance sheets	**$ 722,773**	$ 703,206
Accounts payable and other accrued liabilities	**$ 41,087**	$ 41,732
Accrued salaries, wages and benefits	**64,411**	72,265
Current portion of capital leases	**15,388**	11,946
Refund liability, current portion	**336**	20,935
Other current liabilities	**4,520**	5,304
Total current liabilities	**125,742**	152,182
Capital leases, net of current portion	**44,222**	48,862
Other long-term liabilities	**54,173**	52,332
Total liabilities of the disposal groups classified as held for sale in the consolidated balance sheets	**$ 224,137**	$ 253,376

Operating results for the discontinued operations were comprised of the following (in thousands):

For the Years Ended September 30,	**2022**	2021
Total revenues	**$ 1,633,791**	$ 1,805,623
Hospital operating expenses	**1,464,823**	1,483,876
General and administrative	**299,652**	312,912
Depreciation and amortization	**23,233**	59,915
Goodwill amortization	**4,778**	14,309
Impairment expense	**-**	10,865
Total operating expenses	**1,792,486**	1,881,877
Operating income from unconsolidated joint ventures	**1,878**	4,046
Operating loss	**(156,817)**	(72,208)
Interest expense, net	**44,429**	43,642
Other expense (income), net	**(10,405)**	792
Total other expense, net	**34,024**	44,434
Loss on discontinued operations before income taxes	**(190,841)**	(116,642)
Income tax provision	**66**	61
Loss on discontinued operations, net of taxes	**$ (190,907)**	$ (116,703)

5. Goodwill and Intangible Assets

The net carrying value of goodwill by reporting unit is as follows (in thousands):

September 30, 2022	**Gross Carrying Amount**	**Accumulated Amortization**	**Net Book Value**
Southern California Hospitals	**$ 130,912**	**$ (39,274)**	**$ 91,638**
California Medical Groups	**30,722**	**(9,008)**	**21,714**
Total	**$ 161,634**	**$ (48,282)**	**$ 113,352**

September 30, 2021	Gross Carrying Amount	Accumulated Amortization	Net Book Value
Southern California Hospitals	$ 130,912	$ (26,182)	$ 104,730
California Medical Groups	30,722	(5,937)	24,785
Total	$ 161,634	$ (32,119)	$ 129,515

The changes in the net carrying amount of goodwill for the years ended September 30 are as follows (amounts in thousands):

September 30,	**2022**	2021
Balance, beginning of year	**$ 129,515**	$ 145,678
Acquisitions	**-**	-
Disposition	**-**	-
Amortization	**(16,163)**	(16,163)
Balance, end of year	**$ 113,352**	$ 129,515

Amortization expense was $16.2 million and $16.2 million for the year ended September 30, 2022 and 2021, respectively, and is included in goodwill amortization expense in the accompanying consolidated statements of operations. Goodwill included in discontinued operations is $110.3 million and $114.5 million, respectively, as of September 30, 2022 and 2021.

Estimated amortization expense for each fiscal year of goodwill is as follows (in thousands):

Years ending September 30,	
2023	$ 16,163
2024	16,163
2025	16,163
2026	16,163
2027	16,163
Thereafter	32,535
Total future amortization expense	$ 113,352

The weighted-average remaining useful life for the goodwill was approximately seven years as of September 30, 2022.

Identifiable intangible assets are comprised of the following (in thousands):

September 30,	Useful lives	2022	2021
HMO membership	14 years	$ -	25,200
Trade names, net of impairment	3 - 20 years	9,690	18,100
Gross carrying value		9,690	43,300
Accumulated amortization		(7,339)	(39,945)
Intangible assets, net		$ 2,351	$ 3,355

Amortization is recognized on a straight-line basis (management's best estimate of the period of economic benefit) over the respective useful lives and expense for the years ended September 30, 2022 and 2021 was $1.0 million and $2.8 million, respectively, and is included in depreciation and amortization expense in the accompanying consolidated statements of operations. There are no expected residual values related to these intangible assets.

Estimated amortization expense for each future fiscal year of intangible assets is as follows (in thousands):

Years ending September 30,	
2023	$ 485
2024	485
2025	485
2026	485
2027	411
Thereafter	-
	$ 2,351

The weighted-average remaining useful life for the intangible assets was approximately five years as of September 30, 2022.

6. Related Party Transactions

Through June 1, 2021, Jeereddi Prasad, M.D. was a shareholder of Ivy Holdings, a director of Ivy Holdings and the Company, and an officer of the Upland Medical Group, a Professional Medical Group and Pomona Valley Medical Group, Inc. (collectively "ProMed Entities"). Dr. Prasad has ownership interests in physician medical groups that provide medical services to ProMed members, previously including Chaparral Medical Group, Inc.("CMG"), an entity in which the Company beneficially owned a 13.2% interest. Effective February 28, 2022, Akido Labs, Inc. ("Akido") purchased CMG and the Company's ownership interest was exchanged for a 2.45% ownership interest in Akido. For the period from October 1, 2020 to June 1, 2021, a date of Chamber Transaction, the ProMed Entities paid these groups approximately $16.4 million.

Pursuant to a Management Services Agreement, dated December 15, 2010 and amended on May 3, 2012 (the "LGP Management Agreement"), between the Company and Leonard Green & Partners, L.P. ("LGP"), a private equity fund with affiliated funds that collectively constituted the majority shareholder of Ivy Holdings, LGP provided to the Company, (a) certain investment banking services, (b) management, consulting and financial planning services and (c) financial advisory and investment banking services in connection with major financial transactions from time to time. In connection with the Chamber Transaction, the LGP Management Agreement was terminated on June 1, 2021.

The Company is a wholly owned indirect subsidiary of Chamber. Therefore, Chamber is the parent of an affiliated group of corporations within the meaning of Section 1504(a) of the Internal Revenue Code of 1986. On December 15, 2010, Ivy Holdings, Ivy Intermediate and the Company entered into a Tax Sharing Agreement. The Tax Sharing Agreement allows the Company to make payments to Chamber as necessary to fund their payment of any required taxes incurred due to such parent status.

7. Income Taxes

The components of the income taxes are as follows (in thousands):

Year Ended September 30,	**2022**	2021
Current:		
Federal	**$ 2,482**	$ -
State	**(5,153)**	(2,265)
	(2,671)	(2,265)
Deferred:		
Federal	**-**	-
State	**-**	-
	-	-
Total:		
Federal	**2,482**	-
State	**(5,153)**	(2,265)
	$ (2,671)	$ (2,265)

Temporary differences and carry forward items that result in deferred income tax balances as of September 30, are as follows (in thousands):

September 30,	**2022**	2021
Deferred tax assets:		
Accrued medical claims	**$ 6,711**	$ 6,566
Malpractice reserves	**10,982**	3,911
Accounts receivable	**21**	617
Accrued salaries & wages	**12,943**	15,471
Pension obligation	**65,689**	70,725
Tax Attributes (Net operating losses, credits, and 163j)	**122,002**	145,617
Other comprehensive income	**320**	-
Lease liability	**127,306**	125,316
Deferred revenue	**865**	3,858
Deferred FICA tax	**771**	7,215
Outside basis differences	**2,549**	-
Other	**2,265**	-
Deferred tax assets	**352,424**	379,296
Valuation allowance	**(315,161)**	(291,559)
Net deferred tax assets	**37,263**	87,737
Deferred tax liabilities:		
Property, plant & equipment	**(29,839)**	(76,939)
Intangible assets	**(1,494)**	(4,667)
Prepaid expenses	**(5,930)**	(4,075)
Outside basis differences	**-**	(905)
Other	**-**	(1,150)
Deferred tax liabilities	**(37,263)**	(87,737)
Net deferred tax assets	**$ -**	$ -

Deferred income taxes are based on the estimated future tax effects of differences between the financial statement and tax bases of assets and liabilities under the provisions of the enacted tax laws.

Management assesses the available positive and negative evidence to estimate whether sufficient future pretax income will be generated to permit use of the existing deferred tax assets. A significant piece of objective negative evidence evaluated was the cumulative pretax loss incurred over the three-year period ending September 30, 2022. Such objective evidence limits the ability to consider other positive subjective evidence, such as the Company's projections for future growth. Based on this evaluation, on September 30, 2022, and 2021, a valuation allowance of approximately $315.2 million and $291.6 million, respectively, was recorded. The amount of the deferred tax asset considered realizable, however, could be adjusted if negative objective evidence in the form of a three-year cumulative loss is no longer present and additional weight is given to subjective positive evidence.

A consolidated federal income tax return is filed for Chamber, Inc., except for Nuestra Familia Medical Group Inc. ("Nuestra"), which has filed its own federal tax return. The Company files combined state income tax returns in Arizona, California, Connecticut, New Jersey, Rhode Island, and Texas. The Company files separate standalone state income tax returns in Alabama, Florida, and Pennsylvania. We operate in multiple jurisdictions with varying tax laws. Our federal income tax returns have been examined by the Internal Revenue Service through the year ended September 30, 2016. We are subject to audits by any of these taxing authorities. Tax years 2017 to 2021 remain subject to future examination by taxing authorities in jurisdictions in which we are subject to tax.

As of September 30, 2022, The Company has $394 million of gross federal and $2,188 million of gross state net operating loss carryforwards which expire in various years beginning in 2022 or carry forward indefinitely. We believe that it is more likely than not that the benefit from federal and state net operating loss carryforwards will not be realized. In recognition of this assessment, we have provided a valuation allowance on the deferred tax assets related to net operating loss carryforwards. The annual benefit of net operating losses could be subject to limitation.

On October 4, 2022, the Company settled its examination by the California Franchise Tax Board (FTB) for the tax year ended September 30, 2017. In addition to finalizing the audit, the FTB allowed the inclusion of Prospect Medical Group, Inc & Subsidiaries and New Genesis Medical Associates, Inc. & Subsidiaries in the California unitary group filed by Ivy Holdings, Inc & Subsidiaries. An incremental benefit of $5.7 million was recorded to state income tax expense in the current period because the Company closed its proceedings with the FTB. To date the Company has received $6 million in cash refunds from the FTB.

For the tax years that remain open under the applicable statutes of limitations, the Company considered potential unrecognized tax consequences and determined there are no material unrecognized tax positions that would impact income tax.

The CARES Act did not materially impact our effective tax rate for the years ending September 30, 2022, and 2021, although it has impacted the timing of cash payments for tax.

The differences between the income tax provision at the federal statutory rate and that reflected in the accompanying consolidated statements of operations are summarized as follows:

Years Ended September 30,	**2022**	2021
Tax provision at statutory rate	**21%**	21%
State taxes, net of federal benefit	**(1)%**	14%
Return to provision adjustments	**17%**	(1)%
Goodwill amortization	**(8)%**	(4)%
Deferred tax adjustments	**-%**	2%
Valuation allowance	**(31)%**	(33)%
UTP	**13%**	(1)%
Change in State Tax Rate	**-%**	6%
Other	**-5%**	(2)%
	6%	2%

8. Debt

Debt consists of the following (in thousands) excluding the impact of debt to be assumed on sale:

September 30,	**2022**	2021
MPT TRS loan *(1)*	**$ 91,025**	$ 98,606
MPT Foothill loan *(1)*	**151,260**	51,267
Senior Secured and Revolving Credit Facilities	**196,300**	45,000
Other *(2)*	**58,611**	23,736
Total debt	**497,196**	218,609
Less: Debt, current portion	**(200,382)**	(59,667)
Debt, net of current portion	**$ 296,814**	$ 158,942

(1) See Note 9 for more information related to MPT transactions.
(2) Other debt is comprised of sale-leaseback financing obligations, building, equipment and software loans.

Promissory Note – Foothill Loan

On August 23, 2019, MPT provided the Company with a $51,266,700 mortgage on the Foothill property. This mortgage is secured by the buildings at Foothill. The interest on this mortgage is 7.5% per annum and is subject to annual escalation of consumer price index, limited to a minimum of 2% and a maximum of 4%. The maturity date of this loan is August 2034. MPT can purchase the property in the event of default or at end of term. The Company is required to provide MPT with the option to purchase the Foothill property and lease it back to the Company under the second master lease agreement, for an amount equal to the outstanding principal balance. We entered into the amendment agreement that provides for an additional $50,000,000 mortgage on May 2, 2022 and a $50,000,000 mortgage on May 31, 2022, respectively. The maturity date of this loan is on January 31, 2023. In February and March 2023, the Company and MPT signed Forbearance agreements, where each of the MPT Parties agrees to temporarily forbear from further enforcing or exercising its rights or remedies with respect to each specified event of default during the forbearance period and ending on May 31, 2023. As of September 30, 2022 and 2021, the balances due under this note are

$151,260,000 and $51,267,000, respectively, and are reflected in long term debt in the accompanying consolidated financial statements.

Promissory Note – TRS Loan

On August 23, 2019, the Company entered into a promissory note (the "TRS Note"), under which MPT has advanced to the Company $112,937,000. The interest on this note is 7.5% per annum and is subject to annual escalation of the consumer price index, limited to a minimum of 2% and a maximum of 4%. The maturity date of this note was originally scheduled to be the earlier of July 2022 or, if it occurs, a sale-leaseback of the properties in Rhode Island. In connection with the Chamber Transaction, and the approval of such transaction by the Rhode Island Attorney General, the maturity date of the TRS Note was extended to April 30, 2026. A sale-leaseback of the properties in Rhode Island is prohibited to occur before the extended maturity date. As of September 30, 2022 and 2021, the balances due under this loan are $91,025,000 and $98,606,000, respectively, and are reflected in long term debt in the accompanying consolidated financial statements.

All of the agreements referenced in this footnote are cross-collateralized and cross defaulted among the parties and the assets included therein (which do not include any of the hospital operating entities or real properties in Rhode Island, Texas or New Jersey).

The MPT transaction documents contain certain customary covenants and restrictions and a financial covenant based on EBITDAR performance. The Company was in compliance with all such covenants at September 30, 2022 and 2021. Based on annualized Adjusted EBITDA (as defined) achieved over the three years from the transaction date, additional amounts between $50 million to $250 million will be payable to the Company. As of September 30, 2022 and 2021, there has been no accounting for these amounts in the consolidated financial statements.

In connection with the transactions with MPT, the Company incurred deferred financing costs of $28.1 million. Amortization expense was approximately $1.8 million and $1.7 million during the year ended September 30, 2022 and 2021, respectively.

On May 23, 2023, the Company, PHPH and Prospect Healthcare Facilities Management, LLC (a Company subsidiary) entered into an Amended and Restated Master Restructuring Agreement (the "MRA") with MPT Picasso Investors TRS, LLC ("MPT Picasso") that provides for the restructuring of certain current rights and obligations of the parties. In accordance with the terms of the MRA, in exchange for the corresponding cancelation of obligations, including the promissory notes of Foothill and TRS Loan, of the Company and its subsidiaries to MPT and its subsidiaries, MPT Picasso was issued non-voting Series A-1 Preferred Units ("Preferred Units") by PHPH and a Convertible Promissory Note (the "MPT Convertible Note") convertible into additional Preferred Units determinable based upon certain future calculations described in the MRA and the MPT Convertible Note. The maturity date of the MPT Convertible Note is November 20, 2026. See Note 13 – "Subsequent Events" for further information.

Senior Secured and Revolving Credit Facilities

On February 22, 2018, the Company entered into an ABL Credit Agreement (the "ABL Agreement"), by and among the Company (as the borrower), the lenders party thereto and JPMorgan Chase Bank, N.A. ("JPMorgan"), as administrative agent and collateral agent. Under the ABL Agreement, the initial maximum revolving commitment was $250.0 million with ability to expand the facility to $325.0 million (the "ABL Facility"), and the ABL facility bears interest at a variable base rate plus an applicable spread that is based on excess availability under the ABL Facility, as further described in

the ABL Agreement, which was 7.25% and 3.75% as of September 30, 2022 and 2021, respectively. Through various amendments and the sale of Nix Health, the maximum commitment under the ABL Agreement was $275.0 million at September 30, 2021. This commitment decreased by $15.0 million in the month after the sale of EOGH and by a further $10.0 million when the remaining building at Nix Health is sold.

The ABL Facility matured on February 22, 2023. As of September 30, 2022 and 2021, the outstanding balance on the ABL facility was $196.3 million and $45.0 million, respectively. On February 22, 2023, the Company entered into an Amended and Restated Forbearance Agreement with JPMorgan Chase Bank, N.A. ("JPMC") related to the Amended and Restated ABL Credit Agreement, dated as of February 22, 2018 and amended from time to time thereafter (the "ABL Facility"). Under this agreement, JPMC, as the Administrative Agent, and other lenders party agreed to forbear from exercising any rights and remedies arising from or related to the occurrence and continuation of certain defaults until March 24, 2023. Accordingly, the ABL Facility's required repayment date was extended to March 24, 2023. On March 24, 2023, the Company entered into an Amended and Restated Forbearance Agreement with JPMC. JPMC, as the Administrative Agent, and the other lenders party thereto, agreed to forbear from exercising any rights and remedies arising from or related to the occurrence and continuation of certain defaults until May 31, 2023. Accordingly, the ABL Facility's required repayment date was extended to May 31, 2023.

The ABL Facility is secured by a first priority security interest on the working capital assets of the Company and its wholly owned subsidiaries except Prospect Health Plan, Inc., CHIC, RRG, Prospect Health Access Network, Inc. and certain immaterial subsidiaries and a second priority security interest on their fixed assets. The ABL Agreement does not have any financial maintenance covenants. The ABL Agreement has a "springing" fixed charge ratio covenant that applies if excess availability is less than the greater of 10% of the maximum borrowing amount and $22,000,000.

As of September 30, 2022 and 2021, the outstanding letter of credit is $52.9 million and $26.6 million, respectively.

Other

Cerner Promissory Note

Included in Other debt was a $44.4 million promissory note with a third-party creditor entered into on May 31, 2022, by the Company. The promissory note accrues interest at a rate of 4.15% per annum. Payments of interest and principal are being payable in quarterly payments in accordance with the payment plan with such payments commencing on June 1, 2022 and recurring through May 31, 2028. As of September 30, 2022, there was the promissory note outstanding of approximately $41.0 million.

Other debt is comprised of building, equipment and software financing obligation. At September 30, 2022 and 2021, other debt is $17.6 million and $23.7 million, respectively.

The aggregate scheduled maturities of our total debt outstanding as of September 30, 2022 are as follows (in thousands):

Years ending September 30,	
2023	$ 200,382
2024	18,102
2025	16,945
2026	17,500
2027	125,606
Thereafter	118,661
	$ 497,196

9. Transactions with MPT

Master Lease I and II

On August 23, 2019, the Company closed a series of transactions with affiliates of MPT, a publicly traded Real Estate Investment Trust ("REIT"). Under these transactions, the Company sold to MPT the Company's hospital buildings in California (excluding Foothill Regional Medical Center ("Foothill")), Connecticut and Pennsylvania for an aggregate purchase price of $1.39 billion. Concurrent with the sale transactions, the Company entered into two master lease agreements whereby the hospital properties and related medical office buildings were leased back for an initial 15 year term, with options to extend twice for an additional 5 years each and for a further 4.75 year extension. Monthly rent is defined as 7.5% of the lease base, subject to annual escalation of consumer price index, limited to a minimum of 2% and a maximum of 4%. For the first master lease, the Company has the option to buy the properties at their fair value at the end of the lease term. For the second master lease, the Company has the option to purchase at a price that is fixed at the time of entering into the lease (the "Option Price"). If the Company chooses not to exercise this option, and the fair value at the end of the lease is below the Option Price, then the Company must pay MPT a sum equal to the difference between the fair value and the Option Price. These transactions do not qualify for sale leaseback accounting because of the Company's deemed continuing involvement with the buyer-lessor, including the requirements to pay reserves for major repairs, and the option to purchase included in the lease, which are considered a form of contingent collateral and results in the transaction being recorded under the financing method. All of the legal entities that are parties to the master lease agreement (which are the hospital entities in California, Connecticut and Pennsylvania) provide cross guarantees on all of the obligations to MPT, which guarantees include both lease payments under the master lease as well as indebtedness due to MPT. As of September 30, 2022 and 2021, the balances due under the leases are approximately $1.27 billion and $1.29 billion, respectively, and are reflected in MPT liabilities in the accompanying consolidated financial statements.

See Note 11 – "*Commitments and Contingencies*" for future minimum lease payments related to MPT Master Lease I and II commitments as of September 30, 2022 and Note 13 – "*Subsequent Events*".

10. Stockholders' Equity

Chamber Transaction

In June 2021, Green Equity Investments V, LP, Green Equity Investments Side V, LP and other minority shareholders sold their shares of Ivy Holdings for a purchase price of approximately $11,900,000. As a result of the sale, the Company became indirectly wholly-owned by two shareholders that were previously the two largest individual shareholders in Ivy Holdings. The transaction, among other things, (i) merged Ivy Holdings with Chamber Merger Sub Inc., a wholly-owned subsidiary of Chamber Inc. ("Chamber") which is owned by the referenced two ultimate shareholders, and Ivy Holdings, as the surviving entity in such merger, became a wholly-owned direct subsidiary of Chamber, (ii) bought out all of the other stockholders of Ivy Holdings, (iii) terminated all stock options that have not previously been exercised.

Equity Based Compensation Plans

In December 2010, the Board of Directors of Ivy Holdings adopted the Ivy Plan that initially authorized the issuance of options exercisable for up to 155,110 shares of the common stock of Ivy Holdings ("Initial Options") to employees, certain consultants and independent members of the boards of directors, of Ivy Holdings and its subsidiaries (including the Company and its subsidiaries). These options were exercisable into Ivy Holdings stock and vested based on a number of criteria, including time, Company and Business Unit performance based on EBITDA targets and CEO and Compensation Committee discretion. Since the Ivy Holdings stock options were granted to Company employees for their services related to the Company, the related compensation cost has been recorded in the Company's consolidated financial statements. In June 2015, the Board of Directors of Ivy Holdings adopted the First Amendment to the Ivy Plan. Under the First Amendment, and subsequent amendments, a further 63,704 shares of common stock of Ivy Holdings ("New Options") could be issued.

The New Options were exercisable into Ivy Holdings stock and vested based on a number of criteria, including the same criteria as the Initial Options. However, they only became exercisable on the occurrence of certain corporate transactions, including a change in control of Ivy Holdings, as defined in the Incentive Stock Option Agreements. At the time that the Merger Agreement was executed, all options were "underwater." Accordingly, the Company determined to terminate these options and not allow them to be exercised, prior to the Chamber Transaction occurring. In May 2021, the Board of Directors agreed to terminate the options on the Effective Date, as defined in the Merger Agreement. There were no options granted or vested during the years ended September 30, 2022 and 2021. No compensation cost has been recorded in the Company's consolidated financial statements for the years then ended.

Dividends

The Company distributed approximately $11.9 million in connection with the Chamber Transaction during the year ended September 30, 2021, which was recorded against retained earnings, and was ultimately paid to the common stockholders of Ivy Holdings, Inc. There were no distributions during the year ended September 30, 2022.

11. Commitments and Contingencies

Leases

The Company leases various office facilities and equipment from third parties under non-cancelable operating and capital lease arrangements expiring at various dates through 2034. Certain operating leases contain rent escalation clauses and renewal options, which have been factored into determining rent expense on a straight-line basis over the lease terms. Capital leases bear interest at rates ranging from 2.6% to 9.9% per annum.

The future minimum annual lease payments required under leases in effect at September 30, 2022, are as follows (in thousands):

For the Years ending September 30,	Capital Leases	Operating Leases	MPT Lease Liability
2023	$ 1,487	$ 3,471	$ 112,322
2024	1,340	2,336	114,568
2025	1,260	1,994	116,859
2026	666	1,847	119,197
2027	477	1,719	121,581
Thereafter	-	3,208	1,272,834
Total minimum lease payments	5,231	$ 14,575	1,857,361
Less: amounts representing interest	(522)		(638,214)
Add: amounts representing land	-		47,176
	4,708		1,266,323
Less: current portion	(1,225)		(81,976)
	$ 3,483		$ 1,184,347

Rent expense related to operating leases for the years ended September 30, 2022 and 2021, was approximately $9.0 million and $9.2 million, respectively.

Litigation

We operate in a highly regulated and litigious industry. As a result, various lawsuits, claims and legal and regulatory proceedings have been and can be expected to be instituted by or asserted against us. We are also subject to claims and suits arising in the ordinary course of business, including claims for personal injuries or wrongful restriction of, or interference with, physicians' staff privileges. In certain of these actions the claimants may seek punitive damages against us, which may not be covered by insurance. We are also subject to claims by various taxing authorities for additional taxes and related interest and penalties. The resolution of any such lawsuits, claims or legal and regulatory proceedings could have a material, adverse effect on our results of operations, financial position or liquidity.

Health care companies are subject to numerous investigations by various governmental agencies. Under the federal False Claims Act ("FCA"), private parties have the right to bring qui tam, or whistleblower," suits against companies that submit false claims for payments to, or improperly retain overpayments from, the government. Some states have adopted similar state whistleblower and false claims provisions. Certain of our individual facilities have received, and from time to time,

other facilities may receive, government inquiries from, and may be subject to investigation by, federal and state agencies. Depending on whether the underlying conduct in these or future inquiries or investigations could be considered systemic, their resolution could have a material, adverse effect on our results of operations, financial position or liquidity. While the Company's management currently believes that resolving all of these matters, individually or in the aggregate, will not have a material adverse impact on the Company's consolidated financial position or results of operations, the litigation and other claims that the Company faces are subject to inherent uncertainties and management's view of these matters may change in the future.

Seismic Standards

The Company's California Hospitals (with the exception of Bellflower and Van Nuys, which currently only provide psychiatric services) are required to comply with laws that regulate the seismic performance of all aspects of hospital facilities in California and imposes near-term and long-term compliance deadlines for seismic safety assessment, submission of corrective plans, and retrofitting or replacement of medical facilities to comply with current seismic standards. These laws and regulations require hospitals to meet seismic performance standards to ensure that they are capable of providing medical services to the public after an earthquake.

These requirements can result in significant operational changes and capital outlays. Management is continuing to assess its options and the methods of financing the required retrofits. Based on management's evaluation, the costs of renovation needed to comply with the California seismic safety standards for its acute-care facilities, including asbestos abatement, are not estimable at this time.

Legislation and HIPAA

The healthcare industry is subject to numerous laws and regulations of federal, state and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government healthcare program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Government activity has continued with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by healthcare providers. Violations of these laws and regulations could result in expulsion from government healthcare programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed.

The Company believes that it is in compliance with fraud and abuse regulations as well as other applicable government laws and regulations. Compliance with such laws and regulations can be subject to future government review and interpretation as well as regulatory actions unknown or unasserted at this time.

The Health Insurance Portability and Accountability Act ("HIPAA") assures health insurance portability, reduces healthcare fraud and abuse, guarantees security and privacy of health information, and enforces standards for health information. The Health Information Technology for Economic and Clinical Health Act ("HITECH Act") expanded upon HIPAA in a number of ways, including establishing notification requirements for certain breaches of protected health information. In addition to these federal rules, California and Connecticut have developed strict standards for the privacy and security of health and other personal information as well as for reporting certain violations and breaches. The Company may be subject to significant fines and penalties if found not to be compliant with these state or federal provisions.

Collective Bargaining Agreements

As of September 30, 2022, the Company had approximately 15,200 employees, of whom approximately 5,470 employees or 36% are represented by various labor organizations. Of those, none of the Company's employees are employed under union contracts that have expired or will expire before September 30, 2023.

As of September 30, 2021, the Company had approximately 17,000 employees, of whom approximately 3,700 employees or 22% are represented by various labor organizations. Of those, approximately 3,300 employees or 19% of the Company's employees are employed under union contracts that have expired or will expire before September 30, 2022.

Tangible Net Equity ("TNE") Requirement

The Company's affiliated California physician organizations and licensed healthcare service plans may be subject to one or more of the following requirements: minimum working capital, Tangible Net Equity, cash-to-claims ratio and claims payment requirements as prescribed by the California Department of Managed Health Care ("DMHC"). TNE is defined as net assets, less intangibles and amounts due from affiliates, plus subordinated obligations. As of September 30, 2022 and 2021, the Company's affiliated California physician organizations and licensed healthcare service plan were in compliance with these regulatory requirements.

PACE financing

In August 2019 the Company entered into an agreement with a third party that specializes in property assessed clean energy ("PACE") financing to finance approximately $49.0 million for qualifying renovations for the properties in California. The full amount of the funds was deposited into an escrow account managed by a third party administrator, less deductions for the first year of prepaid interest of approximately $3.2 million and deferred financing fees totaling approximately $2.6 million. The Company received cash from the escrow account of approximately $13.5 million which was used to refinance related completed qualifying expenditures under the PACE program and invoices for construction in progress that had been paid. The amount financed is subject to an annual interest rate of 6.0% and the financing has a maturity date of September 2, 2045. Payments are collected through property tax bills as a non-ad valorem assessment. Payments commenced in July 2020. At September 30, 2022, the Company had a related financing liability of approximately $35.0 million, of which $1.1 million and $33.9 million is classified within other current liabilities and other long-term liabilities, respectively, in the accompanying consolidated balance sheets. At September 30, 2021, the Company had a related financing liability of approximately $34.5 million, of which $1.2 million and $33.3 million is classified within other current liabilities and other long-term liabilities, respectively, in the accompanying consolidated balance sheets. At September 30, 2022 and 2021, there was approximately $10.8 million and $18.7 million, respectively, left in escrow required to be spent on qualifying renovations.

Retirement Benefits

The Company sponsors various employee non-contributory, defined benefit pension plans (the "DB Plan") covering certain full-time employees of Crozer, ECHN and Waterbury.

In connection with the acquisition of Crozer, its plan was frozen with all benefits accruals ceased as of July 1, 2016. With respect to each Represented Employee who is a member of the Laborers' International Union of North America, the Monthly Compensation (as defined), the Credited Service (as defined), the Eligibility Service (as defined) and the accrued benefit was frozen and determined as of July 1, 2016. No benefits accrue since that date. The plan was amended to provide for determination of Vesting Service (as defined) for employees who were employed with the Company before July 1, 2016, such that years of service shall include all periods of employment completed on and after July 1, 2016, subject to the Break in Service rules (as defined). The plan was further amended on September 3, 2016 to provide certain Qualifying Participants (as defined) the right to make a Special Benefit Election (as defined) during "2016 Lump Sum Option Window" period from October 15, 2016 through November 30, 2016 to receive or commence receiving his or her vested Accrued Benefit as of December 1, 2016 in accordance with procedures adopted by the Committee. Further, the Company will adopt a plan amendment to terminate the plan effective within such five year period and will liquidate, fully fund and satisfy, and pay all benefits owed to participants and beneficiaries of the plan by providing lump sum distributions to participants, purchasing annuities for participants who do not elect a lump sum distribution, subject to applicable filing and authorization by the applicable government agency or entity. The five-year period can be extended in the event certain discount rates fall below certain defined thresholds. Presently the discount rates are below those thresholds and the Company intends to delay the termination of the Crozer DB plan.

Crozer also sponsors a postretirement benefit program (the "OPEB Plan") which is an unfunded medical care and life insurance benefit program, and a supplemental executive retirement plan (the "SERP Plan") which is an unfunded retirement plan that covers a group of current and former executives. These plans were frozen and all benefit accruals ceased as of July 1, 2016. No benefits will accrue since that date. The SERP plan was terminated and all funds paid out. With respect to each Represented Employee who is a member of the Laborers' International Union of North America, benefits will continue to accrue until a settlement of an ongoing union contract negotiation is reached for the OPEB Plan.

ECHN sponsors a DB Plan that covered substantially all of its employees. The benefits were based upon years of service and compensation for the five highest years during the employee's last 10 years of service. On December 31, 2008, ECHN implemented a soft freeze on the plan. All qualified employees were eligible to enter into the defined contribution plan, ECHN contributed 3% of eligible employees' salaries. This contribution was non-guaranteed for all employees, except certain union workers covered under a collective bargaining agreement. Effective December 31, 2013, ECHN froze the plan for all remaining participants. During September 2013, the Board passed a resolution to freeze all benefits related to the plan.

ECHN also sponsors an OPEB Plan that provides health care benefits to vested, retired employees, who are age 55 or older and start collecting under the defined benefit plan described above once retired. The retiree must be enrolled into the medical plan on the date of retirement to be eligible for the continuation. Full-time registered nurse retirees from ECHN's Manchester facility (retired prior to October 1, 2005 and were eligible per the collective bargaining agreement) were grandfathered and required to pay at least 50% of the total cost of the medical and dental coverage they elect for themselves under the OPEB Plan.

Waterbury has a noncontributory defined benefit cash balance plan. The plan was frozen to non-union participants effective June 30, 2015. Participants who are part of the Connecticut Healthcare Associates Technical Unit remain active in the plan. Non-union employees no longer accrue additional employer contribution credits in the plan. These participants will continue to receive interest credits based on their account balances in accordance with the terms of the plan. They will be entitled to their account balance (the retirement benefit they have earned up to June 30, 2015) plus applicable

interest credits after the Plan were frozen. Cash balance interest crediting rate is 1.50% compounded annually.

For all plans, the Company has made contributions sufficient to meet the minimum funding requirements of applicable laws and regulations.

The changes in the benefit obligation for September 30, 2022 is mainly due to an actuarial gain from an increase in the discount rate. The activity of the pension plans for the years ended September 30, 2022 and 2021 is as follows:

(in thousands):

September 30,	**2022**	2021
Changes in benefit obligations		
Projected benefit obligations, beginning of period	**$ 773,873**	$ 797,145
Service cost	**99**	126
Interest cost	**22,192**	22,527
Plan participant contributions	**-**	-
Actuarial gain	**(191,829)**	(1,879)
Benefits paid	**(26,132)**	(24,780)
Lump sum benefits paid and annuity purchase	**(26,055)**	(19,266)
Other	**(622)**	-
Projected benefit obligation, end of year	**$ 551,526**	$ 773,873
Changes in plan assets		
Fair value of plan assets, beginning of year	**$ 483,462**	$ 559,213
Actual return on plan assets	**(123,566)**	(40,002)
Contributions by plan sponsor	**3,960**	8,297
Plan participant contributions	**-**	-
Benefits paid	**(26,132)**	(24,780)
Lump sum benefits paid and annuity purchase	**(26,055)**	(19,266)
Fair value of plan assets, end of year	**$ 311,669**	$ 483,462
Funded status of the plan, end of year	**$ (239,857)**	$ (290,411)
Accumulated benefit obligation, end of year	**$ (239,857)**	$ (290,411)

The funded status of the pension plans as of September 30, 2022 and 2021 is as follows (in thousands), split between the pension plans and the post retirement plans:

	2022 Pensions	**2022 OPEBs**	**2022 Total**	2021 Pensions	2021 OPEBs	2021 Total
Current liability	**$ -**	**$ 310**	**$ 310**	$ -	$ 430	$ 430
Non-current liability	**235,184**	**4,363**	**239,547**	284,674	5,307	289,981
	$ 235,184	**$ 4,673**	**$ 239,857**	$ 284,674	$ 5,737	$ 290,411

The components of net periodic benefit cost for the years ended September 30, 2022 and 2021 are as follows (in thousands):

September 30,	**2022**	2021
Components of net periodic benefit cost:		
Service cost	**$ 99**	$ 126
Interest cost	**22,192**	22,551
Expected return on plan assets	**(9,244)**	(10,292)
Amortization of net loss	**456**	(30)
Effect of settlement	**(1,458)**	724
Amortization of prior service credit	**(51)**	(51)
Total net periodic benefit cost	**$ 11,994**	$ 13,028

Service cost is recorded in Hospital operating expenses on the consolidated statements of operations. All other components of net periodic benefit costs are recorded in other expense on the consolidated statements of operations.

	2022	2021
Other change in benefit obligations recognized in accumulated other comprehensive loss:		
Loss due to participant experience	**$ -**	$ 143
Amortization of net gain	**(456)**	(8)
Asset return (gain) loss	**(59,755)**	49,035
Prior service (cost)/credit	**(622)**	-
Amortization of prior service (cost)/credit	**51**	51
Amount recognized due to settlement	**1,458**	(723)
Total recognized in other comprehensive (income) loss and accumulated other comprehensive (income) loss	**$ (59,324)**	$ 48,498

The assumptions used in determining the actuarial present value of the projected benefit obligations for pension plans as of September 30, 2022 and 2021 and for the years then ended are as follows:

	2022	2021
Weighted average assumptions used to determine benefit obligations at end of period		
Discount rate	**5.63-5.90%**	2.65-3.01%
Rate of compensation increase	**0.00-3.00%**	0.00-2.00%
Weighted average assumptions used to determine net periodic benefit cost for the period ended		
Discount rate	**2.65-3.01%**	2.55-2.97%
Rate of compensation increase	**0.00-2.00%**	0.00-2.00%
Expected return on the plan assets	**0.00-3.50%**	0.00-3.25%

The asset allocation percentage by major asset class for the plans and the target allocation for 2022 follows:

	Target	2022
Asset class:		
Cash and cash equivalents	0% - 20%	1 %
Fixed income	10% - 100%	98 %
Alternative investments and hedge funds	0% - 30%	1 %
		100 %

The investment objectives of the plans are to invest consistently with the fiduciary standards of ERISA, to provide for the funding and anticipated withdrawals on an ongoing basis, conserve and enhance the capital value of the plans in real terms while maintaining a moderate risk profile, to minimize principal fluctuations over the investment cycle, and achieve a long-term level of return commensurate with contemporary economic conditions. The expected long-term rate of return with respect to the plans is based on an aggregate of expected capital market returns within each asset category.

The following tables set forth the assets in the plans measured at fair value, by input level (in thousands):

September 30, 2022	**Level 1**	**Level 2**	**Level 3**	**Net asset value**	**Total**
Fixed income securities:					
Short-Term Duration	**$ -**	**$ 35,401**	**$ -**	**$ -**	**$ 35,401**
Extended Duration	**-**	**134,619**	**-**	**-**	**134,619**
Interim Duration	**-**	**51,606**	**-**	**-**	**51,606**
Long-Term Duration	**-**	**82,608**	**-**	**-**	**82,608**
Real estate	**-**	**-**	**332**	**-**	**332**
Alternative investments	**-**	**-**	**4,244**	**-**	**4,244**
Cash and cash equivalents	**-**	**-**	**-**	**2,859**	**2,859**
Total	**$**	**$ 304,234**	**$ 4,576**	**$ 2,859**	**$ 311,669**

September 30, 2021	Level 1	Level 2	Level 3	Net asset value	Total
Fixed income securities:					
Short-Term Duration	$ -	$ 40,502	$ -	$ -	$ 40,502
Extended Duration	-	201,527	-	-	201,527
Interim Duration	-	60,320	-	-	60,320
Long-Term Duration	-	166,901	-	-	166,901
Real estate	-	-	928	-	928
Alternative investments	-	-	10,423	-	10,423
Cash and cash equivalents	-	-	-	2,861	2,861
Total	$ -	$ 469,250	$ 11,351	$ 2,861	$ 483,462

Pension plan assets classified as Level 3 in the fair value hierarchy represent investments in which the trustee has used significant unobservable inputs in the valuation model. The hedge funds consist of equity/long/short funds and multi-strategy funds in which fair values have been estimated using the net asset value per share of the investment. The alternative investments primarily consist of investments in limited partnerships that invest in the Public-Private Investment Program which fair values have been estimated using the net asset value per share of the investment.

On an annual basis, the Company assesses the valuation hierarchy for pension assets recorded at fair value. From time to time, assets will be transferred within the fair value hierarchy as a result of changes in, among other things, inputs used, liquidity, or valuation methodologies. During the years ended September 30, 2022 and 2021, there were no transfers in classification within the fair value hierarchy.

The following table is a rollforward of the plans' assets classified within Level 3 of the fair value hierarchy (in thousands):

September 30,	**2022**	2021
Balance, beginning of year	**$ 11,351**	$ 13,697
Actual return on plan assets:		
Unrealized loss	**(6,775)**	(2,346)
Balance, end of year	**$ 4,576**	$ 11,351

The expected long-term future benefit payments to retirees with respect to the plans and are as follows (in thousands):

2023	$ 47,100
2024	42,040
2025	42,280
2026	42,690
2027	42,860
2028 - Thereafter	207,430
	$ 424,400

Waterbury participates in multi-employer pension plans that cover substantially all union employees. Contributions to the plans are based upon a percentage of each participant's total salary. The risks of participating in these multi-employer plans are different from single employer plans in the following aspects:

- Assets contributed to the multi-employer plan by one employer may be used to provide benefits to employees of another participating employer.

- If a participating employer stops contributing to the plan, the unfunded obligation of the plan may be borne by the remaining participating employers.

- If Waterbury chose to stop participating in the multi-employer plans, Waterbury may be required to pay those plans an amount based on the underfunded status of the plans, referred to as a withdrawal liability.

The following table presents Waterbury's participation in these plans as of and for the years ended September 30, 2022 and 2021.

Pension Trust Fund	EIN / Pension Plan	Pension Protection Act ("PPA") Certified Zone Status *(1)*		FIP / RP Status Pending / Implemented *(2)*	Contributions		Surcharge Imposed	Exp. Date of CBA
		2022	2021		**2022**	2021		
Connecticut Health Care Associates Pension Fund	06-1313462	**Green**	Red	Pending	**$ 2,026,216**	$ 2,168,769	No	7/1/25
New England Health Care Employees Pension Fund	22-3071963	**Frozen Green**	Green	NA	**1,139,701**	783,560	No	3/15/25
Total contributions					**$ 3,165,917**	$ 2,952,329		

(1) The most recent PPA Certified Zone Status available for each Fund is for the 2022 plan year. The Zone Status is based on information received from each Fund and is certified by the Fund's actuary. Among other factors: Funds in the Red Zone are generally less than 65 percent funded or have a projected Funding Deficiency in the Fund's Minimum Funding Standard Account within the next 4 years, Funds in the Endangered (Yellow) Zone are generally less than 80 percent funded and don't have a projected Funding Deficiency within the next 7 years, and Funds not in the Red or Yellow Zones are in the Green Zone.

(2) The "FIP/RP Status Pending/Implemented" column indicates Funds for which a financial improvement plan ("FIP") or a rehabilitation plan ("RP") is either pending or has been implemented (if applicable). For the 2022 plan year, this column was not applicable for either Fund.

During the years ended September 30, 2022 and 2021, Waterbury's contributions to the CHCA Pension Plan and the New England Health Care Employees Pension Plan represented 81.5% and 3.3% and 81.9% and 2.5% of the total contributions made to the plans by all participating employers, respectively.

Governmental regulations impose certain requirements relative to union-sponsored pension plans. In the event of plan termination or employer withdrawal, an employer may be liable for a portion of the plan's unfunded vested benefits. As of September 30, 2022 and 2021, Waterbury has not recorded any liabilities for future withdrawal obligations related to the multi-employer plans.

Defined contribution plans

The Company sponsors two defined contribution plans covering substantially all employees who meet certain eligibility requirements, which are segregated between union and non-union employees. Under these plans, employees can contribute up to 50% of their compensation up to the IRS deferred annual maximum. There is currently no company match offered under the plans, except at certain facilities in Rhode Island and Pennsylvania, for which the expense for the employer match was $16,117,000 and $16,070,000 for the years ended September 30, 2022 and 2021, respectively.

12. Accrued Medical Claims and Other Healthcare Costs Payable

Below is a schedule showing the changes in our accrued medical claims and other healthcare costs payable (Medical Group segment, Global Risk Management segment, and full risk contracts) during the two years ended September 30, 2022 (in thousands) excluding the impact of discontinued operations:

September 30,	**2022**	2021
IBNR as of beginning of year	**$ 93,619**	$ 76,374
Claim expenses incurred during the year:		
Related to current year	**447,597**	352,288
Related to prior year	**7,446**	(6,715)
Total incurred	**455,043**	345,573
Claims paid during the year:		
Related to current year	**(344,704)**	(274,447)
Related to prior year	**(83,740)**	(53,881)
Total paid	**(428,444)**	(328,328)
IBNR as of end of year	**$ 120,218**	$ 93,619

Following is a table showing the details of the Medical Group and Global Risk Management segments cost of revenues per the consolidated statements of operations (in thousands):

Years Ended September 30,	**2022**	2021
Capitation expense	**$ 153,785**	$ 133,786
Fee-for-service claims expense	**338,298**	232,103
Other physician compensation	**24,558**	28,428
Other cost of revenues	**19,567**	17,255
Total cost of revenues	**$ 536,208**	$ 411,572

13. Subsequent Events

Subsequent events have been evaluated through to May 25, 2023, the date the Company's consolidated financial statements were available for issuance.

On October 5, 2022, the Company entered into an asset purchase agreement with Yale New Haven Health Services Corporation, a Connecticut nonstock corporation, pursuant to which the Company agreed to sell, and the buyer agreed to purchase, substantially all of the assets and liabilities of the Company related to the Company's ECHN and Waterbury hospital systems in Connecticut. The Company's pension obligation is not assumed by the buyer.

On November 18, 2022, the Company entered into an asset purchase agreement with Centurion Foundation, Inc., pursuant to which the Company agreed to sell, and the buyer agreed to purchase, substantially all of the assets and liabilities of the Company related to the Company's CharterCARE hospital system in Rhode Island. The Company's pension obligation is not assumed by the buyer.

Effective December 1, 2022, the Company became the indirect 100% beneficial owner of Nuestra Familia Medical Group, Inc. ("Nuestra") after Nuestra repurchased the 3.66% ownership interest held by a contracted physician provider in accordance with the terms of Nuestra's Agreement Concerning Shares of the Company, dated September 19, 1995, due to the termination of the physician's contracted services.

On February 22, 2023, the Company entered into a Forbearance Agreement with JPMC related to the Amended and Restated ABL Credit Agreement, dated as of February 22, 2018 and amended from time to time thereafter (the "ABL Facility"). JPMC, as the Administrative Agent, and the other lenders party thereto, agreed to forbear from exercising any rights and remedies arising from or related to the occurrence and continuation of certain defaults until March 24, 2023. On March 24, 2023, the Company and JPMC entered into an Amended and Restated Forbearance Agreement that extended the forbearance period until May 31, 2023.

On February 16, 2023, a Forbearance Agreement was signed between the Company and the MPT Parties. Under this agreement, each of the MPT Parties agreed to temporarily forbear from further enforcing or exercising its rights or remedies with respect to each specified event of default during the forbearance period commencing on the agreement effective date and ending on February 23, 2023. On February 23, 2023, the Company and the MPT Parties signed an Amended and Restated Forbearance Agreement that extended the forbearance period until March 24, 2023. On March 24, 2023, the Company and the MPT Parties entered into a Second Amended and Restated Forbearance Agreement that extended the forbearance period until May 31, 2023.

Such March 24th MPT forbearance was provided in connection with a larger endeavor to restructure the obligations owed by the Company and its affiliates to MPT's affiliates. For that purpose, the Company and MPT also entered into a Term Sheet, dated March 30, 2023, pursuant to which the parties agreed to terms regarding certain rent and debt relief and the payment of certain Company obligations through the issuance to MPT of equity, and/or debt convertible into equity, in the Company's Medical Group segment operating in California, Arizona and Texas (the "PhysicianCo Business"). In connection with the forgoing, MPT Picasso, an MPT affiliate, loaned $50 million to PHP Holdings, LLC, a Company subsidiary, pursuant to a Convertible Promissory Note dated March 31, 2023. The maturity date of the note was March 31, 2026, if not earlier repaid or converted into equity in the PhysicianCo Business.

On May 23, 2023, a Financing Agreement (the "PhysicianCo Loan Agreement") was executed by and among (1) PHP Holdings, LLC, ("PHPH"), two of its subsidiaries as borrowers, and its other subsidiaries (excluding Prospect Health Plan, Inc. ("PHP")) as guarantors, all of which (together with PHP, which is not a borrower or guarantor) collectively comprise the PhysicianCo Business, (2) the Company and its California hospital subsidiaries at guarantors, (3) Wilmington Trust, National Association, as administrative agent and collateral agent, (4) Centerbridge Entity, as a lender and (5) Blue Torch entity, as a lender. Additionally on May 23, 2023, the Company and its subsidiaries comprising the Company's Hospital segment (the "HospitalCo Business") entered into a Loan Agreement (the "HospitalCo Loan Agreement") with MPT TRS Lender PMH, LLC, as administrative agent and collateral agent, and other lenders from time to time party thereto. The proceeds of the two financing transactions are used to refinance the ABL Facility (see Note 8), to pay certain expenses associated with the refinancing, to provide cash required for compliance with certain minimum regulatory capital requirements for certain California subsidiaries of PHPH, and to finance certain working capital and other operational needs of the Company and its subsidiaries. The maturity date of both loans is May 23, 2026. The principal amount of the PhysicianCo Loan is $375.0 million and it bears interest at a rate determined through an adjusted secured overnight financing rate (SOFR) calculation

set forth in the PhysicianCo Loan Agreement plus 13.00%. Interest on the loans shall be payable every 3 months from the date of the making of the loan.

Additionally, on May 23, 2023, the Company and its subsidiaries comprising the Company's Hospital segment (the "HospitalCo Business") entered into a Loan Agreement (the "HospitalCo Loan Agreement") with MPT TRS Lender PMH, LLC, as administrative agent and collateral agent, and other lenders from time to time party thereto. The initial principal amount of the loan (the "HospitalCo Loan") is $25.0 million with an additional $50.0 million in delayed draw loans (for an aggregate of $75.0 million). The Hospital Loan bears interest at a rate determined through an adjusted SOFR calculation set forth in the HospitalCo Loan Agreement plus and interest on the loans shall be payable quarterly. The maturity date is May 23, 2026. The proceeds of the HospitalCo Loan are used to finance certain working capital and other operational needs of the Company and its subsidiaries.
In connection with the closing of the PhysicianCo Loan and the HospitalCo Loan, on May 23, 2023, the Company, PHPH and Prospect Healthcare Facilities Management, LLC (a Company subsidiary) entered into an Amended and Restated Master Restructuring Agreement (the "MRA") with MPT Picasso that provides for the restructuring of certain current rights and obligations of the parties. In accordance with the terms of the MRA, certain obligations of the Company and its subsidiaries to MPT and its subsidiaries were cancelled. Such obligations mainly include $103 million of MPT's Connecticut real estate, $100 million of MPT's Pennsylvania real estate, the loans aggregating approximately $264 million and accrued rent and interest of approximately $56 million, along with the previous $50 million Convertible Promissory Note and future rent deferral. In exchange for the corresponding cancelation of these obligations of the Company and its subsidiaries to MPT and its subsidiaries, MPT Picasso was issued non-voting Series A-1 Preferred Units ("Preferred Units") by PHPH and a Convertible Promissory Note in the amount of (the "MPT Convertible Note") convertible into additional Preferred Units determinable based upon certain future calculations described in the MRA and the MPT Convertible Note. The MPT Convertible Note bears interest at a rate of per annum and all principal, interests, and other amounts payable under the MPT Convertible Note may then be converted. MPT may elect at any time voluntarily to convert all or any portion of the outstanding convertible amount. The maturity date of the MPT Convertible Note is November 20, 2026.

Our Lady of Fatima Hospital

Meeting of the
Prospect CharterCARE SJHSRI, LLC
Advisory Board of Directors
December 15, 2022

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MINUTES

Meeting Minutes

Prospect CharterCARE SJHSRI, LLC

Meeting of the Local Advisory Board

October 6, 2022

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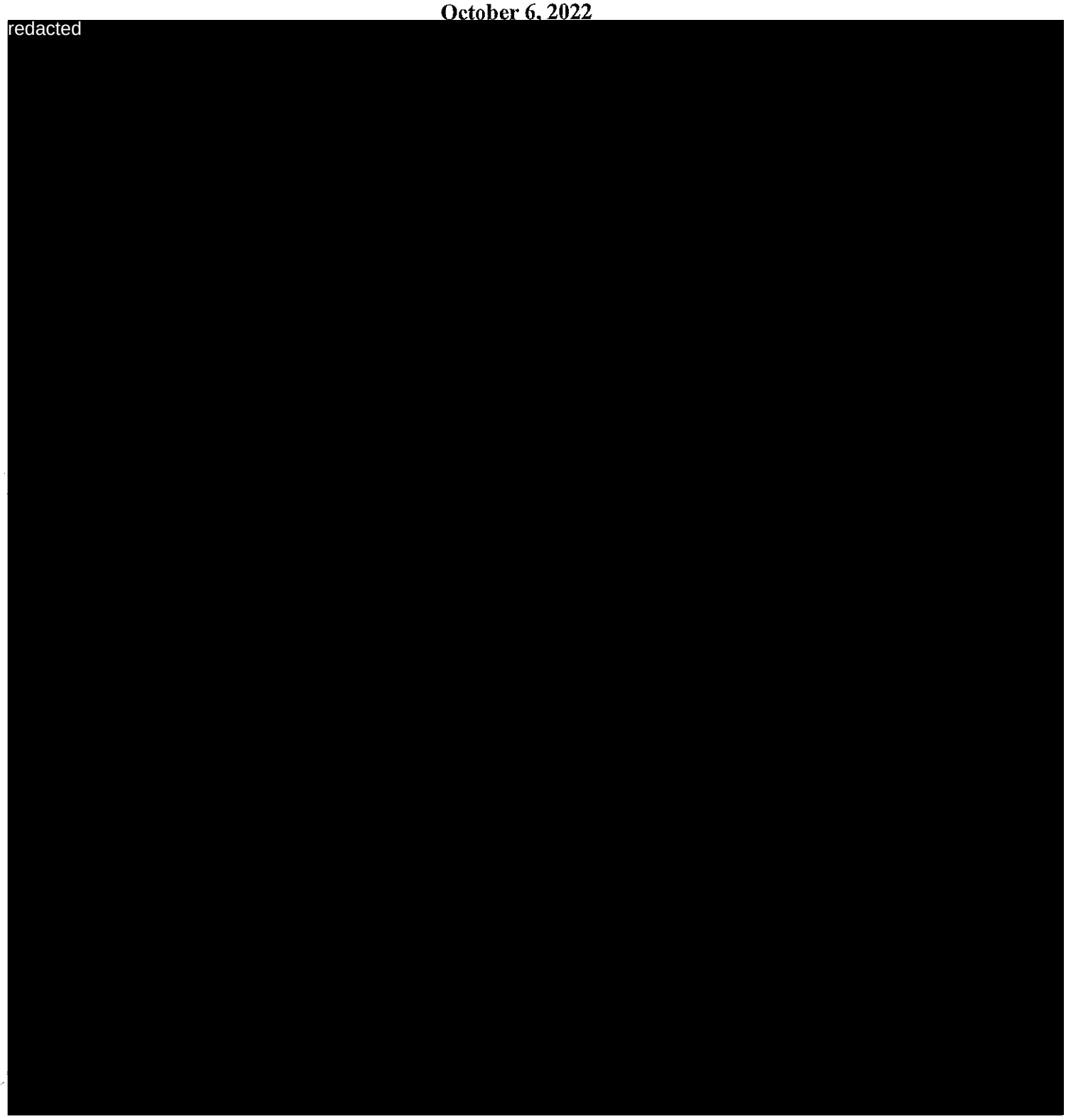

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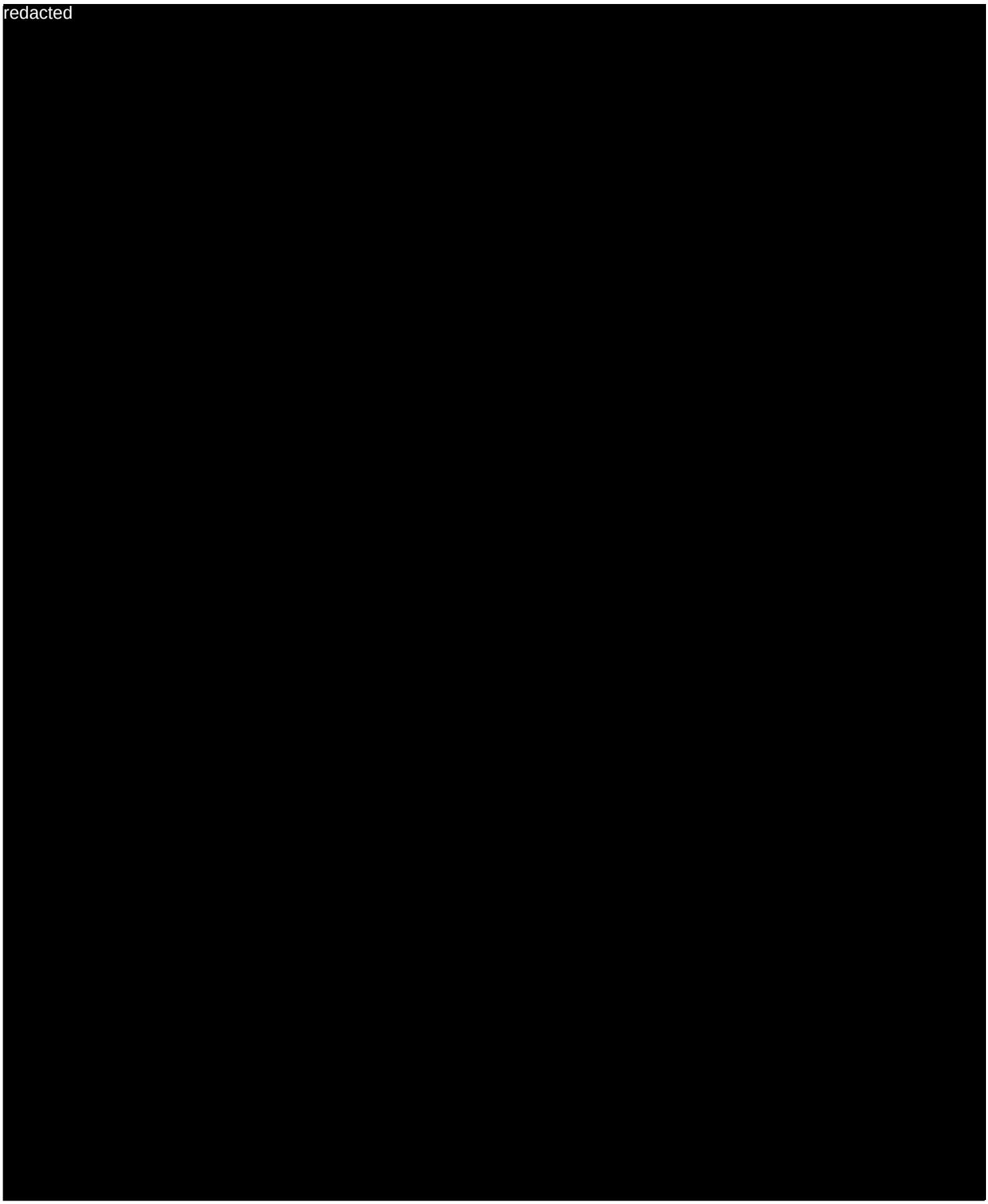

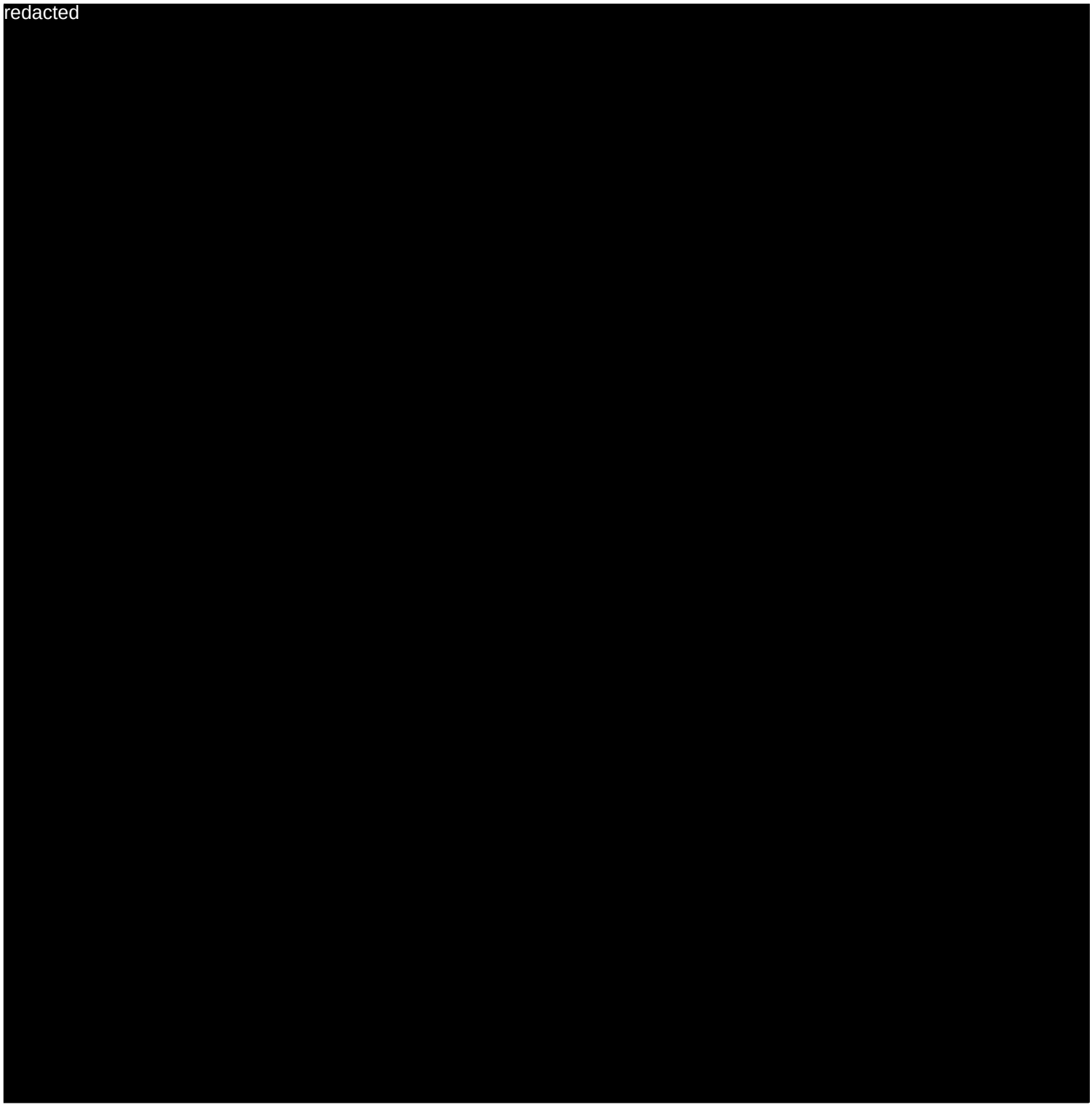
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HEALTH EQUITY EDUCATION

CMS Framework for Health Equity 2022–2032



PILLAR: HEALTH EQUITY

2022 STRATEGY

The first pillar of the Centers for Medicare & Medicaid Services' (CMS) Strategic Plan is health equity. CMS' strategy to advance health equity will address the health disparities that underlie our health system through stakeholder engagement and by building this pillar into the core functions of CMS. CMS' health equity strategy will build on the Biden-Harris Administration's commitment to advancing racial equity and support for underserved communities through the federal government, as described in President Biden's Executive Order 13985.

CMS defines health equity as the attainment of the highest level of health for all people, where everyone has a fair and just opportunity to attain their optimal health regardless of race, ethnicity, disability, sexual orientation, gender identity, socioeconomic status, geography, preferred language, and other factors that affect access to care and health outcomes.

CMS is working to advance health equity by designing, implementing, and operationalizing policies and programs that support health for all people served by our programs by incorporating the perspective of lived experiences and integrate safety net providers and community-based organizations into our programs. Together this work will eliminate avoidable differences in health outcomes experienced by people who are disadvantaged or underserved, and providing the care and support that people need to thrive.

CMS programs cover more than 150 million people across the country through Medicare, Medicaid, the Children's Health Insurance Program (CHIP), and Marketplace coverage. These programs distribute hundreds of billions of dollars throughout the U.S. health care system annually and provide quality oversight of the majority of health care facilities and providers across the country and care settings. Together with the private sector, we can achieve our health equity goals. **CMS calls on private sector partners to engage with this health equity strategy to sustain long-term action.**

The Centers for Medicare & Medicaid Services health equity goals:

- ✓ **Close the gaps in health care access, quality, and outcomes** for underserved populations.

- ✓ **Promote culturally and linguistically appropriate services** to ensure understandable and respectful care and services that are responsive to preferred languages, health literacy, and other diverse communication needs.

- ✓ **Build on outreach efforts** to enroll eligible people across Medicare, Medicaid/CHIP and the Marketplace.

- ✓ **Expand and standardize the collection and use of data,** including on race, ethnicity, preferred language, sexual orientation, gender identity, disability, income, geography, and other factors across CMS programs.

- ✓ **Evaluate policies to determine how CMS can support safety net providers**, partner with providers caring in underserved communities, and ensure care is accessible to those who need it.

- ✓ **Ensure engagement with and accountability to the communities CMS serves** in policy development and the implementation of CMS programs.

- ✓ **Incorporate screening for and promote broader access to health-related social needs,** including greater adoption of related quality measures, coordination with community-based organizations, and collection of social needs data in standardized formats across CMS programs and activities.

- ✓ **Ensure CMS programs serve as a model and catalyst to advance health equity** through our nation's health care system, including with states, providers, plans, and other stakeholders.

- ✓ Use the framework under the CMS National Quality Strategy, **aiming to promote the highest quality outcomes and safest care for all people.**

BUILDING HEALTH EQUITY INTO THE DNA OF CMS

CMS Administrator Chiquita Brooks-LaSure has charged each CMS Center and Office with building health equity into its core work. The following section details key actions undertaken by CMS Centers and Offices to advance health equity:

Center for Medicare

Health equity goal: The Center for Medicare will advance equity for people with Medicare through operations and policies in the Traditional Medicare, Medicare Advantage and Part D programs, ensuring that services are culturally and linguistically appropriate, care is high-value and person-centered, underserved communities have access to quality care, disparities are eliminated, and social needs are addressed.

Actions to Date:

- ✓ **Develop expanded stratified reporting of Medicare Advantage (MA) and Part D star ratings measures,** establish a new health equity index as an enhancement to the MA and Part D Star Ratings, and maximize alignment on such quality reporting with other CMS components.
  - **Impact:** Allows beneficiaries to assess plans based on performance on health equity measures, and incentivizes plans to invest in health equity initiatives.

- ✓ **Increase Graduate Medical Education slots** to promote workforce training in underserved areas.
  - **Impact:** Improves access to care in underserved areas by building capacity for the health care workforce.

- ✓ **Propose to reinstate the requirement that MA and Part D plans include a multi-language insert** to inform beneficiaries of the availability of free language and translation services.
  - **Impact:** Advances language access, health literacy, and culturally tailored services for all beneficiaries.

- ✓ **Propose new supplemental payment for Indian Health Service and Tribal hospitals.**
  - **Impact:** Supports stability in uncompensated care payments and avoids undue long-term financial disruption for these hospitals.

Center for Clinical Standards and Quality

Health equity goal: Focusing on a person-centric approach as part of an overarching CMS Quality Strategy, which strives toward creating a care journey that is free from inequity while optimizing opportunities and access for underserved populations. Identifying measurable interventions to close gaps in quality care and outcomes.

Actions to Date:

- ✓ **Explore the development of health equity-focused measures** in all care settings, including a measure of hospital commitment to health equity, a measure of the percent of adults screened for social drivers of health, and a measure of those who have been screened positive for harmful social drivers of health.
  - **Impact:** Fosters leadership across all care settings and organizational culture of equity; promotes patient screening and subsequent access to services; expands the collection, reporting, and analysis of standardized data.

- ✓ **Propose a "Birthing-Friendly" hospital designation** to capture hospital maternity care quality improvement efforts as a facility characteristic, with the goal of displaying this information in a user-friendly format on the "Care Compare" website.
  - **Impact:** Enhances focus on health equity for birthing people and holds hospital leadership accountable for outcomes, as well as allows consumers to choose hospitals that have implemented improvements in birthing practices.

- ✓ **Directing quality improvement resources** to populations identified for the greatest health disparities using social vulnerability index, area deprivation index, and food access data.
    - **Impact:** Provides technical assistance and education to disadvantaged communities, and providers serving those communities to ensure access to health care services, and better outcomes.

Center for Medicare and Medicaid Innovation

Health equity goal: CMMI's goal is to promote a health system that achieves equitable outcomes through high-quality, affordable, person-centered care.

Actions to Date:

- ✓ **Incorporate equity in model design**, including development and implementation of health equity plans, quality measurement, and robust evaluation for health equity impact.
    - **Impact:** Ensures equity is a central focus of all models.

- ✓ **Address historical underinvestment through payment adjustments or enhanced benefits** to expand access and improve care for underserved populations.
    - **Impact:** Supports providers who disproportionately care for medically and socially complex beneficiaries in CMMI models.

- ✓ **Improve rates of participation** among safety net providers, including community health centers and disproportionate share hospitals.
    - **Impact:** Guarantees beneficiaries in underserved communities benefit from increased access to innovative models designed to improve care quality.

- ✓ **Increase collection of sociodemographic data** to measure the proportion of patients from underserved populations in models.
    - **Impact:** Allows assessment of inclusion of underserved populations.

Medicare-Medicaid Coordination Office

Health equity goal: Improving access to care and health outcomes for individuals dually eligible for Medicare and Medicaid.

Actions to Date:

- ✓ **Support providers in delivering disability-competent and accessible care** by providing training curriculum and resources through the Resources for Integrated Care technical assistance.
    - **Impact:** Improve access to care for people with disabilities.

- ✓ **Improve access to the Medicare Savings Programs** through public outreach and partnership with states.

- **Impact:** Improve access to care and economic security for low-income older adults and people with disabilities.

✓ **Improve coordination between Medicare and Medicaid** for people dually eligible for both programs through proposed rulemaking to strengthen dual eligible special needs plans, elevate the voices of enrollees in plan governance, and better identify and address housing instability, food insecurity, and barriers to transportation.
- **Impact:** Improve enrollee experiences and coordination of care.

Center for Medicaid and CHIP Services

Health equity goal: Closing gaps in coverage, access, and quality of care among people who are Medicaid- and CHIP-eligible or enrolled, improve data collection and analysis of disparities in coverage and care, support innovation, and orient activities to close gaps.

Actions to Date:

✓ **Roll back restrictive Medicaid policies** that prevented access to coverage and care in Medicaid and violated the core objectives of Medicaid, including state policies that took coverage away from people who didn't meet work requirements.
- **Impact:** Removed barriers to access that disproportionately, negatively affected underserved communities.

✓ **Improve access to continuous coverage and quality of care in the postpartum period** by working closely with states to encourage uptake of 12 months of extended postpartum coverage for pregnant people enrolled in Medicaid and CHIP.
- **Impact:** Increases access to services in the postpartum period for underserved enrollees known to be at higher risk of adverse outcomes.

✓ **Work with states to identify opportunities to connect justice-involved individuals with community-based services** immediately upon release, including through section 1115 demonstration approaches that provide individuals with transitional services upon re-entry.
- **Impact:** Promotes access to essential services to increase foundational footing for individuals re-entering communities.

✓ **Release Request for Information on issues related to access to care**, enrollment, and maintenance of coverage. The RFI ("Request for Information (2022): Access to Coverage and Care in Medicaid & CHIP") was open for a 60-day period through Monday, April 18, 2022.
- **Impact:** Ensures access by addressing barriers beneficiaries face across fee-for-service and managed care, as well as across physical health, behavioral health, and home and community-based services.

✓ **Expanded access to home- and community-based services (HCBS) through the American Rescue Plan.** The American Rescue Plan provided states with a temporary 10 percentage point increase to the federal funding for certain Medicaid HCBS. CMS is working to invest in high-

value services to help people with disabilities and older adults live safely and independently in their communities.

- **Impact:** HCBS benefits provide critical services to millions of people, allowing them to receive health services in their homes and communities, rather than in nursing homes and other institutions.

Center for Consumer Information and Insurance Oversight

Health equity goal: Increase coverage among the underserved who are Marketplace-eligible or enrolled, make Marketplace coverage more accessible and available to underserved populations, ensure and strengthen consumer protections for coverage, and improve data collection and analysis to reduce health disparities.

Actions to Date:

- ✓ **Increase federally facilitated Marketplace enrollment among underrepresented populations by 25%** by quadrupling the number of Navigator grantees, initiating a new Special Enrollment Period for consumers with household incomes at or below 150% of the federal poverty level.
  - **Impact:** Reduces the uninsured rate among underserved communities.

- ✓ **Acted to decrease the number of single-issuer rural counties in the individual market by incentivizing issuers to enter service areas.**
  - **Impact:** Through greater competition, increase choice and affordability for consumers in rural communities.

- ✓ **Consider new requirements for network adequacy for qualified health plans on the federally facilitated Marketplace for 2023.**
  - **Impact:** Would ensure that consumers, especially those in underserved communities, can utilize their insurance to get needed care.

- ✓ **Consider requiring issuers of qualified health plans in Marketplaces using the federal platform to offer standardized plans.**
  - **Impact:** Would allow consumers to compare plan options easily to choose a plan that meets their medical and financial needs, as well as makes baseline health benefits more transparent.

- ✓ **Consider strengthening Health and Human Services essential community provider requirements.**
  - **Impact:** Would improve access to providers for underserved communities.

- ✓ **Propose new regulations prohibiting Marketplaces, issuers, agents, and brokers from discriminating against consumers based on sexual orientation and gender identity.**
  - **Impact:** Would ensure consumers do not face discrimination based on their gender identity and sexual orientation.

- ✓ **Promulgate new regulations under the No Surprises Act related to surprise medical bills and unexpected health care costs.**
    - **Impact:** Ensures consumers, especially those in underserved communities, understand their rights and can access protections against financial harm, as well as reduces medical debt-related bankruptcies.

Office of Minority Health

Health equity goal: Driving change across the agency by supporting the advancement and integration of health equity in the development, evaluation, and implementation of these and other CMS policies, programs, and partnerships. Developing capacity at minority-serving institutions to research health disparities and social determinants of health, understand root causes of health disparities, and disseminate best practices uncovered through research funded by the CMS Office of Minority Health Minority Research Grant Program.

Actions to Date:

- ✓ **Provide technical assistance** through the CMS Health Equity Technical Assistance Program to support health care professionals, health plans and systems, State Medicaid Agencies, federal, state, tribal and territorial, and local health agencies, universities, community partners and all other external CMS stakeholders, as well as across CMS, as they we work together to embed health equity within CMS programs, policies, and operations.
    - **Impact:** Builds capacity within CMS to assess health equity impacts of our programs, and identify and eliminate barriers experienced by members of underserved communities and health care professionals who serve these communities. In addition, builds capacity among local communities and CMS partners to design and operate equitable health care systems and help ensure that all CMS benefits, services and supports, and coverage are available to all individuals, particularly those located in and serving underserved communities.

- ✓ **Create and distribute provider training materials** to help health care professionals understand the needs of those they serve and remove barrier to improve quality, experience of care, and access to care for members of underserved communities.
    - **Impact:** Ensures that health care professionals across all settings and coverage types have the tools and information they need to provide culturally and linguistically tailored, accessible care that meets the unique needs of each person they serve.

- ✓ **Expand community outreach** efforts to gain valuable insight from stakeholders using roundtables, listening sessions, and events for meaningful, bidirectional engagement with a broadened base of underserved populations.
    - **Impact:** Provides CMS with current information about the dynamic and diverse needs of each community we serve, ensuring our CMS programs, policies, and operations are designed and implemented with an intersectional lens that reflects the priorities of our populations, particularly members of underserved communities who may not have a long history of engaging with CMS.

Office of Communications

Health equity goal: Driving change across the agency by integrating health equity into the development of public facing materials and communications that CMS releases to stakeholders on a daily basis.

Actions to Date:

- ✓ **Continued support and outreach for Medicare beneficiaries on Medicare Savings Programs and other cost-savings programs.**
  - **Impact:** Increases the education of beneficiaries on the availability of programs to reduce their costs. For example, during the recent Open Enrollment period we included messaging on MSP in the outreach campaign such as within a print advertisement and social media. 1-800 MEDICARE representatives are also trained to provide education on the Medicare Savings Programs as well as other ways for beneficiaries to reduce their costs.

- ✓ **Expand culturally competent and linguistically accessible education campaign outreach.**
  - **Impact:** Increases reach in historically underserved communities. For example, during the recent Open Enrollment Period, the Biden-Harris Administration made a concerted effort to make affordable health care more accessible to historically uninsured and underinsured populations by conducting targeted outreach to historically underserved communities. This included advertising in Chinese (Mandarin and Cantonese), Korean, Vietnamese, Tagalog, and Hindi, and specific campaigns to the Black and Latino communities. As a result of this work in part, HealthCare.gov states enrollment among Hispanic people increased by 26% and Black people increased by 35%.

- ✓ **Translate the "Medicare & You" handbook and other educational materials for Medicare beneficiaries into additional languages.**
  - **Impact**: Increases the accessibility of CMS programs and resources. For example, CMS translated the Medicare & YOU handbook into Chinese, Korean, and Vietnamese for the first time.

The Rhode Island Health Equity Measures

Developed through the RIDOH Community Health Assessment Group



How the Rhode Island Health Equity Measures were developed

The CHAG includes partners from diverse sectors, including representatives from local and state government, academia, philanthropy, community-based organizations, healthcare, Health Equity Zones, nonprofit policy and advocacy organizations, and the private sector. CHAG members spent more than two years developing this set of measures through an extensive community engagement process that included the following phases:

Phase 1: Identified policy priorities and reviewed similar work nationally and internationally.

Phase 2: Examined 180+ potential measures.

Phase 3: Selected a core set of measures.

Phase 4: Encouraging use of the measures as the statewide standard to assess progress toward health equity in Rhode Island.

Imagine a Rhode Island where every person has a fair and just opportunity to be healthy. This is known as health equity. We all want to live in a place without obstacles to health like poverty and discrimination. And we all want to live in communities where we and our loved ones can access good jobs with fair pay, quality education, and safe environments. Yet in every neighborhood, a range of conditions affect people's health and safety every day.

Health happens inside our homes, schools, jobs, and communities

Generations-long social, economic, and environmental inequities have resulted in adverse health outcomes. They affect communities differently and have a greater influence on health outcomes than individual choices or access to healthcare. Reducing these inequities can help improve opportunities for everyone. To improve surveillance of the socioeconomic and environmental factors that drive health inequities, the Rhode Island Department of Health (RIDOH) collaborated with members of the Community Health Assessment Group (CHAG) to develop Rhode Island's first set of statewide health equity measures.

Key information

The Rhode Island Health Equity Measures include 15 determinants of health in five domains that affect health equity: integrated healthcare, community resiliency, physical environment, socioeconomics, and community trauma. Data come from various sources. When possible, data are reported by geographic location, race/ethnicity, disability status, income level, or other demographic characteristics.

How to use the data

We encourage Rhode Islanders to collaborate across sectors to address barriers to health and advance health equity. The Rhode Island Health Equity Measures can help identify systems and policies that affect the ability of every Rhode Islander to live a healthy life and achieve their full potential. They are intended to help communities measure the impact of health equity interventions, such as RI's **Health Equity Zone** initiative, by providing baseline data and informing outcomes evaluation. They also provide a way to measure our shared progress.

To learn more about the Measures, visit **www.health.ri.gov/data/healthequity.**

To learn more about how RIDOH's Health Equity Institute is collaborating with state leaders and community partners to build healthy, resilient communities, contact **Christopher.Ausura@health.ri.gov** or call **401-222-1383.**

Domain	Determinant	Measure	Data Source
Integrated Healthcare	Healthcare Access	Percentage of adults who reported not seeking medical care or dental care due to cost (2 measures)	Behavioral Risk Factor Surveillance System (BRFSS)
	Social Services	Ratio: Number of individuals receiving to number of individuals eligible for SNAP benefits, based on income	Supplemental Nutrition Assistance Program (SNAP), US Census Bureau
	Behavioral Health	Ratio: Number of naloxone kits distributed to number of overdose deaths	RIDOH, Prevent Overdose RI website
Community Resiliency	Civic Engagement	Percentage of registered voters participating in the most recent presidential election	Rhode Island Board of Elections
	Social Vulnerability	Index score that reflects the social vulnerability of communities	Centers for Disease Control and Prevention (CDC) Social Vulnerability Index, Agency for Toxic Substances and Disease Registry (ATSDR)
	Equity in Policy	Ratio: Number of low to moderate-income housing units to number of low to moderate-income households	HousingWorks RI, Comprehensive Housing Affordability Strategy
Physical Environment	Natural Environment	Percentage of overall landmass with tree canopy cover	US Department of Agriculture (USDA) Forest Service i-Tree Tools
	Transportation	Index score that reflects the affordability of transportation for renters	US Department of Housing and Urban Development (HUD) Low-Cost Transportation Index
	Environmental Hazards	Number and percentage of children with blood lead levels higher than 5 micrograms per deciliter	RIDOH Environmental Lead Program
Socio-economics	Housing Cost Burden	Percentage of cost-burdened renters and owners	American Community Survey
	Food Insecurity	Percentage of population who are food insecure	Feeding America
	Education	Percentage of high school students graduating with a regular diploma within four years	Rhode Island Department of Education
Community Trauma	Discrimination	Percentage of adults reporting racial discrimination in healthcare settings in the past 12 months	BRFSS (available 2020)
	Criminal Justice	Number of non-violent offenders under Rhode Island probation and parole (per 1,000 residents age 18 and older)	Rhode Island Department of Corrections, US Census Bureau
	Public Safety	Violent crime rate and non-violent crime rate (per 100,000 people)	Rhode Island State Police Uniform Crime Reports, FBI Uniform Crime Reporting Program

Notes

- Many efforts are already underway in Rhode Island and across the country to address obstacles to health and evaluate initiatives to advance health equity. The Rhode Island Health Equity Measures were developed to complement this work and provide a statewide standard for assessing progress to improve the social, economic, and environmental conditions that impact health.
- The measures are strategically aligned with, and intended to complement, other measures related to socioeconomic and environmental determinants of health, such as Governor Gina M. Raimondo's Third Grade Reading Goal and the nationwide Health Opportunity and Equity (HOPE) Initiative, supported by Robert Wood Johnson Foundation and led by National Collaborative for Health Equity and Texas Health Institute in partnership with Virginia Commonwealth University's Center on Society and Health.
- The set of measures includes some positive measures (e.g. tree canopy, graduation rates), and some negative measures (e.g. cost-burdened renters and owners, violent crime rate). The measures reflect a range of systems and policies that affect the ability of every Rhode Islander to live a healthy life in a healthy community.
- Measures reflect data available at this time. As additional data become available, some measures may be updated.

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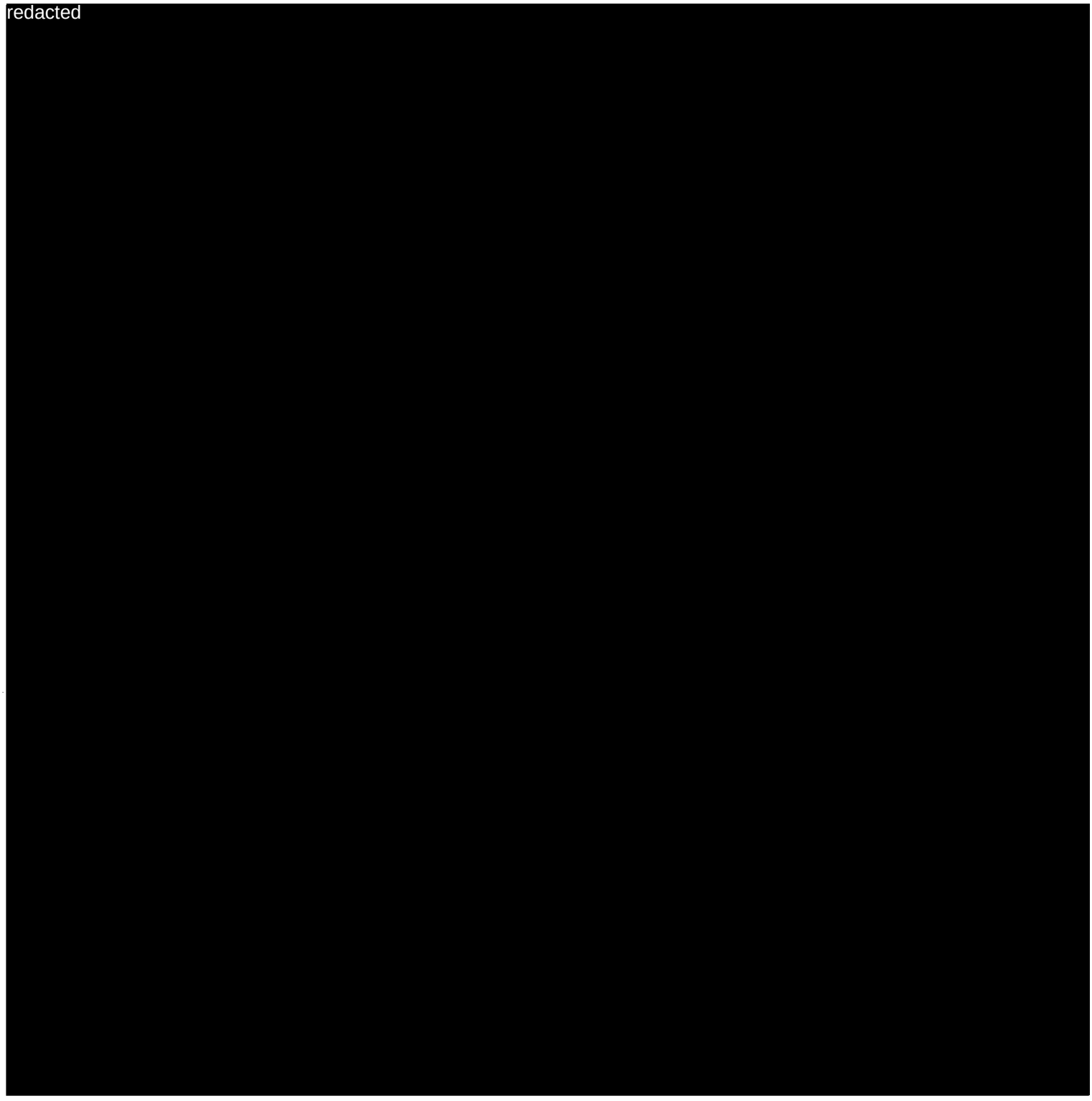

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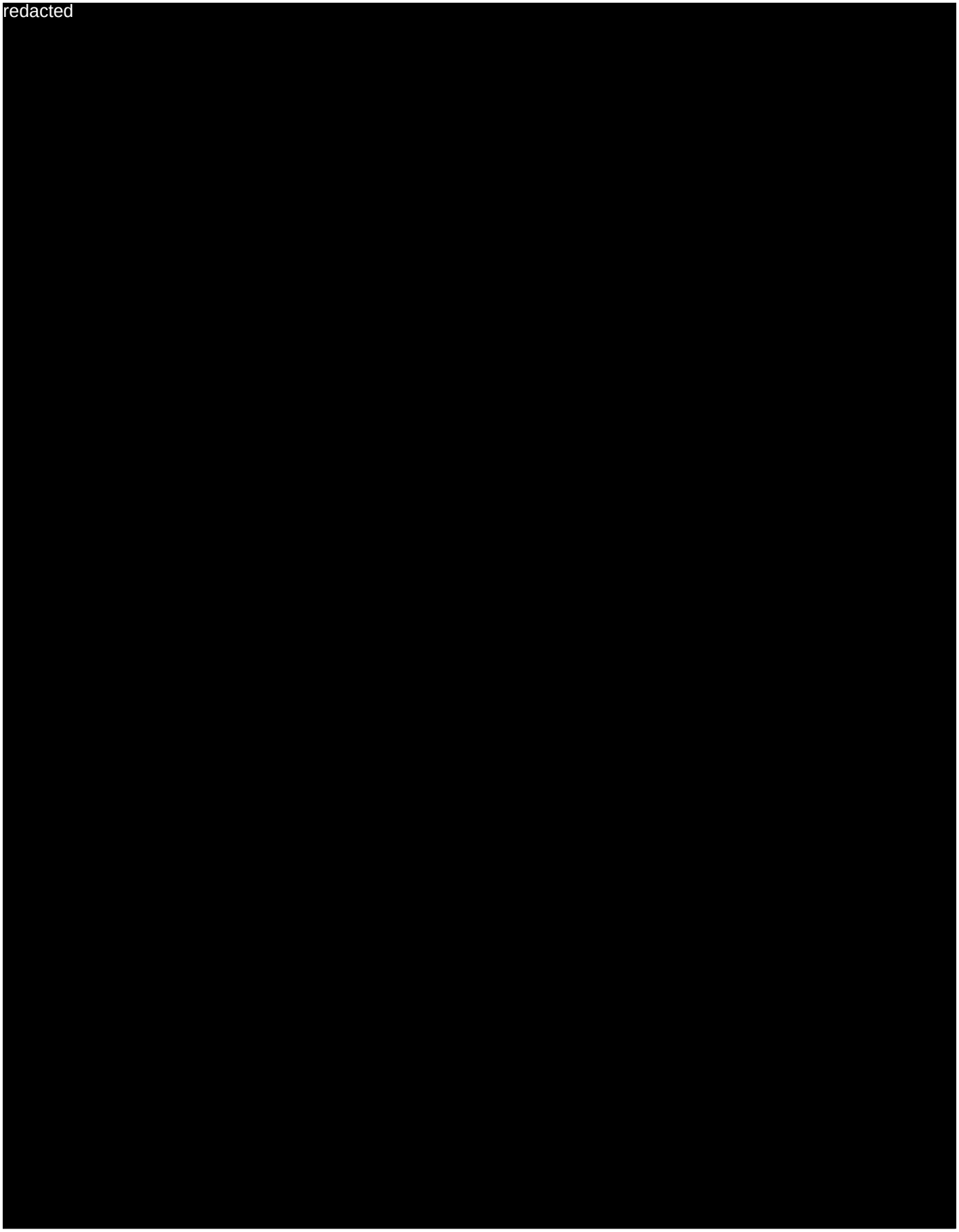

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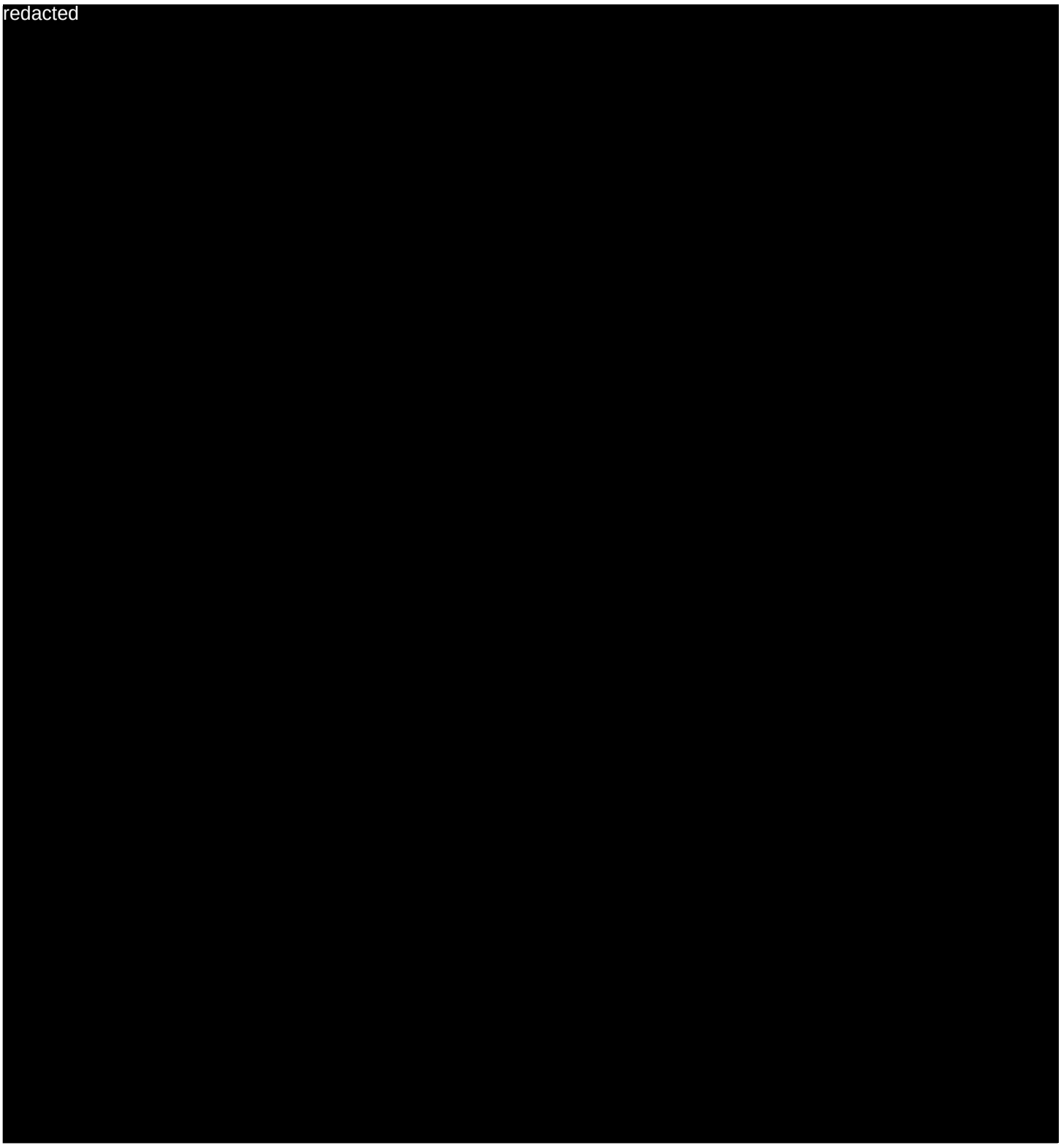

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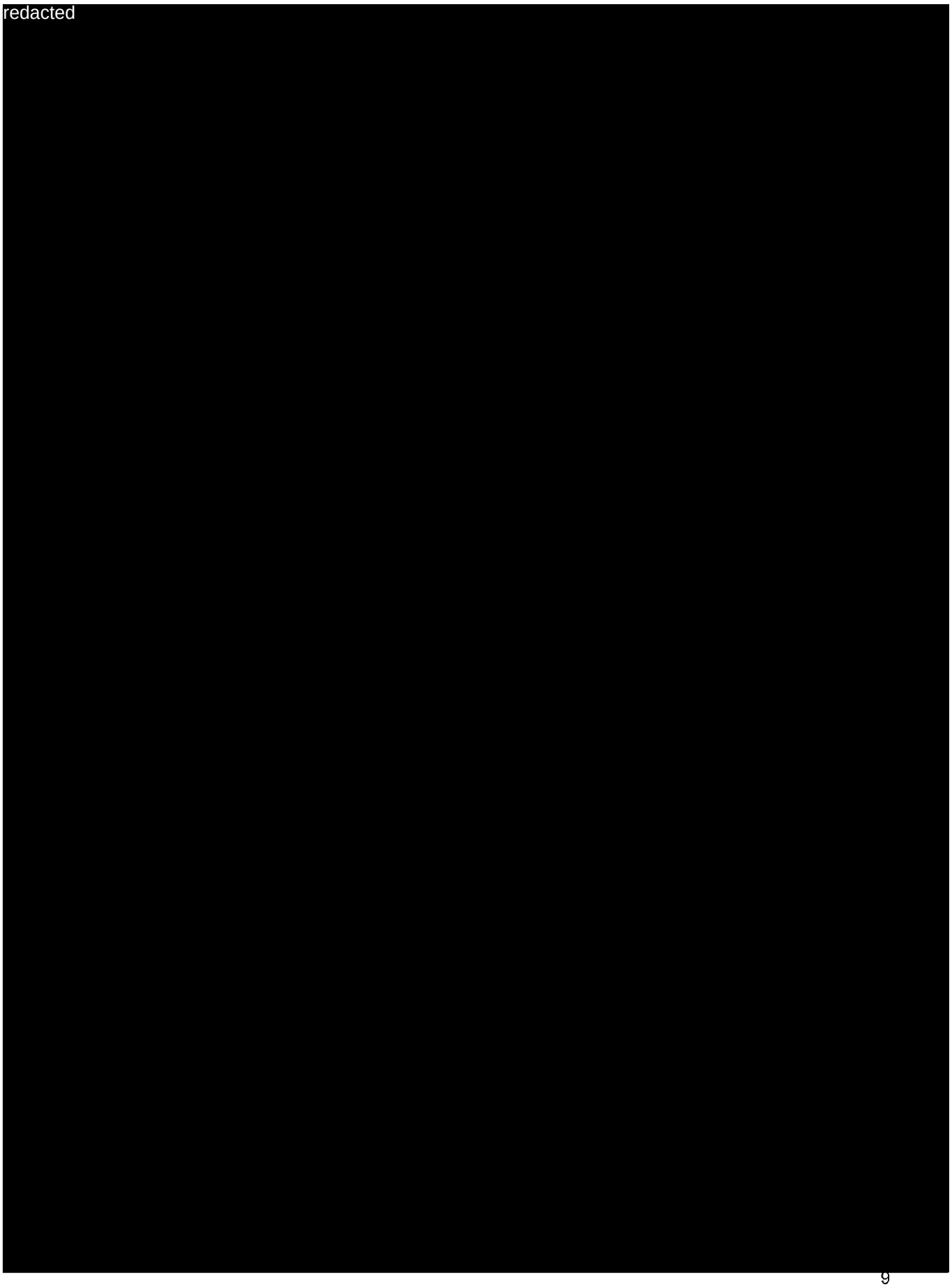

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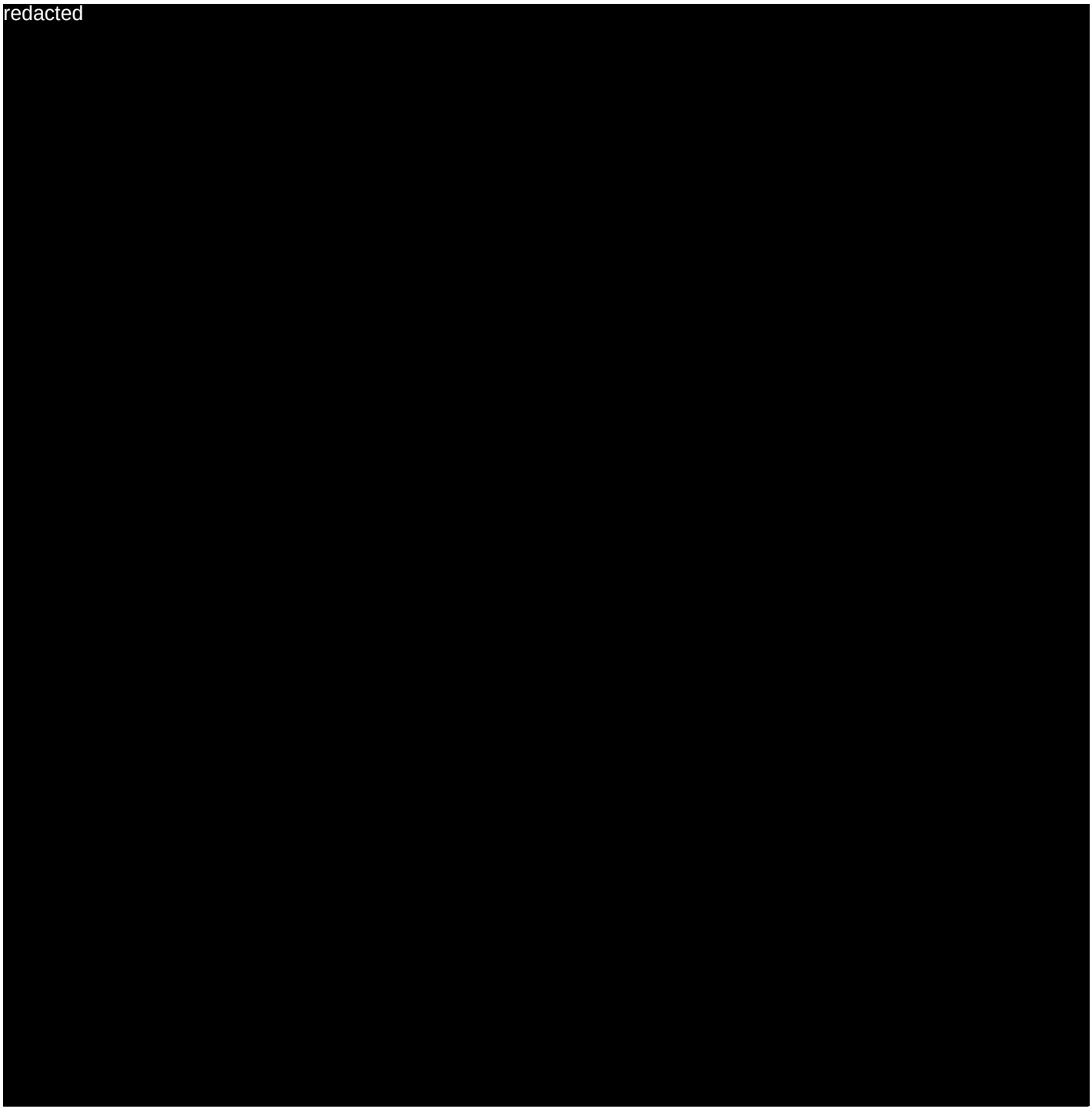

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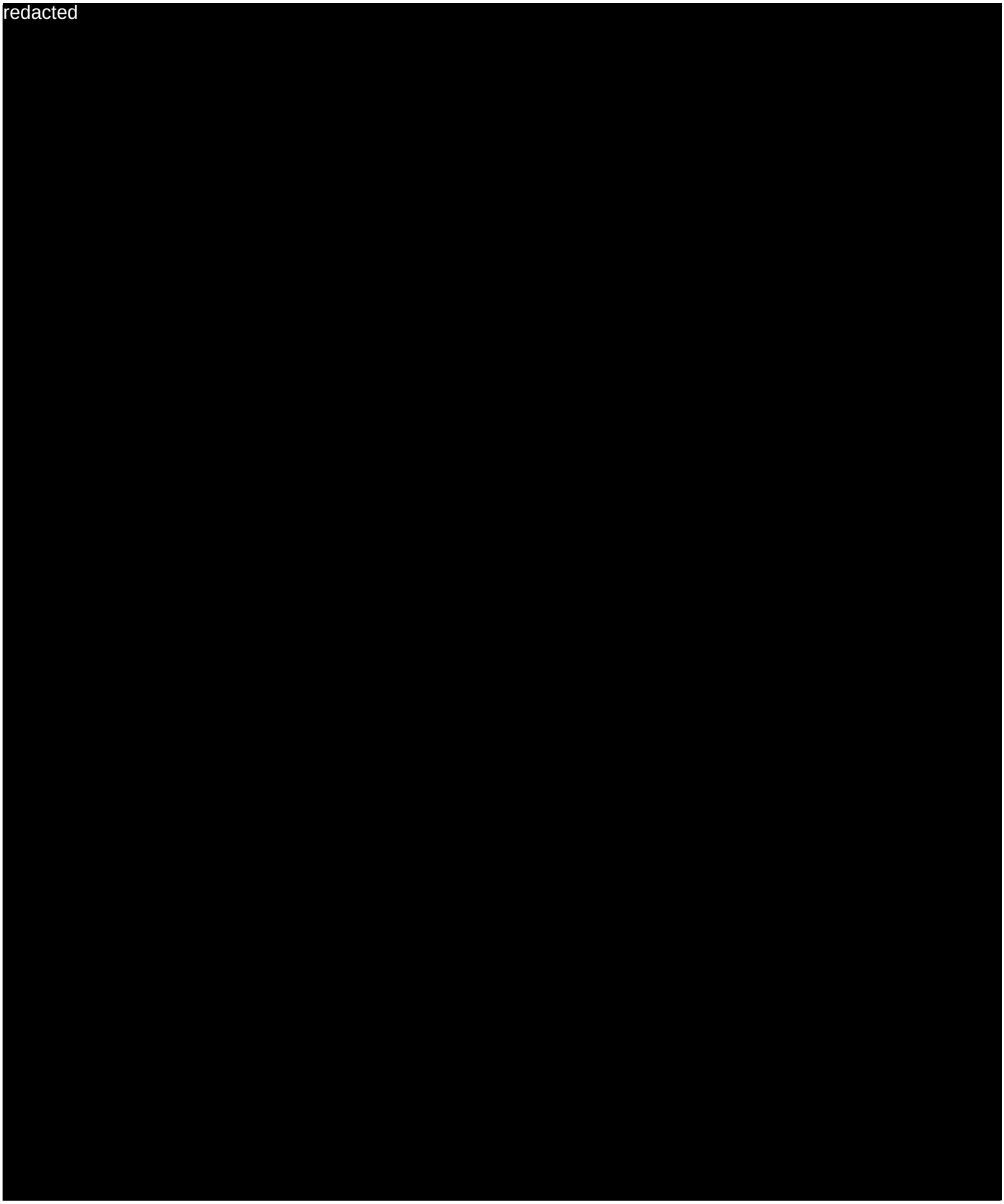

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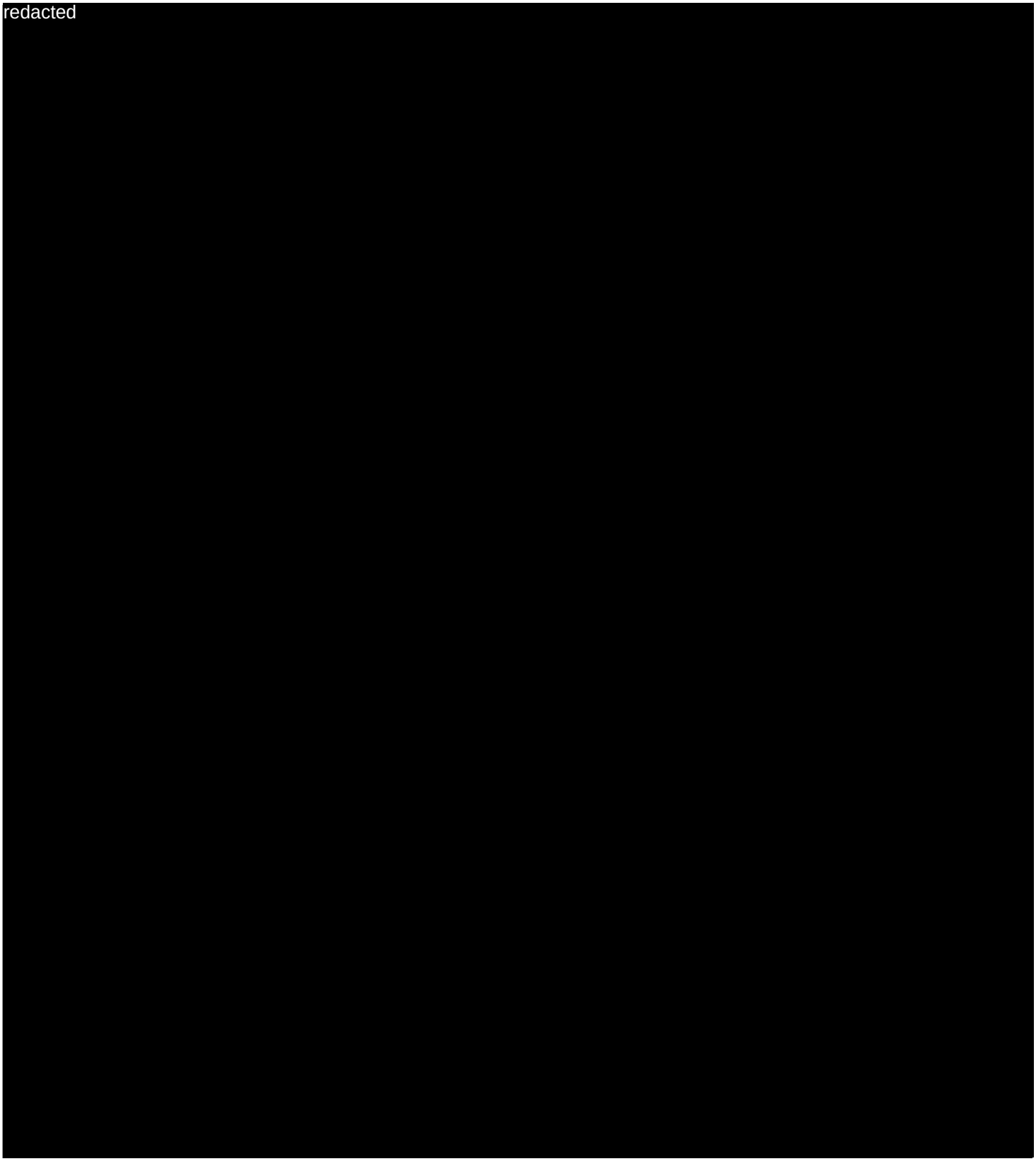

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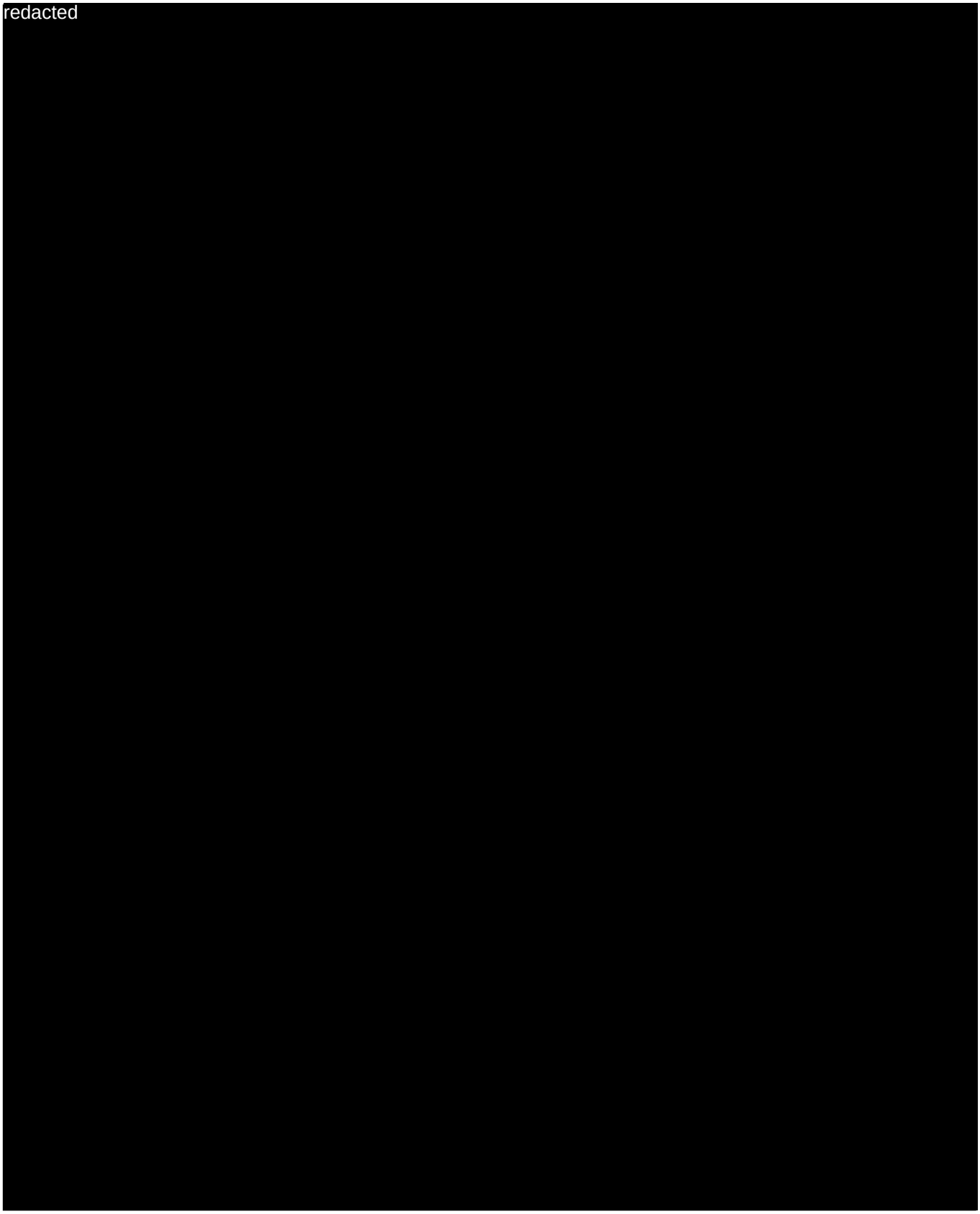

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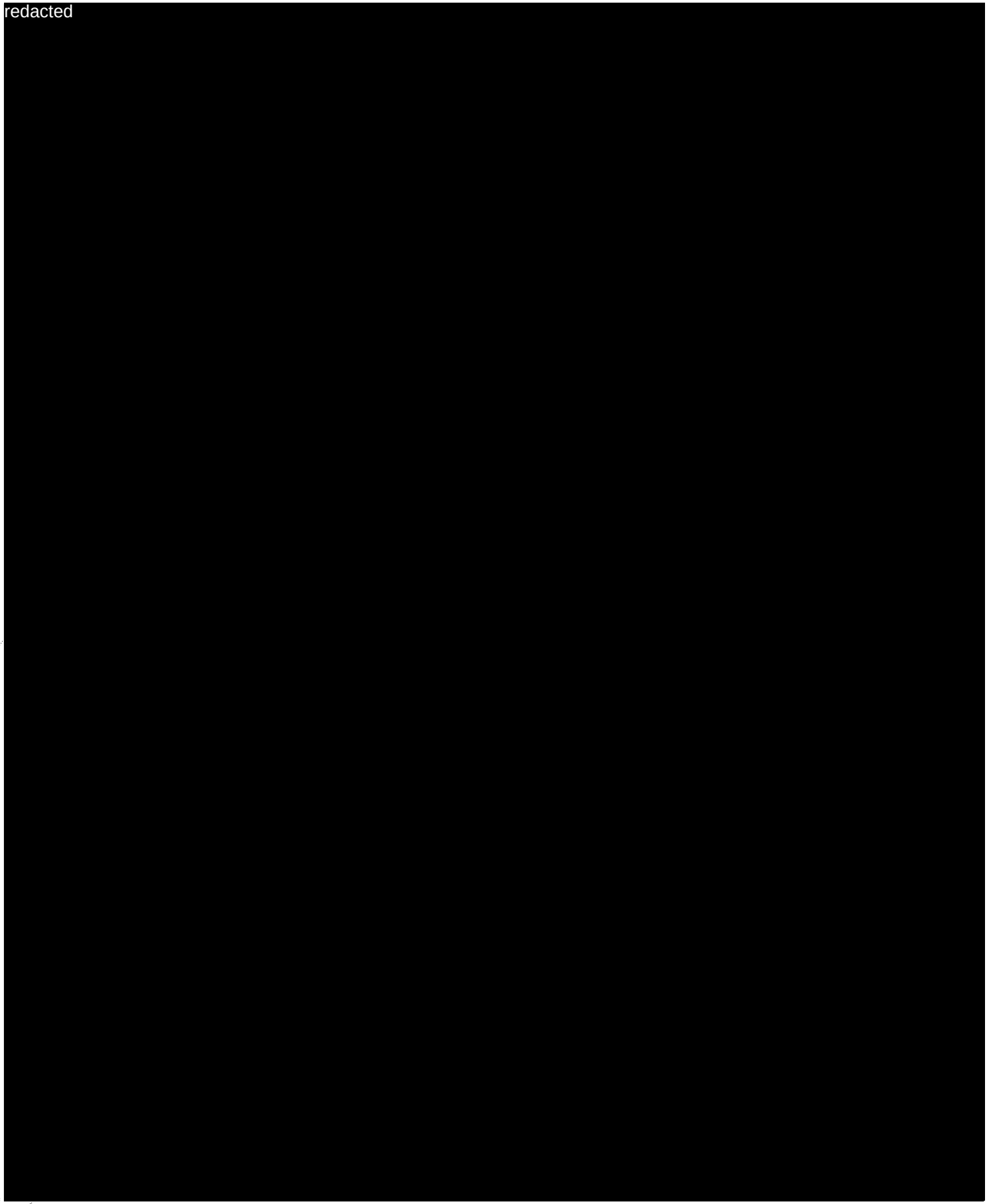

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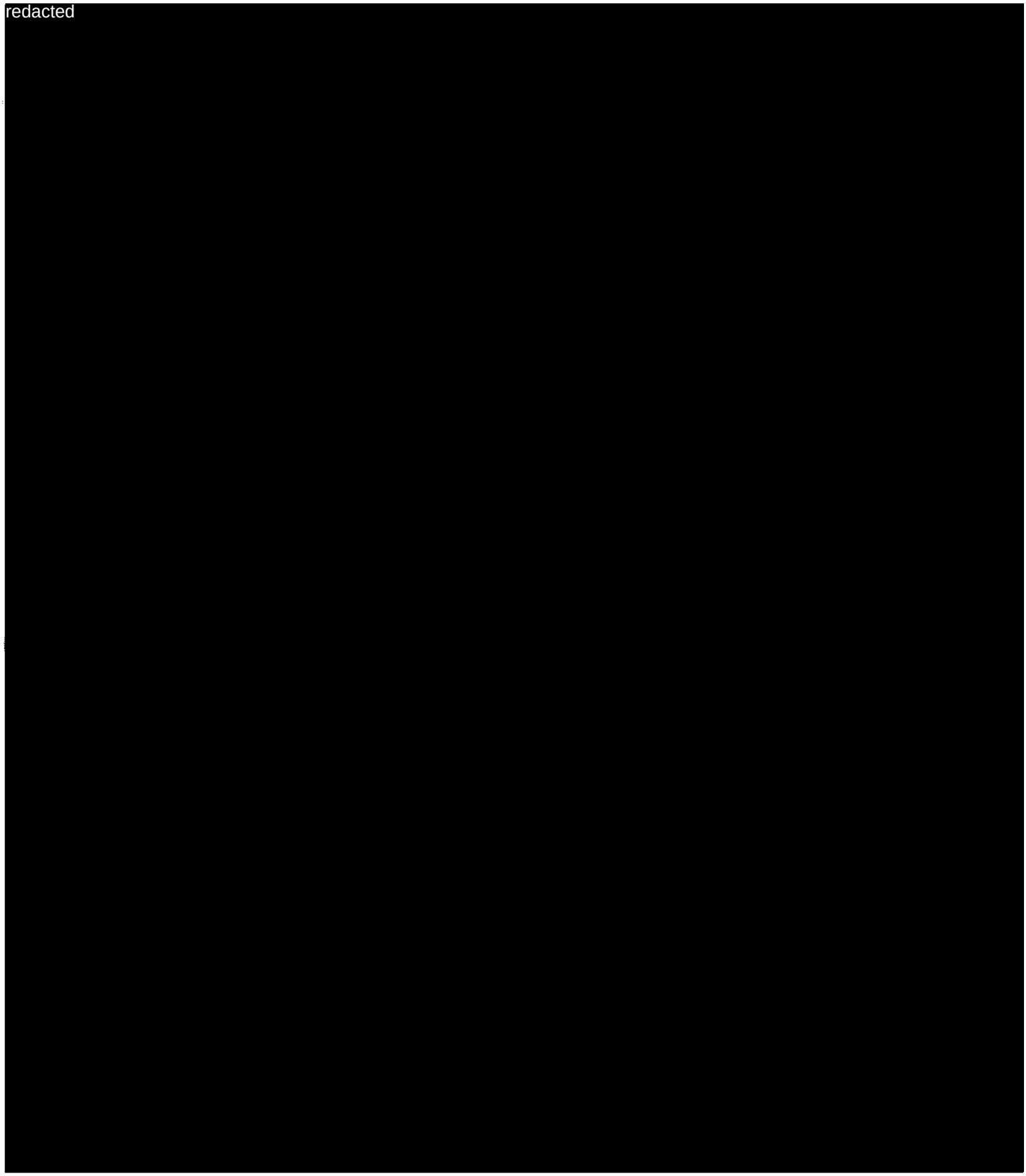

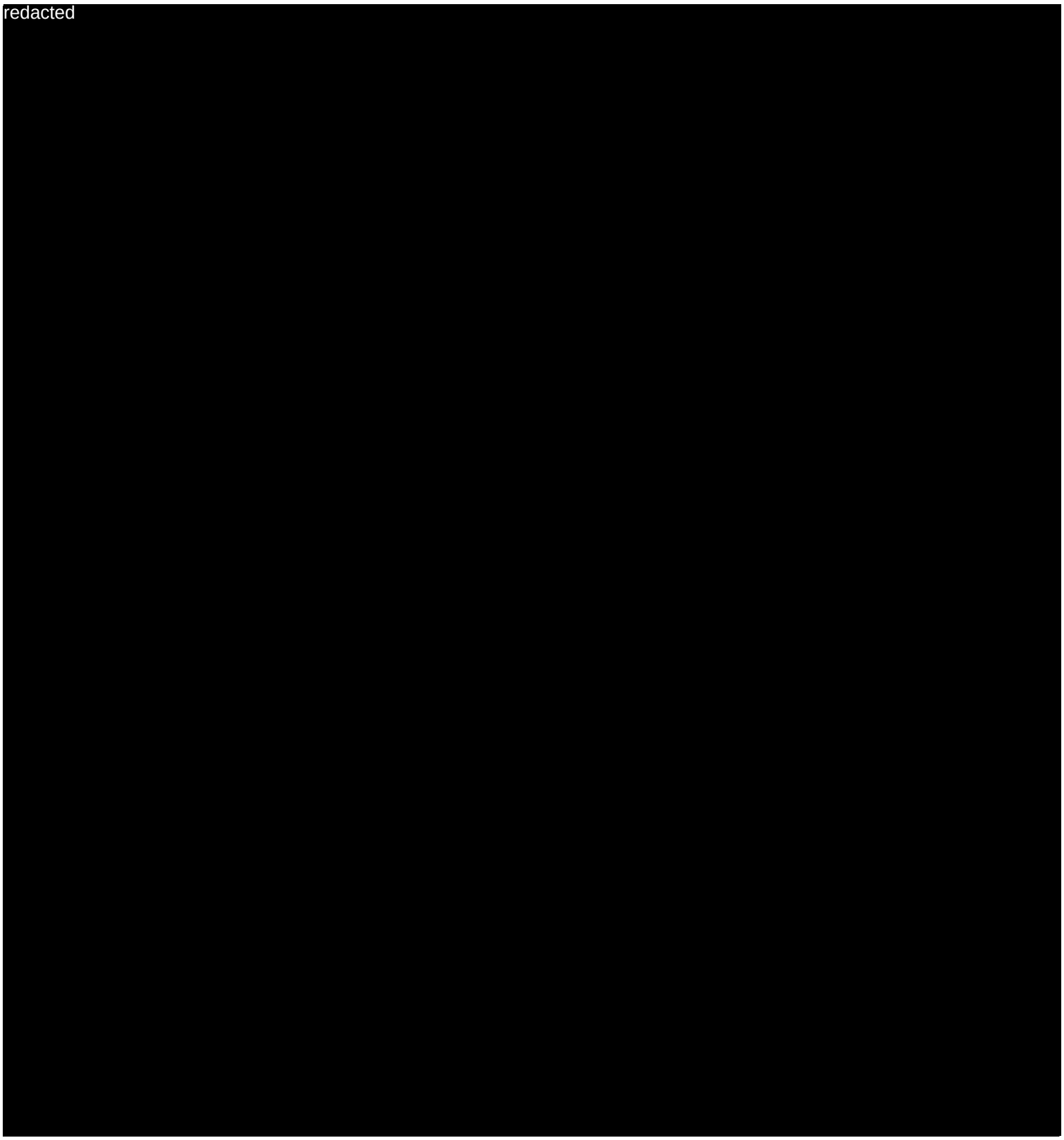
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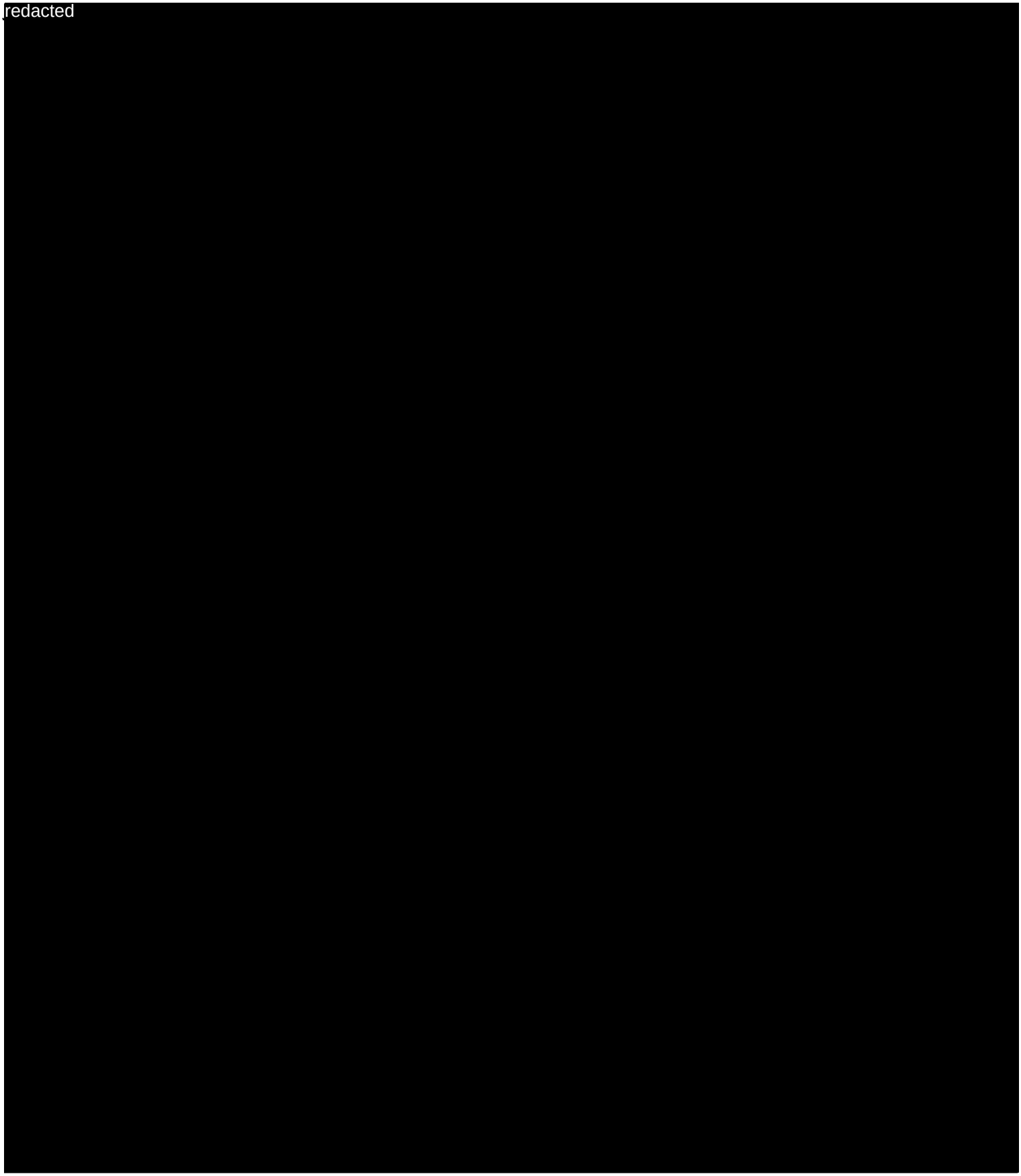

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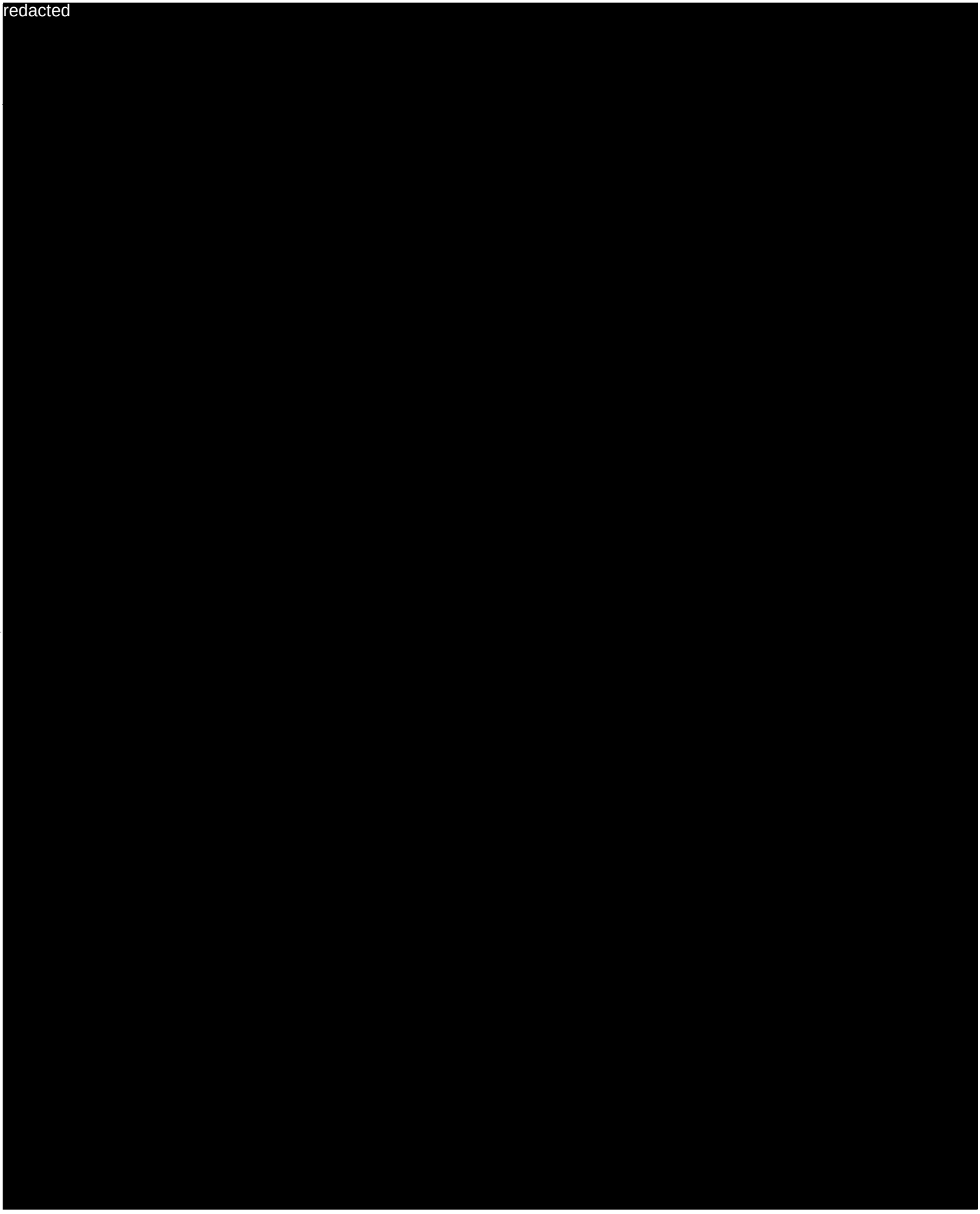

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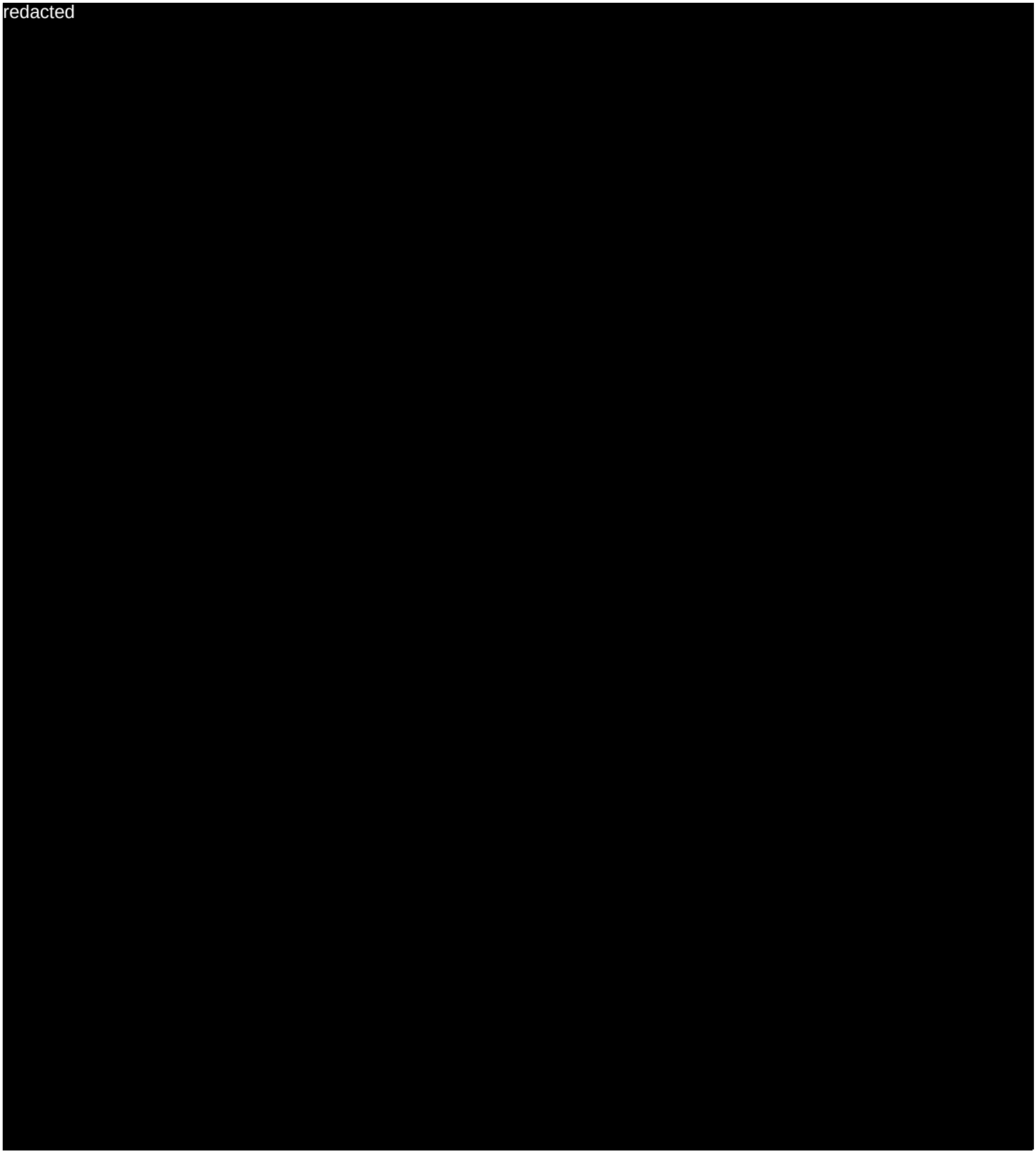

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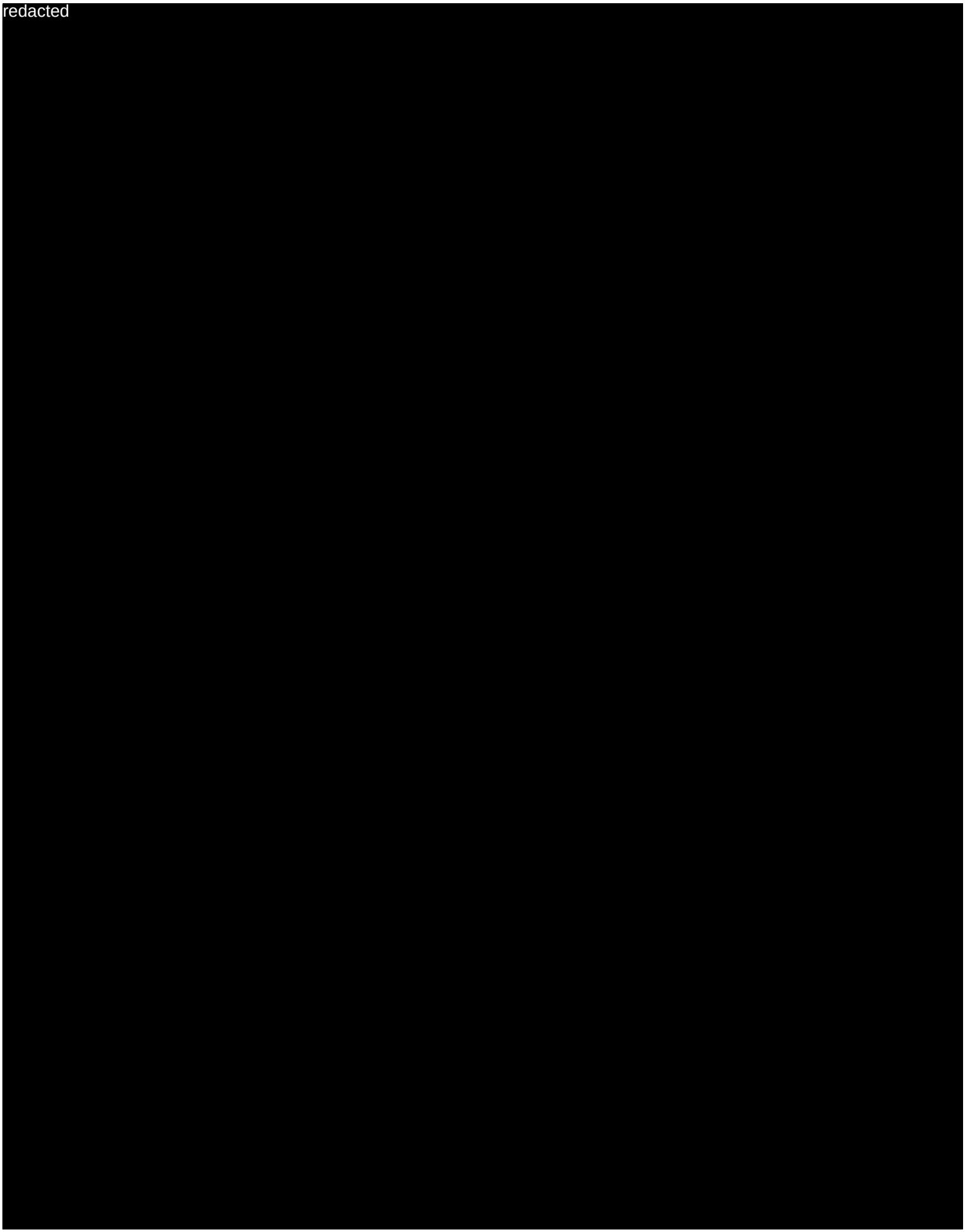

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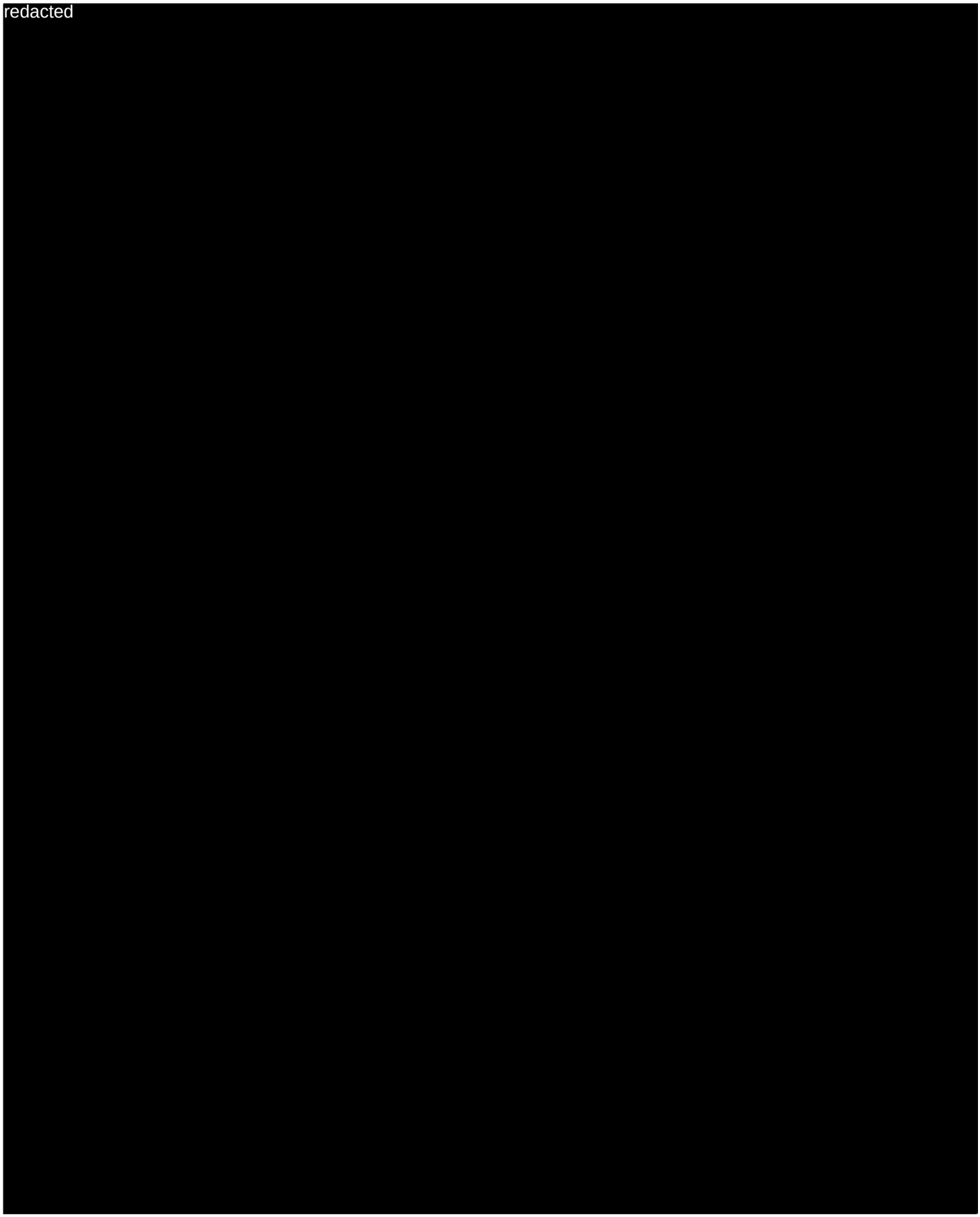

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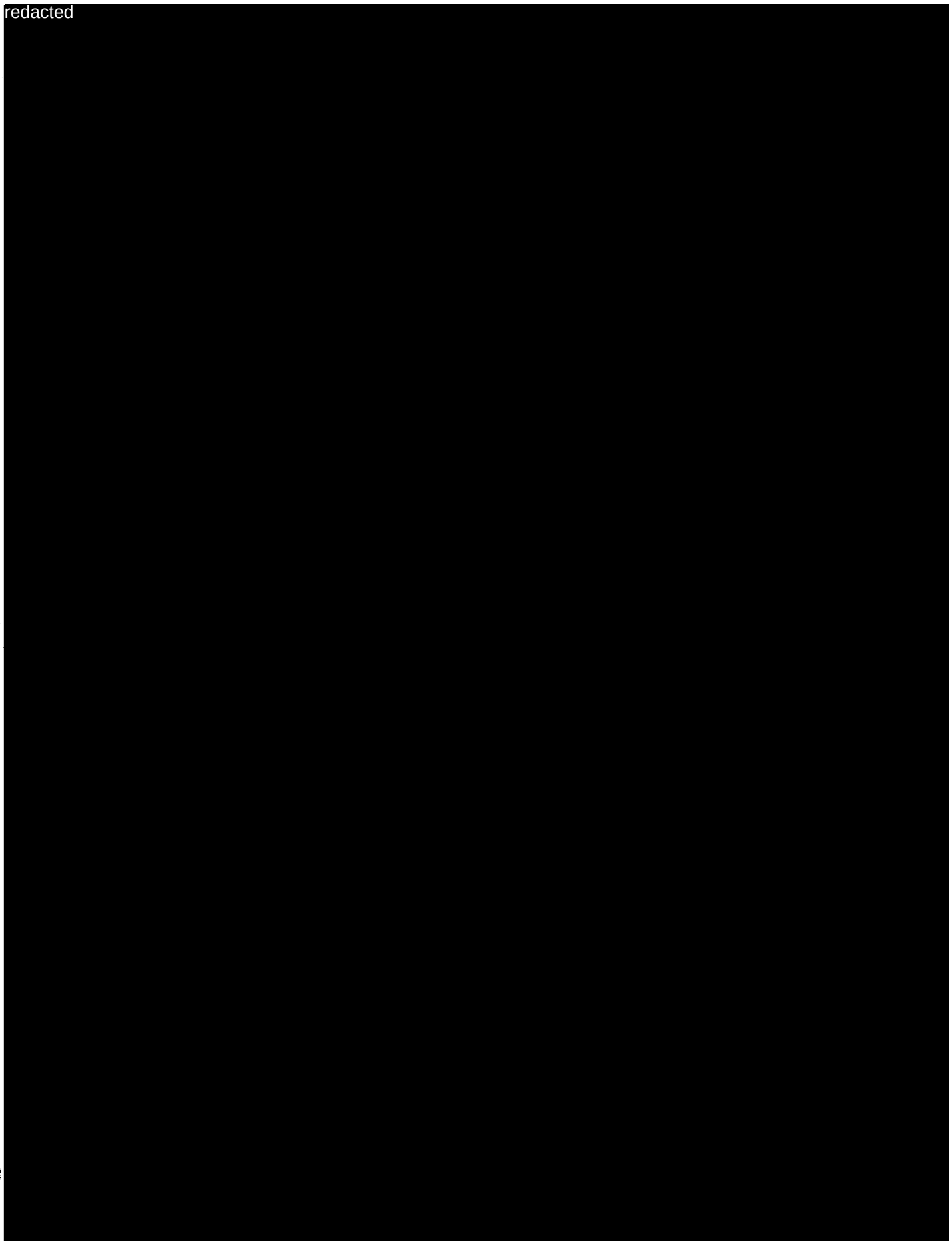

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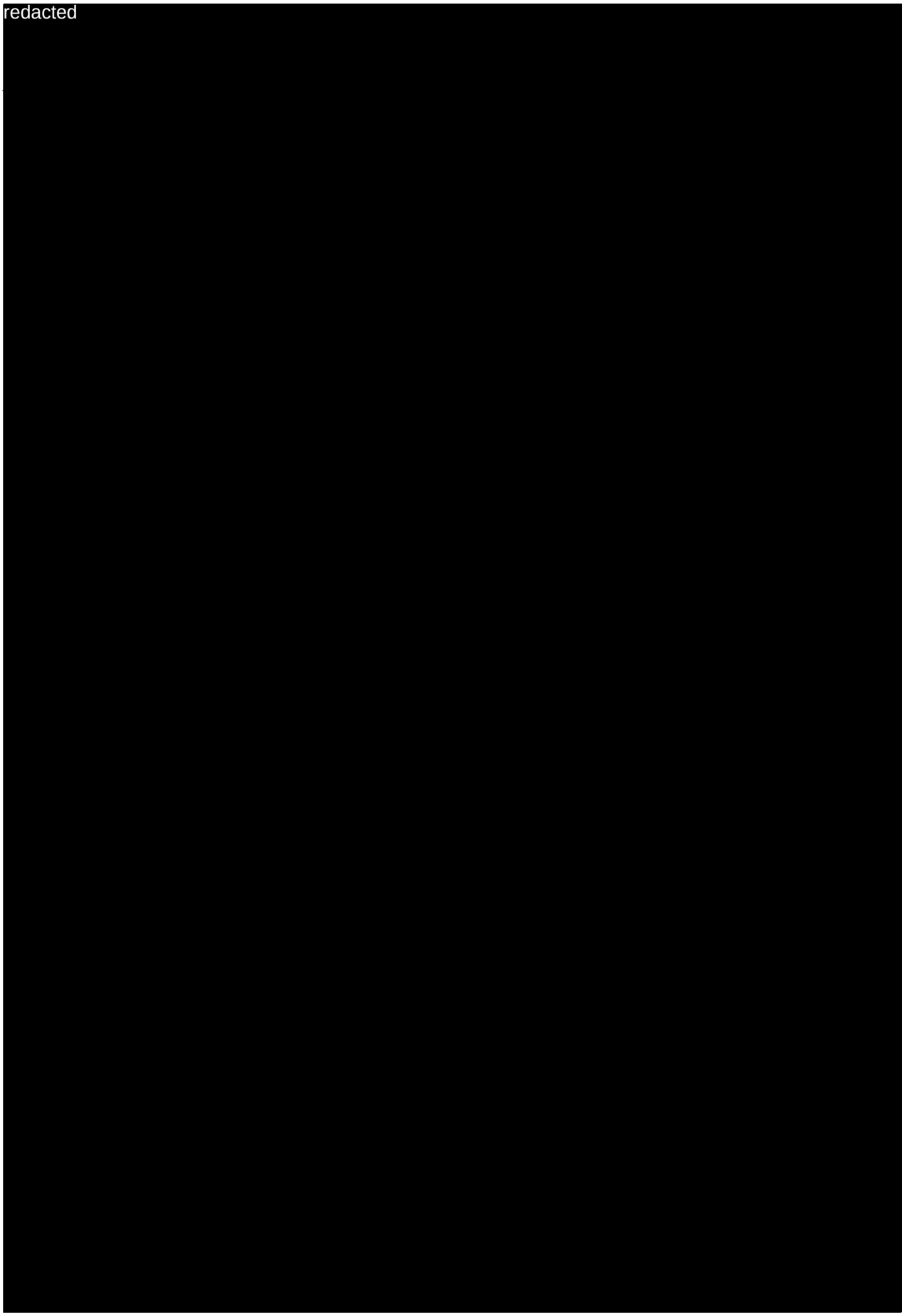
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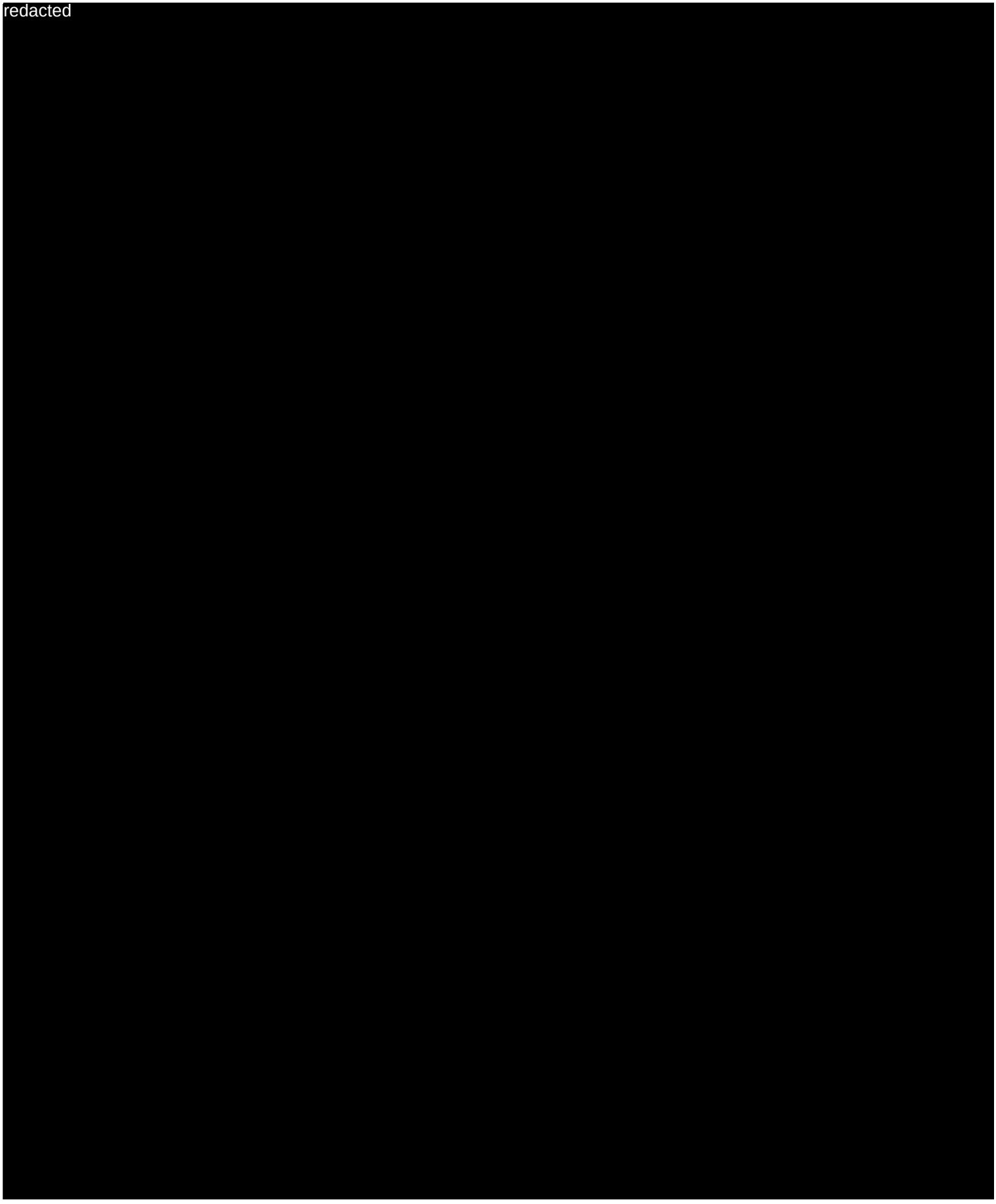

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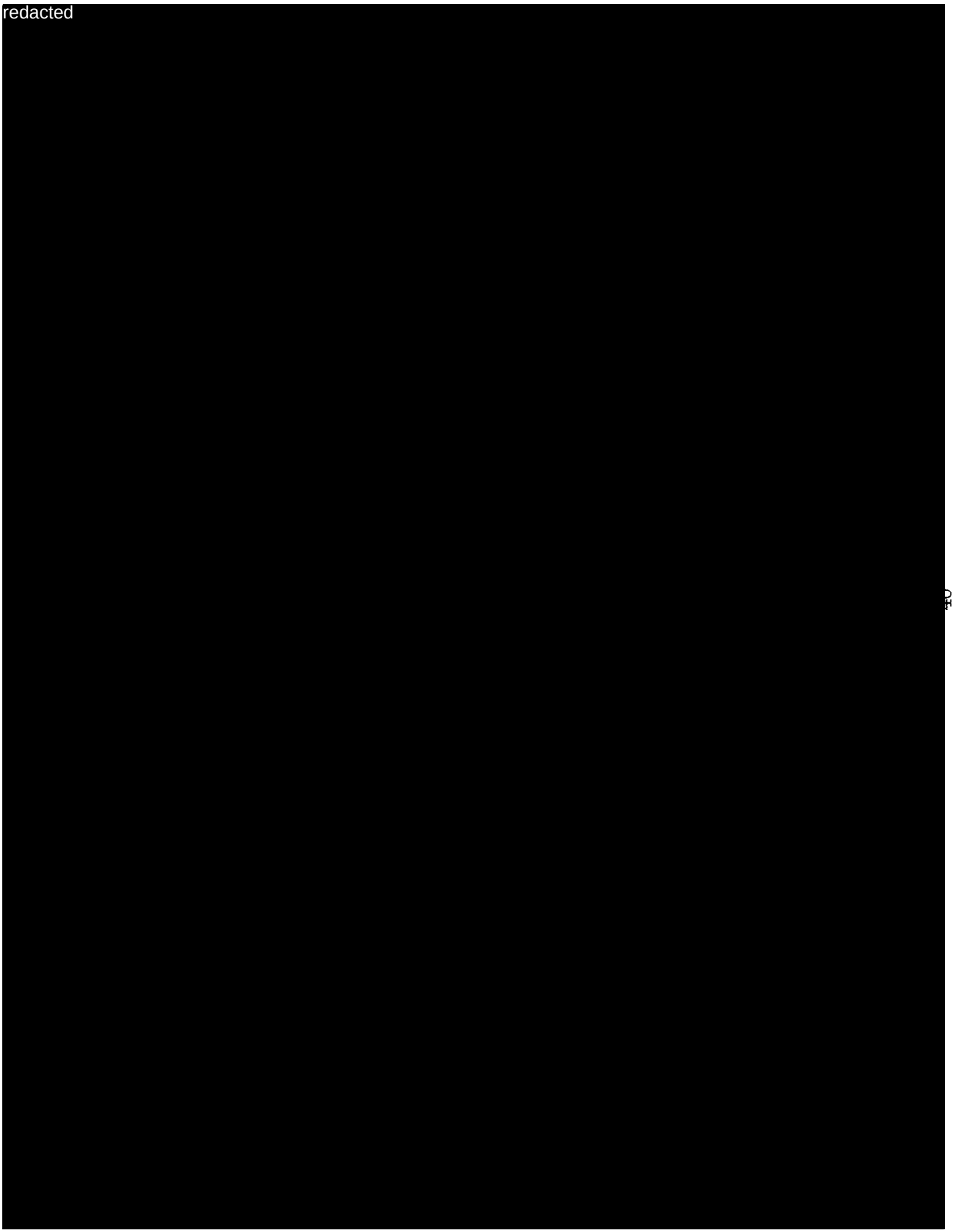

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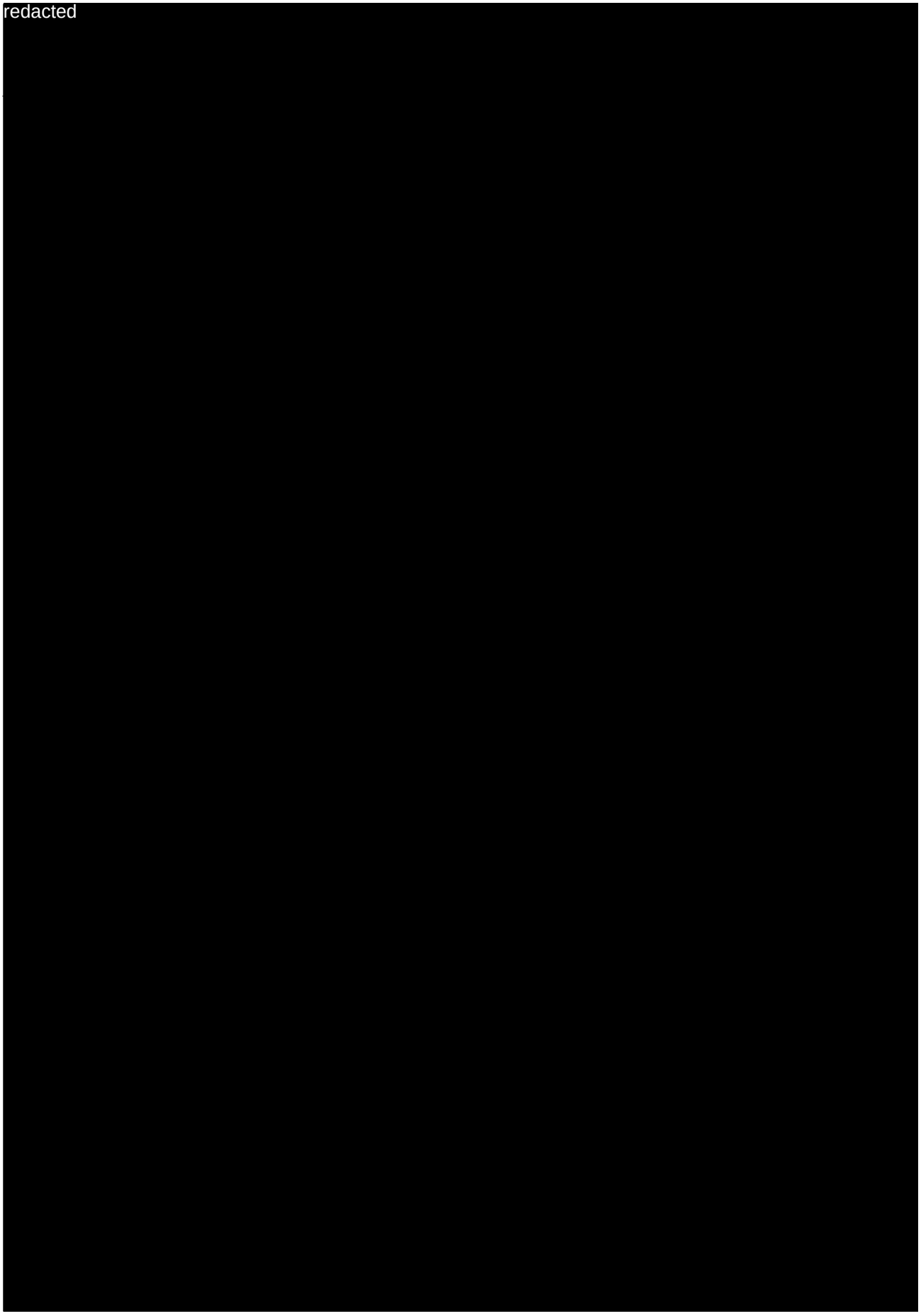

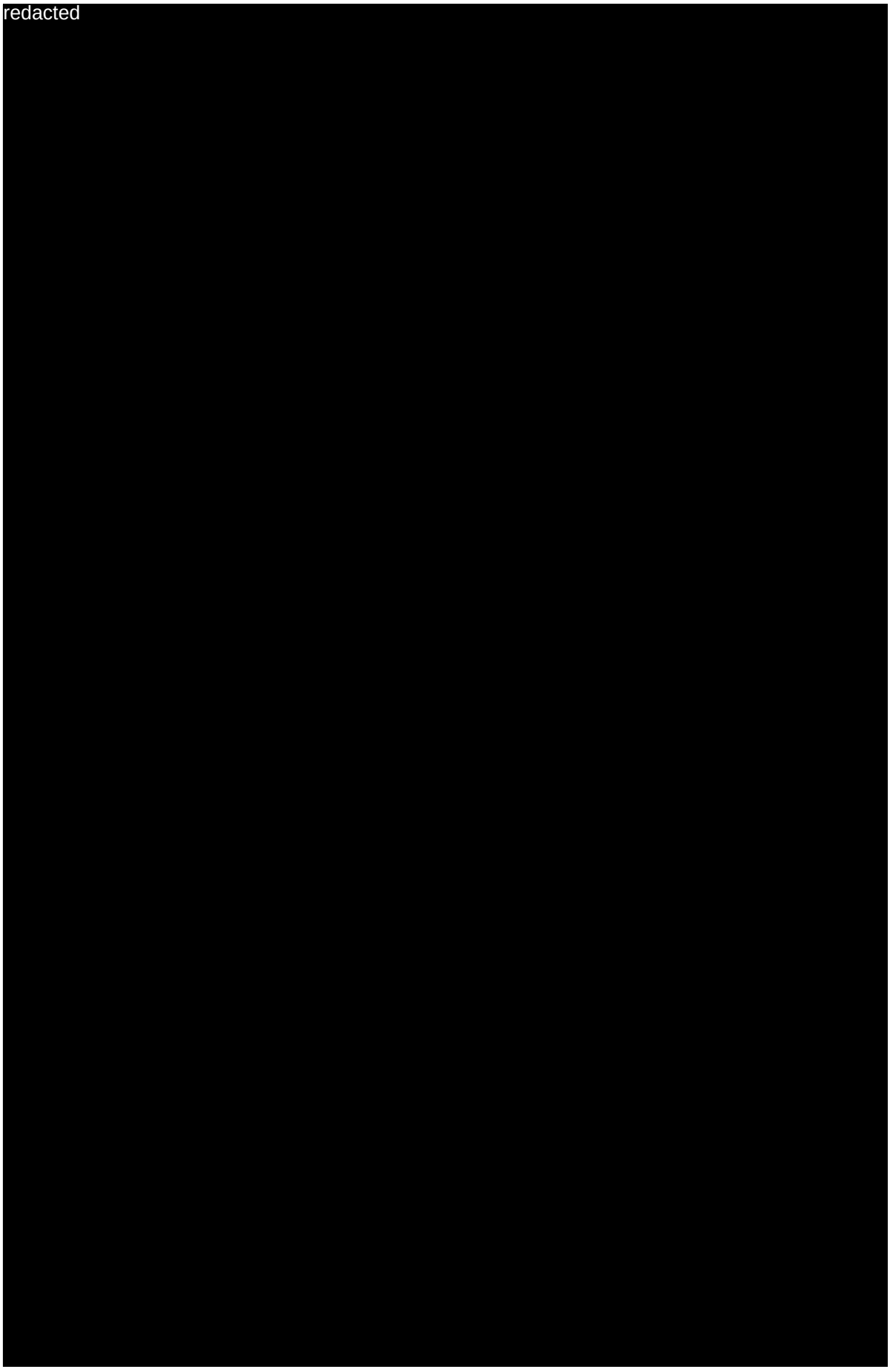
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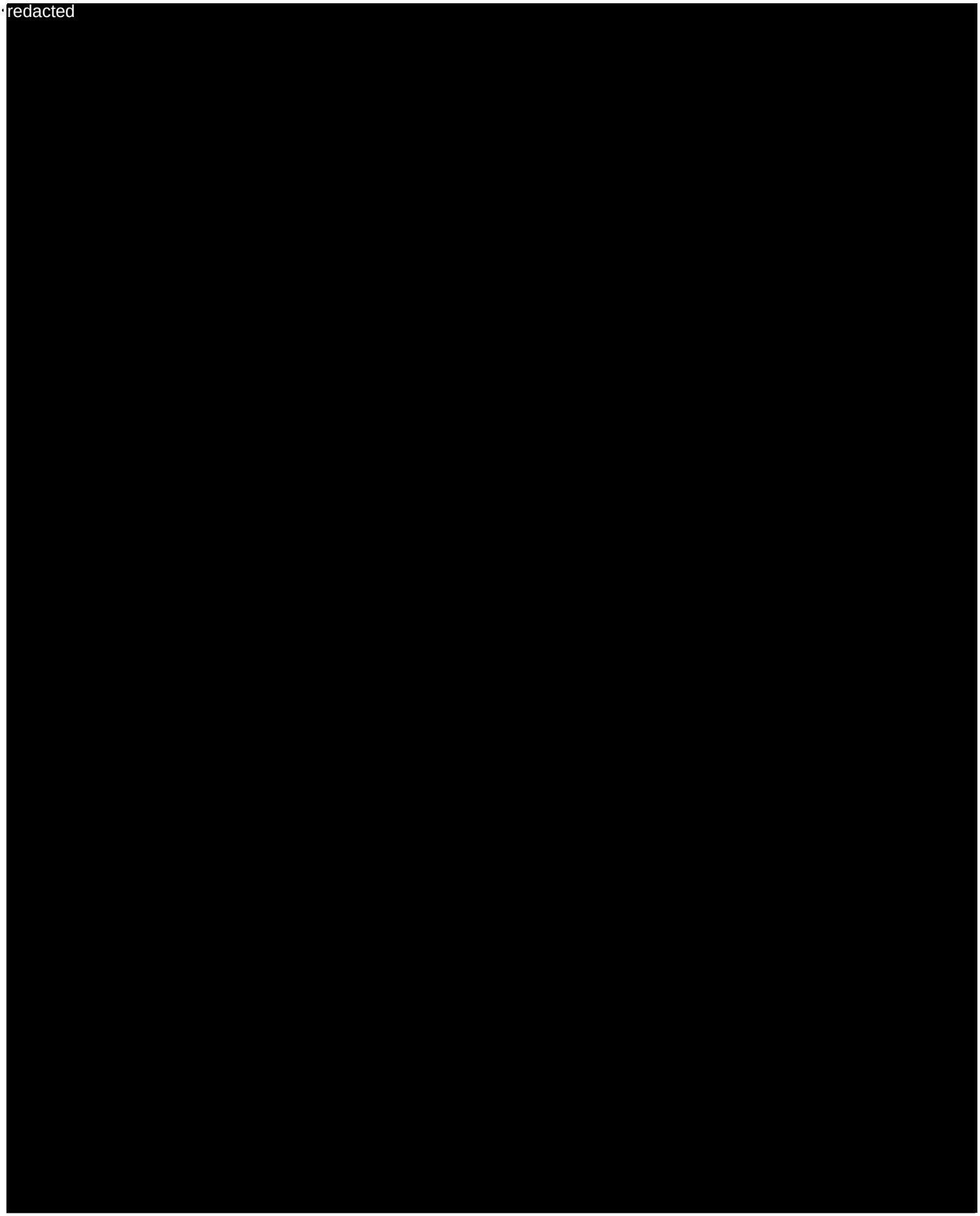

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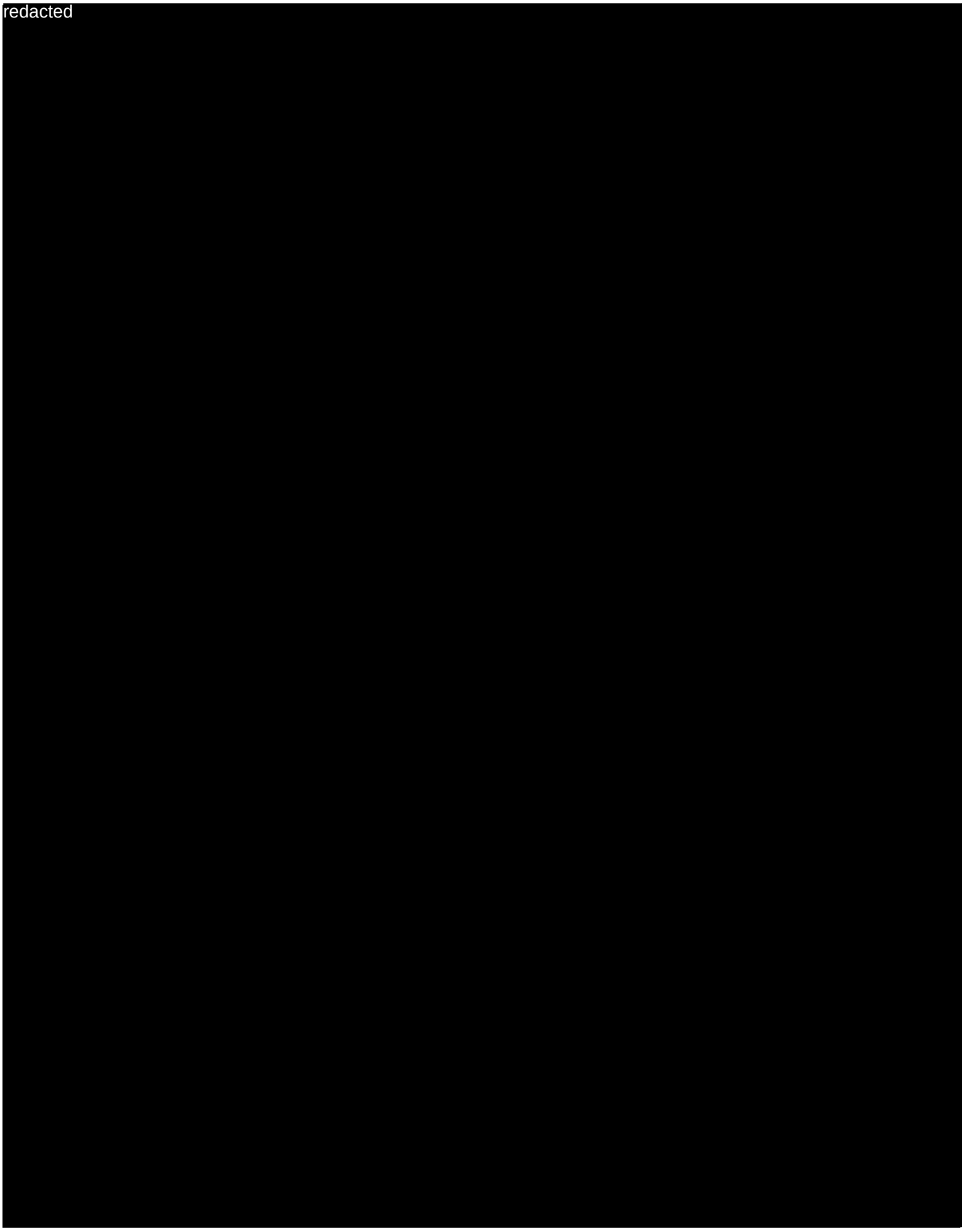

MEDICAL EXECUTIVE COMMITTEE

Our Lady of Fatima Hospital
Advisory Board of Directors
Consent Agenda
December 2022

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OUR LADY OF Fatima HOSPITAL

CONFIDENTIAL

MEDICAL EXECUTIVE COMMITTEE MINUTES

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Our Lady of Fatima Hospital

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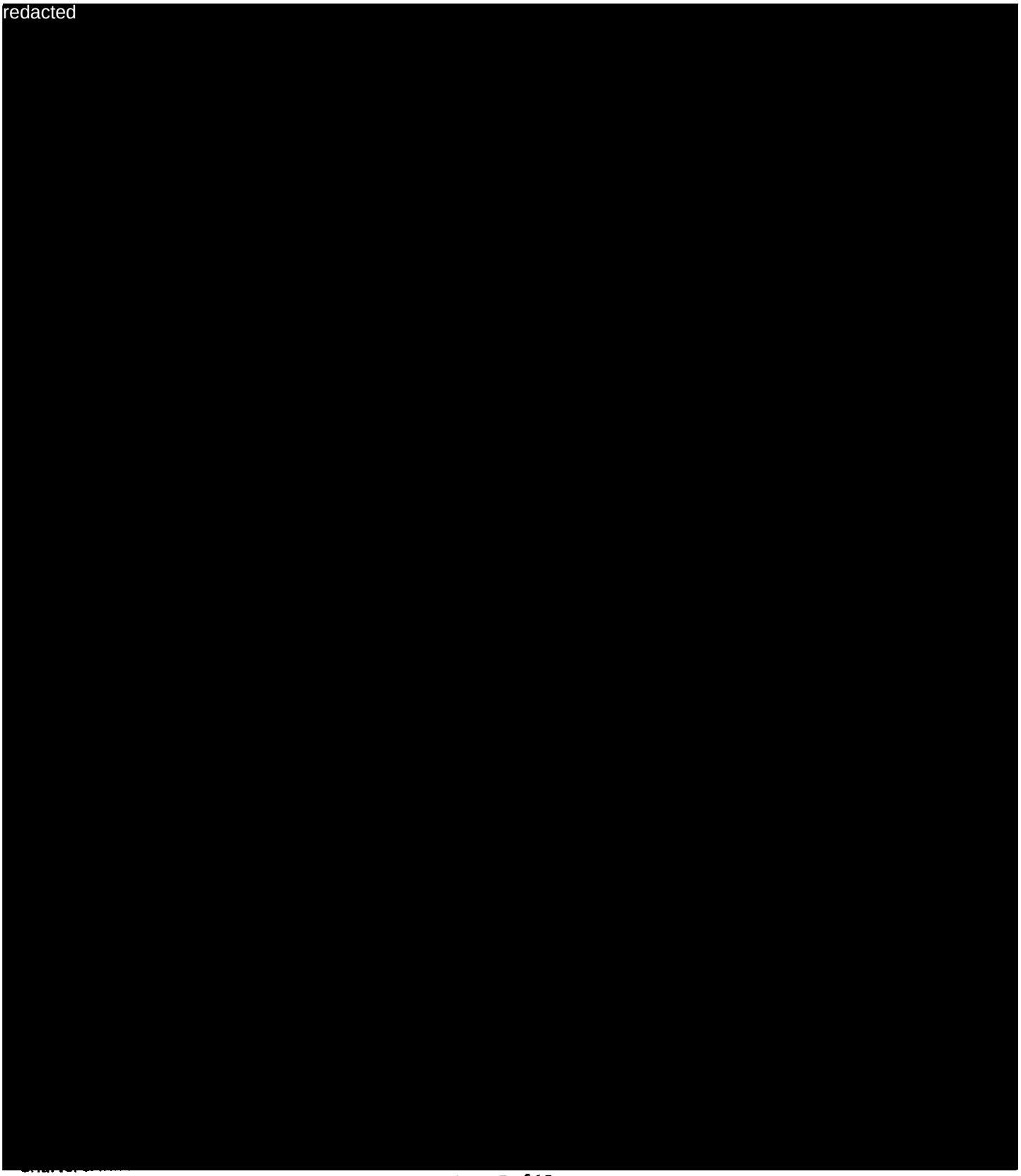

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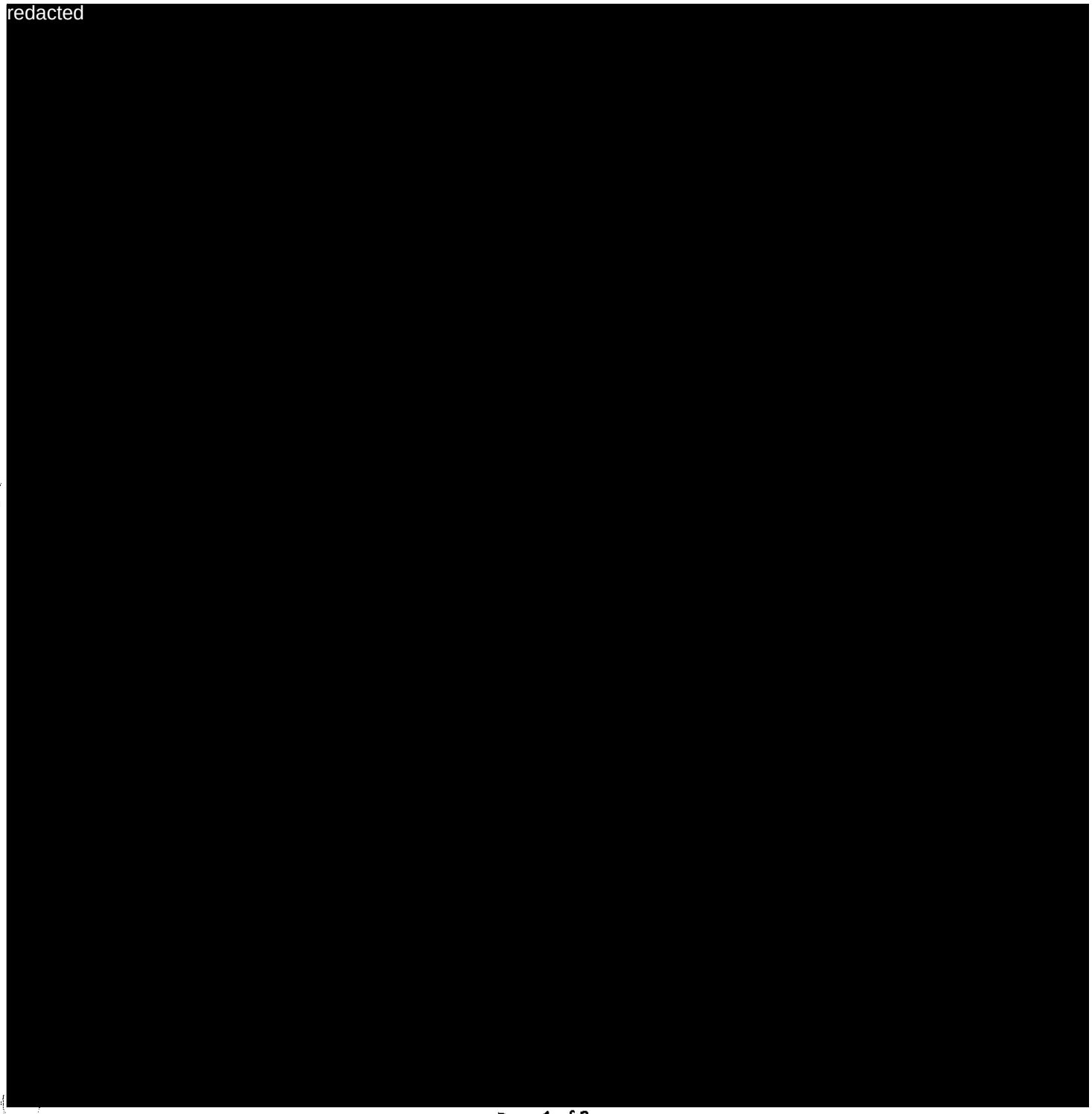

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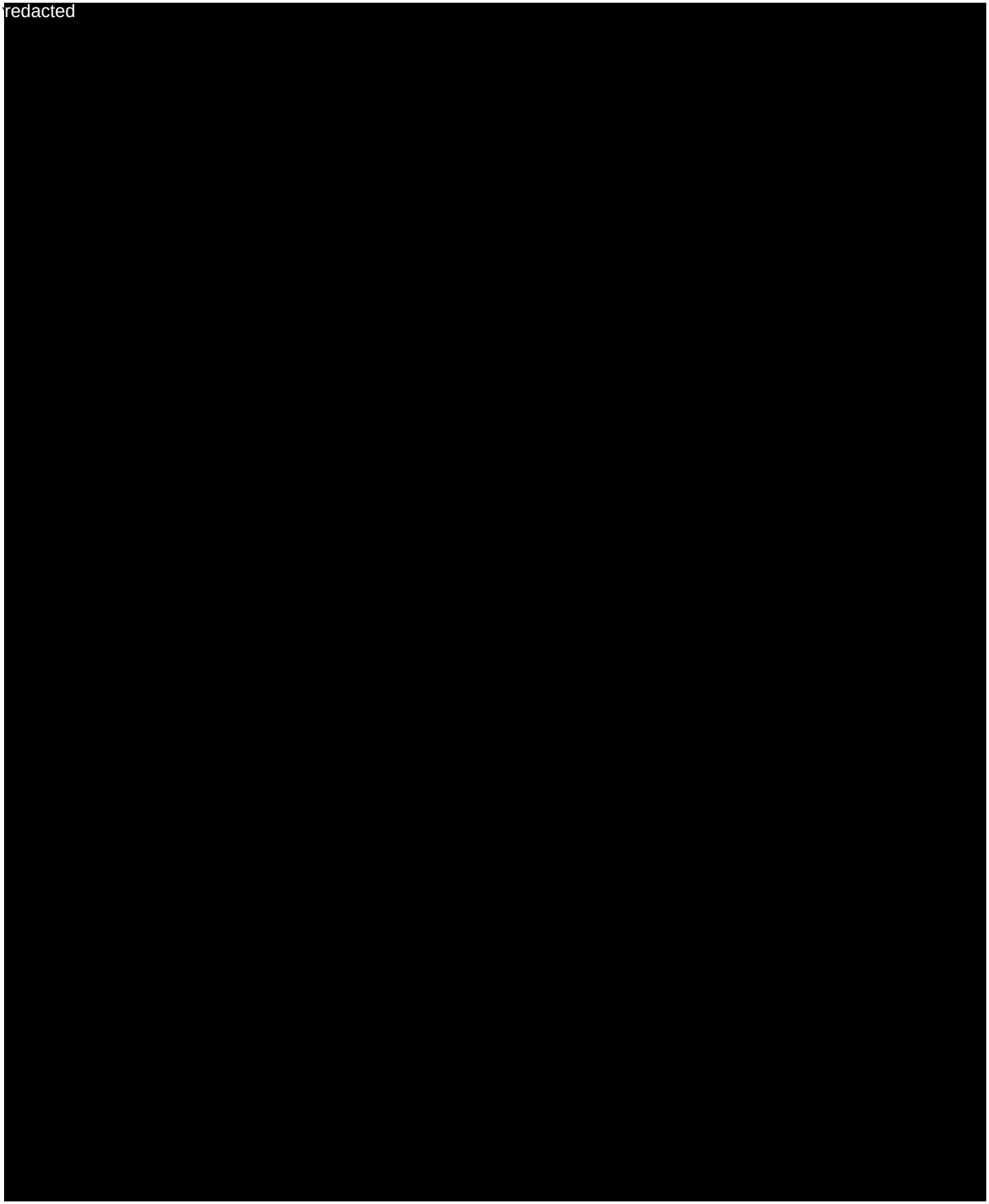

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Fatima HOSPITAL

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OUR LADY OF Fatima HOSPITAL

CONFIDENTIAL

MEDICAL EXECUTIVE COMMITTEE MINUTES

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OUR LADY OF
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CharterCARE
HEALTH PARTNERS

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CharterCARE
HEALTH PARTNERS

Roger Williams
MEDICAL CENTER

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CharterCARE
HEALTH PARTNERS

OUR LADY OF
Fatima
HOSPITAL

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CREDENTIALS COMMITTEE MEETING MINUTES

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Our Lady of Fatima Hospital

Credentials Committee

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Policy Name: PATIENT COMPLAINT and GRIEVANCES

Chapter: Patient Rights

Policy Number:

1. POLICY

Roger Williams Medical Center encourages patients and their families to voice complaints, grievances and compliments about care and services. It is the policy to implement an effective system to address concerns about any aspect of care or service delivered at our location(s).

II. Definitions:

Grievant: the person who initiates a Patient Grievance.

Patient Complaint: Patient issues that can be resolved promptly and involve staff who are present (e.g. Nursing, Administration, Patient Advocates) at the time of the complaint. Example: food is cold, room needs to be cleaned.

Patient Grievance: a written or verbal complaint (when the verbal complaint about patient care is not resolved at the time of the complaint by staff present) by a patient, or the patient's representative, regarding the patient's care, abuse or neglect, issues related to the hospital's compliance with the CMS Hospital Conditions of Participation (CoPs), or a Medicare beneficiary billing complaint related to rights and limitations.

- A Staff Member such as a supervisor, manager or Patient Advocate who will respond to the patient's location.
- All other billing issues are usually not considered grievances.
- All verbal or written complaints regarding abuse, neglect, patient harm, or hospital compliance with CMS requirements are considered grievances.
- A written complaint is always considered a grievance, whether from an inpatient, outpatient, released/discharged patient or their representative

regarding the patient care provided, abuse or neglect, or the hospital's compliance with CoPs.

- Letter, e-mail or fax is considered written.

- Whenever a patient or patient's representative requests that their complaint be handled as a formal complaint or grievance or when the patient requests a response from the hospital, the complaint is considered a grievance.

- Patient complaints that become grievances also include situations where a patient or a patient's representative telephones the hospital with a complaint regarding their patient care or with an allegation of abuse or neglect, or . failure of the hospital to comply with one of more CoPs, or other CMS requirements. Those post-hospital verbal communications regarding patient care that would routinely have been handled by staff present if the communication occurred during their stay/visit, are not required to be defined as a grievance.

- Information obtained from patient satisfaction surveys usually do not meet the definition of a grievance unless the identified patient writes or attaches a written complaint on survey requesting resolution or if the hospital would usually treat such a complaint as a grievance if received as written letter of complaint.

Patient Advocate: is a hospital employee whose specific function is to help patients cope with the often complex and frightening process of hospitalization and to help resolve any problems the patient might face during their stay. The patient advocate performs a valuable risk management function by solving small problems before they become large ones and by helping patients feel that they are being treated fairly by the healthcare facility.

Resolved: when the grievant is satisfied with the actions taken

Staff Member: a permanent, part time or temporary hospital employee

111. Purpose

The Roger Williams Medical Center Board of Trustees has delegated the responsibility of reviewing and resolving grievances to the Quality Council of the hospital, which has appointed a Committee to review all grievances as described in this policy as a subcommittee of the Quality Council.

This Grievance Procedure will be used for complaints specific to but not limited to:

- Quality of clinical care;

- Alleged harassment or discrimination of any type including discrimination against any person on the basis of race, color, national origin, disability, or age in admission, treatment, or participation in its programs, services and activities;

- Alleged abuse of patient rights;
- Violation of privacy/confidentiality;

- Provider/staff behavior not consistent with assurances of patient rights;

- Issues related to the hospital's compliance with the CMS Hospital Conditions of Participation;

- Medicare beneficiary billing complaints related to rights and limitations.

IV. Procedure

A. Education of Patients, Family and Staff Members about Complaint and Grievance Process

redacted

2. Orientation of Staff: redacted

B. Early Complaint Resolution: redacted

C. Reporting Grievances: redacted

D. Receipt, Investigation and Resolution

1. Grievance Initial Notification: redacted

2. Investigation: redacted

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3. Resolution: redacted

4. Documentation: redacted

5. Follow-up: redacted

6. All patients will be provided with the following contact information to file a grievance:

Rhode Island Department of Health
Division of Facilities Regulation
3 Capitol Hill, Providence, RI 02908
Phone: 401-222-5200

The Joint Commission (TJC)
Office of Quality and Monitoring
One Renaissance Boulevard
Oakbrook Terrace, IL 60181
TJC Complaint Hotline 1-800-994-6610;
Fax: 1-630-792-5636;
E-mail: patientsafetyreport@jointcommission.org

For Medicare Beneficiaries: see State specific contact for the local Quality Improvement Organization:

1-888-319-8452

E. Complaints received from External Agencies



F. Quality Assurance

Summaries of complaints and grievances will be reported to designated hospital committees as requested.

Attachments: None

Enter any content that you want to repeat, including other content controls. You can also insert this control around table rows in order to repeat parts of a table.

References:
§482.13 Conditions of Participations: Patient Rights
CMS Manual System, Department of Health and Human Services, "Interpretive Guidelines for Hospitals," Rev. 116, 06-06-14. Joint Commission Standards:
RI.O1.07.01
Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and Regulations of the U.S. Department of Health and Human Services issued pursuant to these statutes at Title 45 Code of Federal Regulations Parts
80, and 84

Review and Approval

The following CharterCARE personnel originated and approved this policy:

Contact: Risk Management

Approved by: Quality Counsel: 1/10/20,

Board of Trustees: 3/2020

Policy Committee: 12/20/22

Grievance Committee: 12/2/22

Policy Date: 1/20

Revision dates: 4/05, 10/05, 6/11, 4/22, 11/2020

HEALTH EQUITY EDUCATION

CMS Framework for Health Equity 2022–2032



PILLAR: HEALTH EQUITY

2022 STRATEGY

The first pillar of the Centers for Medicare & Medicaid Services' (CMS) Strategic Plan is health equity. CMS' strategy to advance health equity will address the health disparities that underlie our health system through stakeholder engagement and by building this pillar into the core functions of CMS. CMS' health equity strategy will build on the Biden-Harris Administration's commitment to advancing racial equity and support for underserved communities through the federal government, as described in President Biden's Executive Order 13985.

CMS defines health equity as the attainment of the highest level of health for all people, where everyone has a fair and just opportunity to attain their optimal health regardless of race, ethnicity, disability, sexual orientation, gender identity, socioeconomic status, geography, preferred language, and other factors that affect access to care and health outcomes.

CMS is working to advance health equity by designing, implementing, and operationalizing policies and programs that support health for all people served by our programs by incorporating the perspective of lived experiences and integrate safety net providers and community-based organizations into our programs. Together this work will eliminate avoidable differences in health outcomes experienced by people who are disadvantaged or underserved, and providing the care and support that people need to thrive.

CMS programs cover more than 150 million people across the country through Medicare, Medicaid, the Children's Health Insurance Program (CHIP), and Marketplace coverage. These programs distribute hundreds of billions of dollars throughout the U.S. health care system annually and provide quality oversight of the majority of health care facilities and providers across the country and care settings. Together with the private sector, we can achieve our health equity goals. **CMS calls on private sector partners to engage with this health equity strategy to sustain long-term action.**

The Centers for Medicare & Medicaid Services health equity goals:

- ✓ **Close the gaps in health care access, quality, and outcomes** for underserved populations.

- ✓ **Promote culturally and linguistically appropriate services** to ensure understandable and respectful care and services that are responsive to preferred languages, health literacy, and other diverse communication needs.

- ✓ **Build on outreach efforts** to enroll eligible people across Medicare, Medicaid/CHIP and the Marketplace.

- ✓ **Expand and standardize the collection and use of data,** including on race, ethnicity, preferred language, sexual orientation, gender identity, disability, income, geography, and other factors across CMS programs.

- ✓ **Evaluate policies to determine how CMS can support safety net providers**, partner with providers caring in underserved communities, and ensure care is accessible to those who need it.

- ✓ **Ensure engagement with and accountability to the communities CMS serves** in policy development and the implementation of CMS programs.

- ✓ **Incorporate screening for and promote broader access to health-related social needs,** including greater adoption of related quality measures, coordination with community-based organizations, and collection of social needs data in standardized formats across CMS programs and activities.

- ✓ **Ensure CMS programs serve as a model and catalyst to advance health equity** through our nation's health care system, including with states, providers, plans, and other stakeholders.

- ✓ Use the framework under the CMS National Quality Strategy, **aiming to promote the highest quality outcomes and safest care for all people**.

BUILDING HEALTH EQUITY INTO THE DNA OF CMS

CMS Administrator Chiquita Brooks-LaSure has charged each CMS Center and Office with building health equity into its core work. The following section details key actions undertaken by CMS Centers and Offices to advance health equity:

Center for Medicare

Health equity goal: The Center for Medicare will advance equity for people with Medicare through operations and policies in the Traditional Medicare, Medicare Advantage and Part D programs, ensuring that services are culturally and linguistically appropriate, care is high-value and person-centered, underserved communities have access to quality care, disparities are eliminated, and social needs are addressed.

Actions to Date:

- ✓ **Develop expanded stratified reporting of Medicare Advantage (MA) and Part D star ratings measures,** establish a new health equity index as an enhancement to the MA and Part D Star Ratings, and maximize alignment on such quality reporting with other CMS components.
  - **Impact:** Allows beneficiaries to assess plans based on performance on health equity measures, and incentivizes plans to invest in health equity initiatives.

- ✓ **Increase Graduate Medical Education slots** to promote workforce training in underserved areas.
  - **Impact:** Improves access to care in underserved areas by building capacity for the health care workforce.

- ✓ **Propose to reinstate the requirement that MA and Part D plans include a multi-language insert** to inform beneficiaries of the availability of free language and translation services.
  - **Impact:** Advances language access, health literacy, and culturally tailored services for all beneficiaries.

- ✓ **Propose new supplemental payment for Indian Health Service and Tribal hospitals.**
  - **Impact:** Supports stability in uncompensated care payments and avoids undue long-term financial disruption for these hospitals.

Center for Clinical Standards and Quality

Health equity goal: Focusing on a person-centric approach as part of an overarching CMS Quality Strategy, which strives toward creating a care journey that is free from inequity while optimizing opportunities and access for underserved populations. Identifying measurable interventions to close gaps in quality care and outcomes.

Actions to Date:

- ✓ **Explore the development of health equity-focused measures** in all care settings, including a measure of hospital commitment to health equity, a measure of the percent of adults screened for social drivers of health, and a measure of those who have been screened positive for harmful social drivers of health.
  - **Impact:** Fosters leadership across all care settings and organizational culture of equity; promotes patient screening and subsequent access to services; expands the collection, reporting, and analysis of standardized data.

- ✓ **Propose a "Birthing-Friendly" hospital designation** to capture hospital maternity care quality improvement efforts as a facility characteristic, with the goal of displaying this information in a user-friendly format on the "Care Compare" website.
  - **Impact:** Enhances focus on health equity for birthing people and holds hospital leadership accountable for outcomes, as well as allows consumers to choose hospitals that have implemented improvements in birthing practices.

- ✓ **Directing quality improvement resources** to populations identified for the greatest health disparities using social vulnerability index, area deprivation index, and food access data.
    - **Impact:** Provides technical assistance and education to disadvantaged communities, and providers serving those communities to ensure access to health care services, and better outcomes.

Center for Medicare and Medicaid Innovation

Health equity goal: CMMI's goal is to promote a health system that achieves equitable outcomes through high-quality, affordable, person-centered care.

Actions to Date:

- ✓ **Incorporate equity in model design**, including development and implementation of health equity plans, quality measurement, and robust evaluation for health equity impact.
    - **Impact:** Ensures equity is a central focus of all models.

- ✓ **Address historical underinvestment through payment adjustments or enhanced benefits** to expand access and improve care for underserved populations.
    - **Impact:** Supports providers who disproportionately care for medically and socially complex beneficiaries in CMMI models.

- ✓ **Improve rates of participation** among safety net providers, including community health centers and disproportionate share hospitals.
    - **Impact:** Guarantees beneficiaries in underserved communities benefit from increased access to innovative models designed to improve care quality.

- ✓ **Increase collection of sociodemographic data** to measure the proportion of patients from underserved populations in models.
    - **Impact:** Allows assessment of inclusion of underserved populations.

Medicare-Medicaid Coordination Office

Health equity goal: Improving access to care and health outcomes for individuals dually eligible for Medicare and Medicaid.

Actions to Date:

- ✓ **Support providers in delivering disability-competent and accessible care** by providing training curriculum and resources through the Resources for Integrated Care technical assistance.
    - **Impact:** Improve access to care for people with disabilities.

- ✓ **Improve access to the Medicare Savings Programs** through public outreach and partnership with states.

- **Impact:** Improve access to care and economic security for low-income older adults and people with disabilities.

✓ **Improve coordination between Medicare and Medicaid** for people dually eligible for both programs through proposed rulemaking to strengthen dual eligible special needs plans, elevate the voices of enrollees in plan governance, and better identify and address housing instability, food insecurity, and barriers to transportation.
- **Impact:** Improve enrollee experiences and coordination of care.

Center for Medicaid and CHIP Services

Health equity goal: Closing gaps in coverage, access, and quality of care among people who are Medicaid- and CHIP-eligible or enrolled, improve data collection and analysis of disparities in coverage and care, support innovation, and orient activities to close gaps.

Actions to Date:

✓ **Roll back restrictive Medicaid policies** that prevented access to coverage and care in Medicaid and violated the core objectives of Medicaid, including state policies that took coverage away from people who didn't meet work requirements.
- **Impact:** Removed barriers to access that disproportionately, negatively affected underserved communities.

✓ **Improve access to continuous coverage and quality of care in the postpartum period** by working closely with states to encourage uptake of 12 months of extended postpartum coverage for pregnant people enrolled in Medicaid and CHIP.
- **Impact:** Increases access to services in the postpartum period for underserved enrollees known to be at higher risk of adverse outcomes.

✓ **Work with states to identify opportunities to connect justice-involved individuals with community-based services** immediately upon release, including through section 1115 demonstration approaches that provide individuals with transitional services upon re-entry.
- **Impact:** Promotes access to essential services to increase foundational footing for individuals re-entering communities.

✓ **Release Request for Information on issues related to access to care**, enrollment, and maintenance of coverage. The RFI ("Request for Information (2022): Access to Coverage and Care in Medicaid & CHIP") was open for a 60-day period through Monday, April 18, 2022.
- **Impact:** Ensures access by addressing barriers beneficiaries face across fee-for-service and managed care, as well as across physical health, behavioral health, and home and community-based services.

✓ **Expanded access to home- and community-based services (HCBS) through the American Rescue Plan.** The American Rescue Plan provided states with a temporary 10 percentage point increase to the federal funding for certain Medicaid HCBS. CMS is working to invest in high-

value services to help people with disabilities and older adults live safely and independently in their communities.

- **Impact:** HCBS benefits provide critical services to millions of people, allowing them to receive health services in their homes and communities, rather than in nursing homes and other institutions.

Center for Consumer Information and Insurance Oversight

Health equity goal: Increase coverage among the underserved who are Marketplace-eligible or enrolled, make Marketplace coverage more accessible and available to underserved populations, ensure and strengthen consumer protections for coverage, and improve data collection and analysis to reduce health disparities.

Actions to Date:

- ✓ **Increase federally facilitated Marketplace enrollment among underrepresented populations by 25%** by quadrupling the number of Navigator grantees, initiating a new Special Enrollment Period for consumers with household incomes at or below 150% of the federal poverty level.
  - **Impact:** Reduces the uninsured rate among underserved communities.

- ✓ **Acted to decrease the number of single-issuer rural counties in the individual market by incentivizing issuers to enter service areas.**
  - **Impact:** Through greater competition, increase choice and affordability for consumers in rural communities.

- ✓ **Consider new requirements for network adequacy for qualified health plans on the federally facilitated Marketplace for 2023.**
  - **Impact:** Would ensure that consumers, especially those in underserved communities, can utilize their insurance to get needed care.

- ✓ **Consider requiring issuers of qualified health plans in Marketplaces using the federal platform to offer standardized plans.**
  - **Impact:** Would allow consumers to compare plan options easily to choose a plan that meets their medical and financial needs, as well as makes baseline health benefits more transparent.

- ✓ **Consider strengthening Health and Human Services essential community provider requirements.**
  - **Impact:** Would improve access to providers for underserved communities.

- ✓ **Propose new regulations prohibiting Marketplaces, issuers, agents, and brokers from discriminating against consumers based on sexual orientation and gender identity.**
  - **Impact:** Would ensure consumers do not face discrimination based on their gender identity and sexual orientation.

- ✓ **Promulgate new regulations under the No Surprises Act related to surprise medical bills and unexpected health care costs.**
    - **Impact:** Ensures consumers, especially those in underserved communities, understand their rights and can access protections against financial harm, as well as reduces medical debt-related bankruptcies.

Office of Minority Health

Health equity goal: Driving change across the agency by supporting the advancement and integration of health equity in the development, evaluation, and implementation of these and other CMS policies, programs, and partnerships. Developing capacity at minority-serving institutions to research health disparities and social determinants of health, understand root causes of health disparities, and disseminate best practices uncovered through research funded by the CMS Office of Minority Health Minority Research Grant Program.

Actions to Date:

- ✓ **Provide technical assistance** through the CMS Health Equity Technical Assistance Program to support health care professionals, health plans and systems, State Medicaid Agencies, federal, state, tribal and territorial, and local health agencies, universities, community partners and all other external CMS stakeholders, as well as across CMS, as they we work together to embed health equity within CMS programs, policies, and operations.
    - **Impact:** Builds capacity within CMS to assess health equity impacts of our programs, and identify and eliminate barriers experienced by members of underserved communities and health care professionals who serve these communities. In addition, builds capacity among local communities and CMS partners to design and operate equitable health care systems and help ensure that all CMS benefits, services and supports, and coverage are available to all individuals, particularly those located in and serving underserved communities.

- ✓ **Create and distribute provider training materials** to help health care professionals understand the needs of those they serve and remove barrier to improve quality, experience of care, and access to care for members of underserved communities.
    - **Impact:** Ensures that health care professionals across all settings and coverage types have the tools and information they need to provide culturally and linguistically tailored, accessible care that meets the unique needs of each person they serve.

- ✓ **Expand community outreach** efforts to gain valuable insight from stakeholders using roundtables, listening sessions, and events for meaningful, bidirectional engagement with a broadened base of underserved populations.
    - **Impact:** Provides CMS with current information about the dynamic and diverse needs of each community we serve, ensuring our CMS programs, policies, and operations are designed and implemented with an intersectional lens that reflects the priorities of our populations, particularly members of underserved communities who may not have a long history of engaging with CMS.

Office of Communications

Health equity goal: Driving change across the agency by integrating health equity into the development of public facing materials and communications that CMS releases to stakeholders on a daily basis.

Actions to Date:

- ✓ **Continued support and outreach for Medicare beneficiaries on Medicare Savings Programs and other cost-savings programs**.
  - **Impact:** Increases the education of beneficiaries on the availability of programs to reduce their costs. For example, during the recent Open Enrollment period we included messaging on MSP in the outreach campaign such as within a print advertisement and social media. 1-800 MEDICARE representatives are also trained to provide education on the Medicare Savings Programs as well as other ways for beneficiaries to reduce their costs.

- ✓ **Expand culturally competent and linguistically accessible education campaign outreach.**
  - **Impact:** Increases reach in historically underserved communities. For example, during the recent Open Enrollment Period, the Biden-Harris Administration made a concerted effort to make affordable health care more accessible to historically uninsured and underinsured populations by conducting targeted outreach to historically underserved communities. This included advertising in Chinese (Mandarin and Cantonese), Korean, Vietnamese, Tagalog, and Hindi, and specific campaigns to the Black and Latino communities. As a result of this work in part, HealthCare.gov states enrollment among Hispanic people increased by 26% and Black people increased by 35%.

- ✓ **Translate the "Medicare & You" handbook and other educational materials for Medicare beneficiaries into additional languages.**
  - **Impact**: Increases the accessibility of CMS programs and resources. For example, CMS translated the Medicare & YOU handbook into Chinese, Korean, and Vietnamese for the first time.

The Rhode Island Health Equity Measures

Developed through the RIDOH Community Health Assessment Group



How the Rhode Island Health Equity Measures were developed

The CHAG includes partners from diverse sectors, including representatives from local and state government, academia, philanthropy, community-based organizations, healthcare, Health Equity Zones, nonprofit policy and advocacy organizations, and the private sector. CHAG members spent more than two years developing this set of measures through an extensive community engagement process that included the following phases:

Phase 1: Identified policy priorities and reviewed similar work nationally and internationally.

Phase 2: Examined 180+ potential measures.

Phase 3: Selected a core set of measures.

Phase 4: Encouraging use of the measures as the statewide standard to assess progress toward health equity in Rhode Island.

Imagine a Rhode Island where every person has a fair and just opportunity to be healthy. This is known as health equity. We all want to live in a place without obstacles to health like poverty and discrimination. And we all want to live in communities where we and our loved ones can access good jobs with fair pay, quality education, and safe environments. Yet in every neighborhood, a range of conditions affect people's health and safety every day.

Health happens inside our homes, schools, jobs, and communities

Generations-long social, economic, and environmental inequities have resulted in adverse health outcomes. They affect communities differently and have a greater influence on health outcomes than individual choices or access to healthcare. Reducing these inequities can help improve opportunities for everyone. To improve surveillance of the socioeconomic and environmental factors that drive health inequities, the Rhode Island Department of Health (RIDOH) collaborated with members of the Community Health Assessment Group (CHAG) to develop Rhode Island's first set of statewide health equity measures.

Key information

The Rhode Island Health Equity Measures include 15 determinants of health in five domains that affect health equity: integrated healthcare, community resiliency, physical environment, socioeconomics, and community trauma. Data come from various sources. When possible, data are reported by geographic location, race/ethnicity, disability status, income level, or other demographic characteristics.

How to use the data

We encourage Rhode Islanders to collaborate across sectors to address barriers to health and advance health equity. The Rhode Island Health Equity Measures can help identify systems and policies that affect the ability of every Rhode Islander to live a healthy life and achieve their full potential. They are intended to help communities measure the impact of health equity interventions, such as RI's **Health Equity Zone** initiative, by providing baseline data and informing outcomes evaluation. They also provide a way to measure our shared progress.

To learn more about the Measures, visit **www.health.ri.gov/data/healthequity.**

To learn more about how RIDOH's Health Equity Institute is collaborating with state leaders and community partners to build healthy, resilient communities, contact **Christopher.Ausura@health.ri.gov** or call **401-222-1383.**

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Domain	Determinant	Measure	Data Source
Integrated Healthcare	Healthcare Access	Percentage of adults who reported not seeking medical care or dental care due to cost (2 measures)	Behavioral Risk Factor Surveillance System (BRFSS)
	Social Services	Ratio: Number of individuals receiving to number of individuals eligible for SNAP benefits, based on income	Supplemental Nutrition Assistance Program (SNAP), US Census Bureau
	Behavioral Health	Ratio: Number of naloxone kits distributed to number of overdose deaths	RIDOH, Prevent Overdose RI website
Community Resiliency	Civic Engagement	Percentage of registered voters participating in the most recent presidential election	Rhode Island Board of Elections
	Social Vulnerability	Index score that reflects the social vulnerability of communities	Centers for Disease Control and Prevention (CDC) Social Vulnerability Index, Agency for Toxic Substances and Disease Registry (ATSDR)
	Equity in Policy	Ratio: Number of low to moderate-income housing units to number of low to moderate-income households	HousingWorks RI, Comprehensive Housing Affordability Strategy
Physical Environment	Natural Environment	Percentage of overall landmass with tree canopy cover	US Department of Agriculture (USDA) Forest Service i-Tree Tools
	Transportation	Index score that reflects the affordability of transportation for renters	US Department of Housing and Urban Development (HUD) Low-Cost Transportation Index
	Environmental Hazards	Number and percentage of children with blood lead levels higher than 5 micrograms per deciliter	RIDOH Environmental Lead Program
Socio-economics	Housing Cost Burden	Percentage of cost-burdened renters and owners	American Community Survey
	Food Insecurity	Percentage of population who are food insecure	Feeding America
	Education	Percentage of high school students graduating with a regular diploma within four years	Rhode Island Department of Education
Community Trauma	Discrimination	Percentage of adults reporting racial discrimination in healthcare settings in the past 12 months	BRFSS (available 2020)
	Criminal Justice	Number of non-violent offenders under Rhode Island probation and parole (per 1,000 residents age 18 and older)	Rhode Island Department of Corrections, US Census Bureau
	Public Safety	Violent crime rate and non-violent crime rate (per 100,000 people)	Rhode Island State Police Uniform Crime Reports, FBI Uniform Crime Reporting Program

Notes

- Many efforts are already underway in Rhode Island and across the country to address obstacles to health and evaluate initiatives to advance health equity. The Rhode Island Health Equity Measures were developed to complement this work and provide a statewide standard for assessing progress to improve the social, economic, and environmental conditions that impact health.
- The measures are strategically aligned with, and intended to complement, other measures related to socioeconomic and environmental determinants of health, such as Governor Gina M. Raimondo's Third Grade Reading Goal and the nationwide Health Opportunity and Equity (HOPE) Initiative, supported by Robert Wood Johnson Foundation and led by National Collaborative for Health Equity and Texas Health Institute in partnership with Virginia Commonwealth University's Center on Society and Health.
- The set of measures includes some positive measures (e.g. tree canopy, graduation rates), and some negative measures (e.g. cost-burdened renters and owners, violent crime rate). The measures reflect a range of systems and policies that affect the ability of every Rhode Islander to live a healthy life in a healthy community.
- Measures reflect data available at this time. As additional data become available, some measures may be updated.

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Roger Williams MEDICAL CENTER

MEDICAL STAFF EXECUTIVE COMMITTEE AGENDA

July 15, 2021~ 11:30 AM

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Roger Williams MEDICAL CENTER

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MEDICAL EXECUTIVE COMMITTEE MINUTES

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Roger Williams MEDICAL CENTER

Policy Name: CAUTI Elimination Policy

Chapter: Patient Care Services

Policy

It is the policy of Roger Williams Medical Center (RWMC) to establish and maintain a system wide process to prevent CatheterAssociated Urinary Tract Infections (CAUTI)

Purpose:

The purpose of RWMC's CAUTI Prevention program is to provide guidance on the required structure and processes needed to eliminate CAUTIs. Urinary catheterization to facilitate urine drainage will be used only when medically necessary. Indwelling urinary catheters should be evaluated daily for necessity and promptly removed when no longer necessary. The following bundle elements will be used during insertion and/or maintenance to prevent associated infections.

Definitions

Catheter-associated UTI (CAUTI): A UTI where an indwelling urinary catheter was in place for more than 2 consecutive days in aninpatient location on the date of event, with day of device placement being Day 1*, AND an indwelling urinary catheter was in place on the date of event or the day before. If an indwelling urinary catheter was in place for more than 2 consecutive days in an inpatient location and then removed, the date of event for the UTI must be the day of device discontinuation or the next day for the UTI to be catheter-associated [1].

Indwelling catheter: A drainage tube that is inserted into the urinary bladder through the urethra, is left in place, and is connected to a drainage bag (including leg bags). These devices are also called Foley catheters. Indwelling urinary catheters that are used for intermittent or continuous irrigation are also included in CAUTI surveillance. Condom or straight in-and-out catheters are not included nor are nephrostomy tubes, ileal conduits, or suprapubic catheters unless an indwelling urinary catheter (IUC) is also present [1].

Neurogenic Bladder: Condition in which a person lacks bladder control due to a disorder or damage to the brain, spinal cord, or nerves. Symptoms vary from an overactive bladder to an underactive bladder depending on the cause.

Suprapubic Catheter: A drainage tube that is surgically inserted into the urinary bladder through a small hole in the abdomen. Indications for use include failed urethral catheter, urethral disruption, and long-term use.

Intermittent Catheterization: A drainage tube that is inserted into the urinary bladder through the urethra

to drain urine acutely and not left in place. Also called In and-Out Catheterization.

Urinary Catheterization: Process of using a drainage tube to eliminate wastes from the urinary bladder; may be intermittent,indwelling, external or suprapubic.

Infection Window Period (IWP): defined as the 7-days during which all site-specific infection criteria must be met. It includes thecollection date of the first positive diagnostic test that is used as an element to meet the site-specific infection criterion, the 3 calendar days before and the 3 calendar days after

Risk factors:

A. The duration of catheterization is the most important risk factor for developing infection. Reducing unnecessary catheterplacement and minimizing the duration the catheter remains in situ are the primary strategies for CAUTI prevention.
B. Additional risk factors include female sex, older age, and not maintaining a closed drainage system. Risk factors for CAUTI among pediatric patients are not well described.
C. Risk factors for developing hospital-acquired urinary tract–related BSI include neutropenia, renal disease, and male sex.

Detection/ Diagnosis of CAUTI

Patient must meet 1, 2, and 3 below:

Patient had an indwelling urinary catheter that had been in place for more than 2 consecutive days in an inpatientlocation on the date of event **AND** was either:

- Present for any portion of the calendar day on the date of event,

  OR
- Removed the day before the date of event

- Patient has at least one of the following signs or symptoms:

  fever (>38.0°C): Reminder: To use fever in a patient > 65 years of age, the IUC needs to be in place for more than 2 consecutive days in an inpatient location on date of event and is either still in place OR was removed the day before the DOE.
  - suprapubic tenderness
  - costovertebral angle pain or tenderness
  - urinary urgency
  - urinary frequency
  - dysuria
- Patient has a urine culture with no more than two species of organisms identified, at least one of which is a bacterium of $\geq 10^5$ CFU/ml. All elements of the SUTI criterion must occur during the Infection Window Period (IWP).

Procedure

Strategies to Prevent CAUTI: *Bundle Elements*

A. APPROPRIATE CATHETER USE

1. Proper Utilization: Indwelling urinary catheters should be inserted only when medically indicated and evaluated daily for need. Urinary catheters are not used solely for the convenience of patient care personnel or the patient.
2. Appropriate use of an IUC
   a. Patient has acute urinary retention or bladder outlet obstruction.
   b. Accurate measurements of urinary output in critically ill patients.
   c. Perioperative use for selected surgical procedures:

- Patients undergoing urologic surgery or other surgery on contiguous structures of the genitourinary tract.
- Anticipated prolonged duration of surgery (catheters inserted for this reason should be removed in PACU).
- Patients anticipated to receive large-volume infusions or diuretics during surgery.
- Need for intraoperative monitoring of urinary output.

d. To assist in healing of open sacral or perineal wounds in incontinent patients.
e. Patient requires prolonged immobilization (e.g., potentially unstable thoracic or lumbar spine, multiple traumatic injuries such as pelvic fractures).
f. To improve comfort for end of life care if needed.

3. Inappropriate Uses of Indwelling Catheters [3]
   a. As a substitute for nursing care of the patient or resident with incontinence.
   b. As a means of obtaining urine for culture or other diagnostic tests when the patient can voluntarily void.
   c. For prolonged postoperative duration without appropriate indications (e.g., structural repair of urethra or contiguous structures, prolonged effect of epidural anesthesia).

B. Alternative to Indwelling Urethral Catheter Use [2]

1. Condom catheterization:
   a. In men for whom a urinary catheter is indicated and who have minimal postvoid residual urine, condomcatheterization should be considered as an alternative to short-term and long-term indwelling catheterization to reduce CA-bacteriuria in those who are not cognitively impaired.
   b. Female External Catheters:
      i. There are challenges in development of a usable external female catheter due to female anatomy
      ii. More recent development of an external catheter consisting of an elongated tube wrapped in wickingmaterial
      iii. Vacuum pulls urine through the wick
   c. Intermittent catheterization
      i. should be considered as an alternative to short-term or long-term indwelling urethral catheterization to reduce CA-bacteriuria and an alternative to short-term or long-term indwelling urethral catheterization toreduce CAUTI.
      ii. Suprapubic catheterization
         1. may be considered as an alternative to indwelling urethral catheterization to reduce CA-bacteriuria andCAUTI .
      iii. Frequent toileting
      iv. Alternative methods to measure urine output
         1. Weigh diapers
         2. Daily weight

C. PROPER INSERTION and MAINTENANCE INTERVENTIONS

1. **Proper Techniques for Urinary Catheter Insertion:** ***The 2-person Urinary Catheter Insertion Method should be utilized.***

If two-person technique is not possible, consider alternatives such as external male/female incontinence devices orstraight (in/out) catheterization.

a. Two-person Insertion Technique:

i. Every RN who needs to insert a urinary catheter asks a second RN to observe when he/she is inserting the urinary catheter
ii. This applies to both indwelling and straight catheterizations and applies to both men and women patients.
iii. A urinary catheter kit containing a urinary catheter and a drainage bag (closed system) securement device, and cleaning items are used.
iv. Two RNs are present at the bedside during the procedure which included these elements:

v. Using sterile technique and following the CDC guidelines for Appropriate indications for Indwelling Urethral catheter use, while Nurse 1 cleans the periurethral area and inserted the catheter, Nurse 2 observed to ensure that nurse 1 followed sterile technique and performed the procedure correctly. Use the Urinary Catheter Insertion Checklist to guide this process.

vi. Nurse 2 is empowered to stop the procedure if sterile technique was broken at any point during the insertion procedure.

vii. Nurse 2 can assist Nurse 1 in the cleaning and positioning of the patient when necessary (maintaining asepsis duringurinary catheter insertion can be challenging for a nurse working alone)

viii. Nurses find that inserting the urinary catheter had become easier and quicker because the observer was also helping.

2. **Urinary Catheter Maintenance**

a. Following aseptic insertion of the urinary catheter, maintain a closed drainage system
   i. If breaks in aseptic technique, disconnection, or leakage occur, replace the catheter and collecting system using aseptic technique and sterile equipment.
   ii. Consider using urinary catheter systems with preconnected, sealed catheter-tubing junctions.

b. Maintain unobstructed urine flow.
   i. Keep the catheter and collecting tube free from kinking.
   ii. Keep the collecting bag below the level of the bladder at all times. Do not rest the bag on the floor.
   iii. Empty the collecting bag regularly using a separate, clean collecting container for each patient; avoid splashing, and prevent contact of the drainage spigot with the nonsterile collecting container.

c. Use Standard Precautions, including the use of gloves and gown as appropriate, during any manipulation of the catheter or collecting system.

d. Do not change indwelling catheters or drainage bags at routine, fixed intervals except for
   i. infection, obstruction, or when the closed system is compromised.

e. Unless clinical indications exist (e.g., in patients with bacteriuria upon catheter removal post urologic surgery), do not use systemic antimicrobials routinely to prevent CAUTI in patients requiring either short or long-term catheterization.

f. Do not clean the periurethral area with antiseptics to prevent CAUTI while the catheter is in place. Routine hygiene (e.g., cleansing of the meatal surface during daily bathing or showering) is appropriate.

g. Unless obstruction is anticipated (e.g., as might occur with bleeding after prostatic or bladder surgery) bladder irrigation is not recommended.
   i. If obstruction is anticipated, closed continuous irrigation is suggested to prevent obstruction.

h. Routine irrigation of the bladder with antimicrobials is not recommended.

i. Routine instillation of antiseptic or antimicrobial solutions into urinary drainage bags is not recommended.

j. Clamping indwelling catheters prior to removal is not necessary.

k. Further research is needed on the use of bacterial interference (i.e., bladder inoculation with a nonpathogenic bacterial strain) to prevent UTI in patients requiring chronic urinary catheterization.

D. PROMPT DISCONTINATION/REMOVAL

1. Review documentation of indications in the patient record
   a. physician order for catheter placement
   b. indications for catheter insertion
   c. date and time of catheter insertion
   d. name of individual who inserted catheter
   e. nursing documentation of placement
   f. daily presence of a catheter and maintenance care tasks,
2. Determine if catheter is needed

a. Identify catheters that are no longer necessary using the Appropriate Indications
b. Use HOUDINI protocol to determine if catheter is still needed
c. If still needed, reassess per shift and document if Appropriate Indications are still met

3. If catheter does not meet Appropriate Indications [4]
   a. Record criteria for removal and justification for continued use
   b. If catheter is no longer needed, follow hospital policy/protocol for removal. Use a Nurse Driven Protocol fordiscontinuation.
   c. Utilize reminders and automatic stop orders if possible.

E. ADMINISTRATIVE

1. Provision of guidelines
   a. Provide and implement evidence-based guidelines that address catheter use, insertion, and maintenance.
   b. Consider monitoring adherence to facility-based criteria for acceptable indications for indwelling urinary catheter use.
2. Education and Training
   a. Ensure that healthcare personnel and others who take care of catheters are given periodic in-service training regarding techniques and procedures for urinary catheter insertion, maintenance, and removal.Provide education about CAUTI, other complications of urinary catheterization, and alternatives to indwelling catheters.
   b. When feasible, consider providing performance feedback to these personnel on what proportion of catheters they have placed meet facility-based criteria and other aspects related to catheter care andmaintenance.
   c. Refer to Education
   d. Refer to Education
3. Supplies
   a. Ensure that RWMC is using standardized, evidenced based, effective urinary catheter products.
4. Documentation
   a. Indications for catheter insertion
   b. Date and time of catheter insertion
   c. Individual who inserted catheter
   d. Date and time of catheter removal.
5. Surveillance resources
   a. If surveillance for CAUTI is performed, ensure that there are sufficient trained personnel and technology resources to support surveillance for urinary catheter use and outcomes.

F. APPROPRIATE URINE CULTURING

1. Unnecessary urine cultures can lead to increases in catheter-associated urinary tract infection (CAUTI) reporting
2. Bacteriuria ≠ CAUTI
   a. Bacteriuria means the patient has a positive urine culture (which may include contaminants)
   b. Bacteriuria can be symptomatic or asymptomatic
   c. CAUTI requires presence of symptoms consistent with UTI (refer to CAUTI definitions)
   d. Inappropriate triggers for urine cultures: Bacteriuria signs
      i. Urine color
      ii. Urine smell
      iii. Urine sediment
      iv. Cloudy urine
      v. Pyuria (white blood cells or WBC in the urine)
      vi. Positive dipstick
3. Urine Collection
   a. Obtain urine samples aseptically

b. If a small volume of fresh urine is needed for examination (i.e., urinalysis or culture), aspirate the urine from the needleless sampling port with a sterile syringe/cannula adapter after cleansing the port with a disinfectant.
c. Obtain large volumes of urine for special analyses (not culture) aseptically from the drainage bag.

References

1. Urinary Tract Infection (Catheter-Associated Urinary Tract Infection [CAUTI] and Non-Catheter-Associated Urinary TractInfection [UTI]) Events https://www.cdc.gov/nhsn/pdfs/pscmanual/7psccauticurrent.pdf
2. Strategies to Prevent Catheter-Associated Urinary Tract Infections in Acute Care Hospitals: 2014 Update. SHEA/IDSA practice recommendation. Lo, Evelyn MD et all. Infection Control And Hospital Epidemiology May 2014, Vol. 35, No. 5
3. Gould CV, Umscheid CA, Agarwal RK, Kuntz G, Pegues DA. Healthcare Infection Control Practices Advisory Committee (HICPAC): guideline for prevention of catheter-associated urinary tract infections, 2009. http://www.cdc.gov/hicpac/cauti /001_cauti.html.
4. Hooton TM, Bradley SF, Cardenas DD, et al. Diagnosis, prevention and treatment of catheter-associated urinary tract infection in adults: 2009 international clinical practice guidelines from the Infectious Diseases Society of America. Clin InfectDis 2010;50:625–663.

Attachements: **Urine Culture Checklist**
Urine culture algorithm

Review and Approval

The following CharterCARE personnel originated and approved this policy:

Contact: RW Chief Nursing Officer

Approved by: RW Policy Review Committee, 6/10/2021

Policy Date:

Revision dates:

Attachment: Urine culture checklist

Not part of medical Record. Please return to clinical director.

Note: Please complete anytime provider orders urine culture or UA with reflex

Did Patient have any of the following symptoms with no other identified cause?		
1. Two (2) temperatures >100.5 F within 48 hours	Yes	No
2. Rigors	Yes	No
3. Altered Mental status	Yes	No
4. Malaise or Lethargy	Yes	No
Did patient Complain of any of the following symptoms?		
1. Flank Pain	Yes	No
2. Costovertebral angle tenderness	Yes	No
3. Acute hematuria	Yes	No
4. Pelvic discomfort	Yes	No
Patient with Urinary catheter meeting sepsis criteria with no other cause: N/A		
	Yes	No
Patients without urinary catheters: N/A		
1. Dysuria	Yes	No
2. Urgent frequent urination	Yes	No
3. Suprapubic tenderness	Yes	No
Patients with spinal cord injury: N/A		
1. Increased spasticity	Yes	No
2. Autonomic dysreflexia	Yes	No
3. Sense of unease	Yes	No

If any YES answers, please reference your facility or license specific Urine Collection Policy and document findings in medical record.

If Foley has been in place for greater than or equal to TWO (2) days and clinical indication exists for continued use, call physician for order to replace Foley catheter prior to obtaining specimen.

If all answers are no, please contact provider to consider discontinuing urine culture order. Document provider decision and rationale in medical record.

Clinical Practice Guideline for the Management of Asymptomatic Bacteriuria: 2019 Update by the Infectious Diseases Society of America, *Clinical Infectious Diseases*, Volume 68, Issue 10, 15 May 2019, Pages e83–e110, https://doi.org/10.1093/cid/ciy1121

Redwood, R., Knobloch, M. J., Pellegrini, D. C., Ziegler, M. J., Puta, M., & Sattar, N. (2016). Reducing unnecessary culturing: a systems approach to evaluating urine culture ordering and collection practices among nurses in two acute care settings. *Antimicrobial resistance and infection control*, *7*, 4. https://doi.org/10.1186/s13756-017-0278-9

https://www.cdc.gov/hai/prevent/cauti/indwelling/strategize.html

Attachment: Urine Culture Algorithm:

Urine Culturing Algorithm for Catheterized Patients

Purpose. To provide clinical guidance for assessing patients with indwelling urinary catheters (up to one day after catheter removal) for a urinary tract infection to improve diagnostic accuracy, prevent misdiagnosis and unnecessary exposure to antibiotics and risk of C. difficile infection.

Background. A CAUTI is often a diagnosis of exclusion. The IDSA CAUTI guidelines emphasize the importance of ruling out an alternate cause of a catheterized patient's fever before attributing it to bacteriuria.

Patients with indwelling urinary catheters have up to 10% risk of colonization per day and frequently show a positive UA (i.e. WBC, bacteria, yeast) which does not represent infection. UA should not be used as a guide to order urine cultures in these patients. Repeatedly checking urine in catheterized patients will detect asymptomatic bacteriuria, prematurely narrow the differential diagnosis missing the true infection.

Inappropriate urine culture or reflex UA use.

- Urine quality: smell, color, sediment
- To document clearance after treatment
- Leukocytosis or "pan culturing"
- Elderly patients without fever or urinary symptoms
- "Dirty UA", pyuria, bacteriuria
- Screening pre- or post-operatively (except urologic surgery)

Are at least one of these signs/symptoms present without other recognizable causes?

- Fever >38.3°C/101.0°F for non-immunocompromised patients
- Fever >37.8°C/100.0°F for immunocompromised patients and elderly (≥65)
- Altered mental status (after ruling out non-infectious etiology)
- Acute hematuria (after ruling out non-infectious etiology) pelvic discomfort, suprapubic pain or rigors

YES

Does the patient meet special criteria?

- Pregnant / impending urologic surgery
- Neutropenic, renal transplant
- Costovertebral angle tenderness

YES

- Remove indwelling catheter or change if >2 days
- Consider urine culture (after changing catheter)
- Consider blood cultures, respiratory cultures, imaging etc. based on clinical presentation

NO

Directed evaluation based on signs/symptoms

- Consider blood cultures, respiratory cultures, imaging, etc based on clinical presentation
- Remove indwelling catheter or change if >2 days
- If there is a high suspicion for UTI, consider urine culture

NO

No urine culture or UA with reflex to culture

Remove indwelling catheter if possible

After first round of directed testing does patient meet both criteria:

Persistent fever (see above for parameters) **PLUS** Source of infection still unclear

YES

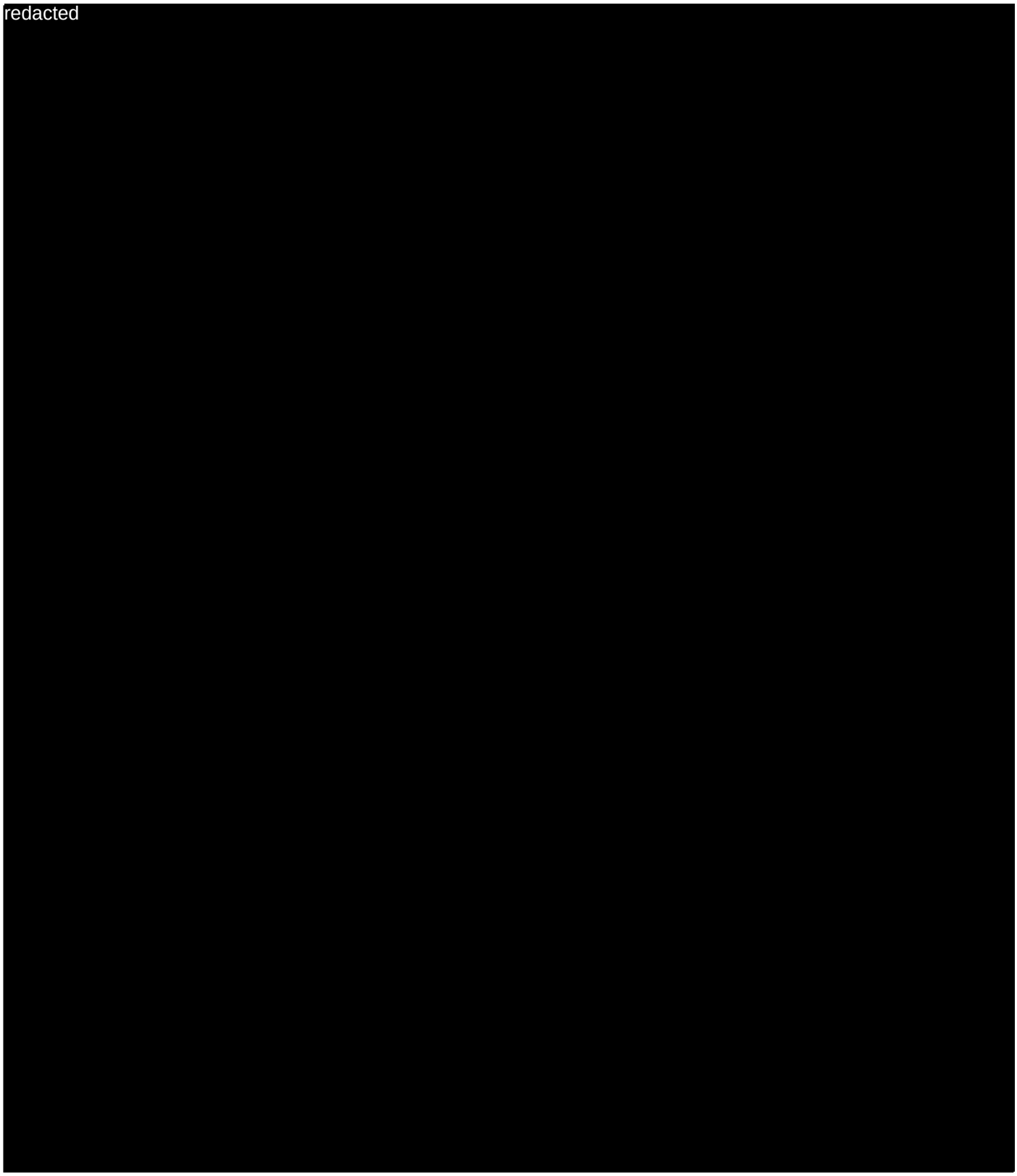
- Consider urine culture (after changing catheter in place for 2 days)
- Do not repeat UA or urine culture if ordered once unless significant change in clinical condition
- (Do not order for checking for clearance or test of cure)

NO

No urine culture or UA with reflex to culture.

(Do not use UA as a guide to ordering urine cultures) Remove indwelling catheter if possible

Definition. Immunocompromised hosts: primary (congenital) immune deficiencies, uncontrolled HIV infection, cancers associated with immune deficiency, cancer chemotherapy, stem cell or solid organ transplant (SOT), sickle cell diseases, and surgical asplenia; and patients with chronic inflammatory diseases treated with systemic corticosteroid therapy, immunomodulatory medications, and/or biologic agents, neonates and infants, less than 3 months of age.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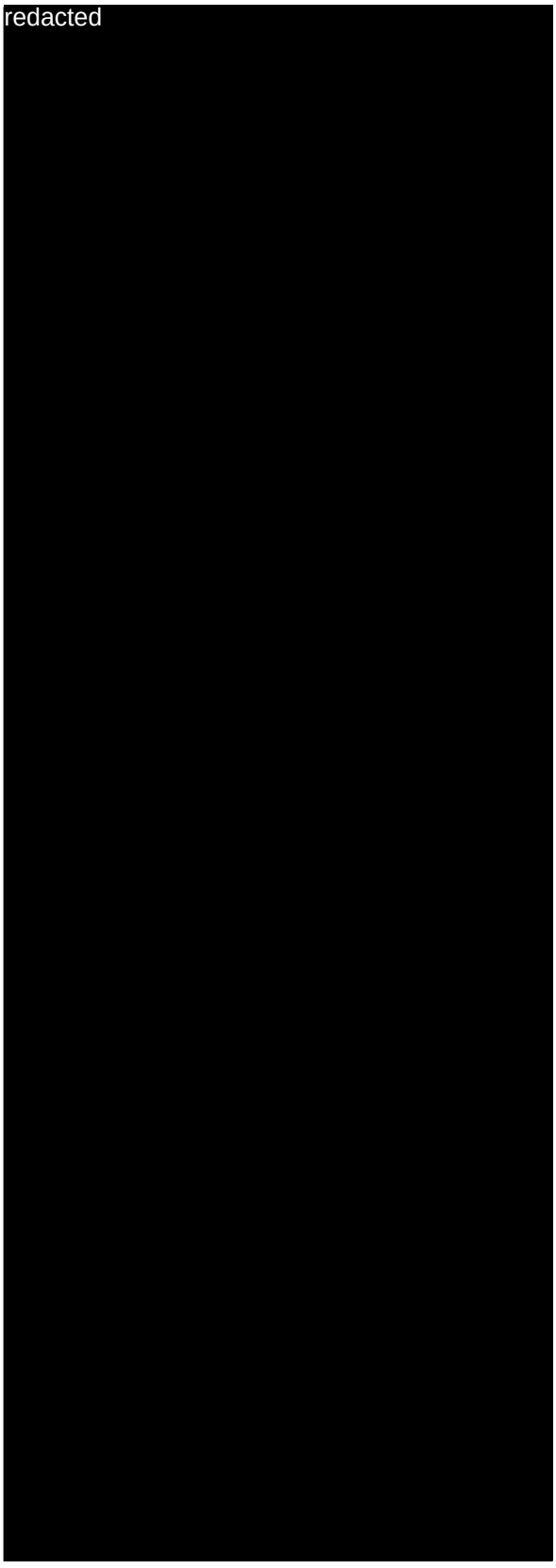
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Roger Williams MEDICAL CENTER

Credentials Committee Meeting

MINUTES

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Credentials Committee

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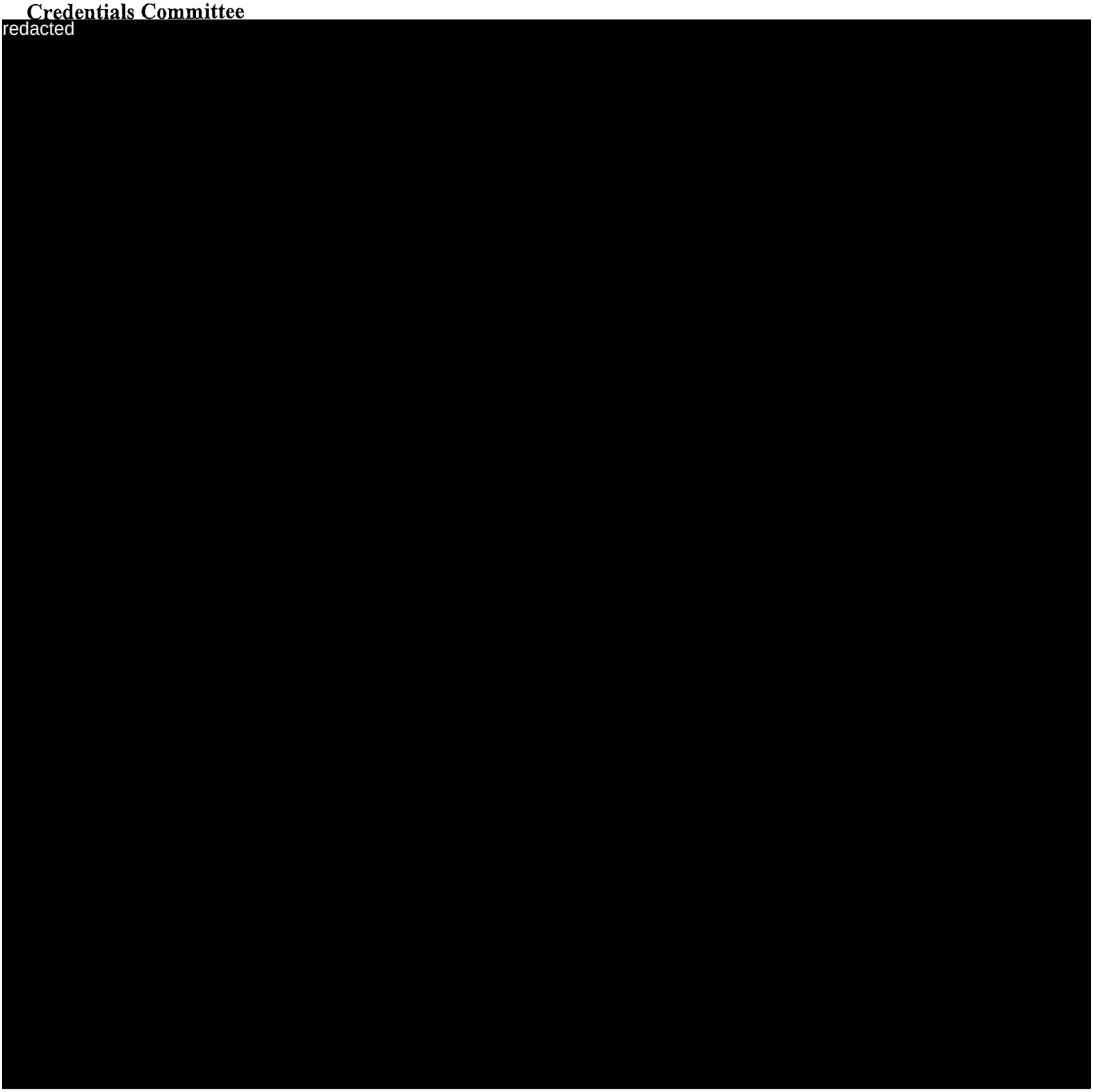

Roger Williams
MEDICAL CENTER

CREDENTIALS COMMITTEE

AGENDA

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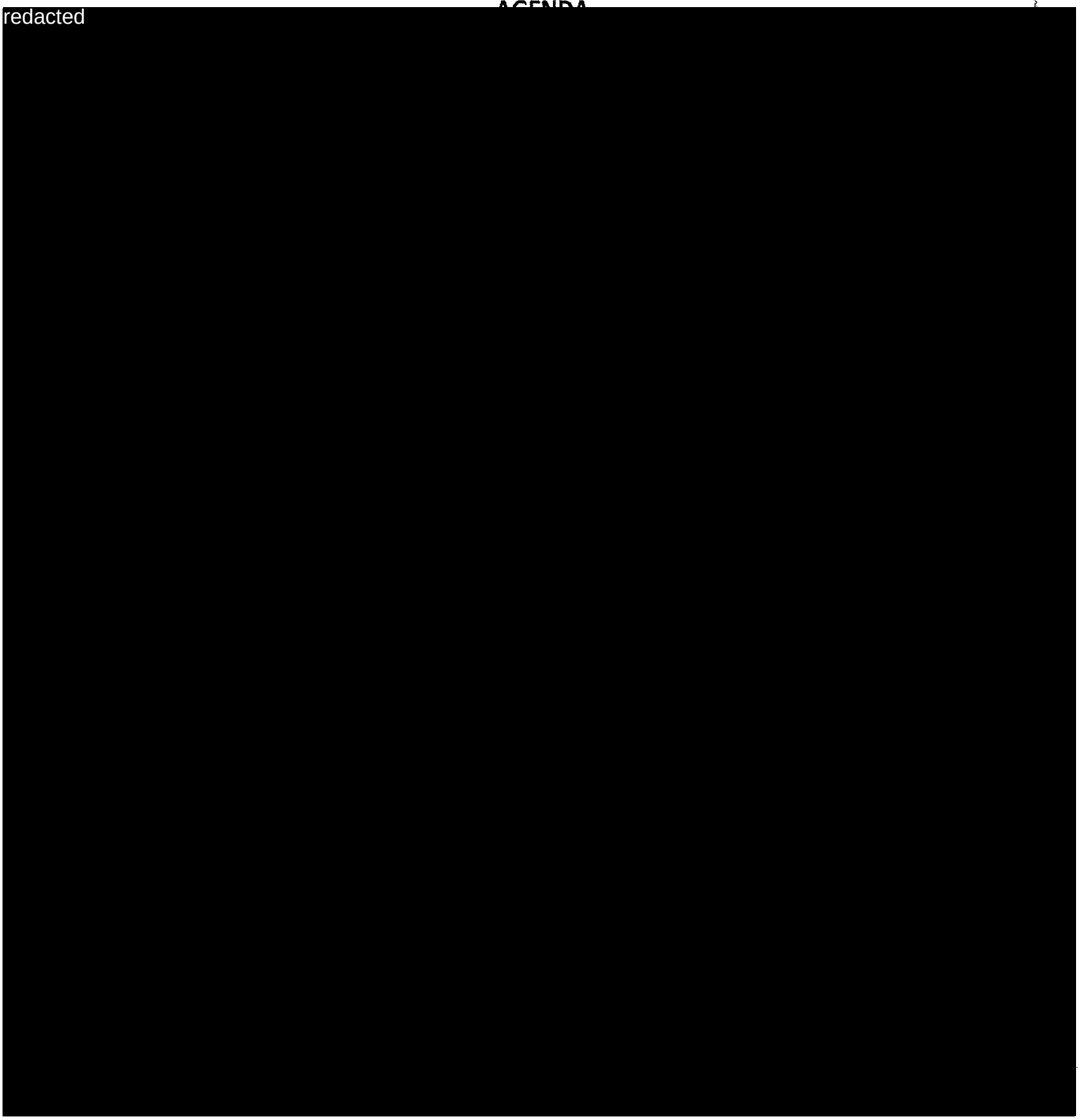

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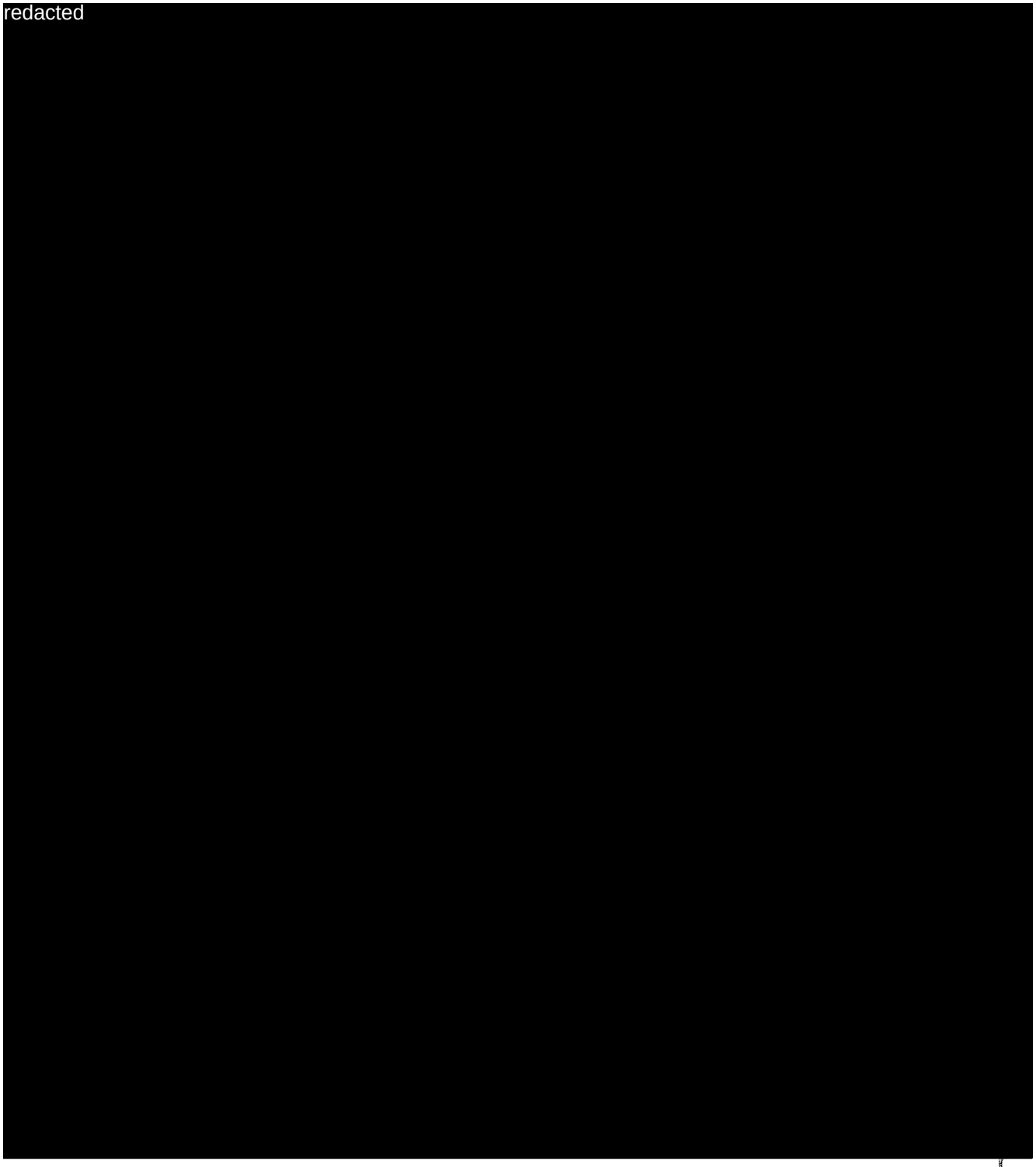

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Roger Williams MEDICAL CENTER

Credentials Committee Meeting

MINUTES

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Credentials Committee

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Roger Williams Medical Center Quality & Patient Safety Council

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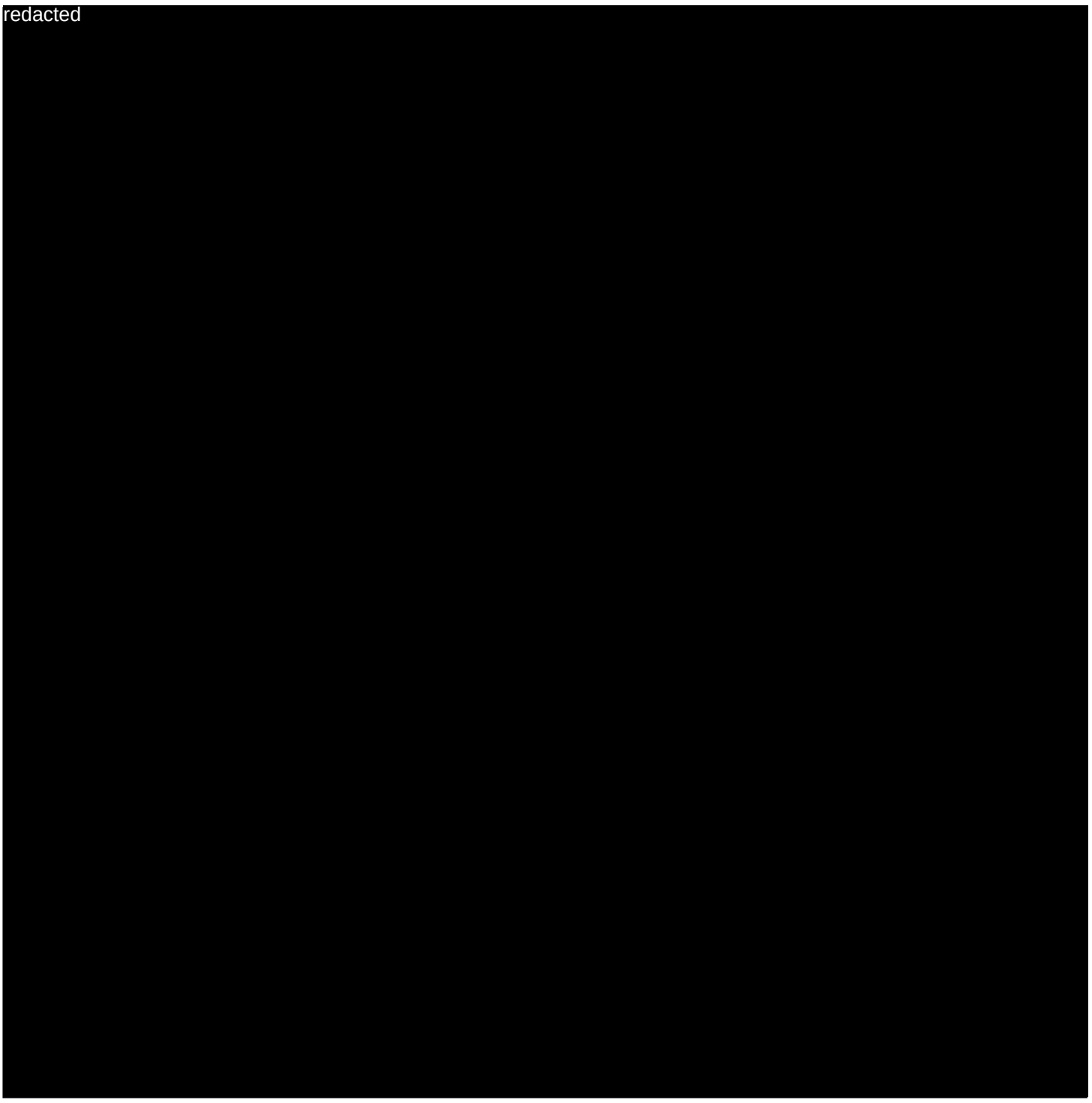

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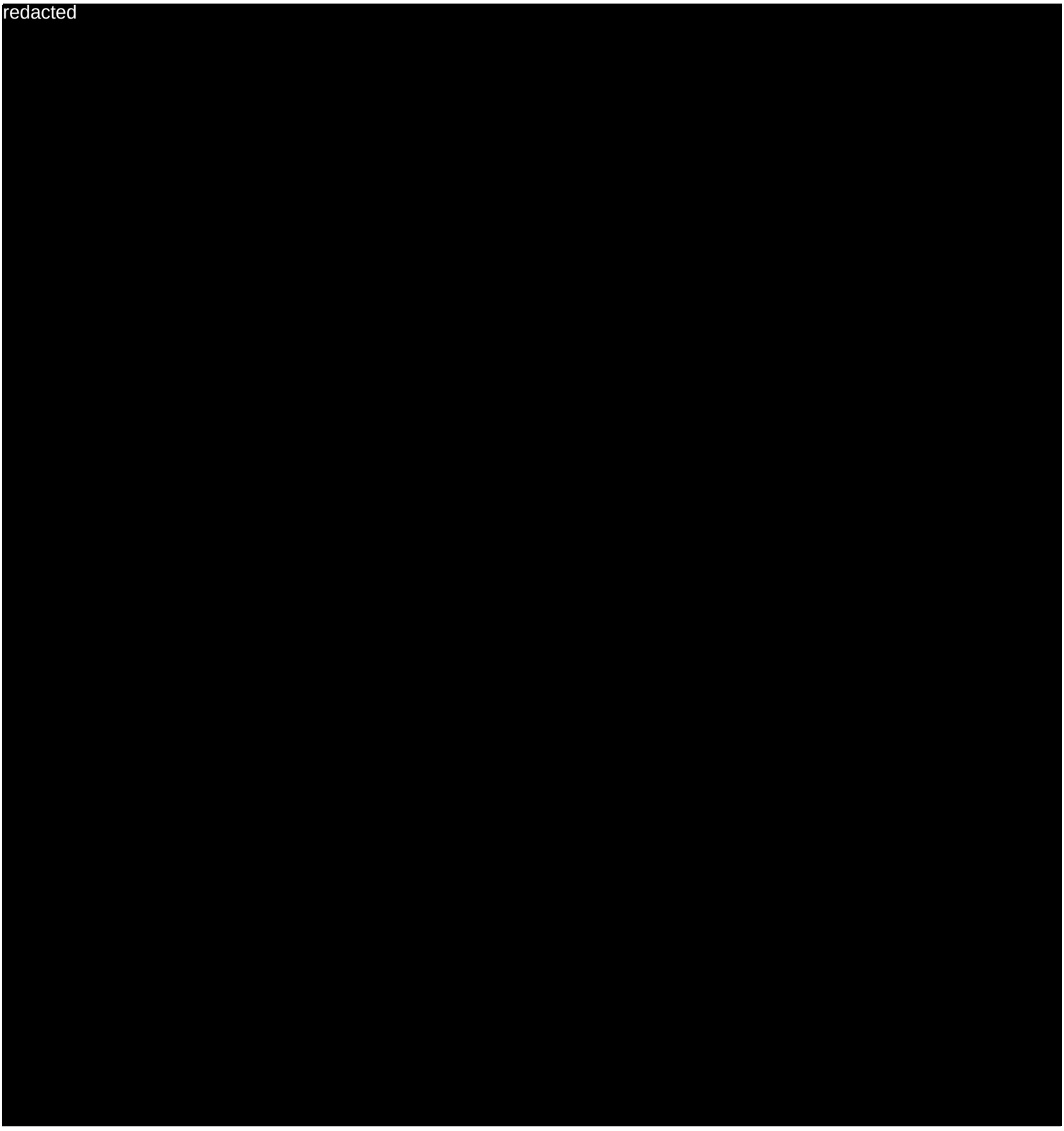

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Pharmacy and Therapeutics Committee

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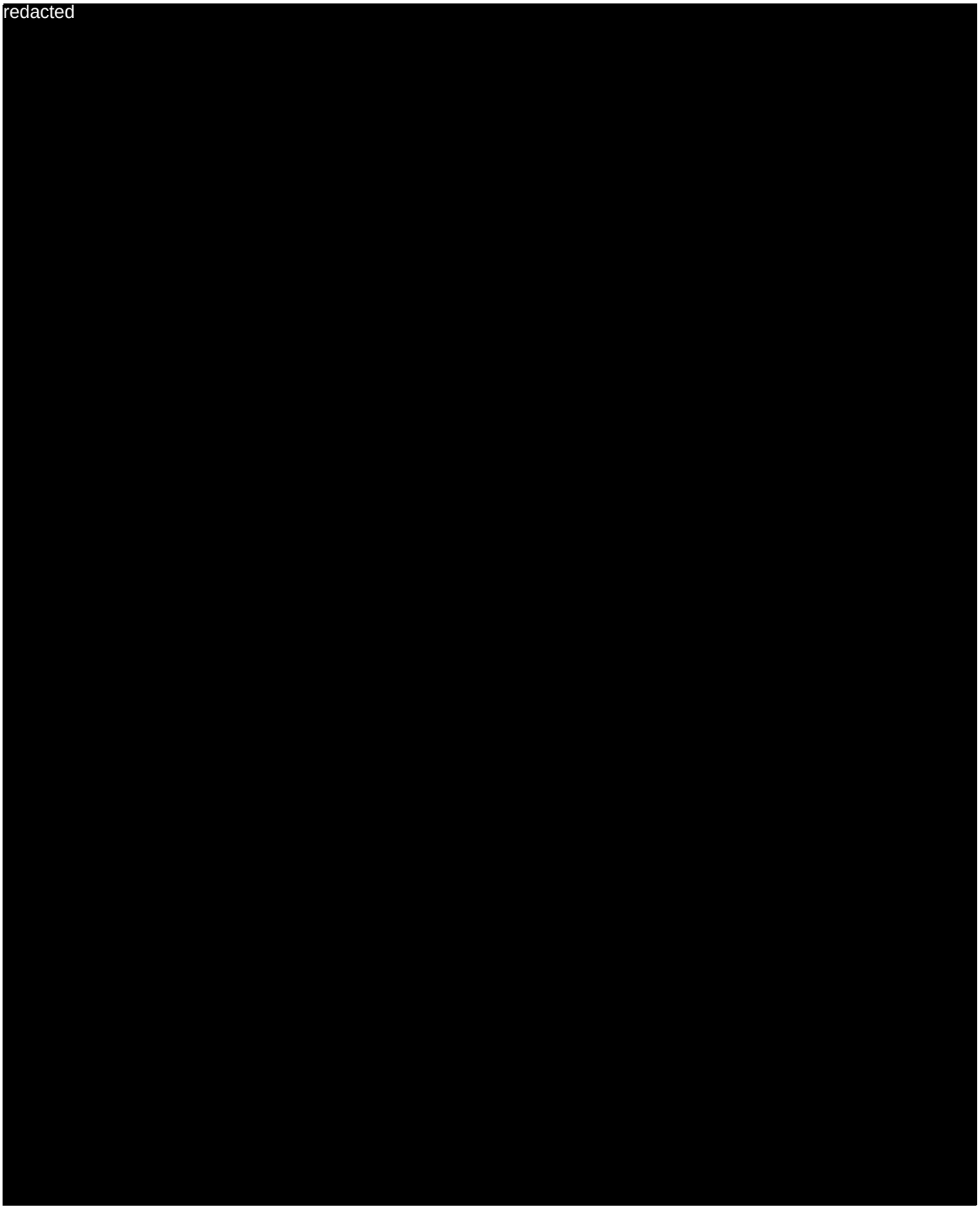

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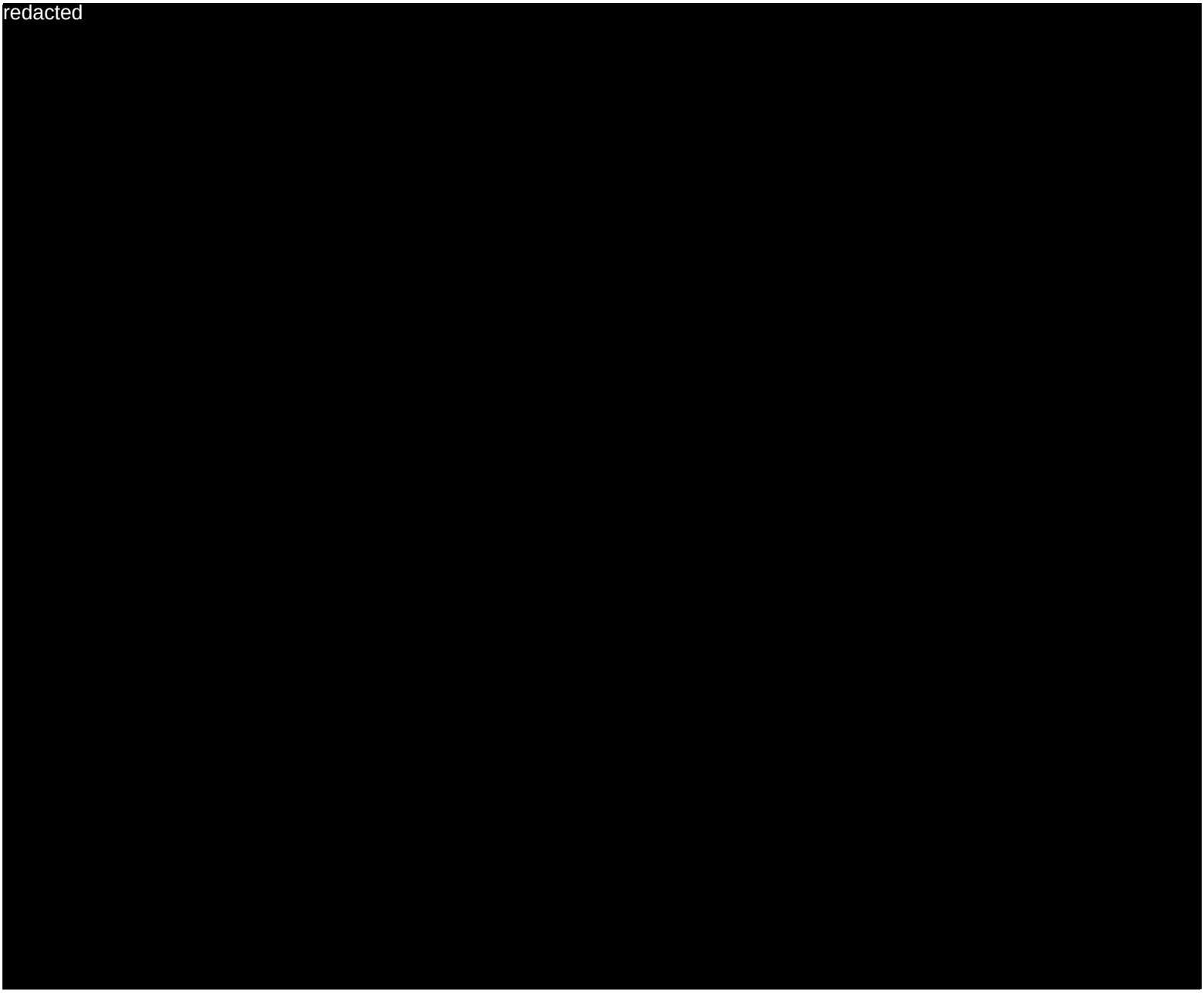
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SEPSIS ANTIBIOTIC SELECTION

ADMINISTER ANTIBIOTICS WITHIN 1 HOUR OF IDENTIFICATION

☐ ER Physician has completed MANDATORY review of old Micro data prior to ordering antibiotics

☐ ID consult *(recommended)*

Known or Suspected Source of Infection

☐ Respiratory (pneumonia, empyema) ☐ urinary tract ☐ abdominal ☐ skin/soft tissue

☐ bone/joint ☐ wound ☐ implantable device ☐ endocarditis ☐ Bloodstream catheter ☐ meningitis

Possible C. diff infection associated with suspected Abdominal Source of Severe Sepsis

☐ Metronidazole 1 g IV x 1 NOW ***PLUS*** ☐ Aztreonam 2 g IV x 1 NOW ***PLUS***

☐ Vancomycin 500 mg po x 1 NOW ***PLUS***

Respiratory or Unk Source
- ☐ Pip/Tazo 4.5g IV x 1 NOW ***PLUS***
- ☐ Linezolid 600mg IV x 1 NOW ***PLUS***
- ☐ Azithromycin 500 mg Iv x 1 NOW

Urinary Source
- ☐ Pip/Tazo 4.5g IV x 1 NOW **OR**
- ☐ Cefepime 2g IV x 1 NOW

Abdominal Source
- ☐ Pip/Tazo 4.5g IV x 1 NOW

Skin/Soft Tissue Source
- ☐ Linezolid 600mg IV x 1 NOW ***PLUS***
- ☐ Pip/Tazo 4.5g IV x 1 NOW

High Risk for/Documented MDR GNR: known hx, nursing home pt, recent hospitalization

Respiratory or Unk Source
- ☐ Meropenem 2 gm IV x 1 NOW ***PLUS***
- ☐ Linezolid 600mg IV x 1 NOW ***PLUS***
- ☐ Azithromycin 500mg Iv x 1 NOW PLUS
- ☐ Tobramycin 7mg/kg IV (AdjBW) x 1 NOW (max 800mg)

Urinary Source
- ☐ Meropenem 2 gm IV x 1 NOW ***PLUS***
- ☐ Tobramycin 7 mg/kg IV (AdjBW) x 1 NOW (max 800mg)

Abdominal Source
- ☐ Meropenem 2 gm IV x 1 NOW ***PLUS***
- ☐ Tobramycin 7mg/kg IV (AdjBW) x 1 NOW (max 800mg)

Skin/Soft Tissue Source
- ☐ Linezolid 600mg IV x 1 NOW ***PLUS***
- ☐ Meropenem 2 gm IV x 1 NOW ***PLUS***
- ☐ Tobramycin 7mg/kg IV (AdjBW) x 1 NOW (max 800mg)

Pt Allergic to Penicillin Specify: ☐ Rash ☐ Anaphylaxis ☐ Angioedema ☐ Bronchospasm ☐ Hives

Respiratory or Unk Source
- ☐ Aztreonam 2 gm IV x 1 NOW ***PLUS***
- ☐ Linezolid 600mg IV x 1 NOW ***PLUS***
- ☐ Azithromycin 500 mg Iv x 1 NOW ***PLUS***
- ☐ Metronidazole 1 gm IV x1 NOW

Urinary Source
- ☐ Aztreonam 2 gm IV x 1 NOW

Abdominal Source
- ☐ Aztreonam 2 gm IV x 1 NOW ***PLUS***
- ☐ Metronidazole 1 gm IV x 1 NOW ***PLUS***
- ☐ Linezolid 600mg IV x 1 NOW

Skin/Soft Tissue Source
- ☐ Linezolid 600mg IV x 1 NOW ***PLUS***
- ☐ Aztreonam 2 gm IV x 1 NOW ***PLUS***
- ☐ Metronidazole 1 gm IV x 1 NOW

☐ Micafungin 100 mg x 1 NOW – consider if Candida suspected, e.g. PICC line or other central tunneled line present

Based on review of prior Micro data in Meditech, substitution of the above antibiotic may be indicated

☐ Substitute Amikacin for Tobramycin (if prior organism resistant to Gentamicin and Tobramycin)

NOTE: *Antibiotic orders are for* ***initial dose only.*** *Continued antibiotic therapy needs to be re-evaluated by provider*

Rev 6/2021

Charter CARE HEALTH PARTNERS

INITIAL GUIDELINES/ORDERS

SEPSIS/SEPTIC SHOCK

Step 1: Evaluation, Labs & Fluids

Affix Label Here

Draft Revision July 2018

Date: _____ Time: _____ Diagnoses: _____ Admit Weight: _____lbs/kg

Antibiotic Allergies: _____ (1) Rash (2) Anaphylaxis (3) Angioedema (4) Bronchospasm (5) Hives

1. Is the patient's history suggestive of a new infection? ☐ YES ☐ NO

2A. Vital signs, Signs and Symptoms Assessment: One or more present and *NEW* ☐ YES ☐ NO

☐ hyperthermia > 100.9°F	☐ tachycardia > 90 bpm	☐ acutely altered mental status	☐ Hypotension (SBP <100 mm Hg) ***OR*** MAP <70
☐ hypothermia < 96.8°F	☐ tachypnea > 20 bpm	☐ chills with rigors	

If YES to 1 and 2A, Make patient NPO, move to Main ER for Immediate Nursing & Physician Evaluations

If SBP <100 *OR* MAP <70 *OR* serum lactate >2 mmol/L: Initiate Fluid Resuscitation

√ Place one or two large bore IVs and (if pt not in CHF)
Start 0.9% sodium chloride IV bolus of 30 ml/kg via ***pressure bag*** (infuse at least 2000 mls for patients <67 kg)

Obtain *Sepsis Lab Set (maintain aseptic technique)*	**MD order**	**RN sign off**	**Time**
√ lactate *(drawn first STAT **and** repeat in 6 hours)*			
√ blood cultures x 2 sets from 2 sites, at least one set peripheral if possible			
√ CBCD, basic metabolic panel,			
√ U/A with micro, urine gram stain and culture			

2B. Assessment of *Sepsis Lab Set* Results *(check all that apply)*

☐ leukocytosis (WBC >12,000/ µL)	☐ leukopenia (WBC <4,000/µL)	☐ hyperglycemia (plasma glucose >120 mg/dL) In the absence of diabetes

ADMINISTER ANTIBIOTICS WITH IN 1 HOUR OF IDENTIFICATION* *(Step 2: Antibiotic Selection)

Ordered at MD discretion -- *(*START ANTIBIOTICS BEFORE CT SCAN if one is ordered)*

	MD order	RN sign off	Time		MD order	RN sign off	Time
☐ ABG				☐ CRP			
☐ EKG				☐ sputum for gs, C&S			
☐ CXR				☐ stool for C diff			
☐ amylase				☐ CT chest*			
☐ lipase				☐ CT abd/pelvis*			
☐ procalcitonin				☐ PT/INR, cortisol, troponin, LFTs			

☐ **Patient's history is suggestive of infection (Question 1) *AND* has two positive criteria in Question 2 (A or B) that are *NEW* → CONTINUE with SEPSIS Evaluation (#3 below)**

3. Are any of the following organ dysfunction criteria present at a site remote from the site of the infection that are not considered to be chronic conditions? ☐ YES ☐ NO

☐ SBP <100 mmHg or MAP <70 mmHg	☐ bilirubin >2 mg/dl
☐ SBP decrease >40 mmHg from baseline	☐ platelet count <100,000
☐ bilateral pulmonary infiltrates with a new (or increased) oxygen requirement to maintain SpO2 >90%	☐ coagulopathy (INR >1.5)
☐ bilateral pulmonary infiltrates with PaO2/FiO2 ratio <300	☐ lactate >2 mmol/L
☐ urine output <0.5 ml/kg/hour for >2 hours	☐ creatinine >2.0 mg/dl

If suspicion of infection is present (1 & 2) AND organ dysfunction is present (3), the patient meets the criteria for SEPSIS (by Sepsis-3 definition--previously called Severe Sepsis)

☐ **Use external catheter or foley with urimeter for measuring adequate fluid resuscitation**

☐ ***Consider surgical consult if suspected infection is a drainable source, OR if patient had a surgical procedure within the past 30 days***

☐ **Does not meet the criteria (do *NOT* continue with Septic Shock Evaluation) ****STOP HERE******

If patient's SBP< 90mmHg or MAP <65 *after* fluid bolus: Patient meets the Sepsis-3 criteria for *Septic Shock*

Administer Additional Fluids & Pressor Support via Central Line:

☐ **Continue fluids**: 0.9% sodium chloride or Lactated Ringers, ***and at the same time***
☐ **Start Norepinephrine** infusion at 4 micrograms/minute and **IMMEDIATELY** titrate to MAP > 65.
☐ **If Norepinephrine started *OR* lactate >4 mmol/L PAGE ICU Attending & alert ICU Team IMMEDIATELY**

Prescriber's Signature: _____ Date: _____

Nurse's Signature: _____ Date: _____

CharterCARE HEALTH PARTNERS

INITIAL GUIDELINES/ORDERS

SEPSIS/SEPTIC SHOCK

Step 2: Antibiotic Selection

Affix Label Here

Draft Revision July2018

Date: _____ Time: _____ Diagnoses: _____ Admit Weight (kg/lb): _____

Allergies: _____ (1) Rash (2) Anaphylaxis (3) Angioedema (4) Bronchospasm (5) Hives

ADMINISTER ANTIBIOTICS WITHIN 1 HOUR OF IDENTIFICATION

☐ **ER Physician has completed MANDATORY review of old Micro data prior to ordering antibiotics**

☐ **Call ID consult (strongly recommended)**

Known or Suspected source of infection:

☐ **Respiratory (pneumonia, empyema)**		☐ **urinary tract**	☐ **abdominal**		☐ **skin/soft tissue**
☐ bone/joint	☐ wound	☐ implantable device	☐ endocarditis	☐ Bloodstream catheter	☐ meningitis

Pt with possible C. diff infection associated with suspected Abdominal Source of Severe Sepsis

Give ☐ Metronidazole 1 g IV x 1 NOW
AND ☐ Vanco 500 mg po x 1 NOW

PLUS ☐ Aztreonam 2 g IV x 1 NOW

Respiratory or Unk Source	Urinary Source	Abdominal Source	Skin/Soft Tissue Source
☐ Piperacillin/Tazobactam 4.5 g IV x 1 NOW *PLUS* ☐ Linezolid 600 mg IV x 1 NOW *PLUS* ☐ Azithromycin 500 mg Iv x 1 NOW	☐ Piperacillin/Tazobactam 4.5 g IV x 1 NOW **OR** ☐ Cefepime 2 g IV x 1 NOW	☐ Piperacillin/Tazobactam 4.5 g IV x 1 NOW	☐ Linezolid 600 mg IV x 1 NOW *PLUS* ☐ Piperacillin/Tazobactam 4.5 g IV x 1 NOW

High Risk for / Documented MDR GNR -- known hx, nursing home pt, recent hospitalization

Respiratory or Unk Source	Urinary Source	Abdominal Source	Skin/Soft Tissue Source
☐ Meropenem 2 g IV x 1 NOW *PLUS* ☐ Linezolid 600 mg IV x 1 NOW *PLUS* ☐ Azithromycin 500 mg Iv x 1 NOW PLUS ☐Tobramycin 7 mg/kg IV x 1 NOW (max 800 mg)	☐ Meropenem 2 g IV x 1 NOW *PLUS* ☐ Tobramycin 7 mg/kg IV x 1 NOW (max 800 mg)	☐ Meropenem 2 g IV x 1 NOW *PLUS* ☐ Tobramycin 7 mg/kg IV x 1 NOW (max 800 mg)	☐ Linezolid 600 mg IV x 1 NOW *PLUS* ☐ Meropenem 2 g IV x 1 NOW *PLUS* ☐ Tobramycin 7 mg/kg IV x 1 NOW (max 800 mg)

Pt Allergic to Penicillin specify: ☐ Rash ☐ Anaphylaxis ☐ Angioedema ☐ Bronchospasm ☐ Hives

Respiratory or Unk Source	Urinary Source	Abdominal Source	Skin/Soft Tissue Source
☐ Aztreonam 2 g IV x 1 NOW *PLUS* ☐ Linezolid 600 mg IV x 1 NOW *PLUS* ☐ Azithromycin 500 mg Iv x 1 NOW PLUS ☐ Metronidazole 1 g IV x 1 NOW	☐ Aztreonam 2 g IV x 1 NOW	☐ Aztreonam 2 g IV x 1 NOW *PLUS* ☐ Metronidazole 1 g IV x 1 NOW *PLUS* ☐ Linezolid 600 mg IV x 1 NOW	☐ Linezolid 600 mg IV x 1 NOW *PLUS* ☐ Aztreonam 2 g IV x 1 NOW *PLUS* ☐ Metronidazole 1 g IV x 1 NOW

☐ **Micafungin 100 mg x 1 NOW -- consider if Candida suspected, e.g., PICC line or other central tunneled line present.**

Based on review of prior Micro data in Meditech, substitution of the above antibiotics may be indicated

☐ **substitute Amikacin for Tobra (if prior organism(s) resistant to Gentamicin and Tobramycin)**

☐ _____

***NOTE**: Antibiotic orders are for initial dose only. Continued antibiotic therapy needs to be re-evaluated by provider.*

Prescriber's Signature: _____ Date: _____

Nurse's Signature: _____ Date: _____


redacted

Potassium and Bicarb Drips

Currently Available Potassium 1000 ml		Currently Available Na Bicarb 1000 ml	
40 mEq in D5W		50 ml in D5W	
40 mEq in D5W/0.2 NS		100 ml in D5W	
40 mEq in D5W/0.45 NS Premix	**Keep L6380**	150 ml in D5W	
40 mEq in D5W/NS Premix	**No BBraun**	50 ml in D5W/0.45NS	
40 mEq in Lactated Ringers		100 ml in D5W/0.45NS	
40 mEq in NS Premix	**No BBraun**	150 ml in D5W/0.45NS	
40 mEq in 0.45 NS		50 ml in 0.45NS	
40 mEq in D5W/LR		100 ml in 0.45NS	
30 mEq in D5W		150 ml in 0.45NS	
30 mEq in D5W/0.2 NS			
30 mEq in D5W/0.45 NS		**Suggested**	
30 mEq in D5W/NS		75 ml in 0.45NS **OR**	
30 mEq in Lactated Ringers		75 ml in D5W/0.45NS	
30 mEq in NS		150 ml in D5W	**Keep**
30 mEq in 0.45 NS			
30 mEq in D5W/LR			
20 mEq in Lactated Ringers			
20 mEq in 0.45 NS (Premix...)	**No BBraun**		
20 mEq in D5W/0.45NS Premix	**L6350**		
20 mEq in D5W Premix	**Keep L6250**		
20 mEq in D5W/0.2 NS Premix	**L6450**		
20 mEq in D5W/NS Premix	**Keep L6520**		
20 mEq in D5W/LR Premix	**No BBraun**		
20 mEq in NS Premix	**Keep L8650**		
10 mEq in D5W/0.45NS Premix	**L6340**		
10 mEq in D5W			
10 mEq in D5W/0.2 NS			
10 mEq in D5W/NS			
10 mEq in D5W/LR			
10 mEq in Lactated Ringers			
10 mEq in NS			
10 mEq in 0.45NS			
5 mEq in D5W/0.45NS			
5 mEq in D5W			
5 mEq in D5W/0.2 NS			
5 mEq in D5W/NS			
5 mEq in D5W/LR			
5 mEq in Lactated Ringers			
5 mEq in NS			
5 mEq in 0.45NS			

8.6.4.3 The Breast Program Leader(s) are responsible for setting goals for the program, as well as planning, initiating, implementing, evaluating, and improving breast-related activities.

8.6.4.4 A yearly evaluation of the program will be presented to the Cancer Committee. This will include a review/audit of the current National Accreditation Program for Breast Centers (NAPBC) standards.

8.7 Critical Care Committee

8.7.1 Responsibilities: This multidisciplinary committee is responsible for monitoring, evaluating, and developing standards of quality in the Emergency Department, Critical Care Unit, Maximum Care Unit, and Peri-operative units. Areas of primary focus include infection control, quality management, review of resuscitation procedures, Rapid Response Codes and product evaluation. The committee will also serve as the liaison with the New England Organ Bank.

8.7.2 Composition of the Committee

Medical Director of Critical Care – Co Chairman
Clinical Nurse Manager, Critical Care – Co Chairman
Chief of Anesthesia or designee-as a guest
Chairman of the Emergency Department
Chief Nursing Officer or designee
Nursing Directors of Critical Care Emergency Services and Peri-Operative Services
Clinical Nurse Managers of the Emergency Department,-ICU/ICU Step Down
Manager, Respiratory Therapist
Chief Medical Resident
Nursing Education Instructor
Director of Quality Improvement (designee)

8.7.3 Meetings: The Critical Care Committee shall meet on a quarterly basis. Attendance of 50% of the membership shall constitute a quorum.

8.8 Ad Hoc Committees

8.8.1 Ad Hoc Committees may be appointed by the President of the Medical Staff, Departmental Chairmen, or the Chairman of standing committees with the approval of the President of the Medical Staff, in order that the functions, duties and obligations of the medical staff not covered by these bylaws may be accomplished.

ARTICLE IX - Meetings

9.0 All meetings shall be conducted in accordance with Sturgis Rules of Parliamentary Procedure, except where otherwise provided in the Bylaws.

9.1 The Annual Meeting

9.1.1 The annual meeting of the active medical staff shall be held on the last Monday in November. At this meeting the officers and the committees shall make reports. The election of staff officers and members of the Executive committee shall be held in accordance with Article VII.

9.2 Regular Meetings

9.1.2 There shall be three meetings of the active staff per year, including the annual meeting.

9.3 Special Meetings

9.3.1 Special meetings may be called by the President or upon the written request of any five (5) percent of the members of the active medical staff. The request shall include the agenda for the meeting. The meeting shall be limited to that agenda.

9.4 Attendance

9.4.1 Attendance at medical staff meetings, departmental and general, is encouraged but not required. Members of staff committees enumerated in these bylaws, excepting ad hoc committees, shall be present for at least 50 percent of their regular scheduled meetings.

9.4.2 Any staff member shall appear at a meeting or conference for a case review of the care rendered by that physician provided the individual was given reasonable advance notice. Reasonable shall generally be five (5) days unless otherwise determined and accommodation should be given if the physician is absent from the community. Failure to attend such a meeting may lead to initiation of corrective action procedures including removal from the staff.

9.5 Quorum

9.5.1 The presence of 20 members of the active medical staff shall constitute a quorum.

9.6 Agenda

9.6.1 The agenda at any regular business meeting of the active medical staff shall be:

9.6.1.1 Call to order

9.6.1.2 Reading the minutes of the last regular meeting and all special meetings.

9.6.1.3 Report of the Executive Committee

9.6.1.4 Unfinished business

9.6.1.5 Communications

9.6.1.6 Report of standing and special committees

9.6.1.7 Administrative business

9.6.1.8 New Business

9.6.1.9 Review and analysis of the clinical work of the hospital

9.5.1.10 Adjournment

ARTICLE X - Rules and Regulations

10.0 The Medical Staff shall adopt such rules and regulations as may be necessary to implement more specially the general principles found within these bylaws, subject to the approval of the Local Board and Governing Body. These shall relate to the proper conduct of medical staff organizational activities as well as embody the level of practice that is to be required of each physician/practitioner in the hospital. Such rules and regulations shall be a part of these Bylaws, except that they may be amended or repealed by the Executive Committee of the Medical Staff,

Roger Williams Medical Center
Active Medical Staff Vote
Out-of-Committee Vote: May 6, 2022

Subject: Approval of Bylaw Changes were emailed to all Active Medical Staff

Change: In section 3.4 added at the end: henceforth divisional directors/chairs must be currently and continuously board certified in the specialty of their divisions for the term of their appointment.

There were 35 votes to approve the bylaws and 1 vote to not approve the bylaws.

Total votes: 36

MEDICAL STAFF EXECUTIVE COMMITTEE AGENDA

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MEDICAL EXECUTIVE COMMITTEE MINUTES

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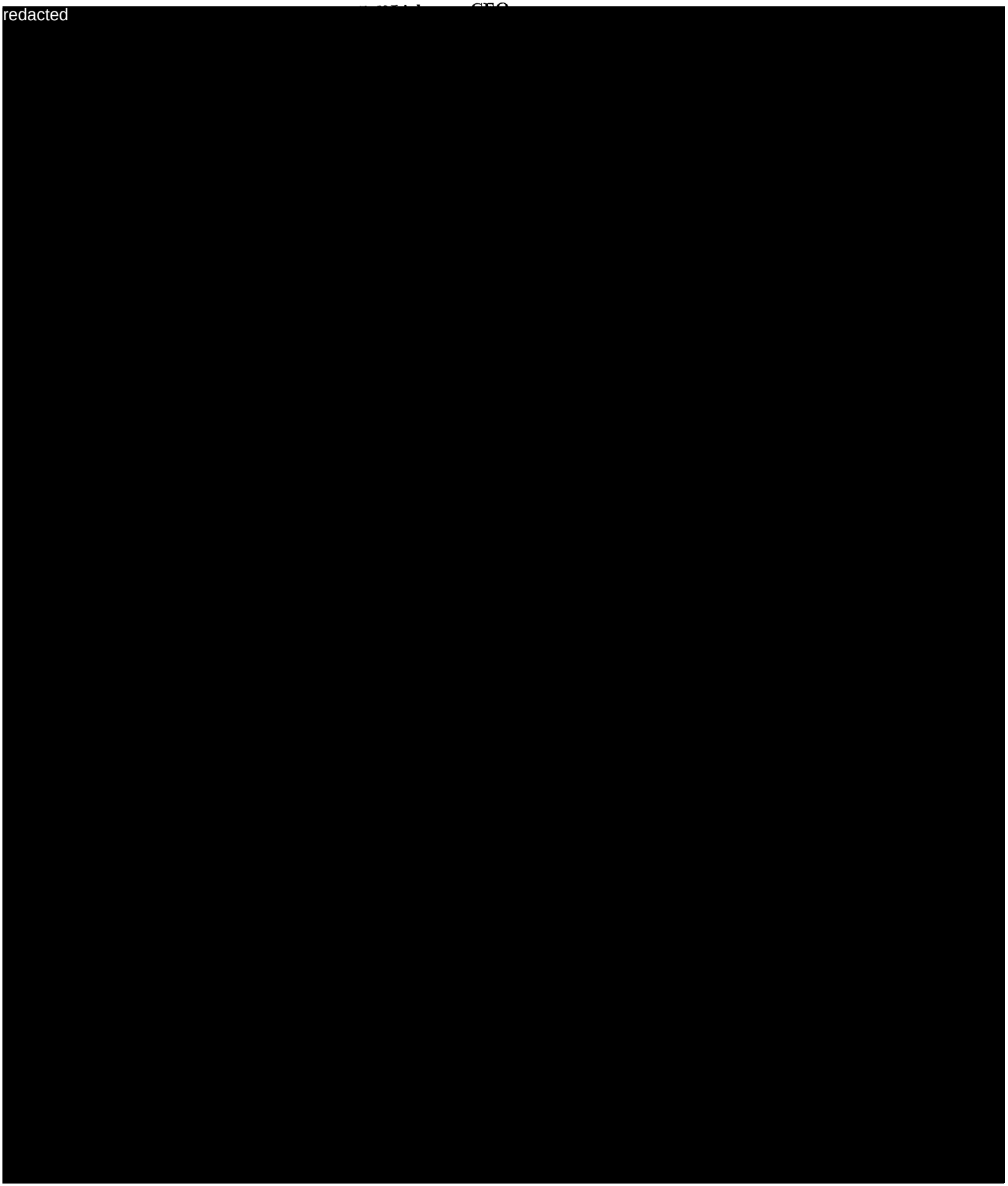

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MASSACHUSETTS MEDICAL SOCIETY
RECOGNIZED ACCREDITOR PROGRAM

CME Essentials Workshop — Summer Series

Building Your CME Foundation, One Block at a Time

Wednesday, June 14, 2023
Wednesday, June 21, 2023
11:30 AM–1:00 PM Live Webinar

DESCRIPTION

The CME Essentials Workshop Summer Series is being offered virtually to those interested in learning the basics of developing quality continuing medical education (CME) activities to improve patient care that are compliant with the accreditation requirements. Understanding the Accreditation Council for Continuing Medical Education (ACCME)'s Core Criteria and *Standards for Integrity and Independence in Accredited Continuing Education*, will offer a solid CME foundation on which to build and expand your CME program.

The workshop is designed for physicians, coordinators, and health care professionals who are new to CME or those who are looking for a basic refresher course.

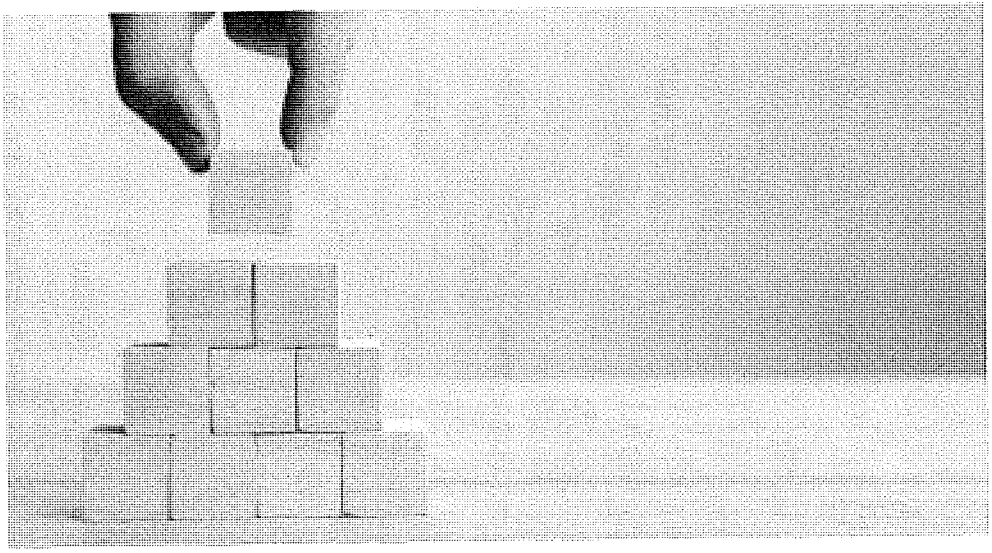
OBJECTIVES

- Recognize the CME stakeholders and the role they play in accredited CME.
- Plan, document, and evaluate CME activities in compliance with the ACCME accreditation system.
- Apply the ACCME's Core Criteria and the *Standards for Integrity and Independence in Accredited Continuing Education* into your CME program.

Accreditation Statement
The Massachusetts Medical Society is accredited by the Accreditation Council for Continuing Medical Education to provide continuing medical education for physicians.

AMA Credit Designation Statement
The Massachusetts Medical Society designates this live activity for a maximum of 3.0 *AMA PRA Category 1 Credits™*. Physicians should claim only the credit commensurate with the extent of their participation in the activity.

To register for this activity or for more information, please call 781.434.7306 or visit www.massmed.org/cmewk2023.



AGENDA

Wednesday
June 14, 2023
11:30 AM to 1:00 PM

11:30 AM
Welcome and Introductions

11:40 AM
CME Stakeholders

11:55 AM
ACCME's Core Criteria
- CME Mission and Program Improvement
- Educational Planning and Evaluation

1:00 PM
Adjourn

Wednesday
June 21, 2023
11:30 AM to 1:00 PM

11:30 AM
Welcome and Introductions

11:40 AM
ACCME's *Standards for Integrity and Independence in Accredited Continuing Education*

1:00 PM
Adjourn

Webinars

MMS
Accreditation

MEDICAL STAFF USE ONLY Appointment Dates

Applicant Name:

ROGER WILLIAMS MEDICAL CENTER

Department of Medicine

Endocrinology Clinical Privileges

Procedures	Procedures Requested by Applicant	Procedures Approved by Chairman	Conditions Indicated by Asterisk	With Supervision
GENERAL MEDICINE Non invasive:				
Hospital admittance of patients Perform History and Physical Exams General order writing Act as a consultant				
1. Arterial puncture, cannulation 2. Central venous line placement 3. Bone marrow aspiration, non-sternal 4. Endotracheal intubation 5. Lumbar puncture 6. Paracentesis, abdominal 7. Thoracentesis 8. Arthrocentesis				
ENDOCRINOLOGY				
1. Aspiration biopsy of thyroid 2. I-131 therapy **(1)** 3. Bone densitometry 4. Transiliac bone biopsy				

STATEMENT OF COMPETENCE

I have requested only those specific privileges which by education, training, current experience, demonstrated performance or supervision of performance I am qualified to perform and which I wish to exercise at Roger Williams Medical Center

_____ _____

Signature of Applicant Date

_____ _____

Signature of Division Director Date

_____ _____

Signature of Chairman Date

***Please do not use any correction fluid on this original document, cross off and initial any errors.**

Reviewed/Modified: 10/2013

Roger Williams
MEDICAL CENTER

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Roger Williams
MEDICAL CENTER

Policy Name: Non-Violent and Violent Restraint

Chapter: Provision of Care

PURPOSE

All patients have the right to be free from physical or mental abuse, and corporal punishment. All patients have the right to be free from restraint or seclusion, of any form, imposed as a means of coercion, discipline, convenience, or retaliation by staff. The patient's dignity, well-being and privacy shall be a priority during any episode of restraint or seclusion.

POLICY

Restraint or seclusion may only be imposed when it is clinically justified for medical purposes and when warranted by patient behavior that threatens the physical safety of the patient, a staff member, or others. Restraint or seclusion may only be used when individualized, population- and age-appropriate less restrictive interventions have been determined to be ineffective to protect the patient, a staff member, or others from harm. Restraint or seclusion should **never be ordered on an "as needed" basis.**

1. The use of handcuffs or other restrictive devices applied by law enforcement officials for the purpose of custody, detention, and public safety reasons are not considered restraints or governed by this policy.
2. "Law Enforcement Official" refers to any state, federal or local sworn officer (such as State Police, Correctional Police, Marshall, FBI officer, etc.)
3. Nursing care note: Patients with handcuffs or shackles, who are prisoners or wards of the legal system, are not considered restrained according to policy or regulatory definition, and the Restraint/Seclusion Flow Sheet and other requirements of this policy do not need to be implemented. However, nursing staff will assess and document the patient' s circulation and skin integrity upon arrival and as warranted by the patient's condition in accordance with the general standard of nursing care for patients.

Restraint type must be the least restrictive that can be safely used for the patient during a particular restraint episode.

All Restraints must be applied using safe and appropriate restraining techniques.

DEFINITIONS

1. **Restraint:** Any manual method, physical or mechanical device, material or any equipment or medication that immobilizes or reduces the ability of a patient move his or her arms, legs, body, or head freely.
2. **Violent Restraint:** Use of restraint and/or used when warranted by violent or self-destructive behavior that jeopardizes the immediate physical safety of a patient, staff, or others.
3. **Physical Restraint:** Any manual method, physical or mechanical device, material or any equipment, or drug or medication that immobilizes or reduces the ability of a patient to move his or her arms, legs, body, or head freely in all care settings. Holding a patient in a manner that restricts his/her movement constitutes.
4. **Medication (Chemical) Restraint:** A medicine used as a restriction to manage the patient's behavior or restrict the patient's freedom of movement and is not a standard treatment or dosage for the patient's condition. The medications that comprise the patient's regular treatment regimen (including PRN medications) are not considered medication restraints, even in their purpose is to control ongoing behavior. The use of this medication should be addressed in the patient's plan of care and medical record.
5. **Seclusion:** Involuntarily confining the patient alone is a room or area where the patient is physically prevented from leaving. Seclusion can only be used for the management of violent or self-destruction behavior that jeopardizes the immediate physical safety of the patient, staff, or others. Seclusion includes:
    a. Manually, mechanically, or electrically locked doors, or "one-way doors" that when closed and unlocked cannot be opened from the inside; physical intervention of staff; and coercive measures such as the threat of restraint; sanctions; or the loss of privileges that the patient would otherwise have, used for the purpose of keeping the patient from leaving the room. Seclusion does not include: Voluntary, collaborative separation from a group or activity for the purpose of calming a patient.
6. **Non-violent restraint**: The use of restraint to manage non-violent, non-self-destructive behavior that interferes with treatment or devices necessary to support medical healing
7. **Qualified RN:** An RN who has completed specific training to perform evaluation and assessment of patients who may need restraint or seclusion. This training is in addition to the minimum required restraint training.
8. **One to One (1:1) Observation: Refer to Levels of Observation Policy**
9. **Hand Mitts: Hand mitts would be considered a restraint if:**
    a. The mitts are pinned or otherwise attached to the bed/bedding or are used in conjunction with wrist restraints.
    b. The mitts are applied so tightly that the patient's hands or fingers are immobilized.
    c. The mitts are so bulky that the patient's ability to use their hands is significantly reduced.
    d. The mitts cannot be easily removed intentionally by the patient in the same manner they were applied by staff considering the patient's physical condition and ability to accomplish the objective.

    If the mitts meet any of the above criteria, they would be considered a restraint.
10. **Side Rails Restraint:** No more than 3 side rails on hospital units.
    a. If Raising the side rails prevents a patient from voluntarily getting out of bed or attempting to exit the bed, this would be restricting the patient's freedom of movement and the side rails would be considered restraint.
    b. The number of raised side rails used may also be a factor. When all four side rails are used to prevent a patient from exiting the bed, this would be a restraint, however, raising fewer than four side rails when the bed has segmented side rails would not necessarily immobilize or reduce the ability of a patient to move freely.

c. If a patient is not physically able to get out of bed, regardless of whether the side rails are raised or not, raising all four side rails for this patient would not be considered restraint because the side rails have no impact on the patient's freedom of movement.

d. If raising the side rails prevents the patient from inadvertently falling out of bed, then it is not considered a restraint. Examples include raising the side rails when a patient is on a stretcher recovering from anesthesia, sedated, experiencing involuntary movement (seizure), or on certain types of therapeutic beds to prevent the patient from inadvertently falling out of the bed.

PROCEDURE

1. Patients in restraint will be face up.
    a. Soft limb restraints will be attached using a quick-release mechanism.
    b. Limb restraints will be attached to the frame and not to the rails(s) when the patient is in a bed or stretcher.
    c. Limb and manual restraints will be applied in a manner that protects respiration, circulation, sensation, and skin integrity.
    d. Release criteria must be articulated to the patient and to the team present.

2. Restraint or seclusion must be discontinued at the earliest possible time, when the patient no longer exhibits violent or self-destructive behaviors (for violent restraint or seclusion), or when the patient no longer exhibits behaviors that interfere with treatment or devices to support medical healing (for non-violent restraint). Release of restraint to perform range of motion does not constitute restraint discontinuation.

    a. When restraints are discontinued, the order for restraint expires immediately, even if the original order has not yet expired.
    b. Assess need for continued use of restraint or seclusion if patient falls asleep.
    c. If it is determined that restraint is needed again, a new order is required. Each episode of restraint re quires a new order, and the new order starts the clock again with regard to time frames stipulated by policy.

3. Only staff and other providers who have completed required training are authorized to order, initiate, discontinue, monitor and/or care for patients in restraint or seclusion, as follows:

    a. Restraint or seclusion must be ordered by ordering provider
    b. Under the direction of an ordering provider or RN, restraint or seclusion may be initiated or discontinued by staff members who have completed appropriate Our Lady of Fatima hospital training.
    c. Patients in restraint or seclusion must be monitored and cared for by an RN and their delegates.

For Roger Williams Medical Center Behavioral Health areas, debriefing after restraint or seclusion episodes used for violent behavior, is recommended to be completed as soon as possible. The plan of care is reviewed and modified as appropriate.

The organization will comply with regulatory death reporting requirements related to restraint or

seclusion.

Not a Restraint

- Age or developmentally appropriate child protective safety interventions such as use of domed cribs for toddlers, or raised crib rails.
- Age-appropriate holding for a procedure.
- Intravenous (IV) arm boards, if limb is not immobilized.
- Drugs or medications used as part of a patient's standard medical or psychiatric treatment; administered within the standard dosage.
- Devices or methods to limit mobility or temporary immobilization related to medical, dental, diagnostic or surgical procedures.
- Orthopedically prescribed devices, surgical dressings or bandages, protective helmets.
- On a Behavioral Health unit, a patient may use their own room or voluntarily use the unlocked seclusion room to re-establish control over his/her behavior.
- Voluntary mechanical support used to achieve proper body position, balance, or alignment so as to allow greater mobility than would be possible without the use of such a support, including self-fastener waist wrap.

Initiation of Restraint or Seclusion		
Action	**Violent Restraint or Seclusion**	**Non-Violent Restraint**

Initiate Restraint or Seclusion After Attempting Alternatives	The authorized provider or staff member determines that less restrictive interventions are ineffective to protect the patient, a staff member, or others from imminent harm. The patient's behavior and the attempted interventions are documented in the record. Release criteria must be articulated to the patient and to the team present.	The authorized provider or staff member determines that less restrictive interventions have been determined to be ineffective to prevent interference with treatment or devices necessary to support medical healing, the patient's behavior and attempted interventions are documented in the record. Release criteria must be articulated to the patient and to the team present.
Select Type of Restraint and Apply Restraint or Seclusion	The authorized provider or staff member chooses the type or technique of restraint or seclusion that is the *least restrictive and most appropriate intervention for the patient* that will be effective to protect the patient, a staff member, or others from imminent harm.	The authorized provider or staff member chooses the type or technique of restraint that is the *least restrictive and most appropriate intervention for the patient* that will be effective to protect treatment or devices necessary to support medical healing.
Order Restraint or Seclusion	The ordering provider either enters the order into the medical record or issues a telephone order to the RN, following hospital telephone order policy. If an ordering provider is not present to issue an order, the RN • Contacts an ordering provider as soon as possible after the Restraint has been applied or seclusion has been implemented; and • One to One (1:1) Observation is required for violent restraints.	The ordering provider either enters the order into the electronic medical record or issues an order to the RN. If an ordering provider is not present to issue an order, the RN contacts an ordering provider as soon as possible after the restraint has been applied

Initiation of Restraint or Seclusion		
Action	**Violent Restraint or Seclusion**	**Non-Violent Restraint**

Order Limits	• 4 hours for adults 18 years of age or older • 2 hours for children and adolescents 9 - 17 years of age • 1 hour for children under 9 years of age	• Every 24 hours • Order may never be "as needed" (PRN).

Assessment and Monitoring of a Patient in Restraint or Seclusion		
Action	**Violent Restraint or Seclusion**	**Non-Violent Restraint**
Monitor the Patient	A staff member provides 1:1 observation. If travel is required, a competency verified staff member travels with and remains with the patient. The staff member monitoring the patient ensures that the patient's head, neck, and hands are in full view at all times. The staff member monitoring the patient recognizing any signs or symptoms of patient physical and psychological distress and calls RN and initiates Emergency Response as patient condition warrants. <u>4 Points / TATS</u>: At all times the key needs to be in possession of the person monitoring the patient as a 1:1 Observation. This is part of the handoff during change of shift.	The RN determines the level of monitoring based on patient condition. If travel is required, a competency verified staff member travels with and remains with the patient.
Perform Comprehensive Face-to-Face after the Initiation of Restraint	**Within 1 hour of initiation** of restraint or seclusion, even if restraint has already been discontinued, an ordering provider or Qualified RN performs a face-to face assessment of the patient to evaluate: ▪ The patient's immediate situation ▪ The patient's reaction to the intervention ▪ The patient ' s medical and behavioral condition ▪ The need to continue or terminate the restraint or seclusion	The ordering provider performs an in person assessment of the patient within 24 hours of the initiation of the restraint, and if continued, once every 24 hours.

Assessment and Monitoring of a Patient in Restraint or Seclusion		
Action	**Violent Restraint or Seclusion**	**Non-Violent Restraint**
	If the face-to-face assessment is performed by a Qualified RN, the Qualified RN consults with the ordering provider responsible for the patient as soon as possible. The ordering provider or Qualified RN documents the elements of the evaluation.	
Assess and Monitor the Patient Regularly and Implement Appropriate Interventions Based on Assessment	The RN assesses the patient at the initiation of restraint or seclusion, and **no less than every 1 hour** thereafter. The RN ensures that the assessment is documented and addresses: ▪ The need for continued restraint or seclusion per policy criteria individualized for the patient ▪ Physical and psychological status and comfort of the patient ▪ Response to restraint or seclusion ▪ Correct application/position of restraint as applicable ▪ Signs of any injury ▪ Skin integrity; circulation, sensation, movement (CSM) of restrained extremities, as applicable ▪ Range of Motion (ROM) performed, as applicable ▪ Level of consciousness (LOC) ▪ Nutrition and hydration ▪ Hygiene and elimination The patient's behavior or clinical condition in response to the restraint is monitored and documented **no less than every 15 minutes.** (The observer may document q15 minutes under the direction of the RN)	The RN assesses the patient at the initiation of restraint, and **no less than every 2 hours** thereafter. The RN ensures that the assessment is documented and addresses: ▪ The need for continued restraint per policy criteria individualized for the patient ▪ Physical and psychological status and comfort of the patient ▪ Response to restraint or seclusion ▪ Correct application/ position of restraint as applicable ▪ Signs of any injury ▪ Skin integrity; circulation, sensation, movement (CSM) of rest rained extremities, as applicable ▪ Range of Motion (ROM) performed, as applicable ▪ Level of consciousness (LOC) ▪ Nutrition and hydration ▪ Hygiene and elimination

Discontinuation of Restraint or Seclusion		
Action	**Violent Restraint or Seclusion**	**Non-Violent Restraint**
Discontinue Restraint As Soon As Possible	If the RN or authorized provider determines that restraint or seclusion is no longer needed, the RN, or authorized Provider discontinues restraint or seclusion and documents the time of the discontinuation.	If the RN or authorized provider determines that restraint is no longer needed, the RN or authorized provider discontinues restraint or seclusion and documents the time of discontinuation.
Orders		
Discontinue Orders	The ordering provider discontinues the orders for violent restraint and Constant Observation if the orders have not expired Note: Constant Observation may be continued as a restraint alternative if indicated, in which case the order should not be discontinued.	The ordering provider discontinues the order for non-violent restraint if the order has not expired

Renewal of Order Patient in Restraint or Seclusion		
Action	**Violent Restraint or Seclusion**	**Non-Violent Restraint**
Order Renewal	Before the end of the order limit, the RN or other authorized provider assesses that restraint is still needed, and documents the assessment. If an ordering provider is not present to issue an order, an RN contacts an ordering provider before the order expires. The ordering provider either enters the order into the electronic medical record or issues a telephone order. If restraint is still needed, the same process of assessment and order renewal is followed for no more than 24 hours.	Before the end of the order limit, the RN or other authorized provider assesses that restraint is still needed, and documents the assessment. If an ordering provider is not present to issue an order, an RN contacts an ordering provider before the order expires. The ordering provider either enters the order into the electronic medical record or issues a telephone order. If restraint is still needed, the same process of assessment and order renewal is followed.

Renewal of Order Patient in Restraint or Seclusion		
Action	**Violent Restraint or Seclusion**	**Non-Violent Restraint**
Order Restraint or Seclusion if Necessity Continues	**Before the 24 hours,** an ordering provider assesses the patient face-to-face and documents the assessment. The assessment includes: • The patient's immediate situation • The patient's reaction to the intervention • The patient' s medical and behavioral condition • The need to continue or terminate the restraint or seclusion	**Every 24 hours** an ordering provider assesses the patient face-to-face and documents the assessment. The assessment includes: • The patient's immediate situation • The patient' s reaction to the intervention • The patient' s medical and behavioral condition • The need to continue or terminate the restraint or seclusion

Education

Education is provided to ordering providers, nursing and other patient care staff during orientation and on a periodic basis.

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1. The Joint Commission (2020). Chapter: Provision of Care.
2. Center for Medicaid & Medcare Services (2022). Retrieved from: www.CMS.gov/regulations-and-guidance
3. 42 CFR 482.12 92020)
4. CMS Restraint Training Requirements Handbook (2016) HC PRO Publishing

The following CharterCARE personnel originated and approved this policy:

Contact: CNO

Approved by: Medical Executive Committee 1/17/2019
Restraint Policy Committee 3/2020
Policy Review Committee 8/26/19, 2/25/20; 2/16/23

Policy Date: 1994

Review Dates: 1994, 1996, 1997, 1999, 2000, 2001, 2004, 2005, 2007, 2008, 2009, 2010, 2011,, 2012, 2014, 2019, 2020, 2021

Revision dates: 1994, 1996, 1997, 1999, 2000, 2001, 2004, 2005, 2007, 2008, 2009, 2010, 2011, 2012, 2014, 2019, 2020, 2021

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Confidential

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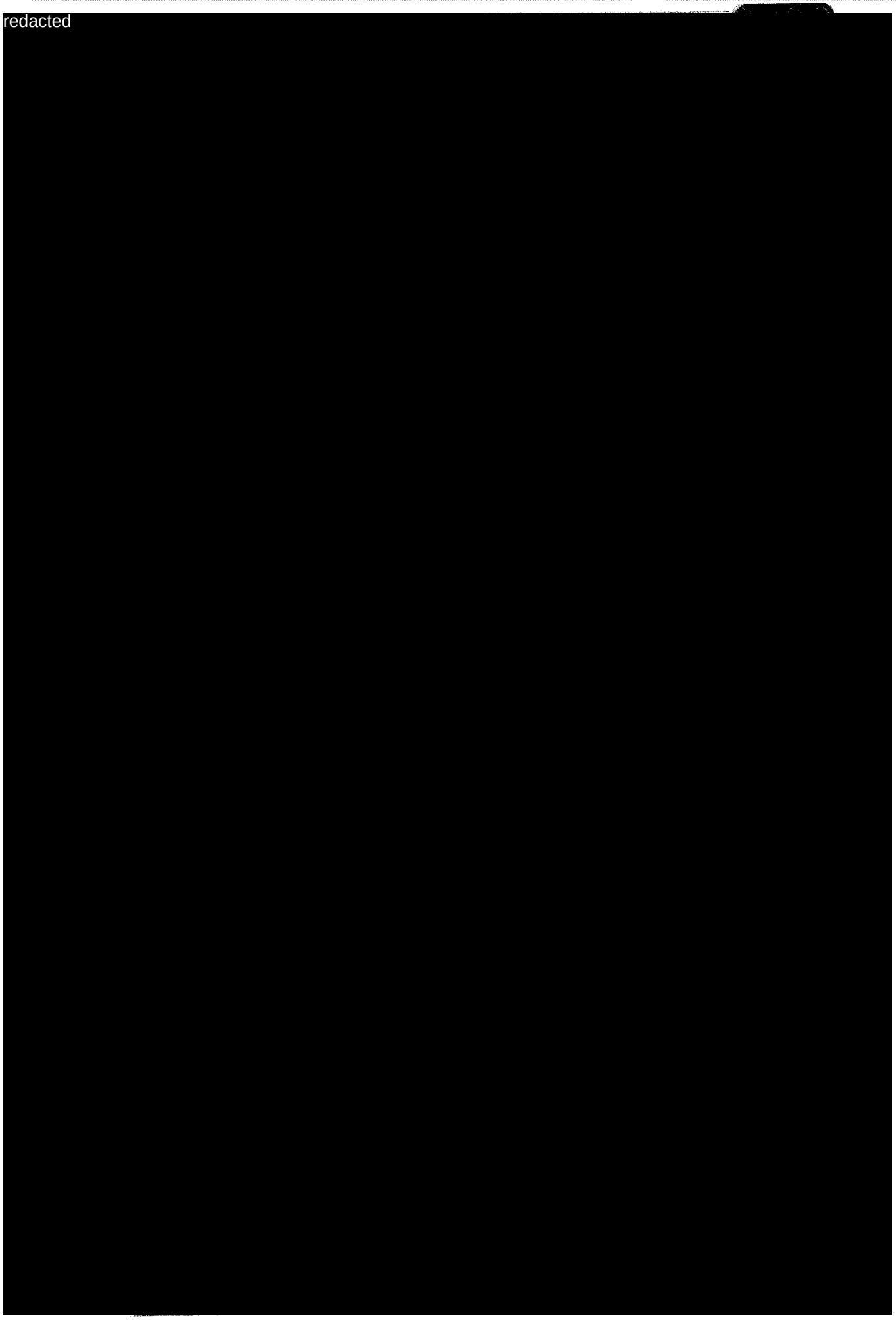

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Roger Williams MEDICAL CENTER

Credentials Committee Meeting

MINUTES

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Credentials Committee

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Roger Williams Medical Center:
Quality & Patient Safety Council Meeting

Presented via Microsoft Teams (COVID-19 Social Distancing Guidelines)

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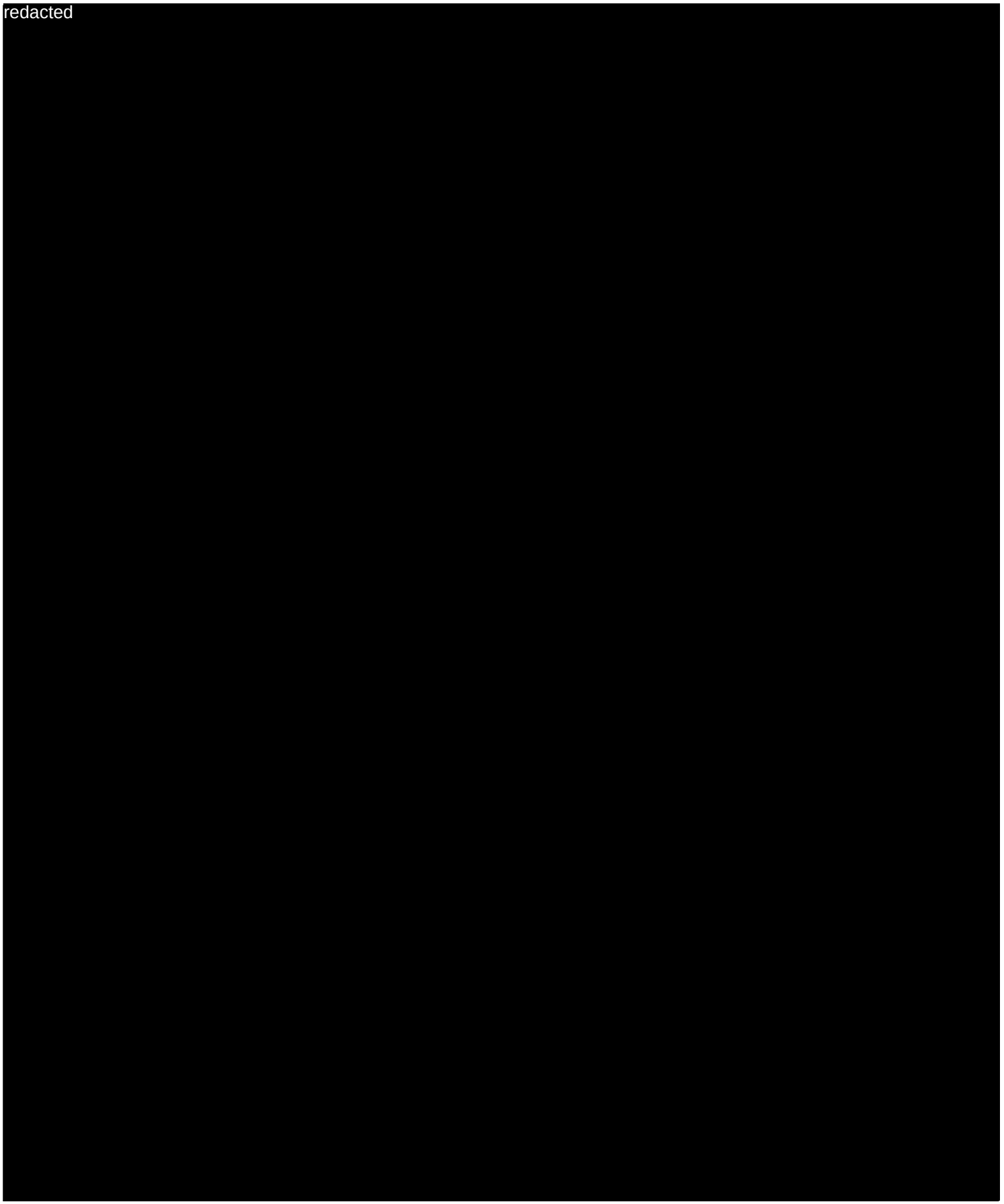

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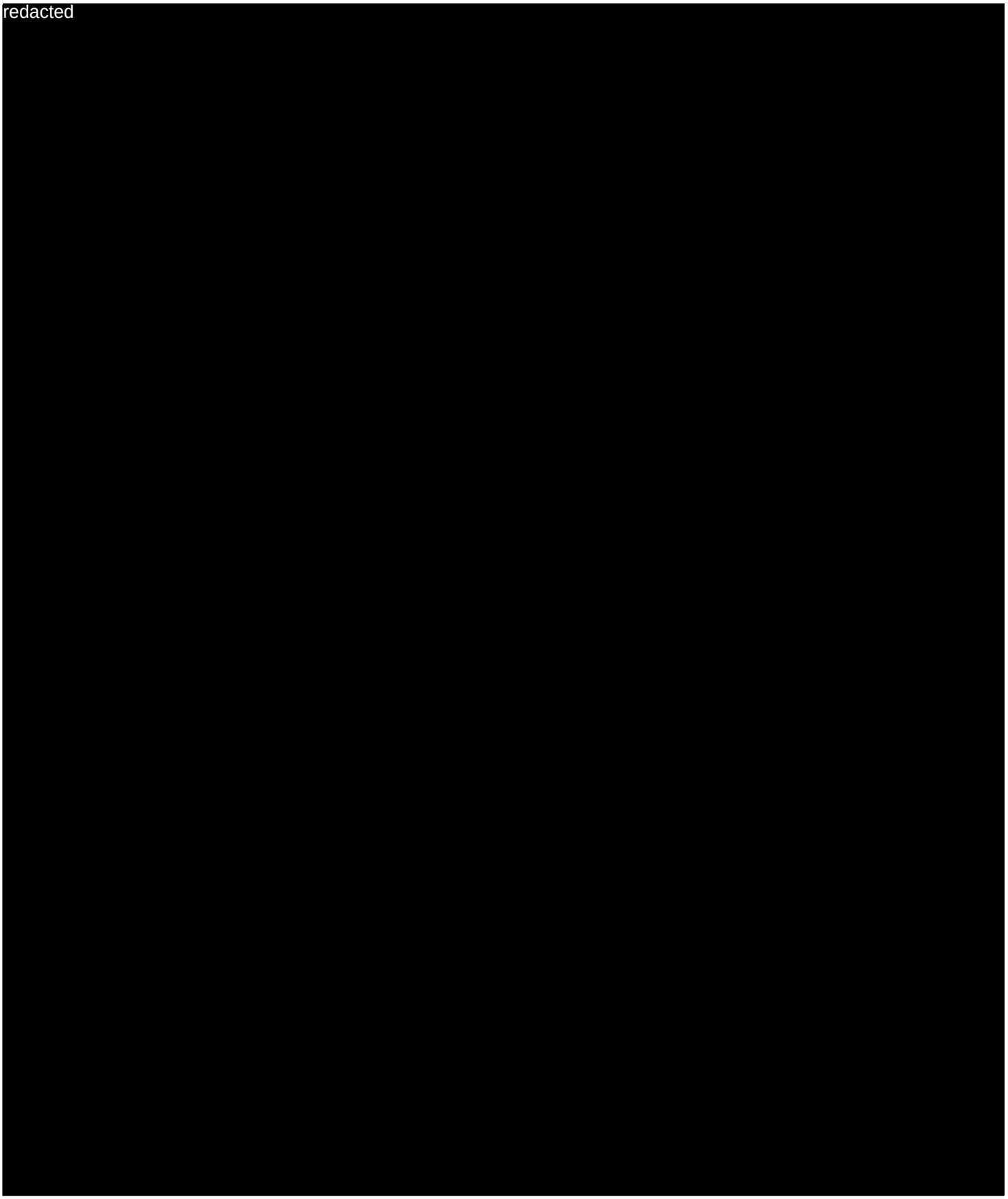

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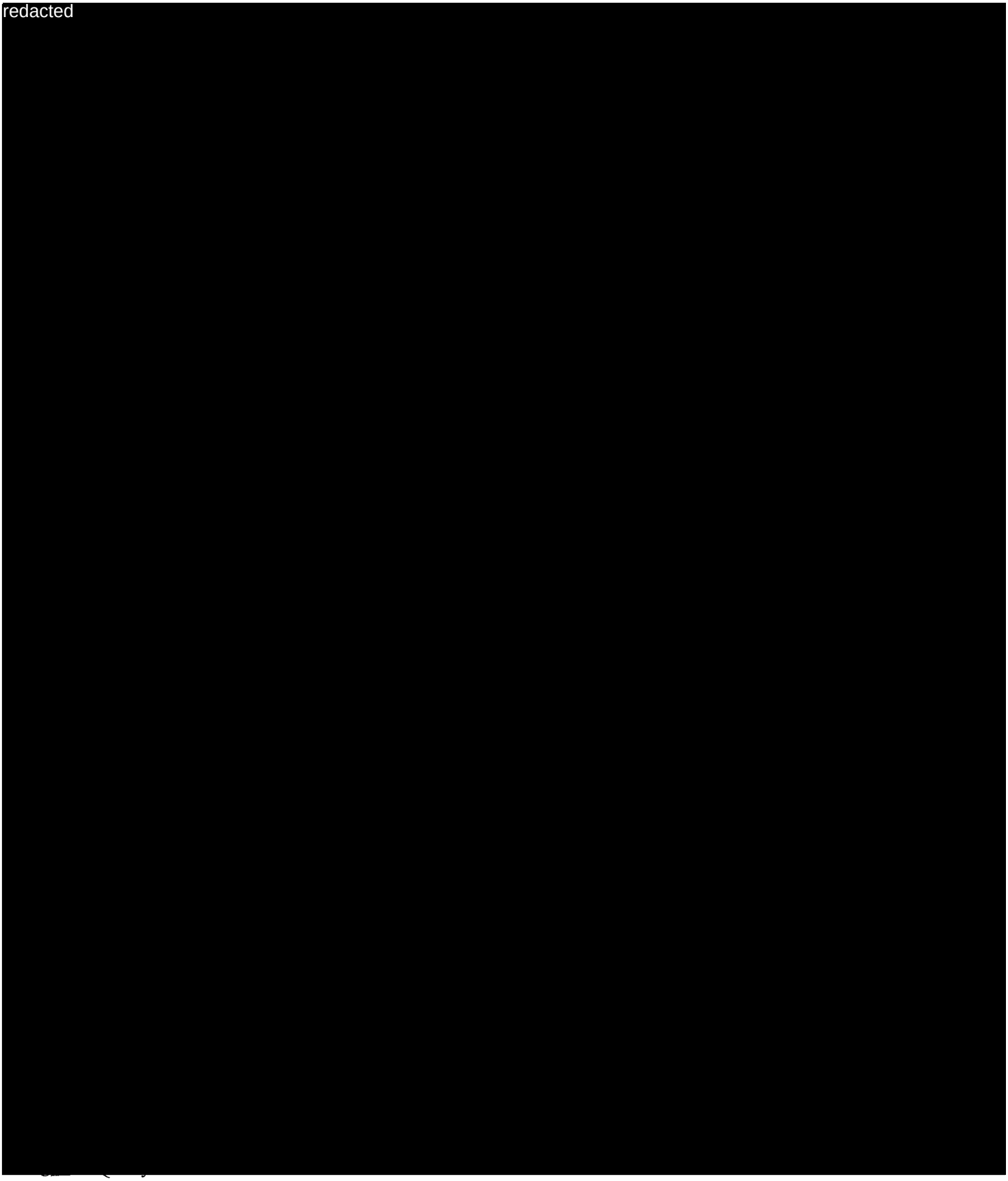

Pharmacy and Therapeutics Committee
OLF April 25, 2023/RWMC April 26, 2023

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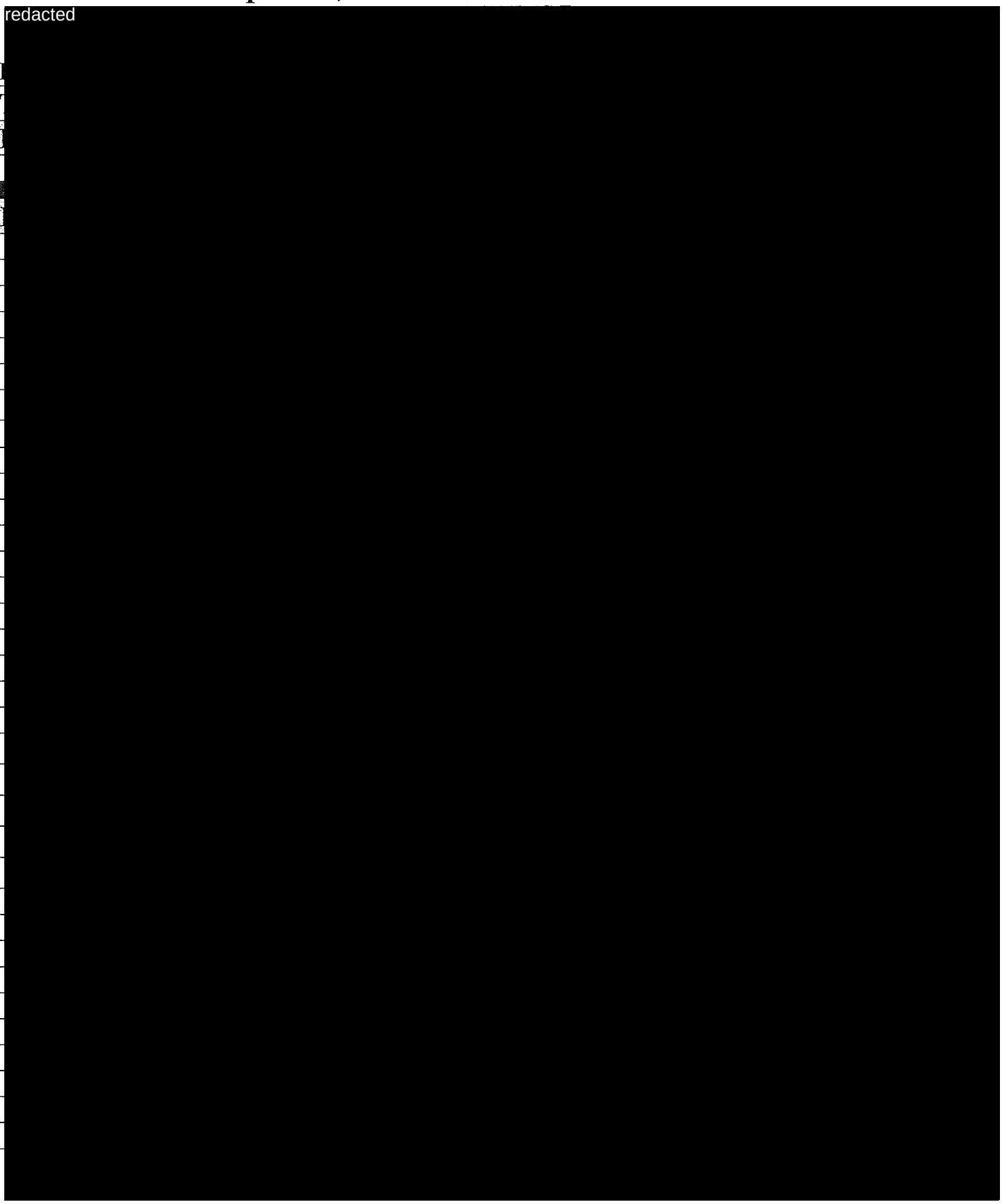

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ROGER WILLIAMS MEDICAL CENTER
P&T COMMITTEE

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SUBJECT	DISCUSSION	OUTCOME	REQUIRES M.E.C. APPROVAL

40

Pharmacy & Therapeutics Committee Meeting Minutes

April 26, 2023

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COMPASS GROUP

To : Registered Dietitians Nutritionist

From: Peggy O'Neill, Morrison Healthcare Vice President of Nutrition & Wellness

Date: April 3, 2023

Re: 2023 Nutrition Manual Across the Continuum of Care

Please review the below for the summary of content updates based upon review of existing literature and new releases, and input from the field.

Section	Summary of Changes
Section A	
Older Adults	Minor updates on dehydration discussion including target fluid requirements. Verified reference typo and provided corrections.
Section B	
Enteral Nutrition Support ***Parenteral Nutrition Support***	Content reviewed and updated based on The American Society for Parenteral and Enteral Nutrition (A.S.P.E.N) guidelines for provision of nutrition support therapy (2022) update. The 2022 update impacts only a few topic areas. Majority of guidelines published in 2016 with Society of Critical Care Medicine (SCCM) are retained as part of this review. Highlights include: • Emphasis on preventing overfeeding and optimally managing blood glucose ranges (140 mg/dL to 180 mg/dL) for patients receiving specialized nutrition support. • Use of parenteral nutrition should be reserved until at least 7 days in the ICU setting for critically ill patients that are well-nourished, for patients with malnutrition clinical judgement should dictate initiation. • Conservative provision of energy needs between 12 to 25 kcal/kg during the first 7-10 days of ICU stay is recommended irrelevant of nutrition risk to minimize metabolic complications. • Insulin guidelines for use with enteral feedings added. • Updated content related to newer versions of mixed oil and fish oil lipid injectable emulsions used in parenteral nutrition. • Updated content related to parenteral nutrition dosing and daily requirements for adult parenteral vitamins, trace elements, and electrolyte and minerals.
Enteral Complications	Moved from Section III. Updated discussion on Hyperglycemia. Updated reference 1 and 5.
Parenteral Complications	Moved from Section III. Updated discussion on Hyperglycemia. Updated reference 1, 6, 8, and 11.

Section C	
Medical Nutrition Therapy for Type 1 and Type Diabetes Mellitus	Section updates are based on American Diabetes Association (ADA) *Standards of Medical Care (2022)* including relevant Position Statements in addition to updated guidelines from The Endocrine Society (2022) and American College of Gastroenterology (2022). Highlights include: • Greater focus on evidence-based dietary patterns and quality of food intake to improve diabetes management. • Clarification of definition for type 1 diabetes in adults and latent autoimmune diabetes in adults (LADA). • Emphasis of adequate carbohydrate intake (150 g) 3 days *prior* to oral glucose tolerance testing when screening for diabetes mellitus. • Screening criteria for diabetes mellitus is now recommended at 35 years of age for all adults. Those with known risk factors should have screening independent of age for prediabetes. For persons living with HIV screening for diabetes should occur before antiretroviral therapy or at time of switching antiretroviral therapy and rechecked at 3 to 6 months and then annually. • Blood glucose monitoring (BGM) replaces the former term self-monitoring of blood glucose (SMBG). • Management of Hyperglycemia in Hospitalized Patients discussion is expanded to include The Endocrine Society *Clinical Practice Guideline of Hyperglycemia in Hospitalized Non-Critical Care Settings (2022)*. Guidelines include those *with and without* existing diabetes considering the increase prevalence of hyperglycemia observed in hospitalized noncritical care patients caused by medical treatments, injury, infection, stress response, and pharmacotherapy. • Management of Gastroparesis updated based on *American College of Gastroenterology Clinical Guideline: Gastroparesis (2022)* including endorsement of small particle diet including other medical and dietary strategies.
Management of Type 1 and Type 2 Diabetes During Pregnancy	Minor updates related to: • Importance of consistent carbohydrate intake as part of the dietary pattern to match insulin dosing. • Aspirin intake to reduce preeclampsia risk. • Blood pressure targets.
Medical Nutrition Therapy for Gestational Diabetes Mellitus	Updated content related to screening criteria for Gestational Diabetes Mellitus including independent risk factors. Update to daily carbohydrate recommendations include targeting 175 g carbohydrates (35% of 2,000 kilocalories) per day with emphasis high quality carbohydrate foods.
Section G	
MNT for Liver Disease Hepatic Encephalopathy	Corrected typo in Table G-1 to read correctly: • Protein: 1.5 g/kg (with weight loss)[2]

Section III	
COPD	Minor edits regarding application of Westerterp equation based on user feedback. Section rewritten in 2021. • Added information on protein requirements (new reference 13).

CharterCARE
HEALTH PARTNERS

CHARTERCARE HEALTH SERVICES
PHARMACY & THERAPEUTICS COMMITTEE

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ASSET PURCHASE AGREEMENT

by and between

Centurion Foundation, Inc.

on the one hand ("Buyer"),

and

Prospect Medical Holdings, Inc.,

and each of the Selling Entities,

on the other hand (collectively, "Seller")

Dated as of

November 18, 2022

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ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (collectively, with all Schedules and Exhibits hereto, this "***Agreement***") is entered into as of November 17, 2022 (the "***Effective Date***"), by and among Centurion Foundation, Inc., a Georgia nonprofit corporation ("***Buyer***"), Prospect Medical Holdings, Inc., a Delaware corporation ("***Prospect***") and each of the Selling Entities (as defined below) (collectively, "***Seller***"). Buyer and Seller are collectively referred to as the "***Parties***" and each individually as a "***Party***."

BACKGROUND

WHEREAS, Seller desires to sell to Buyer substantially all of the assets and operations, including the properties, assets and businesses, whether real, personal and mixed, tangible and intangible, related to the Facilities, the Businesses and the Joint Ventures;

WHEREAS, Buyer desires to purchase substantially all of the assets and operations, including the properties, assets and businesses, whether real, personal and mixed, tangible and intangible, of Seller and related to the Facilities, the Businesses and the Joint Ventures, including the Joint Venture Interests; and

WHEREAS, the Parties desire to set forth certain representations, warranties and covenants made by each to the other, on which they will rely as a condition to entering into this Agreement and to the closing of the transactions contemplated hereunder, and to set forth certain additional agreements relating to the transactions contemplated hereby.

NOW, THEREFORE, in consideration of the promises, covenants, representations and warranties hereinafter set forth, the Parties agree as follows:

ARTICLE I – DEFINITIONS

1.1 Definitions. As used in this Agreement, the following terms have the following meanings (unless otherwise expressly provided herein):

(a) "***Accounts Receivable***" means, other than the Excluded Payments and other items included in the definition of Excluded Assets, all accounts, notes, interest and other receivables of the Selling Entities, and all claims, rights, interests and proceeds related thereto, in each case arising from the rendering of services to inpatients and outpatients of the Businesses, billed and unbilled, recorded and unrecorded (including any accounts previously written off or charged off as bad debts), for services provided prior to the Closing Date, whether payable by private pay patients or Third Party Payors, or by any other source, including the right to receive an amount equal to the value of all accounts receivable arising from the rendering of services and provision of medicine, drugs and supplies to patients of the Businesses relating to Medicare, Medicaid, TRICARE and other third party patient claims due from beneficiaries or governmental Third Party Payors.

(b) "***Accrued PTO***" means obligations and liabilities with respect to accrued but unused paid time off, including any sick, vacation and holiday pay hours (including employer FICA and any other estimated employer Taxes thereon), recorded by the Selling Entities, pursuant

to the applicable Selling Entity's standard policies, which have been made available to Buyer, with respect to the Transferred Employees.

(c) "***ACO***" has the meaning set forth in Section 2.8(j).

(d) "***ACO Participation Agreement***" has the meaning set forth in Section 2.8(j).

(e) "***Acquisition Cost Budget***" means an amount equal to One Million One Hundred Thousand Dollars ($1,100,000.00), unless otherwise agreed in writing by the Parties.

(f) "***Acquisition Cost Cap***" means an amount equal to Four Hundred Thousand Dollars ($400,000.00).

(g) "***Acquisition Costs***" means the out-of-pocket third-party costs and expenses incurred by Buyer and QHR in connection with the structuring, negotiation, and other efforts relating to the transactions contemplated by this Agreement, including, but not limited to, the following activities: (i) the conduct by the Appraiser of a valuation and determination of (y) the fair market value purchase price to be paid by Buyer to Seller in consideration for the Purchased Assets, taking into account the Assumed Liabilities, and (z) the financial feasibility of the transactions contemplated herein under the financing structure by Buyer; (ii) efforts to obtain Acquisition Financing; (iii) the conduct of due diligence activities customary in health care facility acquisitions to assess the feasibility of the transactions contemplated hereunder necessary to achieve the Closing; (iv) the preparation, negotiation and execution of the Transaction Documents; and (v) the satisfaction of those certain conditions described in ARTICLE VI and ARTICLE VII , including activities that incur Regulatory Approval Costs.

(h) "***Acquisition Financing***" means financing of the transactions contemplated hereunder through the issuance of tax-exempt and/or taxable bonds or by such other financing means (to be determined in Buyer's sole discretion) on behalf of, or for the benefit of Buyer, which, for the avoidance of doubt, includes any alternative financing in the event the initial financing is not consummated.

(i) "***Actions***" means any pending or threatened claim, cause of action, demand, litigation, action, suit, arbitration, proceeding, right in action, mediation, judgment, order, settlement agreement, search warrant, civil investigative demand, or subpoena, whether known or unknown, that may be alleged or brought by any Person, Governmental Authority or any administrative, arbitration, or governmental proceeding, investigation, audit or inquiry of any nature, civil, criminal, administrative, regulatory or otherwise.

(j) "***Affiliate***" means, with respect to a Person, any other Person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, such Person; provided, however, with respect to Buyer's Affiliates referenced in Section 8.13(c)8.13(b) Section 8.23, Section 9.2, Exhibit G and Exhibit H, Buyer's Affiliates shall be defined as any and all other Persons that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with Buyer and that own and/or operate the Businesses after the Closing. The term "***control***" (including the terms "controlled by" and "under common control with") used in the preceding sentence shall mean the

possession, directly or indirectly, of the power to direct or cause the direction of the work activities, management or policies of a Person, whether through ownership of securities, the election or appointment of board members, by contract or otherwise.

(k) "***Aggregate Transaction Costs***" means the aggregate amount of the Purchase Price, Seller's Transaction Expenses, Acquisition Costs, closing costs, recording fees and title insurance premiums.

(l) "***Agreement***" has the meaning set forth in the Preamble.

(m) "***Anti-Kickback Law***" has the meaning set forth in Section 2.4(a)(xii).

(n) "***Antitrust Approvals***" means (i) the expiration or termination of all waiting periods (and extensions thereof) applicable to the consummation of the transactions contemplated by this Agreement and the Transaction Documents under the HSR Act and any other applicable Antitrust Laws, and (ii) the clearances, approvals and consents required to be obtained under applicable Antitrust Laws to permit the Parties to consummate the transactions contemplated by this Agreement and the Transaction Documents.

(o) "***Antitrust Laws***" means the HSR Act, the Sherman Act, 15 U.S.C. §§ 1-7, as amended, the Clayton Act, 15 U.S.C. §§ 12-27, 29 U.S.C. §§ 52-53, as amended, the Federal Trade Commission Act, 15 U.S.C. §§ 41-58, as amended, all applicable foreign antitrust Laws, and all other applicable Laws issued by a Governmental Authority that are designed or intended to prohibit, restrict, or regulate actions having the purpose or effect of monopolization or restraint of trade or lessening of competition through merger or acquisition.

(p) "***Applicant***" has the meaning set forth in Section 3.15.

(q) "***Application Date***" has the meaning set forth in Section 5.2(b).

(r) "***Appraiser***" means VMG Health, the healthcare valuation specialist who determined the fair market value of the Purchased Assets, and any other appraiser mutually agreed upon by the Parties.

(s) "***Assumed Contracts***" has the meaning set forth in Section 2.1(a)(xii).

(t) "***Assumed IP***" has the meaning set forth in Section 2.1(a)(ix).

(u) "***Assumed Liabilities***" has the meaning set forth in Section 2.3.

(v) "***Assumed Permits***" has the meaning set forth in Section 2.1(a)(xiv).

(w) *"**Balance Sheet Date**"* has the meaning set forth in Section 3.4.

(x) "***Balance Sheets***" means the unaudited individual and/or combined balance sheets of the Selling Entities.

(y) "***Basket Amount***" has the meaning set forth in Section 9.4(a).

(z) *"**Bill of Sale and Assignment and Assumption Agreement**"* has the meaning set forth in Section 2.8(a).

(aa) "***Bishop***" has the meaning set forth in Section 6.2(f).

(bb) "***Businesses***" means, collectively, the businesses operated by the Selling Entities, including the Facilities; *provided*, that, for the avoidance of doubt, the Parties hereby agree and acknowledge that the term "Businesses" does not include the Joint Ventures or any of their healthcare facilities, assets or businesses owned or operated by the Joint Ventures.

(cc) "***Buyer***" has the meaning set forth in the Preamble.

(dd) "***Buyer Benefit Plans**"* has the meaning set forth in Section 8.3(b).

(ee) "***Buyer Fundamental Representations***" means those representations and warranties of Buyer contained in Sections 4.1(a), 4.1(b)(i), 4.1(b)(ii)(A), and 4.1(b)(iv) (Capacity, Authority and Consents), Section 4.2 (Binding Agreement), Section 4.3 (Solvency), and Section 4.6 (No Brokerage).

(ff) *"**Buyer Indemnified Parties**"* has the meaning set forth in Section 9.3.

(gg) "***Buyer Note***" has the meaning set forth in Section 7.4.

(hh) "***Cap***" has the meaning set forth in Section 9.4(b)(ii).

(ii) "***CARES Act***" means the Coronavirus Aid, Relief, and Economic Security Act and any other COVID-19 or pandemic-related funding, stimulus, advance, deferral or loan program, and all regulations and guidance issued by any Governmental Authority with respect thereto, in each case as in effect from time to time, including subsequent legislation in effect as of the date of this Agreement amending paragraph 36 of Section 7(a) of the Small Business Act.

(jj) "***Cash Escrows***" has the meaning set forth in Section 2.1(a)(xxii).

(kk) "***Cash Escrows Assignment and Assumption Agreement***" has the meaning set forth in Section 2.8(c).

(ll) "***Church***" has the meaning set forth in Section 6.2(f).

(mm) "***Church Approvals***" has the meaning set forth in Section 6.2(f).

(nn) "***Claim Information***" has the meaning set forth in Section 9.5.

(oo) "***Closing***" has the meaning set forth in Section 2.7.

(pp) "***Closing Date***" has the meaning set forth in Section 2.7.

(qq) "***Closing Net Working Capital***" has the meaning set forth in Section 2.6(b)(ii).

(rr) *"**Closing of Financials**"* has the meaning set forth in Section 8.12.

(ss) "***Closing Statement***" has the meaning set forth in Section 2.6(b)(ii).

(tt) "***CMS***" means the Centers for Medicare and Medicaid Services.

(uu) "***Code***" means the Internal Revenue Code of 1986, as amended.

(vv) "***Confidentiality Agreement***" means the Confidentiality Agreement by and between Buyer and Prospect dated August 24, 2021.

(ww) "***Consent***" means, with respect to any Person, any written notice, estoppel, qualification, amendment, modification, extension, approval, authorization, permission or waiver of, or registration, declaration or other action, communication or filing with or exemption by, such Person.

(xx) "***Contract***" means all legally binding written contracts, leases, mortgages, licenses, instruments, notes, commitments, undertakings, indentures and other agreements relating to the Purchased Assets or the operation of the Businesses to which Seller is a party or by which it or any of the Purchased Assets are bound, including agreements with payers, physicians and other providers, agreements with health maintenance organizations, independent practice associations, preferred provider organizations and other managed care plans and alternative delivery systems, joint venture and partnership agreements, management, employment, retirement, retention and severance agreements, vendor agreements, real and personal property leases and schedules, maintenance agreements and schedules, agreements with municipalities and labor organizations, and bonds, mortgages and other loan agreements.

(yy) "***Cost Reports***" means all cost and other reports filed pursuant to the requirements of Government Reimbursement Programs, and similar or successor programs with or for the benefit of Governmental Authorities for payment or reimbursement of amounts due from them.

(zz) "***Days Cash on Hand***" means, the (i) amount of cash to be retained by Buyer and shown on Buyer's opening balance sheet divided by (ii) (a) total projected annual operating expenses of Buyer, as set forth in the financial feasibility study prepared in connection with the transactions contemplated herein, (b) divided by 365.

(aaa) "***DEA Power of Attorney***" has the meaning set forth in Section 2.8(d).

(bbb) "***De-Minimis Amount***" has the meaning set forth in Section 9.4(a).

(ccc) "***Disputed Amounts***" has the meaning set forth in Section 2.6(d).

(ddd) "***Effective Date***" has the meaning set forth in the Preamble.

(eee) "***Effective Time***" has the meaning set forth in Section 2.7.

(fff) "***Employee Benefit Plans***" has the meaning set forth in Section 3.12(a).

(ggg) "***Employment Agreements***" has the meaning set forth in Section 2.1(a)(xii).

(hhh) "***Encumbrances***" means liabilities, levies, claims, charges, assessments, mortgages, security interests, liens, pledges, conditional sales agreements, title retention contracts, easements, restrictions, rights of first refusal, options to purchase and other encumbrances (including limitations on pledging or mortgaging any of the Purchased Assets) and Contracts to create in the future any such Encumbrance or suffer any of the foregoing.

(iii) "***Environmental Laws***" has the meaning set forth in Section 3.10(a).

(jjj) "***ERDs***" has the meaning set forth in Section 8.23.

(kkk) "***ERISA***" means the Employee Retirement Income Security Act of 1974, as amended.

(lll) "***ERISA Affiliate***" has the meaning set forth in Section 3.12(a).

(mmm)"***Escrow Agent***" means the escrow agent mutually agreed upon by the Parties.

(nnn) "***Escrow Agreement***" means the Escrow Agreement by and among Buyer, Prospect, and the Escrow Agent, to be executed and delivered at the Closing, in a form to be mutually agreed upon by the Parties.

(ooo) "***Essential Health Care Services***" has the meaning set forth in Section 8.22(a).

(ppp) "***Excluded Assets***" has the meaning set forth in Section 2.2.

(qqq) "***Excluded Employees***" has the meaning set forth in Section 8.3(a).

(rrr) "***Excluded Liabilities***" has the meaning set forth in Section 2.4.

(sss) "***Excluded Payments***" has the meaning set forth in Section 2.2(p).

(ttt) "***Excluded Peer Review Materials***" has the meaning set forth in Section 2.2(o).

(uuu) "***Excluded Supplemental Payments***" has the meaning set forth in Section 2.2(p).

(vvv) "***Existing Provider Agreements***" has the meaning set forth in Section 8.19.

(www) "***Existing Provider Numbers***" has the meaning set forth in Section 8.19.

(xxx) "***Facilities***" means Prospect CharterCARE SJSHRI, LLC d/b/a Our Lady of Fatima Hospital, Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center,

Prospect Blackstone Valley Surgicare, LLC, Prospect CharterCARE Home Health & Hospice, LLC and CharterCARE Sleep Disorders Center.

(yyy) "***Facility Employees***" means, except for the Retained Employees, those employees of a Selling Entity, including employees who are on leaves of absence, paid sick leave or paid time off, that provide services to the Businesses.

(zzz) "***False Claims Act***" has the meaning set forth in Section 2.4(a)(xii).

(aaaa) "***Final Balance Sheets***" has the meaning set forth in Section 2.6.

(bbbb) "***Finance Team"*** has the meaning set forth in Section 8.12.

(cccc) "***Financial Statements***" has the meaning set forth in Section 3.4.

(dddd) "***First Year Cap Amount***" has the meaning set forth in Section 9.4(b)(ii).

(eeee) "***GAAP***" means U.S. generally accepted accounting principles, as in effect from time to time.

(ffff) "***Global Conditions Escrow***" means that certain $12,000,000 escrow for Global Conditions established and maintained by Seller pursuant to the Rhode Island AG Opinion.

(gggg) "***Governing Documents***" means, for the entity in question, that entity's Articles of Incorporation, Certificate of Formation, Certificate of Limited Partnership, other filings with the applicable Secretary of State, Bylaws, Partnership Agreement, Limited Liability Company Agreement or other similar documents for the governance of the entity.

(hhhh) "***Government Reimbursement Programs***" shall mean any programs funded or administered by a Governmental Authority, or contractor(s) thereof, for the purposes of paying for healthcare services. Such programs shall include, but not be limited to, Medicare, Medicaid, TRICARE, the Civilian Health and Medical Program of the Department of Veterans Affairs, programs administered by the U.S. Department of Labor Employment Standards Administration's Office of Workers' Compensation Programs (e.g., administration of claims pursuant to the Black Lung Benefits Act), and similar or successor programs with or for the benefit of designated federal or state residents.

(iiii) "***Governmental Authority***" means any executive, legislative or judicial agency, authority, board, body, commission, court, department, instrumentality or office of any federal, state, city, county, district, municipality, foreign or other government or quasi-government unit or political subdivision.

(jjjj) "***Hazardous Materials"*** has the meaning set forth in Section 3.10(a).

(kkkk) "***Healthcare Laws***" means all relevant state and federal civil or criminal healthcare Laws applicable to the Businesses, including Medicaid, Medicare, the Anti-Kickback Law, the Stark Law, the False Claims Act, the administrative False Claims Law (42 U.S.C. §

1320a-7b(a)), the Civil Money Penalties Law (42 U.S.C. § 1320a-7a; 42 U.S.C. § 1320c-8(a)), the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. § 1320d et seq.), the exclusion Laws (42 U.S.C. § 1320a-7), any Law with respect to licensing a hospital facility, or the regulations promulgated pursuant to such Laws, and comparable state Laws.

(llll) "***HHS***" means the U.S. Department of Health and Human Services.

(mmmm) "***HIPAA***" means the Health Insurance Portability and Accountability Act of 1996 as amended by the HITECH Act, together with their implementing regulations at 45 C.F.R. Parts 160, 162 and 164.

(nnnn) "***HITECH Act***" means the Health Information Technology for Economic and Clinical Health Act of 2009.

(oooo) "***Hospitals***" mean Prospect CharterCARE SJSHRI, LLC d/b/a Our Lady of Fatima Hospital and Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center.

(pppp) "***HSR Act***" means the Hart-Scott-Rodino Improvements Act of 1976, as amended.

(qqqq) "***HSR Filings***" means all required filings pursuant to the HSR Act.

(rrrr) "***Immaterial Contract***" means any Contract to which a Selling Entity is a party that requires either the payment by such Selling Entity of $100,000 or less or the provision of goods or the performance of services by such Selling Entity having a value of $100,000 or less, in either case during the period from the Effective Date until (i) if the Contract is terminable at any time by the applicable Selling Entity without cause upon notice of ninety (90) days or less, the date on which the Contract would terminate if the Selling Entity was to give notice of termination on the Effective Date, or (ii) if the Contract is not terminable at any time by the applicable Selling Entity without cause upon notice of ninety (90) days or less, the expiration of the term of the Contract.

(ssss) "***Indemnified Parties***" has the meaning set forth in Section 9.3.

(tttt) "***Indemnifying Party***" has the meaning set forth in Section 9.5.

(uuuu) "***Indemnity Escrow Account***" has the meaning set forth in Section 2.5(a)(i).

(vvvv) "***Indemnity Escrow Amount***" means all amounts deposited in the Indemnity Escrow Account including the initial amount of $5,000,000.00 to be deposited with the Escrow Agent at Closing, together with certain other funds received for deposit in the Indemnity Escrow Account from the Cash Escrows pursuant to the Escrow Agreement and the Cash Escrows Assignment and Assumption Agreement, for a total amount of $20,000,000 at Closing.

(wwww) "***Indemnity Escrow Release Date***" means thirty-six (36) months after the Closing.

(xxxx) "***Independent Accountant***" has the meaning set forth in Section 2.6(d).

(yyyy) "***Intellectual Property***" means all intellectual property rights and related priority rights protected, created or arising under the Laws of the United States, including all (i) trademarks, service marks, trade names, and similar indicia of source of origin, all registrations and applications for registration thereof, and the goodwill connected with the use of and symbolized by the foregoing, (ii) copyrights and all registrations and applications for registration thereof, (iii) trade secrets and know-how, (iv) patents and patent applications, (v) internet domain name registrations, and (vi) other intellectual property and related proprietary rights, in each case, that are owned, licensed or leased by Seller and used in the ownership or operation of the Businesses, together with all rights to sue or make any claims for any past, present, or future infringement, misappropriation or unauthorized use of any of the foregoing rights, and the right to all income, royalties, damages and other payments that are now or may hereafter become due or payable with respect to any of the foregoing rights, including damages for past, present or future infringement, misappropriation or unauthorized use thereof.

(zzzz) "***Interim Balance Sheets***" means the unaudited individual and/or combined balance sheets of the Selling Entities as of the most recent month end available before the Closing Date.

(aaaaa) "***Interim Period***" has the meaning set forth in Section 5.1.

(bbbbb) "***Inventory***" means all inventories of supplies, drugs, food, janitorial and office supplies and other disposables and consumables held or used primarily in connection with the Businesses.

(ccccc) "***IPA***" has the meaning set forth in Section 2.8(k).

(ddddd) "***IPA Participation Agreement***" has the meaning set forth in Section 2.8(k).

(eeeee) "***IRS***" means the Internal Revenue Service.

(fffff) "***IT Systems***" has the meaning set forth in Section 2.1(a)(x).

(ggggg) "***Joint Venture***" (and Seller's interest in such Joint Ventures, whether through stock, partnership, membership, or other ownership interests, the "***Joint Venture Interests***") means the applicable Selling Entity's joint venture interests in Chemosynergy, LLC, Rhode Island PET Services, LLC, Roger Williams Radiation Therapy, LLC, Southern New England Radiation Cancer Center, LLC, and Partners in Clinical Research, LLC.

(hhhhh) "***Knowledge of Buyer***" (and any similar expression, including the expression "Buyer's Knowledge") means, as to a particular matter, the actual knowledge of the Persons set forth on Schedule 1.1(hhhhh).

(iiiii) "***Knowledge of Seller***" (and any similar expression, including the expression "Seller's Knowledge") means, as to a particular matter, the actual knowledge of the Persons set forth on Schedule (iiiii).

(jjjjj) "***Law***" means, with respect to any Person, all statutes, ordinances, by-laws, codes, rules, regulations, restrictions, orders, judgments, writs, injunctions, decrees, determinations or awards of any Governmental Authority having jurisdiction over such Person or any of such Person's assets or businesses, including, but not limited to Healthcare Laws.

(kkkkk) *"**Lease Assignment and Assumption Agreement**"* has the meaning set forth in Section 2.8(b).

(lllll) "***Leased Real Property***" means all rights, title, and interest of Seller or its Affiliates in and to those certain leases, lease amendments, guarantees, exhibits, addenda and riders thereto and any other documents creating a possessory interest in the real property used in connection with the Businesses or the Facilities, except as described on Schedule 2.2(dd), together with all buildings, improvements and fixtures thereon, leased to or from Seller or its Affiliates.

(mmmmm) "***LOI***" means that certain Amended and Restated Nonbinding Letter of Intent dated July 25, 2022 by and among Prospect, Buyer, and QHR.

(nnnnn) "***Losses***" has the meaning set forth in Section 9.2.

(ooooo) "***MAAP Program***" has the meaning set forth in Section 2.3(e).

(ppppp) "***Management Agreement***" means that certain management agreement by and between Buyer and QHR entered into no later than the Application Date pursuant to which QHR shall be responsible for managing the operation of the Facilities following the Closing in a form to be agreed upon by Buyer and QHR.

(qqqqq) "***Material Adverse Change***" means any fact, circumstance, condition, change, event or occurrence that is discovered and disclosed following the Effective Date, regardless of whether such change, event or occurrence actually occurred before, on or after the Effective Date, that has a material adverse effect on the financial condition, business, or results of operations of the Businesses, or the ability of Seller to consummate the transactions contemplated hereby. Notwithstanding the foregoing, Material Adverse Change shall not include any fact, circumstance, condition, change, event or occurrence resulting from or related to: (i) any actual or proposed change in Law or accounting standards or the interpretation, implementation or enforcement thereof, in each case applicable to the Businesses; (ii) any change that is generally applicable to similarly situated Persons in the industry in which the Businesses participates; (iii) the entry into this Agreement or the announcement, pendency or consummation of the transactions contemplated hereby, including any litigation resulting from any law related to this Agreement or the transactions contemplated herein; (iv) any action taken by Seller or an Affiliate of Seller that is required to be taken by this Agreement; (v) any omission to act or action taken with the prior written consent of Buyer or its Affiliates; (vi) any change in general business, economic, geopolitical or financial market conditions; (vii) any national or international political event or occurrence, including acts of war or terrorism, including any action taken by

Governmental Authorities in response thereto; (viii) any natural disaster, calamity, pandemic or epidemic (including the COVID-19 pandemic, including the continuation or worsening of the COVID-19 pandemic and any variation or mutation thereof), including any action taken by Governmental Authorities in response thereto; (ix) any failure, in and of itself, by the Businesses to meet any published or internal budgets, projections or forecasts (as distinguished from any change, development, or occurrence giving rise or contributing to such failure); (x) any breach of Buyer's obligations under this Agreement; (xi) the availability or cost of equity, debt or other financing to Buyer; (xii) any employee attrition or changes in Seller's or any of its Affiliates' relationship with any labor organization or union; (xiii) any developments arising from any facts of which Buyer had Knowledge or which were disclosed to Buyer during the conduct of due diligence or the public prior to the Effective Date; and (xiv) any earnings volatility or seasonal fluctuations in the operations of the Businesses consistent with prior fiscal years; *provided*, that any fact, circumstance, condition, change, event or occurrence resulting from the matters referred to in clauses (i), (ii), (vi), (vii) and (viii) shall only be included in the definition of Material Adverse Change if such matters disproportionately impact Seller or the Businesses as compared to other Persons operating in the industry in which the Businesses participate.

(rrrrr) "***Material Contracts***" has the meaning set forth in Section 3.8(a).

(sssss) "***Material Property Matters***" has the meaning set forth in Section 6.9.

(ttttt) "***Member***" has the meaning set forth in Section 3.15.

(uuuuu) "***Multiemployer Plan***" or "***Multiemployer Plans***" have the meaning set forth in Section 8.18(a).

(vvvvv) "***Net Adjustment Amount***" has the meaning set forth in Section 2.6(f)(i).

(wwwww) "***Net Working Capital***" means the net working capital of the Businesses, which shall be calculated in accordance with the methodology set forth on Schedule 1.1(wwwww), as of the Effective Time.

(xxxxx) "***Non-Financed Transaction Costs***" means the amount of Aggregate Transaction Costs, if any, that exceeds the amount of the Acquisition Financing.

(yyyyy) "***Not Financially Viable***" means that both of the following are true: (i) over any period of twelve (12) consecutive months, an Essential Health Care Service has suffered a cumulative net loss, meaning that the actual aggregate revenue associated with such Essential Health Care Services over such twelve (12)-month period was less than the actual aggregate expense of providing the Essential Health Care Service over such twelve (12)-month period (considering direct and indirect facility costs, the costs of obtaining or maintaining the physician support necessary to provide the Essential Health Care Service, and capital investments that were required in order for the Essential Health Care Service to be provided in accordance with the prevailing standard of care); and (ii) for the subsequent twelve (12)-month period immediately thereafter, the Essential Health Care Service is projected to suffer a cumulative net loss, meaning that the projected aggregate revenue associated with such Essential Health Care Services over such twelve (12)-month period (considering anticipated future reimbursement

levels and volume, in light of demographics and competitive factors) is anticipated to be less than the projected aggregate expense of providing the Essential Health Care Service over such twelve (12)-month period (considering direct and indirect facility costs, the costs of obtaining or maintaining the physician support necessary to provide the Essential Health Care Services, and the capital investment necessary to continue to provide the Essential Health Care Service in accordance with the prevailing standard of care).

(zzzzz) "***Objection Notice***" has the meaning set forth in Section 2.6(c).

(aaaaaa) "***Offered Employees"*** has the meaning set forth in Section 8.3(a).

(bbbbbb) "***OIG***" has the meaning set forth in Section 3.6(j).

(cccccc) "***Owned Real Property***" has the meaning set forth in Section 2.1(a)(i).

(dddddd) "***PACE Loan Lender***" means Rosemawr Capital IV LP.

(eeeeee) "***PACE Loans***" has the meaning set forth in Section 2.1(a)(xxi).

(ffffff) "***Party***" and "***Parties***" have the meaning set forth in the Premable.

(gggggg) "***PCC***" means Prospect CharterCARE, LLC d/b/a CharterCARE Health Partners.

(hhhhhh) "***Permits***" means each license, permit, right, franchise, concession, certificate, authorization, consent, certificate of need or other approval of a Governmental Authority owned or held by Seller or relating to the ownership or operations of the Businesses and the Purchased Assets, including applications for, and pending, Permits.

(iiiiii) "***Permitted Encumbrances***" means (i) those that do not, individually or in the aggregate, materially impair the usefulness or value of the Purchased Assets, (ii) those for taxes, assessments and governmental charges or levies not yet due or payable or that are being contested in good faith and set forth on Schedule 1.1(iiiiii), (iii) restrictions, covenants and easements of record that do not materially interfere with the use of the Owned Real Property or Leased Real Property for the business being conducted thereon, (iv) mechanic's, materialman's and similar statutory liens for sums not yet due and payable or that are being contested in good faith and for which the full amount at issue in such contest is escrowed or bonded, (v) those related to Material Contracts, (vi) leases that have been disclosed to Buyer, (vii) zoning regulations and other Laws affecting the Owned Real Property or Leased Real Property, (viii) matters arising as a result of the acts or omissions of Buyer or any of its Affiliates, agents, employees, contractors or representatives, (ix) standard printed exceptions customarily set forth in title reports, title commitments or title policies, and (x) those Encumbrances listed on Schedule 1.1(iiiiii).

(jjjjjj) "***Person***" means an individual, corporation, partnership, limited liability company, limited liability partnership, syndicate, person, trust, association, organization or other entity, including any Governmental Authority, and including any successor, by merger or otherwise, of any of the foregoing.

(kkkkkk) "***Personal Information***" means information defined by any Law as "personal data," "personal information," or "personally identifiable information, including any "protected health information" (as defined by HIPAA).

(llllll) "***Personal Property***" has the meaning set forth in Section 2.1(a)(iv).

(mmmmmm) "***Pre-Closing Tax Period***" means any taxable period (or portion thereof) that ends on or prior to the Closing Date.

(nnnnnn) "***Preliminary Closing Statement***" has the meaning set forth in Section 2.6.

(oooooo) "***Preliminary Net Working Capital***" has the meaning set forth in Section 2.6.

(pppppp) "***Prepaid Assets***" means all advance payments, prepayments, prepaid expenses, assumable deposits, prepaid Taxes, advances and escrows (including any rights to offset in respect thereof), in each case, related to the Businesses.

(qqqqqq) "***Property Matters***" mean any and all matters pertaining to the Owned Real Property, including without limitation, title, survey, engineering, environmental, structural, sewer/water conditions, utilities service information, zoning information, access information, assessments and city fees, developmental conditions and approvals, operating expenses and legal, physical, environmental and compliance matters and conditions respecting the Owned Real Property.

(rrrrrr) "***Prospect***" has the meaning set forth in the Preamble.

(ssssss) "***Protected Data***" has the meaning set forth in Section 3.6(k).

(tttttt) "***Purchase Price***" means the amount calculated pursuant to the Purchase Price Terms set forth on Exhibit A.

(uuuuuu) "***Purchase Price Terms***" has the meaning set forth in Section 2.6.

(vvvvvv) "***Purchased Assets***" has the meaning set forth in Section 2.1.

(wwwwww) "***QHR***" means QHR Health, LLC f/k/a Quorum Health Resources, LLC.

(xxxxxx) "***Real Property Diligence Notice***" has the meaning set forth in Section 6.9.

(yyyyyy) "***Regulatory Approval Costs***" means costs incurred by the Office of the Rhode Island Attorney General and/or Rhode Island Department of Health in connection with each agency's respective review of the transactions contemplated under this Agreement pursuant to the Hospital Conversion Act which are determined by the Office of the Rhode Island Attorney

General or the Director of the Department of Health, as they deem appropriate and in accordance with R.I. Gen. Laws section 23-17.14-13, to be the responsibility of Seller.

(zzzzzz) "***Representatives***" means, with respect to any Person, the officers, directors, principals, employees, agents, auditors, accountants, attorneys, consultants, advisors, bankers and other representatives of such Person.

(aaaaaaa) *"**Required Consents**"* has the meaning set forth in Section 6.2(c).

(bbbbbbb) "***Required Governmental Approvals***" has the meaning set forth in Section 6.2(a).

(ccccccc) "***Residents and Fellows List***" has the meaning set forth in Section 3.24.

(ddddddd) *"**Restricted Area**"* has the meaning set forth in Section 8.13(a).

(eeeeeee) "***Restricted Business***" has the meaning set forth in Section 8.13(a).

(fffffff) *"**Retained Employees**"* has the meaning set forth in Section 2.2(z).

(ggggggg) "***Rhode Island AG Opinion***" means that certain Decision Re: Initial Application of Chamber Inc.; Ivy Holdings Inc; Ivy Intermediate Holdings, Inc.; Prospect Medical Holdings, Inc.; Prospect East Holdings, Inc.; Prospect East Hospital Advisory Services, LLC; Prospect CharterCARE, LLC; Prospect CharterCARE SJHSRI, LLC; Prospect CharterCARE RWMC, LLC, dated June 1, 2021, issued by the Office of the Rhode Island Attorney General.

(hhhhhhh) "***Rhode Island DOH Opinion***" means that certain Decision Re: The applications of Chamber, Inc. for the Change in Effective Control of Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center; Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital; Prospect Blackstone Valley Surgicare, LLC; Prospect CharterCARE Home Health and Hospice, LLC and the Hospital Conversion application of Chamber, Inc.; Ivy Holdings, Inc.; Ivy Intermediate Holdings, Inc.; Prospect Medical Holdings, Inc.; Prospect East Holdings, Inc.; Prospect East Hospital Advisory Services, LLC; Prospect CharterCARE, LLC; Prospect CharterCARE SJHSRI, LLC; and Prospect CharterCARE RWMC, LLC dated June 1, 2021, issued by the Rhode Island Department of Health.

(iiiiiii) "***Second Year Cap Amount***" has the meaning set forth in Section 9.4(b)(ii).

(jjjjjjj) "***Seller***" has the meaning set forth in the Preamble.

(kkkkkkk) "***Seller Fundamental Representations***" means those representations and warranties of Seller contained in Sections 3.1(a), 3.1(b)(i), 3.1(b)(ii)(A) and 3.1(b)(v) (Capacity, Authority and Consents), Section 3.2 (Binding Agreement), Section 3.3(a) (Assets), and Section 3.19 (No Brokerage).

(lllllll) *"**Seller Indemnified Parties***" has the meaning set forth in Section 9.2.

(mmmmmmm) "***Seller Material Property Matters Notice***" has the meaning set forth in Section 6.9.

(nnnnnnn) "***Seller Wire Instructions***" has the meaning set forth in Section 2.5(a)(ii).

(ooooooo) *"**Seller's Transaction Expenses***" means (i) all fees, costs, commissions, and expenses accrued, incurred or otherwise payable by Seller or of its Affiliates in connection with the sales process or the preparation, execution, negotiation and performance of this Agreement and the other Transaction Documents and the transactions contemplated hereby or thereby, including attorneys, accountants, consultants, brokers and financial advisors, and (ii) any commission, severance, bonus, phantom equity, retention, change-in-control, compensation or other similar payment or benefit of any kind payable by Seller or any of its Affiliates to any current or former officer, director, employee, contractor or other service provider as a result of or in connection with the consummation of the transactions contemplated hereby or the entry into or adoption of this Agreement, in each case together with all employer-side payroll Taxes payable in connection therewith (or in connection with any other compensatory payments made as a result of the consummation of the transactions contemplated hereby or the entry into or adoption of this Agreement); *provided*, that Seller's Transaction Expenses shall not include any (x) severance payments made to Transferred Employees who are terminated by Buyer after the Closing, (y) any fees, costs and expenses payable by Buyer or any of its Affiliates pursuant to the terms of this Agreement (or any financing related to the transactions contemplated by this Agreement), or (z) title search or recording fees, title insurance premiums, or similar charges.

(ppppppp) "***Selling Entities***" means Prospect CharterCARE, LLC d/b/a CharterCARE Health Partners, Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center f/k/a Roger Williams General Hospital, Prospect RI Home Health and Hospice, LLC, Prospect CharterCARE Home Health and Hospice, LLC, New University Medical Group, LLC d/b/a University Medical Group, Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital, Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates, Prospect CharterCARE Ancillary Services, LLC, and Prospect Blackstone Valley Surgicare, LLC.

(qqqqqqq) "***Selling Entities' Agency Settlements***" has the meaning set forth in Section 2.2(c).

(rrrrrrr) "***SJHSRI Locations***" has the meaning set forth in Section 8.23.

(sssssss) "***Stark Law***" has the meaning set forth in Section 2.4(a)(xii).

(ttttttt) "***Straddle Period***" means any taxable year or period beginning on or before and ending after the Closing Date.

(uuuuuuu) "***Subsidiary***" means, with respect to any Person, any business entity of which (i) if the business entity is a corporation, a majority of the total voting power of shares of capital stock or other equity securities entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that

Person or a combination thereof, or (ii) if the business entity is a limited liability company, partnership, association or other business entity, a majority of the partnership or other similar ownership interest thereof or the power to elect or appoint a majority of the managers or other governing body thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more Subsidiaries of that Person or a combination thereof. For purposes hereof, a Person or Persons shall be deemed to have a majority ownership interest in a limited liability company, partnership, association or other business entity if such Person or Persons shall be allocated a majority of limited liability company, partnership, association or other business entity gains or losses or shall be or control any managing director or general partner of such limited liability company, partnership, association or other business entity.

(vvvvvvv) "***Supplemental Payments***" means any additional Medicaid fee-for-service or managed care payments to the Hospitals to offset uncompensated care and other costs including but not limited to, Disproportionate Share, Upper Payment Limit, §1115 waiver payments, Low Income Pool payments, Medicaid Graduate Medical Education payments and other similar payments.

(wwwwwww) "***Target Net Working Capital***" means, as of any determination date, an amount equal to $0.00.

(xxxxxxx) "***Tax***" (and, with correlative meaning, "***Taxes***") means: (i) any United States federal, state, local or foreign tax, custom, duty, governmental fee or other like assessment or charge of any kind whatsoever, including net income, gross income, gross receipts, windfall profit, severance, property, production, sales, use, license, excise, franchise, employment, payroll, withholding on amounts paid to or by any Person, alternative or add-on minimum, ad valorem, value-added, transfer, stamp, or environmental tax, escheat and unclaimed property obligations, together with any interest or penalty, addition to tax or additional amount imposed by any Governmental Authority, and (ii) any liability for the payment of amounts determined by reference to amounts described in clause (i) as a result of being or having been a member of any group of corporations that files, will file, or has filed Tax Returns on a combined, consolidated, unitary or similar basis, as a result of any obligation under any agreement or arrangement, as a result of being a transferee or successor, or by contract or otherwise.

(yyyyyyy) "***Tax Return***" means any return, report or similar statement required to be filed with respect to any Tax (including any schedules, attachments and amendments thereof), including any information return, claim for refund, amended return or declaration of estimated Tax.

(zzzzzzz) *"**Termination Date**"* has the meaning set forth in Section 8.1(a)(iv).

(aaaaaaaa) "***Third Party Claim***" has the meaning set forth in Section 9.5.

(bbbbbbbb) "***Third Party Payor***" means Government Reimbursement Programs and any other publicly or privately owned organization or entity authorized to provide health insurance (or property, casualty, or life insurance covering health benefits), any health maintenance organization, or any employer authorized under Law to self-insure its workers'

compensation risk and that pays for or reimburses at least some of the healthcare expenses of its beneficiaries or workers.

(cccccccc) "***Third Year Cap Amount***" has the meaning set forth in Section 9.4(b)(ii).

(ddddddd) "***Transaction Costs and Expenses***" has the meaning set forth in Section 8.17(c).

(eeeeeeee) "***Transaction Deductions***" means any deduction permitted for income Tax purposes that is attributable to any payments (or deemed payments) of Seller's Transaction Expenses.

(fffffff) "***Transaction Documents***" means, collectively, this Agreement and all ancillary agreements contemplated herein or otherwise necessary to effect the transactions contemplated hereby.

(gggggggg) "***Transfer Taxes***" has the meaning set forth in Section 8.16.

(hhhhhhhh) *"**Transferred Employees**"* has the meaning set forth in Section 8.3(a).

(iiiiiiii) "***Transferred Residents and Fellows***" has the meaning set forth in Section 8.3(e).

(jjjjjjjj) *"**Transition Services Agreement**"* has the meaning set forth in Section 2.8(h).

ARTICLE II – TRANSACTIONS AT THE CLOSING

2.1 Purchase and Sale of Purchased Assets.

(a) Subject to the terms and conditions of this Agreement, at the Closing and effective as of the Effective Time, Seller shall sell, assign, transfer and deliver to Buyer, and Buyer shall acquire, all of Seller's right, title and interest of Seller in and to all of the assets, real property, personal and mixed property of every kind, character or description, known or unknown, tangible or intangible, owned or leased by Seller wherever located and whether or not referenced or scheduled herein, including those assets owned by a Selling Entity, that are held or used in connection with the operation of the Businesses or located at or adjacent to the Facilities (whether or not in current use for Business operations), other than the Excluded Assets (all such assets other than the Excluded Assets, the "***Purchased Assets***"), in each case free and clear of all Encumbrances other than Permitted Encumbrances, including all of the following:

(i) fee simple title to all real property owned by Seller or any of its Affiliates and used in connection with the Businesses, or located at or acquired for the benefit of the Facilities, including any other buildings, leaseholds, improvements, or fixtures (the "***Owned Real Property***"), all of which Owned Real Property is described in Schedule 2.1(a)(i). For the avoidance of doubt, all rights, privileges, easements and rights of way appurtenant to said Owned Real Property,

including without limitation, all mineral, oil and gas and other subsurface rights, development rights, air rights and water rights, and any real property adjacent to the Facilities and owned by Seller, including excess land, will be included in the Purchased Assets, regardless whether listed in Schedule 2.1(a)(i);

(ii) the Leased Real Property;

(iii) all assets of Seller useable and utilized in the operation of the Facilities or Businesses, including, all facilities and sites under its licenses, any associated medical office buildings (whether owned or leased by a Selling Entity), physician clinics, ancillary services, land and buildings, and whose results of operations are included in the historical Financial Statements of the Facilities;

(iv) all tangible personal property owned by Seller and primarily used in or held for the benefit of the Businesses or the Purchased Assets, including all equipment, leasehold improvements, computer hardware, furniture, furnishings, machinery, tools, supplies, telephones, office equipment, vehicles and, to the extent assignable or transferable, all rights in all warranties of any manufacturer or vendor with respect thereto (express or implied), including the personal property listed in Schedule 2.1(a)(iv) (collectively, the "***Personal Property***");

(v) all Accounts Receivable (including patient accounts receivable), and the economic rights to receive cash paid pursuant to any Accounts Receivables owed from Government Reimbursement Programs or any other Third Party Payors, including any value based programs, prior to Closing or in respect of cost report periods ended on or prior to Closing, in each case exclusively related to the Businesses;

(vi) all current assets included in Net Working Capital, and any additional working capital assets of the Selling Entities set forth on Schedule 2.1(a)(vi);

(vii) all useable Inventory (excluding the Inventory set forth on Schedule 2.1(a)(vii));

(viii) all Prepaid Assets;

(ix) Intellectual Property, proprietary software and other intangible personal property owned by the Selling Entities and used in or held for the benefit of the Businesses or the Purchased Assets, including all Intellectual Property, software and other intangible personal property, as set forth on Schedule 2.1(a)(ix), and all tangible embodiments thereof, and, subject to Section 2.2(h) and Section 2.2(ee), all trade names used by the Facilities (collectively, the "***Assumed IP***");

(x) Information technology systems ("IT Systems"), software programs, and licensed software materials exclusively used or held for use in the Businesses, and all hardware or data processing equipment and data processing system manuals exclusively used or held for use in the Businesses;

(xi) records, including financial, patient lists, patient medical and treatment records, patient billing records, medical staff, personnel records and other records (including all accounts receivable records, equipment records, medical and administrative libraries, construction plans and specifications, documents, catalogs, books, files, operating policies and procedures, manuals and current personnel records, files, charts, books, records, ledgers, data, databases and documentation), in each case primarily used or held for use in the Businesses and subject to any exclusions pursuant to Law; *provided*, that the Selling Entities may retain copies of any such records that they are required by Law to retain;

(xii) all rights with respect to Contracts that relate to (1) the acquisition of any business, a material amount of stock or assets of any other Person or any real property (whether by merger, sale of stock, sale of assets or otherwise) related to any Business, (2) the Contracts listed or described on Schedule 2.1(a)(xii), which includes Contracts for the employment of any provider (including, without limitation, physicians, nurse practitioners, physicians' assistants and similar licensed and clinical professionals) and any non-clinical employee (collectively, the "***Employment Agreements***"), (3) the Existing Provider Agreements, (4) the leases relating to the Leased Real Property, (5) the leases relating to the Personal Property listed or described on Schedule 2.1(a)(xii), and (6) all Immaterial Contracts (all such Contracts contemplated in this Section 2.1(a)(xii), collectively, the "***Assumed Contracts***"), which, for the avoidance of doubt, shall not include any oral Contracts with any referral sources;

(xiii) all written intercompany agreements between any Selling Entity and any of Prospect Provider Groups, Inc., the ACO, the IPA, Coordinated Regional Care Group, Inc. or PHS Holdings, Inc. related to the Businesses;

(xiv) all Permits of the Selling Entities, to the extent legally assignable, relating to the ownership or operation of the Purchased Assets and to the conduct of the Businesses, including but not limited to the Government Reimbursement Program provider agreements and provider numbers (including the Existing Provider Numbers), elevator permits, and environmental permits, together with all rights, duties, liabilities and obligations therefrom, for the Businesses, including those Permits listed on Schedule 2.1(a)(xiv) (collectively, the "***Assumed Permits***");

(xv) claims and actions relating to or arising from any of the Purchased Assets with respect to periods after the Effective Time;

(xvi) telephone and facsimile numbers, post office boxes and directory listings primarily used or held for use in the Businesses;

(xvii) all pension plan assets with respect to the Facility Employees;

(xviii) all of the Selling Entities' Joint Venture Interests, to the extent assignable or transferable and not inconsistent with any Law, but only to the extent that the governing instruments thereof and applicable Laws permit such transfer,

together with all minutes and other records relating to such entities that are in the possession of a Selling Entity as of the Closing Date;

(xix) all of the assets of PCC that are associated with the Businesses and that are used in the provision of physician services under the name "CharterCare Health Partners";

(xx) any assets or equity interests relating to the surgery centers (including syndicated surgery centers that are partially-owned by physician investors, subject to any consent requirements of third parties) and physician clinics owned by the Selling Entities, and operating in the service area of the Facilities, as set forth on Schedule 2.1(a)(xx);

(xxi) all unspent proceeds of those certain Property Assessed Clean Energy (PACE) financing arrangements entered into by Prospect CharterCARE RWMC, LLC, as Borrower, in 2020 and 2021 to fund improvements to the Hospitals (the "***PACE Loans***"), unless Buyer causes Prospect CharterCARE RWMC, LLC to retire the PACE Loans in accordance with Section 8.15;

(xxii) the cash escrows, as more particularly described in the Cash Escrows Assignment and Assumption Agreement, established and maintained pursuant to the Rhode Island AG Opinion, together with all rights, duties, liabilities and obligations therefrom or relating thereto, and that which may be required to be converted by Prospect to letters of credit pursuant to the Rhode Island AG Opinion (the "***Cash Escrows***");

(xxiii) all property of the Selling Entities, real, personal or mixed, tangible or intangible, arising or acquired in connection with the Businesses between the Effective Date and the Closing Date;

(xxiv) non-public, proprietary operating and policy manuals, compliance policies and similar files and records of the Selling Entities pertaining to or used primarily in connection with the operation of the Facilities;

(xxv) general intangibles of the Businesses, including goodwill; and

(xxvi) all contract rights, interests, certifications, licenses, permits, and/or accreditations, to the extent assignable or otherwise transferable, of Seller or any of the Selling Entities used by the Selling Entities in connection with a sponsored graduate education program associated with any of the Selling Entities.

(b) For the avoidance of doubt, following Closing, Buyer and QHR shall be solely responsible for compliance with all applicable federal, state and local Laws, including without limitation, the following: (i) federal and state Laws relating to "fraud and abuse" by hospitals and other health care providers; (ii) the Stark Law; (iii) Medicare and Medicaid claim processing regulations; and (iv) state and federal confidentiality requirements, including HIPAA and Rhode Island Law governing confidentiality of medical records as well as applicable privacy, security and breach notification provisions as set forth under Subtitle D of HITECH, which is

Title XIIII of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5) and any regulations promulgated thereunder for operations and activities of Buyer or QHR taken with respect to the Purchased Assets for all periods after the Closing.

2.2 Excluded Assets. Notwithstanding the generality of the definition of Purchased Assets and of the examples of Purchased Assets listed in Section 2.1(a), the following assets (the "***Excluded Assets***") are not a part of the sale and purchase contemplated by this Agreement and are excluded from the Purchased Assets, and Seller shall retain all of their respective rights, titles and interests therein and thereto from and after the Closing:

(a) all current and non-current cash and cash equivalents, securities, investments, endorsements, bond funds and other funds created by bond indentures, research rights and non-assumable prepaid expenses or any other current assets that are not included in the calculation of the Net Working Capital (if any);

(b) all insurance policies in respect of the operation of the Facilities or the Businesses and all rights to insurance proceeds arising in connection with the loss of, damage to, or otherwise relating to the Purchased Assets after the Effective Date, to the extent not expended on the repair or restoration of the Purchased Assets between the Effective Date and the Closing;

(c) rights to positive or negative Cost Report settlements or retroactive adjustments on the Selling Entities' Cost Reports in respect of time periods prior to the Closing (collectively, "***Selling Entities' Agency Settlements***");

(d) all intercompany assets, receivables or obligations between the Selling Entities and any of their Affiliates related to the Businesses as set forth on Schedule 2.2(d);

(e) assets and liabilities under medical malpractice risk pools and workers compensation and employee retirement programs;

(f) non-public, proprietary marketing materials and marketing brochures, film, data and studies or analyses, documents or records;

(g) the Contracts that (i) primarily relate to the Excluded Liabilities or the Excluded Assets, (ii) do not exclusively relate to either the Businesses, the Purchased Assets or the Facilities, (iii) are multi-hospital Contracts as to which the Businesses and one or more of a Selling Entity's other acute care hospitals participate that is not a Facility, (iv) are system-wide Contracts of Seller or its Affiliates which are accessible to the Businesses by virtue of the Businesses being owned by an Affiliate of Seller that is not a Facility, as applicable, (v) are available only to Seller and its Affiliates, or (vi) any other Contracts that are not Assumed Contracts, including this Agreement, the Transaction Documents and those Contracts which are set forth on Schedule 2.2(g);

(h) any Intellectual Property (i) not exclusively used or held for use in the Businesses, (ii) made available to Buyer and its Affiliates following the Closing pursuant to the Transition Services Agreement, or (iii) any Intellectual Property that contains the name "Prospect" (as well as all abbreviations, variations or derivations thereof, including any world-wide web address containing "Prospect"), any promotional material, educational material,

signage, stationery, supplies or other items of inventory bearing such names, marks, trade dress, logos, or symbols or abbreviations, variations or derivations thereof, and any URLs, sites, blogs or pages hosted on a Selling Entity's system websites, including associated content embodied within the foregoing;

(i) all IT Systems, software programs and hardware or data processing equipment, data processing system manuals and licensed software materials that are (i) not exclusively used or held for use in the Businesses, or (ii) proprietary software, data processing programs or source codes of a Selling Entity, used in connection with the operation of a Selling Entity's acute care hospitals other than the Businesses;

(j) the Selling Entities' Employee Benefit Plans (other than Assumed Contracts);

(k) all minute books and corporate organizational records relating to Seller and all other books and records that they are required by Law to retain;

(l) those pharmaceuticals described on Schedule 2.2(l) that cannot, by Law, be sold by a Selling Entity to Buyer;

(m) all claims, rights, interests and proceeds with respect to Tax payments, refunds, and credits (including but not limited to property tax refunds and charity tax credits) related to the Businesses with respect to periods ending prior to the Effective Time, and the right to pursue appeals of the same;

(n) all claims, causes of action, choses in action, rights of recovery, rights of set off and rights of recoupment of Seller with respect to periods prior to the Effective Time, and any payments, awards or other proceeds resulting therefrom;

(o) peer review materials and any writings, documents and other items that are protected from discovery by the attorney-client privilege, the attorney work product doctrine or any other cognizable privilege or protection, in each case, except to the extent related to the Assumed Liabilities (collectively, the "***Excluded Peer Review Materials***");

(p) any receipts (i) relating to any Supplemental Payments with respect to time periods prior to the Effective Time (the "***Excluded Supplemental Payments***"), (ii) relating to the Selling Entities' Cost Reports or Selling Entities' Agency Settlements (whether resulting from an appeal by a Selling Entity or otherwise) and other risk settlements with respect to time periods prior to the Effective Time, (iii) which result from a Selling Entity's pursuit of one or more appeals pertaining to Medicare, Medicaid (including, without limitation, disproportionate share hospital program payments) or TRICARE with respect to periods prior to the Effective Time, (iv) relating to participation in any group purchasing organization (including any tax refunds, rebates or fee sharebacks for purchases made prior to Closing) with respect to periods prior to the Effective Time or (v) with respect to meaningful use attestations (collectively, the "***Excluded Payments***");

(q) any Inventory disposed of or exhausted after the Effective Date and on or before the Closing Date in the ordinary course of the Businesses;

(r) other than the Purchased Assets, any other assets or business owned or operated by Seller;

(s) any other current or long-term assets not primarily used or held for use in, or primarily related to, the Businesses and which are not included or disclosed by notes in the Interim Balance Sheet or the Final Balance Sheet;

(t) the rights of Seller under this Agreement;

(u) Inventory that is not useable in the ordinary course or that is obsolete or substandard, including the Inventory described on Schedule 2.2(u);

(v) the Permits set forth on Schedule 2.2(v);

(w) any provider relief funds under the CARES Act that are intended to compensate any Selling Entity for costs incurred or lost revenue as a result of the COVID-19 pandemic, related to the period prior to the Closing, whether such funds are received prior to or after the Closing;

(x) all Supplemental Payments;

(y) the Selling Entities' National Provider Identifiers;

(z) the Facility Employees set forth on Schedule 2.2(z) (collectively, the "***Retained Employees***");

(aa) all bank accounts of the Selling Entities;

(bb) any financial, patient, medical staff, personnel and other records of the Businesses that the Selling Entities cannot transfer to Buyer due to applicable Law by which such Selling Entity is bound;

(cc) all proceeds of the foregoing;

(dd) the Owned Real Property and Leased Real Property set forth on Schedule 2.2(dd); and

(ee) other specifically excluded assets set forth on Schedule 2.2(ee).

2.3 Assumed Liabilities. In connection with the sale and transfer of the Purchased Assets to Buyer at the Closing and effective as of the Effective Time, Buyer shall assume and be responsible for only the following liabilities, obligations and duties of the Selling Entities, to the extent they are primarily related to the operation of the Businesses (all such liabilities, collectively, the "***Assumed Liabilities***"), including, without duplication:

(a) liabilities, obligations and duties of any Selling Entity under the Assumed Contracts arising after the Effective Time;

(b) all costs relating to asbestos removal and remediation at the buildings and improvements included in the Purchased Assets;

(c) debts, obligations, expenses, or liabilities arising out of or relating to any act, omission, event or occurrence with respect to the transfer, use, ownership or operation by Buyer of the Businesses, Facilities, or any of the Purchased Assets, or related to the Transferred Employees as of or after the Effective Time;

(d) except as described on Schedule 2.3(d), and to the extent permissible under applicable Law, Accrued PTO (and to the extent Buyer's assumption of the Accrued PTO is not legally permissible, Buyer shall reimburse Seller for that portion of the Accrued PTO that cannot be assumed);

(e) all liabilities, obligations and duties relating to payments received by the Hospitals from CMS's Accelerated and Advance Payment Program or Medicare Advance Payment Program (the "***MAAP Program***");

(f) all liabilities, obligations and duties relating to the PACE Loans, unless Buyer causes Prospect CharterCARE RWMC, LLC to retire the PACE Loans in accordance with Section 8.15;

(g) all duties, liabilities, and obligations that arise or accrue in connection with the Rhode Island AG Opinion and the Rhode Island DOH Opinion; *provided*, *however*, that Buyer shall not assume, and shall not be responsible for any liabilities of Seller related to breaches by Seller prior to the Closing of their obligations under the Rhode Island AG Opinion or the Rhode Island DOH Opinion;

(h) subject to Section 2.4, all duties, liabilities, and obligations that arise in connection with Buyer's taking assignment of the Exiting Provider Agreements and Existing Provider Numbers; and

(i) other specifically assumed liabilities set forth in Schedule 2.3(i).

2.4 Excluded Liabilities.

(a) Buyer shall not assume, and under no circumstances shall Buyer be obligated to pay, discharge, perform or assume, and none of the assets of Buyer shall be or become liable for or subject to, any debt, obligation, expense or liability of the Selling Entities thereof related to any liability that is not an Assumed Liability (collectively, the "***Excluded Liabilities***"). For the avoidance of doubt and subject to the foregoing, Buyer shall not assume any of the following liabilities:

(i) any debt, obligation, expense, or liability that is not an Assumed Liability or identified as assumed debt in Net Working Capital;

(ii) claims or potential claims for medical malpractice or general liability relating to acts or omissions asserted to have occurred prior to the Closing;

(iii) any liabilities or obligations associated with or arising out of any of the Excluded Assets;

(iv) any liabilities and obligations of Seller in respect of periods prior to the Effective Time arising under the terms of the Medicare, Medicaid, CHAMPUS/TRICARE, Blue Cross, or other third party payor programs, including, without limitation, in respect of third party payors pursuant to retrospective settlements (including, without limitation, pursuant to Medicare, Medicaid and CHAMPUS/TRICARE cost reports filed or to be filed by Sellers for periods prior to the Effective Time, Medicare Recovery Audit Process (RAC) appeals, accountable care organizations (ACOs) and all liabilities and obligations for periods prior to the Effective Time related to all Medicaid payments and programs, including, but not limited to (i) settlements or adjustments to prior Medicaid payments resulting from the State's audit or other recalculation of Medicaid payments for services rendered (ii) Medicare Disproportionate Share Hospital (DSH) adjustments, and (iii) Low Income Pool adjustments), and all appeals and appeal rights of Seller relating to such settlements, any audit under the Medicare RAC program or any noncompliance with applicable law or contractual obligations related to the billing or collection of services, the ACO, and any liability arising pursuant to the Medicare, Medicaid, CHAMPUS/TRICARE, Blue Cross, or any other third party payor programs as a result of the consummation of any of the transactions contemplated under this Agreement, unless such liabilities or obligations are otherwise an Assumed Liability or are included in Net Working Capital;

(v) any Tax liabilities or obligations of the Selling Entities or their Affiliates in respect of periods prior to the Closing, regardless of when such Tax liabilities or obligations may become due and payable;

(vi) all liabilities and obligations in connection with benefits, accruals, rights or claims by or on behalf of the employees of the Selling Entities at the Facilities relating to periods prior to the Closing including, without limitation, compensation-related payments, pension, profit sharing, deferred compensation, equity or equity-related compensation, incentive compensation, fringe benefit, tuition reimbursement, severance, termination pay, change in control or retention payments, bonuses or any other employee benefit plan of whatever kind or nature or any employee health and welfare benefit plans, liability for any unemployment compensation claim or workers' compensation claim, and any liabilities or obligations to former employees of the Selling Entities under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, (*provided*, *however*, that this clause (g) shall not apply to any and all employee benefits constituting Assumed Liabilities under Section 2.3);

(vii) any liability or obligation arising out of the Selling Entities' non-compliance with laws, regulations, rules and ordinances relating to employment, including but not limited to those enforced by the Wage and Hour Division of the U.S. Department of Labor, Equal Employment Opportunity

Commission, Office of Federal Contract Compliance Programs, National Labor Relations Board, Occupational Safety and Health Administration or any comparable state or local agency;

(viii) any obligation or liability accruing, arising out of, or relating to any federal, state or local investigations of, or claims or actions against, Seller or any of their Affiliates or any of their employees, medical staff, agents, vendors, representatives, successors or assigns, with respect to acts or omissions prior to the Effective Time;

(ix) any civil or criminal obligation or liability accruing, arising out of, or relating to any acts or omissions of Seller, their Affiliates or, to the extent related to their services to Seller, their directors, officers, employees and agents claimed to violate any applicable Law;

(x) liabilities or obligations arising out of any breach by Seller prior to the Effective Time of any Assumed Contract;

(xi) any debt, obligation, expense, or liability of Seller arising out of or incurred solely as a result of any transaction of the Selling Entities occurring after the Effective Time;

(xii) any liabilities or obligations arising from noncompliance with all applicable federal, state and local Laws, including without limitation, (A) federal and state Laws relating to "fraud and abuse" by hospitals and other health care providers; (B) the federal Anti-Kickback Law (42 U.S.C. § 1320(a)-7(b) et seq.) (the "***Anti-Kickback Law***"); (C) the Ethics in Patient Referrals Act (42 U.S.C. § 1395nn et seq.) (the "***Stark Law***"); (D) the False Claims Act (31 U.S.C. § 3729 et seq.) (the "***False Claims Act***"); (E) Medicare and Medicaid claim processing regulations; and (F) state and federal confidentiality requirements, including HIPAA and Rhode Island law governing confidentiality of medical records as well as applicable privacy, security and breach notification provisions as set forth under Subtitle D of the HITECH Act and any regulations promulgated thereunder, for operations and activities of Seller taken prior to Closing;

(xiii) any intercompany liabilities and obligations that are not an Assumed Liability;

(xiv) all of Seller's Transaction Expenses incurred by Seller or any of its Affiliates;

(xv) any liability based upon, arising from or in any way related to: (A) environmental claims or claims associated with alleged violations of environmental laws for acts prior to Closing; (B) employee claims; (C) tax matters; (D) government or private payor claims of any kind, including, without limitation, Medicare and Medicaid provided that it is acknowledged that Buyer may elect to assume the Facilities' provider agreements with Medicare without affecting the obligation of Seller to indemnify Buyer for liabilities arising under such agreements

and accruing prior to Closing under Section 9.3); (E) non-compliance or alleged non-compliance by the Selling Entities with any federal, state or local law, rule or regulation; and (F) medical malpractice or general liability claims; or

(xvi) any and all obligations with respect to existing litigation or contractual claims relating to the Owned Real Property or Leased Real Property arising or accruing prior to the Effective Time.

2.5 Purchase Price.

(a) At the Closing, in exchange for the Purchased Assets, Buyer will pay the Purchase Price based on the statement delivered by Prospect pursuant to Section 2.6) as follows:

(i) The Indemnity Escrow Amount shall be deposited by wire transfer of immediately available funds into an account designated by the Escrow Agent (the "***Indemnity Escrow Account***") and shall be held and distributed in accordance with the terms of the Escrow Agreement to satisfy any and all claims made by Buyer pursuant to ARTICLE IX ;

(ii) Buyer will pay to Seller the Purchase Price, as may be modified in accordance with Section 2.6, *less* (a) an amount equal to $5,000,000 deposited into the Indemnity Escrow Account at Closing, (b) any remaining accrued and outstanding Acquisition Costs, which amounts shall either (I) be remitted to Buyer or QHR as reimbursement for those the Acquisition Costs already paid by Buyer or QHR, respectively, if any, or (II) paid to third parties at the direction of Buyer, (c) the amount of the Buyer Note, (d) in the event Buyer determines to assume the PACE Loan in accordance with Section 8.15, an amount equal to the full outstanding amount of the PACE Loans as of the Closing *less* any escrow amounts held in the PACE escrow account, and (e) an amount equal to eighty (80) Days' Cash on Hand as of the Closing Date, and payable in immediately available funds by wire transfer to the account or accounts designated by Seller as set forth in wiring instructions provided by Seller to Buyer (the "***Seller Wire Instructions***").

(b) The Purchase Price shall be allocated among the various classes of Purchased Assets in accordance with and as provided by Section 1060 of the Code and the Final Balance Sheets. The Parties agree that any Tax returns or other Tax information they may file or cause to be filed with any Governmental Authority shall be prepared and filed consistently with such agreed upon allocation. In this regard, the Parties agree that, to the extent required, they will each properly prepare and timely file Form 8594 in accordance with Section 1060 of the Code.

2.6 Purchase Price Adjustment.

(a) At least sixty (60) days but no more than seventy-five (75) days prior to the Closing Date, Prospect and Buyer shall mutually agree on: (x) a statement (the "***Preliminary Closing Statement***") setting forth the Net Working Capital of the Businesses as of the Effective Time (the "***Preliminary Net Working Capital***"), (y) a statement setting forth the Parties' calculation of the Purchase Price, which shall be calculated using the methodology and the Purchase Price terms set forth on Exhibit A (the "***Purchase Price Terms***") and (z) an unaudited

balance sheet of the Businesses as of the Closing Date with allocations of the Purchase Price consistent with the allocations set forth on Exhibit A (the "***Final Balance Sheets***").

(b) On the Closing Date, the Purchase Price shall be adjusted, if the Preliminary Net Working Capital, determined at least three (3) days but no more than ten (10) days prior to the Closing Date, is not equal to the Target Net Working Capital, as follows:

(i) If the Preliminary Net Working Capital as calculated pursuant to Section 2.6(b) is greater than the Target Net Working Capital, the Purchase Price shall be adjusted upward by the amount of such excess; or

(ii) If the Preliminary Net Working Capital as calculated pursuant to Section 2.6(b) is less than the Target Net Working Capital, the Purchase Price shall be adjusted downward by the amount of such deficit.

(c) Within one hundred eighty (180) days after the Closing Date, Buyer shall prepare, or cause to be prepared, and deliver to Prospect a written statement (the "***Closing Statement***") setting forth the Businesses' Net Working Capital as of the Effective Time (the "***Closing Net Working Capital***"), prepared in accordance with the principles set forth on Schedule 2.6(c) and based exclusively on the facts and circumstances as they existed prior to the Closing, excluding the effects of any event, act, change in circumstances or similar development arising or occurring on or after the Closing Date.

(d) During the sixty (60) business day period following Prospect's receipt of the Closing Statement, Buyer shall cooperate with Prospect and its Representatives to provide them with any information used in preparing the Closing Statement reasonably requested by Prospect and its Representatives reasonably available to Buyer. The Closing Statement shall become final and binding on the sixtieth (60th) business day following delivery thereof, unless prior to the end of such period, Prospect delivers to Buyer written notice of its disagreement (an "***Objection Notice***") specifying the nature and amount of any disputed item.

(e) During the thirty (30) business day period following delivery of an Objection Notice by Prospect to Buyer, Prospect and Buyer in good faith shall seek to resolve in writing any differences that they may have with respect to the matters specified therein. During such thirty (30) business day period, Prospect shall cooperate with Buyer and its Representatives to provide them with any information used in preparing the Objection Notice reasonably requested by Buyer or its Representatives reasonably available to Prospect. Any disputed items resolved in writing between Buyer and Prospect within such thirty (30) business day period shall be final and binding with respect to such items, and if Prospect and Buyer agree in writing on the resolution of each disputed item specified by Prospect in the Objection Notice, the updated Closing Statement (including the calculation of the Closing Net Working Capital) so determined shall be final and binding on the Parties for all purposes hereunder. If Prospect and Buyer have not resolved all such differences by the end of such thirty (30) business day period, Prospect and Buyer shall submit, in writing, to a mutually acceptable independent public accounting firm (the "***Independent Accountant***"), their briefs detailing their views as to the nature and amount of each item remaining in dispute (the "***Disputed Amounts***") and the calculation of the Closing Net Working Capital, and the Independent Accountant shall make a written determination as to the

Disputed Amounts and the calculation of the Closing Net Working Capital, which determination shall be final and binding on the Parties for all purposes hereunder. The Independent Accountant shall be authorized to resolve only the Disputed Amounts and make any adjustments to the Closing Statement in connection therewith. The Parties agree that the Independent Accountant's decision for each Disputed Amount must be within the range of values assigned to such item in the Closing Statement and the Objection Notice, respectively. The determination of the Independent Accountant shall be based solely on the presentations and information submitted by Prospect and Buyer and not on independent review, and shall be accompanied by a certificate of the Independent Account that it reached such determination in accordance with this Section 2.6(e). Prospect and Buyer shall use their commercially reasonable efforts to cause the Independent Accountant to render a written decision resolving the matters submitted to it within thirty (30) business days following the submission thereof. The determination of the Independent Accountant, functioning as arbitrators, shall be final and binding on Prospect and Buyer, and may be used in a court of law by either Prospect or Buyer for the purpose of enforcing such decision. The costs of any dispute resolution pursuant to this Section 2.6(e), including the fees and expenses of the Independent Accountant and of any enforcement of the determination thereof, shall be borne equally by Buyer, on the one hand, and Prospect, on the other hand. The fees and disbursements of the Representatives of each of Prospect and Buyer incurred in connection with their preparation or review of the Closing Statement (including the computation of the Closing Net Working Capital) and preparation or review of any Objection Notice, as applicable, shall be borne by such Party.

(f) The Purchase Price shall be adjusted if the Closing Net Working Capital as finally determined pursuant to this Section 2.6 is not equal to the Preliminary Net Working Capital as calculated pursuant to Section 2.6(b), as follows:

(i) For purposes of this Agreement, "***Net Adjustment Amount***" means an amount, which may be positive or negative, equal to the Closing Net Working Capital as finally determined pursuant to this Section 2.6, minus the Preliminary Net Working Capital as calculated pursuant to Section 2.6(b);

(ii) If the Net Adjustment Amount is positive, the Purchase Price shall be adjusted upward in an amount equal to the Net Adjustment Amount, and Buyer shall pay such amount to Prospect; and

(iii) If the Net Adjustment Amount is negative (in which case the Net Adjustment Amount for purposes of this Section 2.6(f)(iii) shall be deemed to be equal to the absolute value of such amount), the Purchase Price shall be adjusted downward in an amount equal to the Net Adjustment Amount, and Prospect shall pay such amount to Buyer.

(g) All downward adjustments to the Purchase Price made pursuant to Section 2.6 or amounts to be paid by Seller to Buyer pursuant to Section 2.6(f) shall reduce the amount of the Buyer Note and will not reduce that portion of the Purchase Price being paid in cash. All upward adjustments to the Purchase Price made pursuant to Section 2.6 or amounts to be paid by Buyer to Seller pursuant to Section 2.6(f) shall increase the amount of the Buyer Note and will not increase that portion of the Purchase Price being paid in cash. Amounts to be paid by Buyer

pursuant to Section 2.6(f) shall be made within three (3) business days of final determination of the Closing Net Working Capital pursuant to this Section 2.6 via an amendment or replacement of the Buyer Note.

(h) All payments made pursuant to this Section 2.6 shall be treated by all Parties for Tax purposes as adjustments to the Purchase Price.

2.7 Closing. Subject to the terms and conditions of this Agreement, the closing of the transactions contemplated under this Agreement (the "***Closing***") shall take place electronically on (a) the last business day of the month on which all of the conditions to Closing set forth in ARTICLE VI and ARTICLE VII are satisfied or waived (other than those conditions which are to be satisfied at Closing, but subject to such conditions being satisfied at the Closing), or (b) such other date as the Parties may mutually agree upon (the "***Closing Date***"). The Closing shall be deemed to have occurred and to be effective as between the Parties as of 12:01 A.M. Eastern Time on the first calendar day after the Closing Date (the "***Effective Time***").

2.8 Actions of Seller at Closing. At the Closing or within such other timeframes as specified below and unless otherwise waived in writing by Buyer, Seller shall deliver or cause to be delivered to Buyer the following:

(a) A Bill of Sale and an Assignment and Assumption Agreement in the form attached hereto as Exhibit B (together, the "***Bill of Sale and Assignment and Assumption Agreement***") executed by Seller, conveying to Buyer good and marketable title to all tangible and intangible assets that are included in the Purchased Assets, and conveying to Buyer the rights, title and interest of the applicable Seller in the Assumed Contracts and Assumed Permits;

(b) An Assignment and Assumption of Leases in substantially the form attached hereto as Exhibit C (the "***Lease Assignment and Assumption Agreement***"), executed by Seller, conveying to Buyer Seller's interest in all leases relating to the Leased Real Property;

(c) An Assignment and Assumption of the Cash Escrows in a form to be mutually agreed upon by the Parties (the "***Cash Escrows Assignment and Assumption Agreement***"), executed by Seller, conveying to Buyer the rights, duties, liabilities and obligations therefrom and relating thereto;

(d) The Drug Enforcement Administration (DEA) Power of Attorney for use of each Facility's DEA Controlled Substance Registration in the form attached hereto as Exhibit D and executed by Seller (the "***DEA Power of Attorney***");

(e) A certificate dated as of the Closing Date executed by duly authorized officers of Seller, attaching and certifying as true and correct and in full force and effect as of the Closing resolutions duly adopted by the board of directors or equivalent governing body of Seller, authorizing and approving the performance of the transactions contemplated hereby and the execution and delivery of this Agreement and the other Transaction Documents;

(f) Certificates of existence and good standing of each Selling Entity from the state of their respective incorporation or formation, each dated no later than ten (10) days prior to the Closing Date;

(g) A valid IRS Form W-9, duly executed by Seller;

(h) The Transition Services Agreement between Seller and Buyer in a form to be mutually agreed upon by the Parties, which shall (i) be for an initial period of twelve (12) months following the Closing (which may be extended for up to two additional six (6) month periods provided that Buyer is not in material default of any of its obligations thereunder at the time of the extension), (ii) include compensation for services based upon the actual or allocated cost consistent with the methodology used for such services provided to the Facilities and not calculated to capture any margin or premium in addition to reimbursement for any one-time actual out-of-pocket implementation costs and fees payable to a party that is not affiliated with Seller (such compensation subject to a 5.0% increase for each renewal term as contemplated above), (iii) notwithstanding anything contained herein to the contrary, if any Contract set forth on Schedule 2.2(g) identified as a "Seller Global Contract" is not partially assigned or novated or replaced with a new Contract with Buyer or its Affiliate, Seller shall have the right to include such Seller Global Contracts in the Transition Services Agreement for the earlier of the duration of such Seller Global Contract or at such time as Buyer enters into a new Contract that does not result in a financial penalty to Seller under such Seller Global Contract, and (iv) incorporating such additional terms on transition services as mutually agreed upon prior to Closing (the "***Transition Services Agreement***"), executed by Seller;

(i) The Escrow Agreement executed by Prospect;

(j) The Participation Agreement between Prospect Health Services RI, Inc. (the "***ACO***") and Buyer (or a designee of Buyer) in a form to be mutually agreed upon by the Parties (the "***ACO Participation Agreement***"), executed by the ACO;

(k) The Participation Agreement between Prospect Provider Group RI, LLC d/b/a CharterCare Provider Group RI, LLC (the "***IPA***") and Buyer (or a designee of Buyer) in a form to be mutually agreed upon by the Parties (the "***IPA Participation Agreement***"), executed by the IPA;

(l) The Right of First Refusal Agreement between Prospect (or a designee of Prospect) and Buyer (or a designee of Buyer) in a form to be mutually agreed upon by the Parties (the "***ROFR Agreement***"), executed by Prospect (or a designee of Prospect);

(m) A certificate executed by Seller certifying that the conditions set forth in Section 6.1 have been satisfied or waived;

(n) Copies of the fully-executed Required Consents, including, without limitation, any estoppel certificates of the counterparties to any leases for the Leased Real Property which Seller is able to obtain after using commercially reasonable efforts, it being understood that (i) such lease estoppel certificates will not be a condition to closing; (ii) the failure to obtain such lease estoppel certificates will not constitute a default, breach or failure to satisfy a closing condition under this Agreement; and (iii) Seller shall not be obligated to request an estoppel certificate if the counterparty to the lease agreement is not contractually obligated to provide the same under its lease;

(o) General warranty deeds in a form to be mutually agreed upon by the Parties and other customary and appropriate instruments of conveyance (seller's affidavit, sales disclosure, non-foreign affidavit, Form 1099-S, and other similar documents) necessary to convey each parcel of Owned Real Property included in the Purchased Assets, each, to the extent required, acknowledged and in recordable form; and

(p) Substantially all curative instruments necessary to release Encumbrances other than Permitted Encumbrances, including, without limitation, payoff letters from all lenders to Seller in form reasonably satisfactory to Buyer.

2.9 Actions of Buyer at Closing. At the Closing and unless otherwise waived in writing by Prospect, Buyer shall deliver or cause to be delivered to Seller the following:

(a) The Purchase Price (in accordance with Section 2.5);

(b) The Bill of Sale and Assignment and Assumption Agreement executed by Buyer;

(c) The Lease Assignment and Assumption Agreement executed by Buyer;

(d) The Cash Escrows Assignment and Assumption Agreement executed by Buyer;

(e) The DEA Power of Attorney executed by Buyer and its designee;

(f) A certificate dated as of the Closing Date executed by a duly authorized officer of Buyer, attaching and certifying as true and correct and in full force and effect as of the Closing resolutions duly adopted by the board of directors or equivalent governing body of Buyer and any assignee of Buyer pursuant to Section 10.5, authorizing and approving the performance of the transactions contemplated hereby and the execution and delivery of this Agreement and the other Transaction Documents;

(g) The Transition Services Agreement executed by Buyer;

(h) The Escrow Agreement executed by Buyer;

(i) The ACO Participation Agreement executed by Buyer or a designee of Buyer;

(j) The IPA Participation Agreement executed by Buyer or a designee of Buyer;

(k) The Right of First Refusal Agreement executed by Buyer or a designee of Buyer;

(l) A certificate executed by Buyer certifying that the conditions set forth in Section 7.1 have been satisfied or waived;

(m) For each Selling Entity that is enrolled in the Medicare program prior to the Closing, evidence that Buyer filed the applicable Form CMS-855 providing that Buyer agrees to accept assignment of each such Selling Entity's Medicare provider agreement;

(n) Evidence of Acquisition Financing (i.e., that the Acquisition Financing has closed and proceeds from the sale of the tax-exempt bonds have been delivered to the trustee in accordance with the respective bond indenture); and

(o) Buyer Note, if and to the extent required by Section 7.4 below.

ARTICLE III - REPRESENTATIONS AND WARRANTIES OF SELLER

As of the Effective Date and as of the Closing Date, when read in light of any Schedules that are updated prior to the Closing Date in accordance with the provisions of Section 5.2, Seller represents and warrants to Buyer with respect to the Businesses and solely for purposes of Buyer's diligence of the Facilities and Businesses and expressly not in connection with the offering of any securities relating to the Facilities and/or the Businesses, the following:

3.1 Capacity, Authority and Consents.

(a) Seller is duly organized, validly existing and in good standing under the Laws of the state of its formation or incorporation, each of which is listed on Schedule 3.1(a). Seller has all requisite power and authority to enter into the transactions under this Agreement and the other Transaction Documents, to which it is or will become a party, to perform its obligations hereunder and thereunder, to own, lease and operate its properties, and to conduct its business as now being conducted.

(b) The execution, delivery and performance of this Agreement and all other Transaction Documents to which Seller is or will become a party and the actions to be taken by Seller in connection with the consummation of the transactions contemplated herein and therein:

(i) are within the powers of Seller, are not in contravention of applicable Law or the terms of Seller's Governing Documents and have been duly authorized by all appropriate action;

(ii) except as set forth in Schedule 3.1(b)(ii), do not require any Consent of (A) any Governmental Authority other than applicable requirements under the HSR Act or (B) any third party;

(iii) except as set forth in Schedule 3.1(b)(iii), will not result in any material breach or contravention of, nor permit the acceleration of the maturity of or the termination of, payment of any penalty or constitute a default under, any of the Assumed Contracts or any material indenture, mortgage or other Contract to which Seller is a party or otherwise bound;

(iv) will not result in the creation or imposition of any Encumbrance on any Purchased Asset other than Permitted Encumbrances; and

(v) will not violate any Law to which Seller or the Business is subject.

3.2 Binding Agreement. This Agreement and all other Transaction Documents to which Seller is or will become a party is and will constitute the valid and legally binding obligations of the applicable Seller, and is and will be enforceable against the applicable Seller in accordance with the respective terms hereof or thereof, except as enforceability may be restricted, limited or delayed by applicable bankruptcy or other Laws affecting creditors' rights generally and except as enforceability may be subject to general principles of equity.

3.3 Assets.

(a) Except as set forth on Schedule 3.3(a), the applicable Seller or its designated Affiliate owns and holds, or will own and hold as of the Closing, valid title to or effective leasehold interest in, as the case may be, all of the Purchased Assets, free and clear of all Encumbrances other than Permitted Encumbrances.

(b) The Purchased Assets, taken as a whole, are in good operating condition and repair, ordinary wear and tear and routine maintenance excepted. To Seller's Knowledge, except for any Permitted Encumbrances, there are no facts or conditions affecting the Purchased Assets which could, individually or in the aggregate, interfere in any material respect with the use, occupancy or operation of the Facilities as currently used, occupied or operated, or their adequacy for such use, occupancy or operation. Except as set forth on Schedule 3.3(b), there is no debt financing affecting the Purchased Assets.

(c) Schedule 2.1(a)(i) sets forth an accurate and complete list of all Owned Real Property and Schedule 3.3(c) sets forth an accurate and complete list of all Leased Real Property, including the name and physical address of each parcel of Owned Real Property and Leased Real Property. Seller have delivered to Buyer copies of all title insurance policies, surveys, and other material documentation in the possession, custody, or control of Seller relating to the Owned Real Property.

(d) Schedule 3.3(d) sets forth an accurate and complete list of each item of Personal Property having a book value in excess of $10,000. Except as disclosed on Schedule 3.3(d), since the Effective Date, neither Seller nor any of its Affiliates has sold or otherwise disposed of any item or items of Personal Property having a book value in excess of $100,000 individually, other than Inventory items sold, used or disposed of in the ordinary course of business.

(e) Except as set forth on Schedule 3.3(e), Seller has not received notice from any Governmental Authority of, and there is not any pending or, to the Knowledge of Seller, threatened: (i) condemnation or other eminent domain proceedings affecting the Owned Real Property or any part thereof, or the Leased Real Property or any part thereof; or (ii) any material violation of any Laws (including zoning and land use ordinances, building codes and similar requirements) with respect to the Owned Real Property or Leased Real Property or any part thereof, which have not heretofore been cured.

(f) Except with respect to any lessor leases to be assumed, as set forth on Schedule 3.3(f) or as may be used or occupied in the ordinary course of Businesses, including

without limitation use or occupancy by patients, employees, and staff, Seller has not leased or otherwise granted to any Person the right to use or occupy any Owned Real Property or any portion thereof. Except as set forth on Schedule 3.3(f) or as may be used or occupied in the ordinary course of Businesses, including without limitation use or occupancy by patients, employees, and staff, Seller has not subleased, licensed, sublicensed, or otherwise granted any Person the right to use or occupy any Leased Real Property.

3.4 Financial Statements

(a) Attached as Schedule 3.4 are complete and accurate copies of the audited balance sheets and statements of income with respect to the Businesses for the fiscal years ended September 30, 2019, 2020, and 2021, and unaudited balance sheets and statements of income with respect to the Businesses for the period ended August 31, 2022 (the "***Balance Sheet Date***") (collectively, the "***Financial Statements***"), which Financial Statements are maintained on an accrual basis. Except as set forth on Schedule 3.4, the Financial Statements present fairly in all material respects the financial condition and results of operations of the Businesses as of the dates and for the periods indicated therein in accordance with GAAP, except that the Financial Statements (i) that are not for a fiscal year-end do not reflect normal recurring year-end adjustments, (ii) do not contain footnotes, (iii) are prepared without physical inventories, (iv) do not contain a statement of cash flow, (v) omit substantially all the disclosures required by GAAP, (vi) are not restated for subsequent events, (vii) may not reflect any adjustments for impairment of long-lived assets, or restructuring charges or the reclassification of assets held for sale on the applicable balance sheet, and (viii) Balance Sheets reflect the following liabilities in intercompany liabilities: (A) accruals in respect of the Selling Entity's self-insured liabilities, including employee health benefits and malpractice liabilities, (B) liabilities payable in connection with workers' compensation claims, (C) liabilities payable pursuant to any employee welfare benefit plan (within the meaning of Section 3(1) of ERISA) maintained by the Selling Entities on account of any of the Facility Employees and (D) payroll and bonuses payable and vacation, holiday and similar accruals with respect to the Facility Employees, including employee bonuses for director positions and above. Except as set forth on Schedule 3.4, there are no obligations or liabilities, whether absolute, accrued, contingent or otherwise, of the Businesses that are required in accordance with GAAP to be reflected or disclosed in the Financial Statements except for obligations or liabilities (a) reflected or disclosed in the Financial Statements or (b) incurred in the ordinary course of business since the Balance Sheet Date, none of which have had a Material Adverse Change.

3.5 Licenses and Accreditations.

(a) Schedule 3.5(a) sets forth a complete and accurate list of all material Assumed Permits owned, held or issued in connection with the Businesses as conducted prior to the Effective Time, copies of which have been made available to Buyer, and all of which are valid and in full force and effect. The Selling Entities hold all material Permits required to be held by them to own, occupy and operate the Businesses as it is currently being operated.

(b) Other than as set forth on Schedule 3.5(b), the Selling Entities have not received any written notices, warnings or notices of deficiency from any Governmental Authority with respect to the suspension, restriction, revocation or termination of any material Assumed

Permits (other than deficiencies from surveys arising in the ordinary course of business for which corrections have been implemented or are in the process of being implemented), and to Seller's Knowledge, no such suspension, restriction, revocation or termination is pending or threatened.

3.6 Regulatory Compliance; Reimbursement Matters. To Seller's Knowledge, except as set forth on Schedule 3.6, in the twenty-four (24) months prior to and as of the Effective Date (the "***Lookback Period***"):

(a) In respect of the Businesses, the Selling Entities are, and have been, in compliance in all material respects with all applicable Laws (other than Environmental Laws), including the applicable Healthcare Laws and have timely filed all material reports, data and other information required to be filed with Governmental Authorities.

(b) With respect to the operation of the Facilities, or the Businesses, no Selling Entity has been charged with, given written notice of, is in material violation of, is under any obligation to take remedial action under, is subject to any material Action with respect to, or is under investigation with respect to, any applicable material Law, including applicable Healthcare Laws (other than any Environmental Law).

(c) Without limiting the generality of the foregoing, no Selling Entity or, to Seller's Knowledge, any Representative thereof, has directly or indirectly offered, paid, solicited or received, or made arrangements to offer, pay, solicit or receive, any remuneration, in cash or in kind, to or from any past, present, or potential customers, past, present, or potential suppliers, patients, physicians, healthcare professionals, medical staff members, contractors, referral sources, or Third Party Payors of the Businesses either in material violation of any applicable Healthcare Law or in order to obtain business or payments from such Persons that would reasonably be expected to subject such Selling Entity or the Businesses to any material damage or penalty in any civil, criminal or governmental Action.

(d) With respect to the Businesses, no Selling Entity or, to Seller's Knowledge, any Representative thereof, has made or is in the process of making a voluntary self-disclosure under the Self-Referral Disclosure Protocol established by the Secretary of the United States Department of HHS pursuant to Section 6409 of the Patient Protection and Affordable Care Act, or under the self-disclosure protocol established and maintained by the HHS Office of the Inspector General, or any United States Attorney, the U.S. Department of Justice, a state Medicaid program or fraud unit, a state Attorney General, or other Governmental Authority. With respect to the Businesses, no Selling Entity is currently considering any such self-disclosure, and to Seller's Knowledge, no Selling Entity has an obligation to make any such self-disclosure in lieu of repayment under section 6402(a) of the Patient Protection and Affordable Care Act.

(e) With respect to the Businesses, no Selling Entity is or has been, (i) a party to a Corporate Integrity Agreement with the HHS Office of Inspector General; (ii) subject any reporting obligations pursuant to any settlement agreement entered into with any Governmental Authority; (iii) the subject of any Government Reimbursement Program investigation conducted by any Governmental Authority; (iv) a defendant in any qui tam/False Claims Act litigation; and (v) the recipient of or served with any search warrant, subpoena, civil investigation demand,

contact letter or any other written material inquiry related to compliance with applicable Healthcare Laws from any Governmental Authority.

(f) Each Selling Entity is and has been in material compliance with all applicable Healthcare Laws and with all of its Assumed Permits, and has not received any written notice or communication from any Governmental Authority or any Government Reimbursement Program, or any Third Party Payor that alleges material noncompliance with any applicable Healthcare Law by such Selling Entity. Without limiting the generality of the foregoing, to the Knowledge of Seller: (i) none of the Selling Entities nor, to Seller's Knowledge, any of their respective directors, officers, employees, shareholders, members, or managers have engaged in any activity or entered into any Contract or other arrangement which is prohibited under the Anti-Kickback Law, and/or the regulations promulgated thereunder, or applicable state or local fraud and abuse statutes or regulations; and (ii) none of the Selling Entities nor, to Seller's Knowledge, any of their respective directors, officers, employees, shareholders, members, or managers acting on such entity's behalf has established or maintains a "financial relationship," as that term is defined by the Stark Law or applicable state or local Stark-type statutes or regulations, with a physician or an immediate family member of a physician if such physician refers patients to a Selling Entity unless such financial relationship meets an exception to the Stark Law or applicable state or local Stark-type statutes or regulations.

(g) To Seller's Knowledge, all claims submitted to any Third Party Payor or Government Reimbursement Program by, and the coding and billing practices of, the Selling Entities have been in material compliance with all applicable Healthcare Laws, applicable contracts and enforceable Third Party Payor billing guidelines. Except for refunds to carriers and patients and other billing and collection issues in the ordinary course of business that, individually or in the aggregate, are not material to the Businesses, to the Knowledge of Seller, the Selling Entities have not billed or received any payment in excess of amounts allowed by any applicable Healthcare Law, contract or billing guideline. Except billing and collection issues in the ordinary course of business that are not material to the Businesses, Selling Entities have paid or caused to be paid all known and undisputed refunds or overpayments which have become due to any Third Party Payor or patient within the timeframes set forth and in accordance with the requirements under the Patient Protection and Affordable Care Act of 2010, as amended, and the Health Care and Education Reconciliation Care Act of 2010, as amended. To the Knowledge of Seller, except in the ordinary course of business, the Selling Entities: (i) have not been the subject of any focused reviews, Recovery Audit Contractor audits, Medicaid Integrity Program audits or other audits with respect to any Government Reimbursement Program or other Third Party Payor program; or (ii) otherwise received any notice or request for repayment or refund from any Government Reimbursement Program or other Third Party Payor program.

(h) With respect to each Contract with a Third Party Payor to which a Selling Entity is a party, such Selling Entity has materially complied with all applicable requirements, including, without limitation, conditions of payment or participation, applicable manuals, instructions, FAQs and guidance and is not in material breach of or default under any such Contract and no other party to such Contract, to Seller's Knowledge, is in material breach thereof or default thereunder. To Seller's Knowledge, no event has occurred, is pending or has been threatened, which, after the giving of notice, lapse of time or otherwise, would constitute a material breach or default by a Selling Entity under any such Contract or any other party to such

Contract. No Selling Entity has received written notice that there is any investigation, audit, claim, review, inquiry or proceeding pending or threatened against it that could reasonably be expected to result in a revocation, suspension, termination, probation, restriction, limitation or non-renewal of any participation by such Selling Entity in any Third Party Payor program.

(i) To the Knowledge of Seller, no Selling Entity, nor, to Seller's Knowledge, any of its directors, officers, employees, shareholders, members, or managers have been convicted of, charged with or investigated for a Government Reimbursement Program or Third Party Payor program related offense, or convicted of, charged with or investigated for a material violation of any applicable Healthcare Laws related to fraud, theft, embezzlement, breach of fiduciary responsibility, financial misconduct, obstruction of an investigation of controlled substances, or has been debarred, excluded, suspended, or otherwise prohibited from participation in Medicare, Medicaid or other Government Reimbursement Program, or been subject to any order or consent decree of, or criminal or civil fine or penalty relating to any Government Reimbursement Program imposed by, any Governmental Authority. No Selling Entity has arranged or contracted with (by employment or otherwise) any individual or entity that is, to Seller's Knowledge, excluded, debarred, or otherwise prohibited from participation in a Government Reimbursement Program for the provision of items or services for which payment may be made under such Government Reimbursement Program. To Seller's Knowledge, no exclusion, suspension, or debarment actions are pending or threatened against any of the Selling Entities, or any of their respective directors, officers, employees, shareholders, members, managers and agents.

(j) To the Knowledge of Seller, none of the Selling Entities have: (i) been the subject of any governmental investigation; (ii) been a defendant in any *qui tam*, False Claims Act or similar action; (iii) been served with or received any search warrant, subpoena, civil investigative demand or other contact or notice from any Governmental Authority regarding any actual material violation of or material noncompliance with any Healthcare Laws; (iv) received any oral or written complaints from any employee, independent contractor, vendor, physician, patient or other person alleging that such party has materially violated, or is currently in material violation of, any applicable Healthcare Laws; or (v) made any voluntary disclosure to the Office of the Inspector General of the U.S. Department of Health and Human Services ("***OIG***"), CMS, or any Medicare Administrative Contractor, Medicaid program or other Governmental Authority relating to any Government Program. None of the Selling Entities (A) has entered into any written or oral agreement or settlement with any Governmental Authority with respect to material noncompliance with or material violation of any applicable Healthcare Laws, or (B) has reporting obligations pursuant to any settlement agreement or compliance programs, plans, or agreements entered into with the OIG or any Governmental Authority. Seller has provided to Buyer a correct and complete copy of the Selling Entities current compliance program and HIPAA program, and each Selling Entity is, and has been, in material compliance in all material respects with such programs, which include all material elements as required by applicable Governmental Authority, and have adequately trained staff to oversee the functioning of its compliance program and HIPAA program.

(k) The use and dissemination by the Selling Entities of any Personal Information has been in material compliance with all applicable written and enforceable terms of use, Laws (including without limitation, HIPAA and applicable state privacy laws) and contractual obligations applicable to such Personal Information and the Selling Entities. Seller

has provided complete and current copies of all policies and procedures regarding data security and privacy of Personal Information and other confidential and/or proprietary data (collectively, "***Protected Data***"), in each case, as required by HIPAA and maintain administrative, technical and physical safeguards to protect Protected Data from unauthorized access or disclosure that are commercially reasonable. There have been no required reportable security breaches relating to Personal Information, including without limitation any unauthorized access or disclosure requiring a Selling Entity to notify Governmental Authorities and/or individuals as required by applicable Laws. No Selling Entity has been subject to or received written notice of any pending proceeding or review by any Governmental Authority related to any "breach" of "protected health information", in each case as defined by HIPAA.

(l) Each Selling Entity has timely filed all Cost Reports in respect of the Businesses, and such reports accurately reflect, in all material respects, the information to be included thereon. Except as set forth on Schedule 3.6, there are no pending material Actions, adjustments or audits relating to such Cost Reports. To Seller's Knowledge, no Selling Entity is subject to any pending but unassessed Medicare or Medicaid claim payment adjustments arising from the Businesses, except to the extent such Selling Entity has established reserves for such adjustments in accordance with such Selling Entity's accounting policy for establishing any such reserves and that are reflected on the Financial Statements.

For the avoidance of doubt, all backward-looking representations and warranties contained in this Section 3.6 are only being made with respect to the Lookback Period.

3.7 Compliance Program. Each Selling Entity has a corporate compliance program in place with oversight of the Businesses designed to ensure compliance with Healthcare Laws and applicable Office of Inspector General compliance program guidance, including but not limited to, the Office of Inspector General's compliance program guidance for hospitals at 63 Fed. Reg. 8987 (February 23, 1998) and 70 Fed. Reg. 4858 (January 31, 2005).

3.8 Material Contracts.

(a) Schedule 3.8(a) sets forth a complete and accurate list of the following Assumed Contracts of the Businesses (the "***Material Contracts***"):

(i) Assumed Contracts involving the lease of equipment or personal property, including all capital leases, that require payments by any party thereto of greater than $400,000 during the remaining term or on an annual basis;

(ii) Assumed Contracts with any Third Party Payor that involve reimbursements made to the Selling Entities of $500,000 or more on an annual basis;

(iii) Assumed Contracts with any individual healthcare provider of the Businesses (including physicians, nurse practitioners, physicians' assistants, Medical Staff and similar licensed and clinical professionals) who require annual payments by the Businesses of $500,000 or more in any individual case, including employment agreements, independent contractor agreements, severance

agreements, change in control agreements, retention agreements, non-disclosure agreements and restrictive covenants agreements;

(iv) Assumed Contracts that grant to any Person any material license, sublicense, right, consent or non-assertion under or with respect to any (A) Assumed IP, and (B) Intellectual Property licensed to any Selling Entity pursuant to an Assumed Contract;

(v) Contracts pursuant to which a Selling Entity, with respect to the Businesses, is granted by any Person any license, sublicense, right, consent or non-assertion under or with respect to any Intellectual Property that are necessary for and material to the ordinary course of the Businesses as conducted as of the date of this Agreement and that require payments of greater than $500,000 during the remaining term or on an annual basis (other than (A) Contracts pursuant to which a Selling Entity or the Businesses is granted a non-exclusive license to use Off-the-Shelf Software or open source Software or "shrink wrap" licenses, and (B) non-exclusive licenses that are merely incidental to the transaction contemplated in such Contract);

(vi) Assumed Contracts with respect to any partnership or joint venture;

(vii) Assumed Contracts containing a covenant not to compete or any other restrictive covenant (other than non-solicitation covenants) that limits or restricts the Businesses, except as would not have a material adverse effect; and

(viii) Assumed Contracts not listed in any other subsection of Schedule 3.8(a) that (A) involve payments, performance of services or provision of items in an amount exceeding $500,000, (B) cannot be performed in the normal course within twelve (12) months after the Closing Date or (C) cannot be canceled by the applicable Selling Entity within twelve (12) months after the Closing Date without breach or penalty.

(b) Except as set forth on Schedule 3.8(b), the Material Contracts constitute valid and legally binding obligations of the parties thereto and are enforceable in accordance with their terms, except as enforceability may be restricted, limited or delayed by applicable bankruptcy or other laws affecting creditors' rights generally, and except as enforceability may be subject to general principles of equity, and no event, act or omission has occurred or failed to occur which, with the giving of notice, the lapse of time or both would constitute a material breach or default under any Material Contract by any Selling Entity or, to Seller's Knowledge, any counterparty thereto, and each Material Contract is in full force and effect.

3.9 Supplies. All Inventory is substantially of a quality and quantity usable and salable in the ordinary course of business of the Businesses. The Inventory levels of the Businesses are, and at the Effective Time will be, maintained at levels consistent in all material respects with past practices of the Businesses.

3.10 Environmental Laws.

(a) Except as disclosed on Schedule 3.10(a), no Hazardous Materials, toxic substances or related materials have been generated, released, discharged, stored, handled or disposed of on, under, in, about or from any Owned Real Property or Leased Real Property by any Person, except in compliance in all material respects with all federal, state and local Laws pertaining to pollution or the protection of health, safety, the environment or natural resources or relating to Hazardous Materials (collectively, "***Environmental Laws***"), and, Sellers' ownership and operation of the Businesses and Facilities are, and have been at all times during the last ten (10) years, in compliance in all material respects with all Environmental Laws. The term "***Hazardous Materials***" shall mean any substance, material or waste which is or becomes regulated by any Governmental Authority or for which liability or standards of care are imposed under any Environmental Law, including any material or substance which is (i) petroleum or a petroleum product, (ii) asbestos, (iii) polychlorinated biphenyls, (iv) medical waste, (v) designated as a "hazardous substance" pursuant to Section 311 of the Clean Water Act, 33 U.S.C. §1251 et seq. (33 U.S.C. §1321) or listed pursuant to Section 307 of the Clean Water Act (33 U.S.C. §1317), (vi) defined as a "hazardous waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. §6901 et seq. (42 U.S.C. §6903), or (vii) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §9601 et seq. (42 U.S.C. §9601).

(b) Except as disclosed on Schedule 3.10(b), as of the Closing and at all times during the past ten (10) years, each Selling Entity has complied in all material respects with all Environmental Laws, including without limitation those respecting the generation, handling, storage and disposition of hazardous or biomedical materials and/or waste, including the Medical Waste Tracking Act of 1988, 42 U.S.C. §6992, et seq., and the National Institute for Occupational Self-Safety and Health Infections Waste Disposal Guidelines, Publication No. 88-119 of HHS. No Selling Entity has received any written communication, notice, citation, claim, request for information or demand, whether from a Governmental Authority or any other Person, that alleges that the Businesses or Facilities are not in material compliance with all Environmental Laws.

3.11 Insurance. Schedule 3.11 sets forth a true, correct and complete list and description of all insurance policies, including all self-funded plans or trusts, maintained by or for the benefit of the Businesses. All of such policies and plans or trusts are in full force and effect with no premium or contribution arrearage. Each Selling Entity has given in a timely manner to its insurers or administrators all material notices required to be given under its insurance policies and plans or trusts with respect to all covered claims and Actions of which such Selling Entity has knowledge relating to any material portion of the Businesses covered by insurance, and no insurer or administrator has denied coverage of any such claims or Actions or reserved its rights in respect of or rejected any of such claims. No Selling Entity has (i) received any written notice or other communication from any such insurance company or administrator canceling or materially amending any of such insurance policies, plans or trusts, or threatening to do so, or (ii) failed to give any required notice or present any claim which is still outstanding under any of such insurance policies, plans or trusts with respect to any material portion of the Businesses covered by insurance.

3.12 Employee Benefit Plans.

(a) The term "***Employee Benefit Plans***" means, collectively, each "employee pension benefit plan" and "employee welfare benefit plan" as those terms are defined in Section 3(3) of ERISA (whether or not subject to ERISA), stock option or equity-based compensation, employee stock ownership, employment, deferred compensation, severance pay, vacation, bonus or other incentive agreement, arrangement, plan or policy, currently maintained by, sponsored in whole or in part by, or contributed to by any Selling Entity for the benefit of any current or former employees of the Businesses and their respective dependents, spouses, or other beneficiaries. Schedule 3.12(a) sets forth a complete and correct list of every material Employee Benefit Plan. The term "***ERISA Affiliate***" means each trade or business (whether or not incorporated) which, together with any Selling Entity, is treated as a single employer for any purpose under (i) Section 414(b), (c), (m) or (o) of the Code, or (ii) Section 302 or Title IV of ERISA. Except as disclosed on Schedule 3.12(a), no Selling Entity or any ERISA Affiliate thereof currently has or has ever had an "obligation to contribute" (as defined in ERISA Section 4212) to or has incurred any "withdrawal liability" (as described in ERISA Section 4201) with respect to any "multiemployer plan" (as defined in ERISA Sections 4001(a)(3) and 3(37)(A)), or any liability with respect to an employee pension benefit plan subject to Title IV of ERISA or the minimum funding requirements of Section 412 or 430 of the Code, in each case that could result in any direct or contingent liability for Buyer.

(b) Except as disclosed on Schedule 3.12(b), all Employee Benefit Plans and the related trusts comply, and have been established, administered and maintained, in all material respects, with (i) their terms, (ii) the applicable provisions of ERISA, (iii) all applicable provisions of the Code relating to qualification and tax exemption under Code Sections 401(a) and 501(a) or otherwise applicable to secure tax-qualified treatment, and (iv) all applicable Laws. Except as disclosed on Schedule 3.12(b), no Employee Benefit Plan is subject to any audit, investigation or examination by any Governmental Authority (including the IRS, Department of Labor and Pension Benefit Guaranty Corporation). Each Employee Benefit Plan that is intended to be qualified under Section 401(a) of the Code or otherwise for favorable tax treatment has (i) received a favorable determination, opinion or advisory letter from the IRS that is currently in effect and (ii) to the Knowledge of Seller, nothing has occurred since the date of such letter that would reasonably be expected to adversely affect the qualified status of any such Employee Benefit Plan.

3.13 Employee Relations.

(a) There is no pending or, to Seller's Knowledge, threatened employee strike, work stoppage, work slowdown, lock-out or labor dispute concerning any Facility Employees. Schedule 3.13(a) sets forth a complete list of all labor unions, collective bargaining agreements, and other agreements with any labor union, works council, or other labor organization representing any Facility Employees. To Seller's Knowledge, except as disclosed on Schedule 3.13(a), there are no unfair labor practice charges, grievances, or complaints threatened or pending before the National Labor Relations Board and no Actions pending for enforcement of any National Labor Relations Board orders.

(b) To Seller's Knowledge, each Selling Entity is, and for the eighteen (18) months has been, in material compliance with all applicable Laws respecting employment and employment practices and terms and conditions of employment concerning the Facility

Employees, including, but not limited to, all Laws which relate to traditional labor, labor relations and collective bargaining, terms and conditions of employment, wages and wage payments, hours and employee record keeping, fair employment practices, equal employment opportunity practices (such as discrimination and/or retaliation in employment, disability rights or benefits, and reasonable accommodations), employee leave issues, immigration (including applicable I-9 Laws), occupational safety and health, plant closings, withholding of Taxes, workers' compensation, and unemployment insurance. Except as set forth on Schedule 3.13(b), there are no pending or, to Seller's Knowledge, threatened claims or investigations in respect of any such Laws in respect of the Facility Employees (including any employment discrimination charge or employment-related multi-claimant or class action claims).

3.14 Litigation and Proceedings. Schedule 3.14 sets forth a complete and accurate list of all material Actions that are outside of the ordinary course of business with respect to the Businesses that are pending or, to Seller's Knowledge, threatened against any Selling Entity, or any governing persons thereof in their capacities as such, with respect to the Businesses, at law or in equity, or before or by (or on behalf of) any Governmental Authority. There is no Action pending or, to Seller's Knowledge, threatened, against any Selling Entity which seeks to prevent or delay consummation of the transactions contemplated herein, seeks damages in connection with transactions contemplated herein or would impair the ability of the Selling Entities to perform their obligations under this Agreement.

3.15 Medical Staff Matters. Prior to the Closing, Seller has made available to Buyer accurate and complete copies of the bylaws, rules and regulations and credentialing policies for the medical staff of the Hospitals. Over the twenty-four (24) months immediately prior to Effective Date, the Businesses have been operated in material compliance with such applicable bylaws, rules and regulations and credentialing policies. Prior to Closing, Seller has disclosed any and all pending or prior (occurring within the three (3) years immediately prior to Effective Date): (i) medical staff membership and/or clinical privileging denials and (ii) medical staff related professional review matters (including but not limited to all voluntary or involuntary investigations, suspensions, limitations, revocations, discipline and/or other adverse action) involving individuals who have applied for medical staff membership and/or clinical privileges at one or both Hospitals (**"*Applicant*"**) and/or who have maintained medical staff membership and/or clinical privileges at one or both Hospitals (***"Member"***). Except as set forth in Schedule 3.15, in the three (3) years immediately prior to Effective Date, no Applicant has been denied membership or clinical privileges at a Hospital, and no Member has had medical staff membership or clinical privileges revoked, suspended, limited or otherwise reduced (voluntarily or involuntarily) at a Hospital. Each Hospital has timely submitted all reports required to be made to the National Practitioner Data Bank and/or to any other professional licensing authority.

3.16 Intellectual Property.

(a) Schedule 3.16(a) sets forth a true, correct and complete list of all (i) Intellectual Property that is registered, issued or subject to a pending application for registration or issuance before any Governmental Authority, (ii) material unregistered trademarks and (iii) material proprietary software, in each case of clauses (i)-(iii) above that is owned by any Selling Entity and included in the Assumed IP. A Selling Entity is the owner of all right, title, and

interest to the Intellectual Property owned by such Selling Entity and included in the Assumed IP.

(b) Except as set forth in Schedule 3.16(b), Seller is the sole and exclusive legal and beneficial, and with respect to any Intellectual Property registrations, record owner of all right, title and interest in and to the Assumed IP, and has the valid and enforceable right to use all other Intellectual Property used or held for use in or necessary for the conduct of the Businesses as currently conducted, in each case, free and clear of Encumbrances other than Permitted Encumbrances. The Assumed IP, along with any Intellectual Property that is the subject of a Material Contract, constitutes all of the Intellectual Property necessary to operate the Business as presently conducted. Seller has entered into binding, valid and enforceable written Contracts with each current and former employee and independent contractor who is or was involved in or has contributed to the invention, creation, or development of any Intellectual Property during the course of employment or engagement with Seller whereby such employee or independent contractor: (i) acknowledges Seller's exclusive ownership of all Assumed IP invented, created or developed by such employee or independent contractor within the scope of his or her employment or engagement with Seller; (ii) grants to Seller a present, irrevocable assignment of any ownership interest such employee or independent contractor may have in or to such Intellectual Property, to the extent such Intellectual Property does not constitute a "work made for hire" under Applicable Law; and (iii) irrevocably waives any right or interest, including any moral rights, regarding such Intellectual Property, to the extent permitted by applicable Law. All assignments and other instruments necessary to establish, record, and perfect Seller's ownership interest in the Assumed IP have been validly executed, delivered, and filed with the relevant Governmental Authorities and authorized registrars.

(c) Neither the execution, delivery, or performance of this Agreement, nor the consummation of the transactions contemplated hereunder, will result in the loss or impairment of or payment of any additional amounts with respect to, or require the consent of any other Person in respect of, Buyer's right to own or use any Assumed IP or Intellectual Property that is the subject of a Material Contract in the conduct of the Businesses as currently conducted. Immediately following the Closing, all Assumed IP will be owned or available for use by Buyer on the same terms as they were owned or available for use by Seller immediately prior to the Closing.

(d) The conduct of the Business as currently and formerly conducted, including the use of the Assumed IP in connection therewith, and the products, processes, and services of the Businesses have not infringed, misappropriated, or otherwise violated and will not infringe, misappropriate, or otherwise violate the Intellectual Property or other rights of any Person. To Seller's Knowledge, no Person has infringed, misappropriated, or otherwise violated any Assumed IP.

(e) There are no Actions (including any opposition, cancellation, revocation, review, or other proceeding), whether settled, pending or threatened (including in the form of offers to obtain a license): (i) alleging any infringement, misappropriation, or other violation of the Intellectual Property of any Person by Seller in the conduct of the Businesses; (ii) challenging the validity, enforceability, registrability, patentability, or ownership of any Assumed IP; or (iii) by Seller or any other Person alleging any infringement, misappropriation, or other violation by

any Person of any Assumed IP. Seller is not aware of any facts or circumstances that could reasonably be expected to give rise to any such Action. Seller is not subject to any outstanding or prospective governmental order (including any motion or petition therefor) that does or could reasonably be expected to restrict or impair the use of any Assumed IP.

(f) All IT Systems exclusively used or held for use in the Businesses are in good working condition and are sufficient for the operation of the Business as currently conducted. During the last eighteen (18) months, to Seller's Knowledge, there has been no material malfunction, failure, continued substandard performance, denial-of-service, or other cyber incident, including any cyberattack, or other impairment of the Businesses' IT Systems that has resulted in material disruption or material damage to the Businesses. Seller has taken all commercially reasonable steps to safeguard the confidentiality, availability, security, and integrity of the Businesses' IT Systems, including implementing and maintaining reasonable appropriate backup, disaster recovery, and Software and hardware support arrangements.

3.17 Tax Liabilities.

(a) All material Tax Returns for periods prior to and including the Effective Time which are required to be filed by the Selling Entities with any federal, state, or local Taxing authorities in respect of the Businesses or the ownership of the Purchased Assets have been filed or will be filed in the manner provided by Law, and each such Tax Return does or will accurately reflect in all material respects the Tax liabilities of the Selling Entities in respect of the Businesses for the periods or other matters covered by such Tax Return.

(b) Except as set forth on Schedule 3.17(b), all material Taxes, penalties, interest, and any other statutory additions which have become due pursuant to the Tax Returns, and any material assessments in respect of the Tax Returns have been paid when due or adequately provided for by the reserves shown in the Financial Statements and, to Seller's Knowledge, there is no pending Tax examination or audit of, nor any Action, investigation or claim asserted or threatened against any Selling Entity by any federal, state or local Taxing authority in respect of the Businesses. Except for liens for Taxes not yet due and payable (including liens for ad valorem taxes), there are no Tax liens affecting the Businesses.

(c) Proper and accurate amounts have been withheld by the applicable Selling Entity from the Facility Employees for all periods prior to the Effective Time in full and complete compliance with the Tax and withholding provisions of all applicable Laws, and all of such amounts have been duly and validly remitted to the proper Taxing authority when due.

3.18 Absence of Changes. Except as expressly contemplated by this Agreement or as disclosed on the Financial Statements or as otherwise disclosed by Seller to Buyer in writing prior to the Closing, no Selling Entity has, since the Balance Sheet Date:

(a) amended or restated, or approved the amendment or restatement of, the Governing Documents of such Selling Entity;

(b) made or changed any material tax election, entered into any settlement or compromise of any material tax liability or surrendered any right to claim a material tax refund;

(c) settled or compromised any material pending or threatened Action that would result in a material obligation on Buyer or their Affiliates, other than any settlement or compromise that such Selling Entity reasonably determines to be a favorable outcome;

(d) made any material capital expenditure or commitment for additions to property, plant or equipment or for any other purpose, except in the ordinary course of business;

(e) sold, transferred, leased, optioned or otherwise disposed of any material assets, except in the ordinary course of business;

(f) granted or incurred any obligation for any material increase in the compensation of any Facility Employee (including any material increase pursuant to any bonus, pension, profit sharing, retirement, severance or other plan or commitment), except in the ordinary course of business or as may be required under applicable Law or the terms of an existing Employee Benefit Plan;

(g) received any written notice from any Governmental Authority of any material liability, potential liability or claimed liability based on any violation of Law;

(h) suffered any material damage, destruction or loss with respect to or affecting the Facilities;

(i) instituted any material change in any Selling Entity's accounting practices or methods, cash management policies, depreciation or amortization policies, or method of purchase, sale, lease, management, marketing or operation with respect to the Businesses and the Purchased Assets;

(j) issued, created, incurred or assumed any material indebtedness or guaranty of indebtedness or forgiven, cancelled, waived or released any indebtedness owed to any Selling Entity; or

(k) agreed or committed to take any of the actions referred to in this Section 3.18.

3.19 No Brokerage. Except as set forth on Schedule 3.19, no Selling Entity has retained any broker or finder, or made any statement or representation to any Person that would entitle such Person to, or agreed to pay, any broker's, finder's or similar fees or commissions in connection with the transactions contemplated by this Agreement or any other Transaction Document.

3.20 CARES Act.

(a) Each Selling Entity is and has been in material compliance with the CARES Act, including the provision of paid leave benefits required thereunder and any applicable recordkeeping requirements.

(b) Each Selling Entity is in material compliance with all applicable Laws related to COVID-19 in the workplace, including occupational health and safety Laws, Laws

pertaining to confidentiality of employee medical information and Laws pertaining to sick leave or family and medical leave. Each Selling Entity has materially followed applicable guidance released by the United States Centers for Disease Control and any material orders issued by state or local governments related to COVID-19 in all material respects as it relates to such Seller.

(c) Except as set forth on Schedule 3.20(c), no Selling Entity has (since March 1, 2020) terminated or furloughed any employee or independent contractor of such Selling Entity, or materially deferred or reduced any employee's or independent contractor's compensation or work schedule, in each case, as a result of COVID-19 or COVID-19 Measures, whether due to unexpected economic downturn, government-imposed orders temporarily closing, reducing or otherwise impacting such Selling Entity's business or operations or any other COVID-19-related business constraints.

(d) Except as set forth on Schedule 3.20(d), no Selling Entity is subject to any COVID-19 Measures that would prevent it from operating the Facilities in the ordinary course of business in all material respects.

(e) Schedule 3.20(e) sets forth a list of each loan, application for assistance or stimulus payment that each Selling Entity has received or for which each Selling Entity has applied pursuant to any COVID-19 Measures, including PPP Loans, any other Paycheck Protection Program loan, Economic Stabilization Fund loan or other United States Small Business Administration loan (collectively, the "COVID-19 Assistance"), and whether such COVID-19 Assistance has been forgiven or, if not forgiven, the amount still outstanding. To Seller's Knowledge, all certifications, representations and indications made by or on behalf any Selling Entity to any Person, including any Governmental Authority, in connection with the COVID-19 Assistance were correct and complete in all material respects and were prepared in material compliance with all applicable Laws.

(f) To Seller's Knowledge, each Selling Entity has: (i) deployed all COVID-19 Assistance funds in amounts in material compliance with all applicable Laws or guidance governing the COVID-19 Assistance; (ii) managed any un-deployed COVID-19 Assistance funds in material compliance with all applicable Laws; (iii) maintained accounting records associated with the COVID-19 Assistance in material compliance with all the terms and conditions of all applicable material programs, including with respect to CARES Act relief programs, relief fund payment terms and conditions, and related guidance available as of the date hereof; and (iv) utilized all such COVID-19 Assistance and any other proceeds received by the Selling Entities pursuant to the Public Health and Social Services Emergency Fund in material accordance with all applicable Laws and the applicable relief fund payment terms and conditions. To Seller's Knowledge, any COVID-19 Assistance proceeds that have not been so used are maintained in the bank account(s) of the Selling Entities and have not been distributed to any other person, or otherwise utilized or expended and will be included among the Purchased Assets.

3.21 Disclaimer of Warranties. All of the Owned Real Property, Leased Real Property and Personal Property included in the Purchased Assets shall be further subject to normal wear and tear and normal and customary use in the ordinary course of business up to the Effective Time.

3.22 **Accreditation**. Each of the Hospitals is accredited by The Joint Commission. True and complete copies of any and all licensure survey reports and any and all Medicare, Medicaid and The Joint Commission and other accreditation reports issued within the twenty-four (24) month period preceding the Effective Date with respect to each Hospital for which surveys were conducted by the appropriate federal and state agencies having jurisdiction thereof and the Joint Commission and other accreditation bodies have been furnished to Buyer, together with true and complete copies of any and all plans of correction which such agencies required to be submitted in response to such survey reports.

3.23 **No Violation**. No Selling Entity is currently bound under any binding or enforceable written contract or agreement with any third party or any ruling, judgment or other binding requirement of a governmental entity, which would materially interfere with or delay the transactions contemplated herein. Subject to any consent, notice, or approval requirements, the transactions contemplated herein will not violate any written contract, agreement or commitment currently binding on any Selling Entity.

3.24 **Residents and Fellows**. Seller has delivered or disclosed to Buyer during the conduct of due diligence a true and correct list of all medical residents and fellows enrolled in a sponsored graduate medical education program associated with Sellers as of July 1, 2022, including the following information in respect of each such individual resident and fellow, as applicable: (i) the position; (ii) the date of appointment and enrollment; (iii) current annual stipend or other compensation; (iv) average number of hours such individual resident or fellow participates in graduate medical education and training per week; (v) date of last stipend increase; and (vi) the union, if any, by which the individual resident or fellow is represented (the "***Residents and Fellows List***").

ARTICLE IV – REPRESENTATIONS AND WARRANTIES OF BUYER

As of the Effective Date and as of the Closing Date, when read in light of any Schedules that are updated prior to the Closing Date in accordance with the provisions of Section 5.2, Buyer represents and warrants to Seller the following:

4.1 **Capacity, Authority and Consents**.

(a) Buyer is duly organized, validly existing and in good standing under the Laws of the state of its formation or incorporation. Buyer has all requisite power and authority to enter into the transactions under this Agreement and the other Transaction Documents to which it is or will become a party, to perform its obligations hereunder and thereunder, to own, lease and operate its properties, and to conduct its business as now being conducted. Buyer is duly qualified or licensed to do business and is in good standing in each jurisdiction in which the conduct of its business or the ownership, leasing, holding or use of its properties makes such qualification necessary or advisable.

(b) The execution, delivery and performance of this Agreement and all other Transaction Documents to which Buyer is or will become a party and the actions to be taken by Buyer in connection with the consummation of the transactions contemplated herein and therein:

(i) are within the powers of Buyer, are not in contravention of applicable Law or the terms of such Buyer's Governing Documents and have been duly authorized by all appropriate action;

(ii) except as set forth on Schedule 4.1(b)(ii), do not require any Consent of (A) any Governmental Authority other than applicable requirements under the HSR Act or (B) any third party;

(iii) except as set forth in Schedule 4.1(b)(iii), will not result in any material breach or contravention of, nor permit the acceleration of the maturity of or termination of, payment of any penalty or constitute a default under, the terms of any material indenture, mortgage or other Contract to which Buyer is a party or otherwise bound; and

(iv) will not violate any Law to which such Buyer is subject.

4.2 Binding Agreement. This Agreement and each other Transaction Document to which Buyer is or will become a party is and will constitute the valid and legally binding obligations of Buyer, and is and will be enforceable against Buyer in accordance with the respective terms hereof or thereof, except as enforceability may be restricted, limited or delayed by applicable bankruptcy or other Laws affecting creditors' rights generally and except as enforceability may be subject to general principles of equity.

4.3 Solvency. Immediately after giving effect to the transactions contemplated by this Agreement, Buyer will (i) not be insolvent (either because its financial condition is such that the sum of its debts is greater than the fair market value of its assets or because the fair saleable value of its assets is less than the amount required to pay its probable liability on its existing debts as they mature), (ii) not have unreasonably small capital with which to engage in is business, (iii) not have made an assignment for the benefit of creditors or filed a petition of voluntary bankruptcy, or (iv) have incurred debts or obligations beyond its ability to pay then in the ordinary course of business.

4.4 Litigation and Proceedings. There are no Actions pending or, to Buyer's knowledge, threatened against Buyer, or any governing Persons thereof, at law or in equity, or before or by any Governmental Authority, that if adversely determined could be reasonably expected to materially impair Buyer's ability to fulfill its obligations under this Agreement.

4.5 Compliance with Laws.

(a) Buyer and Buyer's Affiliates are in material compliance and have at all times within the past three (3) years complied in all material respects with all applicable Laws with respect to Buyer's and Buyer's Affiliates' ownership, use and operation of their businesses except for noncompliance that would not reasonably be expected to materially impair Buyer's ability to fulfill its obligations under this Agreement.

(b) Buyer and Buyer's Affiliates are, and in the past two (2) years preceding the date hereof have been, in compliance with all applicable Healthcare Laws, except for

noncompliance that would not reasonably be expected to materially impair Buyer's ability to fulfill its obligations under this Agreement.

(c) Buyer and Buyer's Affiliates, as applicable, have lawful authority and have, or will reasonably promptly obtain prior to or within a reasonable period of time after the Closing Date, all material Permits necessary for or required to conduct their business operations where the failure to hold such Permits would have a material adverse effect on Buyer and its Affiliates. Buyer and Buyer's Affiliates, as applicable, are in material compliance with all such material Permits and the terms and requirements of all Governmental Authorities with respect thereto except for noncompliance that would not reasonably be expected to have a material adverse effect on Buyer or Buyer's Affiliates. To the knowledge of Buyer, no notice from any authority in respect to the revocation, termination, suspension, or limitation of any such Permits has been issued or given, nor is Buyer aware of the proposed or threatened issuance of any such notice with respect to either Buyer or any of Buyer's Affiliates, except where such notice would not reasonably be expected to have a material adverse effect on Buyer or Buyer's Affiliates.

(d) Buyer represents that the Management Agreement complies with the qualified management agreement rules under IRS Rev. Proc. 2017-13, the Code and applicable federal and state regulations.

4.6 No Brokerage. Except as set forth on Schedule 4.6, neither Buyer nor any of its Affiliates has retained any broker or finder, or made any statement or representation to any Person that would entitle such Person to, or agreed to pay, any broker's, finder's or similar fees or commissions in connection with the transactions contemplated by this Agreement or any other Transaction Document.

4.7 Pre-Execution Conditions. Buyer represents that all of the pre-execution conditions applicable to Buyer and QHR pursuant to Section 1.7 of the LOI have been satisfied in all respects, including, without limitation: (a) the completion of the due diligence investigation of the Selling Entities and the Business to the satisfaction of Buyer and QHR; (b) the completion of the valuation and determination by Appraiser of (y) the fair market value purchase price to be paid by Buyer to Seller in consideration for the Purchased Assets, taking into account the Assumed Liabilities, and (z) the financial feasibility of the transactions contemplated herein under the financing structure by Buyer; (c) negotiation, execution and delivery of the Management Agreement reasonably acceptable to Buyer; and (d) resolutions duly adopted by the respective board of directors or equivalent governing body of Buyer and QHR, authorizing and approving the performance of the transactions contemplated hereby and the execution and delivery of this Agreement and the other Transaction Documents, as applicable.

4.8 Independent Investigation. Buyer acknowledges (for itself and on behalf of its Affiliates), as of the Closing, that (a) it is a sophisticated purchaser, (b) it has, with the assistance of its expert advisors, including legal counsel, conducted its own independent review, analysis, and investigation of the Purchased Assets, the Facilities, the Selling Entities, and the Businesses, operations, assets, properties, liabilities, and condition (financial and otherwise) as it deems necessary in connection with the execution of this Agreement and the consummation of the transactions contemplated hereby, (c) it and its Representatives have been permitted reasonable and sufficient access to the books, records, facilities, equipment, Tax Returns, contracts,

properties, assets, and personnel of the Facilities, and (d) it and its Representatives have had an opportunity to meet with Representatives of the Selling Entities and the Facilities to discuss the businesses, operations, assets, properties, liabilities, and condition (financial and otherwise) of the Selling Entities and the Facilities. In making its decision to enter into this Agreement and to consummate the transactions contemplated by this Agreement, Buyer has relied solely upon its own investigation, analysis, evaluation, and diligence of the Purchased Assets and the Facilities and Buyer is not relying on any representation or warranty (expressed or implied, oral or otherwise) made on behalf of the Selling Entities other than as expressly set forth in ARTICLE III .

4.9 No Other Representations and Warranties. Buyer acknowledges that Buyer is purchasing the Purchased Assets on an "as-is," "where is," and "with all faults" basis, that Buyer has examined, reviewed and inspected all matters which in Buyer's judgment bear upon the Purchased Assets or the Businesses and its value and suitability for Buyer's purposes and, except as affirmatively represented and warranted by Seller in ARTICLE III , is relying solely on its own examination, review and inspection of the Purchased Assets or the Businesses. Buyer acknowledges that it is responsible for the payment of expenses relative to the cost of title policies, surveys, environmental engineering reports, licensure application fees, recording fees, and mechanical, structural, electrical, and roofing engineering costs it incurs in the course of conducting its examination, review, and inspection of the Purchased Assets. Except to the extent of any representation made by Seller in ARTICLE III and except with respect to the express indemnification obligations specifically set forth in this Agreement, Buyer releases Seller and its Affiliates and Representatives from all responsibility and liability regarding the condition, valuation, fitness, salability or utility of the Purchased Assets, or their suitability for any purpose whatsoever. Except to the extent of any representation made by Seller in ARTICLE III , Buyer acknowledges that Seller and its Affiliates and Representatives do not make any express or implied representation or warranty as to the accuracy or completeness of any materials or information provided to Buyer during Buyer's due diligence investigation of the Facilities, including, without limitation, those materials provided in any virtual data room to which Buyer was granted access by Seller or any information provided during any diligence meetings or calls, or written materials prepared following such diligence meetings or calls, and Seller and its Affiliates and Representatives shall not have any liability to Buyer relating to or arising from any errors therein or omissions therefrom or any other fact or condition which may affect the Purchased Assets or the Businesses, including without limitation, the physical condition, value, fitness, use, economics of operation, income or expense potential, or zoning of the Purchased Assets or the Businesses.

ARTICLE V – COVENANTS OF THE PARTIES PRIOR TO CLOSING

5.1 Access. From and after the Effective Date until the Closing or the earlier termination of this Agreement (the "***Interim Period***"), the Selling Entities shall (a) provide Buyer and its Representatives reasonable access to and, as applicable, the right to inspect and appraise the Purchased Assets, the Facilities and their business prospects, the properties, and books and records of the Businesses, and (b) furnish Buyer and its Representatives with such additional financial and operating data and other information, including, as applicable books, agreements, papers and records as to the Businesses as reasonably requested, including copies of updated Financial Statements following each calendar month during the Interim Period; *provided*,

however, that such access shall be subject to prior reasonable approval by Seller and no such inspection shall take place and no employees or physicians associated with the Facilities, Seller or the Businesses shall be contacted by Buyer or any of its Affiliates or Representatives without first coordinating such inspection or contact with Seller. Except as otherwise set forth in this Agreement, all disclosures of information shall be consistent with joint defense agreements and Buyer shall, and shall cause its Representatives to, abide by the terms of the Confidentiality Agreement with respect to any access or information provided pursuant to this Section 5.1. Buyer's and Buyer's Representatives right of access and inspection shall be exercised during normal business hours and in such a manner as not to interfere unreasonably with the operations of the Facilities and to be in compliance with applicable Laws, including the Antitrust Laws. A Phase II environmental site assessment may only be undertaken with Prospect's prior written consent, which may be withheld in Prospect's sole discretion. Buyer shall promptly repair any material damage that occurs as a result of any inspections conducted by Buyer, Buyer's designee(s), nominee(s) or any Representatives thereof pursuant to this Section 5.1, and shall promptly restore the real property to substantially its prior condition following completion of such inspection. Such repairs and restoration shall be performed at Buyer's or Buyer's Representatives' sole expense.

5.2 Review and Update of Schedules.

(a) At the time of execution of this Agreement, each Party shall have provided the other Party with copies of all Schedules referenced as part of this Agreement to be provided by such Party.

(b) Notwithstanding any other provision in this Agreement to the contrary, at any time prior to the Parties' filing of the Rhode Island Hospital Conversion Act Application with the Office of the Rhode Island Attorney General or the Rhode Island Change in Effective Control Application with the Rhode Island Department of Health pursuant to Section 5.6(e) (the "***Application Date***") either Party may amend any of the following Schedules provided by such Party for the purpose of accuracy and completeness: Schedules 1.1(iiiii), 1.1(wwwww), 1.1(iiiiii), 2.1(a)(i), 2.1(a)(iv), 2.1(a)(vi), 2.1(a)(vii), 2.1(a)(xii), 2.1(a)(xiv), 2.1(a)(xx), 2.2(d), 2.2(g), 2.2(l), 2.2(u), 2.2(v), 2.2(z), 2.3(d), 2.3(i), 2.6(c), 3.1(b)(ii), 3.1(b)(iii), 3.3(a), 3.3(b), 3.3(c), 3.3(d), 3.3(e), 3.3(f), 3.6, 3.8(a), 3.8(b), 3.13(a), 3.13(b), 3.14, 4.1(b)(ii), 4.1(b)(iii), 4.6, 6.2(a), 6.2(c), 8.3(a), and 8.7. Each Party shall have ten (10) days from receipt of the amended Schedule of the other Party to object to such amendment(s). If the receiving Party fails to object prior to the expiration of such ten (10) day period, the amended Schedule shall be deemed accepted by the receiving Party and incorporated into this Agreement. In the event the receiving Party objects within such ten (10) day period and the Parties are unable to resolve such disapproved amended Schedule by the Application Date, then Buyer shall have the right to terminate this Agreement pursuant to Section 8.1(a)(ii) and Seller shall have the right to terminate this Agreement pursuant to Section 8.1(a)(iii).

(c) After the Effective Date, and no later than ten (10) business days prior to the Closing Date, each Party shall supplement or update any and all of its Schedules with respect to (i) any matter arising after the Effective Date which if existing as of the Effective Date would have been required to be set forth or described in such Schedules, (ii) any update necessary to make the representations and warranties true and correct as of the Closing or (iii) to update the

Schedules to reflect the operations of the Businesses after the Effective Date, and in each case such updated Schedules shall be incorporated into this Agreement. Any supplemental or amended disclosures pursuant to this Section 5.2 shall be deemed to have cured any breach of any representation or warranty made in this Agreement for purposes of the indemnification provided for in ARTICLE IX .

5.3 Operating Covenants. During the Interim Period, except (i) when the actions described below are taken in the ordinary course of business, (ii) with the prior written consent of Buyer, upon request by Seller (which consent will not be unreasonably withheld, conditioned or delayed, such that Buyer's determination of whether to consent shall be provided to Seller within five (5) business days following receipt of Seller's request or consent by Buyer will be deemed to have been provided to Seller) or (iii) as required by this Agreement, each Selling Entity shall (and Prospect shall cause each Selling Entity to), subject to the applicable Antitrust Laws:

(a) not materially change the operations conducted by the Businesses;

(b) maintain the Facilities and all parts thereof in substantially the same operating condition in which the Facilities are currently maintained, ordinary wear and tear excepted;

(c) perform its obligations relating to or affecting the Businesses in all material respects, including paying in the ordinary course of business consistent with past practice (and in any event before delinquency) all bills and invoices for labor, services, materials, repair, maintenance or leasing of real property as well as other debts and liabilities in the ordinary course of business consistent with past practice;

(d) keep in full force and effect current insurance policies, self-funded plans or trusts or other comparable insurance relating to or affecting the Businesses; and

(e) use its commercially reasonable efforts to: (i) comply in all material respects with any Laws applicable to the Businesses, (ii) keep in force all Permits necessary to the operation of the Businesses, (iii) maintain and preserve its business organizations intact and retain the current Facility Employees at the Facilities (excluding terminations of employment in the ordinary course), (iv) maintain its relationships with physicians, suppliers, customers and others having business relations with the Businesses, and (v) take such actions as are reasonably necessary to transition the operations of the Businesses to Buyer as of the Closing.

5.4 Negative Covenants. During the Interim Period, except (i) when the actions described below would otherwise be taken in the ordinary course of business, (ii) with the prior written consent of Buyer, upon the request by Seller (which consent will not be unreasonably withheld, conditioned or delayed, such that Buyer's determination of whether consent shall be provided to Seller within five (5) business days following receipt of Seller's request or consent by Buyer will be deemed to have been provided to Seller) or (iii) as required by this Agreement or by Law, Seller shall not:

(a) amend or voluntarily terminate any Assumed Contract or lease, or enter into any new contract or commitment that would constitute an Assumed Contract, or enter into any lease, license or occupancy agreement related to real property (which shall include renewals

of any Assumed Contract or any contract that can be terminated without cause upon notice of sixty (60) days or less);

(b) sell, assign, lease, or otherwise transfer or dispose of any of the Purchased Assets;

(c) make any material change in personnel, operations, real or personal property, finance or accounting policies;

(d) except with respect to budgeted expenditures or expenditures incurred in the ordinary course of business, make any capital expenditure commitment for additions to property, plant, equipment, intangible or capital assets of the Businesses or for any other purpose, the payment for which is to be made after the Closing Date;

(e) mortgage, pledge or subject to any Encumbrance (other than Permitted Encumbrances) any portion of the Purchased Assets; or

(f) incur or guarantee any indebtedness with respect to the Purchased Assets; or alter or subject to any Encumbrance (other than a Permitted Encumbrance) title to any Owned Real Property.

5.5 No Shop Clause. During the Interim Period, unless this Agreement is earlier terminated as provided herein, Seller shall not (and shall cause its Affiliates and each of their respective officers, directors, employees, agents, attorneys, investment bankers and other representatives not to), without the prior written consent of Buyer: (a) offer for sale all or substantially all of the Purchased Assets or any ownership interest in any Selling Entity that owns any of the Purchased Assets; (b) solicit offers to buy all or substantially all of the Purchased Assets or any ownership interest in any Selling Entity that owns any of the Purchased Assets; (c) hold discussions with any Person (other than Buyer or any Affiliate of Buyer) pertaining to such an offer or solicitation or pertaining to a merger or consolidation of any Selling Entity that owns any of the Purchased Assets; or (d) enter into any agreement with any Person (other than Buyer or any Affiliate of Buyer) with respect to the sale or other disposition of all or substantially all of the Purchased Assets or any ownership interests in any Selling Entity that owns any of the Purchased Assets or with respect to any merger, consolidation, or similar transaction involving any Selling Entity that owns any of the Purchased Assets. Notwithstanding the foregoing, this Section 5.5 shall not be construed to prohibit Seller or its Affiliates from engaging in corporate transactions involving Seller's or its Affiliates' stock or securities, including macro-level mergers, reorganizations or other transactions, so long as the terms thereof (x) do not contemplate the sale of the Purchased Assets, (y) would not otherwise restrict the ability of the Selling Entities to convey the Purchased Assets to Buyer at the Closing, or (z) would not result in a breach of this Agreement by Seller. For the avoidance of doubt, the Parties agree and acknowledge that the terms of this Section 5.5 shall not apply or restrict Seller in any way in the sale or potential sale of any assets of Seller or any of its Affiliates other than the Purchased Assets.

5.6 Third Party Consents.

(a) During the Interim Period, the Selling Entities shall use good faith, commercially reasonable efforts to (and Buyer will cooperate with the Selling Entities with

respect thereto) obtain all Consents with respect to the Assumed Contracts set forth on Schedule 3.1(b)(ii), in each case, executed by the applicable third party or parties; *provided*, *however*, that the Selling Entities' commercially reasonable efforts shall be limited to the following: (i) the applicable Selling Entity shall send letter requests in a form reasonably acceptable to Buyer to such third parties requesting such Consents; (ii) such Selling Entity shall follow up with the applicable third party one time within a reasonable period of time after the initial request on any Consents not received; (iii) thereafter such Selling Entity shall, upon Buyer's request, follow up with the applicable third party one additional time; and (iv) thereafter the Selling Entities shall have no further obligation to follow up or otherwise obtain such Consents (other than the Required Consents).

(b) During the Interim Period, Buyer shall use good faith, commercially reasonable efforts to obtain the required third party Consents identified on Schedule 4.1(b)(ii) and Seller will reasonably cooperate with respect thereto; *provided*, *however*, such commercially reasonable efforts shall be limited to the following: (i) Buyer shall send letter requests in a form reasonably acceptable to Seller to such third parties requesting such Consents; (ii) Buyer shall follow up with the applicable third party one time within a reasonable period of time after the initial request on any Consents not received; (iii) thereafter Buyer shall, upon Seller's request, follow up with the applicable third party one additional time; and (iv) thereafter Buyer shall have no further obligation to follow up or otherwise obtain such Consents.

(c) Without limiting Section 5.6(a) or Section 5.6(b), Buyer and Seller will use best efforts to take any and all actions as may be required to cause the expiration or termination of the waiting period under the HSR Act and obtain the Consent of any other Governmental Authority with respect to the transactions contemplated by this Agreement, including obtaining any Antitrust Approvals, as promptly as possible.

(d) In the event the HSR Filings were not filed by the Effective Date, each of Seller and Buyer agrees to, as soon as practicable, file all HSR Filings. Each of Seller and Buyer agree to respond, as quickly as practicable, with any Request for Additional Information and Documentary Material or similar request that may be issued by any Governmental Authority. Subject to Section 8.17(b), Seller will bear all of Seller's and Buyer's expenses for any such undertaking and pay filing fees that are payable to any Governmental Authority under the HSR Act and such other applicable Antitrust Laws. Subject to Section 8.17(b), Seller will pay all of Seller's and Buyer's expenses and those of their Affiliates related to any and all regulatory approval processes applicable to the transactions contemplated by this Agreement, including but not limited to, lawyers, economists and other outside consultants and vendors. Each Party will bear their own expenses for any such undertaking contemplated in this Section 5.6 in excess of the limitations set forth Section 8.17(b).

(e) Buyer and Seller agree to cooperate and coordinate with respect to all regulatory matters, and will consider the views of the other in good faith. To the extent required by Law or regulations, Seller shall act as a "Transacting Party" on the Rhode Island Hospital Conversion Act Application and will participate in the other healthcare regulatory filings that are required in order for Buyer to consummate the transactions contemplated by this Agreement, including but not limited to the Rhode Island Department of Health Change in Effective Control Applications. Notwithstanding anything to the contrary contained herein, Seller shall be solely

responsible for payment of any fees required for any Rhode Island Department of Health and/or Office of the Rhode Island Attorney General filing to the extent permitted by applicable Law, including but not limited to, application fees and expert fees incurred by the Rhode Island Department of Health and/or Office of the Rhode Island Attorney General. Neither Buyer nor Seller shall extend any waiting period under the HSR Act, except with the prior written consent of the other Party. Subject to applicable law, each of Buyer and Seller shall keep the other reasonably appraised of the status of the matters relating to the completion of the transactions contemplated by this Agreement, including by:

(i) promptly notifying the other Party of any material communication to that Party from any Governmental Authority with respect to the transactions contemplated by this Agreement and, subject to applicable Law, permit the other Party to review in advance any proposed communication to any such Governmental Authority and consider for inclusion in good faith the other Party's reasonable comments;

(ii) not agreeing to participate in any substantive meeting with any such Governmental Authority in respect of any filing, investigation or inquiry concerning the transactions contemplated by this Agreement unless, to the extent permitted by such Governmental Authority, it consults with the other Party in advance and gives the other Party the opportunity to attend and participate; and

(iii) furnishing the other Party with advance copies of all substantive correspondence and filings (or, if not in writing, summaries thereof) between it and any such Governmental Authority in connection with the transactions contemplated by this Agreement.

(f) Each of Seller and Buyer shall provide to each other as promptly as is reasonably practicable any and all information, statistics and data as may be reasonably requested by the other in order for the conduct of the regulatory processes and (if applicable) legal actions described in this Section 5.6(f) to be consummated as promptly as is practicable and in a manner that enables and permits the consummation of the transactions contemplated by this Agreement in accordance with the terms of this Agreement.

(g) The Parties shall not, and shall cause their respective Affiliates not to, acquire or agree to acquire, in any manner, any assets or any Person, if the entry into a definitive agreement related to such acquisition or the consummation of such acquisition would reasonably be expected to: (i) impose any delay in obtaining, or increase the risk of not obtaining, any Consent by a Governmental Authority required to consummate the transactions contemplated by this Agreement; (ii) impede or delay the termination or expiration of any waiting period under the HSR Act; (iii) increase the risk that any Governmental Authority commences any Action or enters any order prohibiting the consummation of the transactions contemplated by this Agreement; or (iv) delay or prevent the consummation of the transactions contemplated by this Agreement.

5.7 Reformation Efforts. In the event that subsequent to the Effective Date all or part of this Agreement or the transactions contemplated hereunder are successfully challenged by any Governmental Authorities, the Parties shall use good faith, commercially reasonable efforts to

analyze, revise, reform and, to the extent necessary, restructure this Agreement and the transactions contemplated hereby in order to fully comply with all applicable requirements of such Governmental Authorities, provided that neither Party shall be obligated to consummate the transactions contemplated herein if such reformation would result in such Party failing to receive, in all material respects, its reasonably expected benefits of the bargain.

5.8 Notice of Certain Events. During the Interim Period, each Party shall promptly notify the other Parties in writing of, and contemporaneously provide the other Parties with accurate and complete copies of any and all information and documents relating to, any event, transaction or circumstance that would reasonably be expected to cause any condition to Closing set forth in ARTICLE VI or ARTICLE VII not to be satisfied. Any such notice should not be deemed to cure any breach of a representation, warranty or covenant for purposes of determining whether or not the conditions set forth in ARTICLE VI or ARTICLE VII have been satisfied (except with respect to updates or supplements to the Schedules in accordance with Section 5.2).

5.9 Use of Controlled Substance Permits. To the extent permitted by applicable Law, Buyer shall have the right, for a period not to exceed one hundred and twenty (120) days following the Closing Date, to operate the Businesses under the licenses and registrations of the applicable Selling Entity relating to controlled substances and the operations of pharmacies and laboratories, until Buyer is able to obtain such licenses and registrations for the Businesses. In furtherance thereof, Seller shall execute and deliver to Buyer at or prior to the Closing the applicable DEA Power of Attorney. Buyer or its Affiliates shall apply for all such licenses and registrations as soon as reasonably practicable before and after the Closing Date and shall diligently pursue such applications. Buyer shall indemnify and hold harmless Seller and its Affiliates, and their respective officers, trustees and employees for all claims, liabilities and costs arising from or relating to use of such licenses and registrations after the Closing Date.

5.10 Assignment of Existing Provider Agreements. Buyer agrees to accept assignment of, and covenants not to reject assignment of, the Hospitals' Existing Provider Agreements to allow for continued operation of the Hospitals under their Existing Provider Numbers.

5.11 Financing. Buyer shall use commercially reasonable efforts to obtain and complete the Acquisition Financing on or prior to the Closing Date. Buyer shall keep Seller informed of all material developments, positive and negative, concerning the status of the Acquisition Financing.

5.12 Acquisition Cost Budget. In the event Buyer expects the Acquisition Costs to exceed the amount of the initial Acquisition Cost Budget set forth in Section 1.1(e), Buyer shall so inform Seller and the Parties shall use commercially reasonable efforts to agree in writing to a revised Acquisition Cost Budget. In the event the Parties do not agree to a revised Acquisition Cost Budget within thirty (30) days following Buyer's notification contemplated in this Section 5.12, and additional Acquisition Costs in excess of the Acquisition Cost Budget must be incurred in order to consummate the transactions contemplated herein, Buyer's refusal to incur additional Acquisition Costs in excess of the Acquisition Cost Budget shall not be deemed the fraud or willful misconduct of Buyer. In the event the Parties are unable to agree to a revised Acquisition

Cost Budget in accordance with this Section either Party shall have the right to terminate this Agreement pursuant to Section 8.1(a)(v).

ARTICLE VI – CONDITIONS PRECEDENT TO OBLIGATIONS OF BUYER

Notwithstanding anything herein to the contrary, the obligations of Buyer to consummate the transactions described herein are subject to the fulfillment, on or prior to the Closing Date, of the following conditions precedent unless (but only to the extent) waived in writing by Buyer on or prior to the Closing:

6.1 Representations and Warranties; Covenants.

(a) The representations and warranties of Seller contained in this Agreement (other than the Seller Fundamental Representations) shall be true and correct in all respects when read in light of any Schedules that are updated prior to the Closing Date in accordance with the provisions of Section 5.2, as of the Effective Date and as of the Closing Date or, in the case of representations and warranties that are made as of a specified date, as of such specified date, except where the failure of such representations and warranties to be true and correct would not, individually or in the aggregate, have a Material Adverse Change (without giving duplicative effect to any limitation or qualification as to "materiality" set forth herein).

(b) The Seller Fundamental Representations shall be true and correct in all material respects (without giving duplicative effect to any limitation or qualification as to "materiality" set forth herein), when read in light of any Schedules that are updated prior to the Closing Date in accordance with the provisions of Section 5.2, as of the Effective Date and as of the Closing Date or, in the case of representations and warranties that are made as of a specified date, as of such specified date.

(c) All of the covenants in this Agreement to be complied with or performed by Seller on or before the Closing Date pursuant to the terms hereof shall have been duly complied with and performed in all material respects (without giving duplicative effect to any limitation or qualification as to "materiality" set forth therein).

6.2 Required Assurances.

(a) The Parties shall have obtained from applicable Governmental Authorities the Consents (other than in respect of the HSR Act) set forth on Schedule 6.2(a) to effect the transactions set forth in this Agreement and to enable Buyer to operate the Businesses (the "***Required Governmental Approvals***").

(b) Any waiting period (and any extension of such waiting period) under the HSR Act or other acquisition control or competition Laws or regulations applicable to the consummation of the transactions contemplated by this Agreement shall have expired or been terminated.

(c) The Parties shall have obtained the third party Consents and approvals listed on Schedule 6.2(c) (collectively, the "***Required Consents***").

(d) The Parties shall have obtained mutually satisfactory approval of the transactions contemplated by this Agreement from the Office of the Rhode Island Attorney General and the Rhode Island Department of Health.

(e) The Parties shall have obtained proper re-assignment of the graduate medical education programs sponsored by Buyer or an Affiliate of Buyer and associated reimbursement of such programs.

(f) The Parties shall promptly apply for and use commercially reasonable efforts to obtain ecclesiastical approval required from officials within the Roman Catholic Church (***"Church"***) in order to consummate the transactions contemplated by this Agreement, including the authorization of the Bishop of the Roman Catholic Diocese of Providence, Rhode, Island ("***Bishop***"), and the permission of the Holy See through the Vatican Congregation of Bishops, if necessary ***("Church Approvals")***. The Parties shall cooperate in the preparation and prosecution of such applications(s). Each of the Parties shall timely submit all information and documents requested in connection therewith by Church officials.

(g) Buyer shall have obtained approval of the transaction contemplated by this Agreement from the Board of Directors of the Centurion Foundation Inc.

6.3 Actions and Proceedings. No Governmental Authority shall have enacted, issued, promulgated, enforced or entered any Law (whether temporary, preliminary or permanent) that is then in effect and that enjoins, restrains, makes illegal or otherwise prohibits the consummation of the transactions contemplated by this Agreement or any other Transaction Document. On the Closing Date, there shall not be any pending or threatened Action (a) seeking to restrain or prohibit Buyer's ownership, use or operation of any material portion of the Businesses, or to compel Buyer or the Parties to dispose of or hold separate any material portion of the assets comprising the Businesses, (b) enjoining or otherwise preventing the consummation of this Agreement or the transactions contemplated hereby, which Action, in the reasonable opinion of Buyer, may result in a decision, ruling or finding that has or would reasonably be expected to have a material adverse effect on the validity or enforceability of this Agreement, or on the ability of Buyer to perform its obligations under this Agreement, or (c) seeking to restrain or prohibit or make materially more costly for Buyer and its Affiliates the consummation of the transactions contemplated by this Agreement.

6.4 Financing. Buyer shall have obtained Acquisition Financing mutually satisfactory to the Parties (to be determined in each respective Party's reasonable discretion).

6.5 Adverse Change. Notwithstanding the disclosure thereof pursuant to the provisions of Section 5.2, there shall have been no Material Adverse Change since the date of this Agreement that is continuing.

6.6 Title Insurance Commitments. Buyer shall have received ALTA title insurance commitments and surveys on all Owned Real Property as needed to support the Acquisition Financing.

6.7 Closing Deliveries. Seller shall have executed and delivered, or caused to have been executed and delivered, to Buyer the documents and items described in Section 2.8.

6.8 **Insolvency**. Seller shall not (a) be in receivership or dissolution, (b) have made any assignment for the benefit of creditors, (c) have admitted in writing their inability to pay their debts as they mature, (d) have been adjudicated a bankrupt, or (e) have filed a petition in voluntary bankruptcy, a petition or answer seeking reorganization, or an arrangement with creditors under the federal bankruptcy law or any other similar law or statute of the United States or any state, nor shall any such petition have been filed against Seller.

6.9 **Real Property Review**. Buyer must notify Seller in writing (the "***Real Property Diligence Notice***") prior to 5:00 p.m. Eastern Time on the date that is ninety (90) days after the Effective Date (the "***Real Property Review Deadline***") as to any Property Matters that, in the aggregate, have a material adverse effect on the Owned Real Property ("***Material Property Matters***"); *provided*, *however*, in no event will any matter disclosed to Buyer in this Agreement or any Schedule be deemed to constitute a Material Property Matter and Buyer will have no right to object to such disclosed matters. The Real Property Diligence Notice must describe in detail the Material Property Matters so disapproved by Buyer. Approval by Buyer of Material Property Matters on or prior to the Real Property Review Deadline will be a condition precedent to the obligations of Buyer to consummate the transactions described herein with Buyer hereby agreeing that its approval of Material Property Matters shall not be unreasonably withheld. If Buyer fails to give the Real Property Diligence Notice by the Real Property Review Deadline, Buyer will be deemed to have approved all Property Matters, including without limitation, Material Property Matters. Seller shall have until the Closing within which to resolve to the reasonable satisfaction of Buyer the disapproved Material Property Matters set forth in the Real Property Diligence Notice, if any, with Seller having the right but not the obligation to do so. In the event Seller determines at any time that it is unable or unwilling to resolve any one or more of such disapproved Material Property Matters to the reasonable satisfaction of Buyer, Seller shall give written notice to Buyer to such effect (the "***Seller Material Property Matters Notice***"); and in such event, Buyer may, at its option, terminate this Agreement upon written notice to Seller but only if given prior to the sooner to occur of the Closing or three (3) business days after Buyer receives the Seller Material Property Matters Notice, in which case this Agreement shall immediately terminate pursuant to Section 8.1(a)(iii), and the provisions of Section 8.1(b) shall apply. If Buyer fails to give such termination notice by such date, Buyer will be deemed to have waived its objection to, and to have approved, the matters set forth in the Seller Material Property Matters Notice.

6.10 **Acquisition Costs**. Seller shall have paid all accrued and outstanding Acquisition Costs in excess of the Acquisition Cost Cap but not exceeding the Acquisition Cost Budget.

ARTICLE VII – CONDITIONS PRECEDENT TO OBLIGATIONS OF SELLER

Notwithstanding anything herein to the contrary, the obligations of Seller to consummate the transactions described herein are subject to the fulfillment, on or prior to the Closing Date, of the following conditions precedent unless (but only to the extent) waived in writing by Prospect on or prior to the Closing:

7.1 **Representations and Warranties; Covenants**.

(a) The representations and warranties of Buyer contained in this Agreement (other than the Buyer Fundamental Representations) shall be true and correct in all respects (without giving effect to any duplicative limitation or qualification as to "materiality" set forth therein), when read in light of any Schedules that are updated prior to the Closing Date in accordance with the provisions of Section 5.2, as of the Effective Date and as of the Closing Date or, in the case of representations and warranties that are made as of a specified date, as of such specified date, except where the failure of such representations and warranties to be true and correct would not, individually or in the aggregate, have a material adverse effect on Buyer's ability to timely consummate the transactions contemplated hereby.

(b) The Buyer Fundamental Representations shall be true and correct in all material respects (without giving duplicative effect to any limitation or qualification as to "materiality" set forth herein), as of the Effective Date and as of the Closing Date or, in the case of representations and warranties that are made as of a specified date, as of such specified date.

(c) All of the covenants in this Agreement to be complied with or performed by Buyer on or before the Closing Date pursuant to the terms hereof shall have been duly complied with and performed in all material respects (without giving effect to any duplicative limitation or qualification as to "materiality" set forth therein).

7.2 Pre-Closing Confirmation.

(a) The Parties have obtained the Required Governmental Approvals.

(b) Any waiting period (and any extension of such waiting period) under the HSR Act or other acquisition control or competition Laws or regulations applicable to the consummation of the transactions contemplated by this Agreement has expired or been terminated.

7.3 Actions and Proceedings. No Governmental Authority shall have enacted, issued, promulgated, enforced or entered any Law (whether temporary, preliminary or permanent) that is then in effect and that enjoins, restrains, makes illegal or otherwise prohibits the consummation of the transactions contemplated by this Agreement. On the Closing Date, there shall not be pending or threatened any Action (a) seeking to restrain or prohibit Buyer's ownership, use or operation of any material portion of the Businesses, or to compel any of the Parties to dispose of or hold separate any material portion of the assets comprising the Businesses, (b) enjoining or otherwise preventing the consummation of this Agreement or the transactions contemplated hereby, which Action, in the reasonable opinion of Seller, may result in a decision, ruling or finding that has or would reasonably be expected to have a material adverse effect on the validity or enforceability of this Agreement, or on the ability of Seller or Buyer to perform its obligations under this Agreement, or (c) seeking to restrain or prohibit or make materially more costly for Seller and its Affiliates the consummation of the transactions contemplated by this Agreement.

7.4 Financing and Buyer Note. Buyer shall have obtained all of the proceeds of the Acquisition Financing necessary to consummate the transactions contemplated herein. In the event any Non-Financed Transaction Costs were incurred in connection with the transactions contemplated in this Agreement, Buyer shall execute a subordinated note (the "***Buyer Note***") on

terms mutually agreed to by the Parties and acceptable to the underwriters or provider of the Acquisition Financing and secured to the greatest extent possible, after taking into consideration prioritization of securitization required in connection with the Acquisition Financing, for payment to Seller of such Non-Financed Transaction Costs.

7.5 Closing Deliveries. Buyer shall have executed and delivered, or caused to have been executed and delivered, to Seller the documents and items described in Section 2.9.

7.6 Management Agreement. The Management Agreement shall remain in full force and effect as of the Closing.

7.7 Insolvency. Buyer shall not (a) be in receivership or dissolution, (b) have made any assignment for the benefit of creditors, (c) have admitted in writing their inability to pay their debts as they mature, (d) have been adjudicated a bankrupt, or (e) have filed a petition in voluntary bankruptcy, a petition or answer seeking reorganization, or an arrangement with creditors under the federal bankruptcy law or any other similar law or statute of the United States or any state, nor shall any such petition have been filed against Buyer.

ARTICLE VIII - ADDITIONAL AGREEMENTS

8.1 Termination Prior to Closing.

(a) Notwithstanding anything herein to the contrary, this Agreement may be terminated at any time prior to the Closing:

(i) by the mutual written consent of Seller and Buyer;

(ii) by Buyer, if Buyer is not then in breach of any provision of this Agreement, if Seller breaches or fails to perform in any respect any of its representations, warranties, covenants, or agreements contained in this Agreement and such breach or failure to perform (1) would, if the Closing otherwise were to occur on the date of written notice of such breach or failure to perform, give rise to the failure of a condition set forth in Section 6.1, Section 6.2(a)-(f), or Section 6.4, (2) has not been waived by Buyer, and (3) cannot be or has not been cured within thirty (30) days following delivery of written notice of such breach or failure to perform; *provided, however*, the cure period provided for in this Section 8.1(a)(ii) shall automatically extend by thirty (30) days (or for such longer period as the Parties may agree, in good faith, in writing) if (A) Seller has commenced taking actions to cure the breach during the initial cure period, (B) a cure cannot practically be achieved within thirty (30) days, or (C) Seller gives Buyer written notice of Seller's need for an extension and of the actions it is taking to cure its breach;

(iii) by Seller, if Seller is not then in breach of any provision of this Agreement, if Buyer breaches or fails to perform in any respect any of its representations, warranties, covenants or agreements contained in this Agreement and such breach or failure to perform (1) would, if the Closing otherwise were to occur on the date of written notice of such breach or failure to perform, give rise to the failure of a condition set forth in Section 7.1, Section 7.2, or Section 7.4,

(2) cannot be or has not been cured within thirty (30) days following delivery of written notice of such breach or failure to perform, and (3) has not been waived by Seller; *provided, however*, that the cure period provided for in this Section 8.1(a)(iii) shall automatically extend by thirty (30) days (or for such longer period as the Parties may agree, in good faith, in writing) if (A) Buyer has commenced taking actions to cure the breach during the initial cure period, (B) a cure cannot practically be achieved within thirty (30) days, or (C) Buyer gives Seller written notice of Buyer's need for an extension and of the actions it is taking to cure its breach;

(iv) by either Party if the Closing shall not have occurred on or prior to the twelve (12) month anniversary of the Effective Date (the "***Termination Date***") at any time after the Termination Date; *provided that,* the Parties will consider, in good faith, an extension of the Termination Date and may extend the Termination Date in thirty (30)-day increments; *provided*, *further*, that Buyer's right to terminate this Agreement pursuant to this Section 8.1(a)(iv) shall not be available if the failure of Buyer to fulfill any obligation under this Agreement shall have been the primary cause of the failure of the conditions contained in ARTICLE VI or ARTICLE VII (as the case may be) to be satisfied on or prior to the Termination Date; *provided, further,* that if the all regulatory approvals required to consummate the transactions contemplated by this Agreement have not been obtained on or before the Termination Date, the Termination Date shall be automatically extended to the eighteen (18) month anniversary of the Effective Date; or

(v) by either Party in the event the Parties do not agree to a revised Acquisition Cost Budget pursuant to Section 5.12.

The Party seeking to terminate this Agreement pursuant to this Section 8.1(a) (other than Section 8.1(a)(i)) shall give prompt written notice of such termination to the other Party.

(b) In the event of a termination of this Agreement by Buyer and Seller pursuant to Section 8.1(a)(i), by either Party pursuant to Section 8.1(a)(iv) or Section 8.1(a)(v), or by Buyer pursuant to Section 8.1(a)(ii), Seller shall be responsible for the following costs and expenses: (i) all Acquisition Costs incurred and paid by Buyer up to the Acquisition Cost Cap; and (ii) all additional Acquisition Costs in excess of the Acquisition Cost Cap but not exceeding the Acquisition Cost Budget (unless Seller agreed in writing to an increase in the Acquisition Cost Budget).

(c) In the event of a termination of this Agreement by Seller pursuant to Section 8.1(a)(iii), Seller shall not be responsible for payment of the following costs and expenses incurred or accrued by Buyer following Buyer's receipt of Seller's termination notice: (i) all Acquisition Costs incurred and paid by Buyer up to the Acquisition Cost Cap; and (ii) all additional Acquisition Costs in excess of the Acquisition Cost Cap. In addition, and notwithstanding anything contained herein to the contrary, in the event Seller terminated this Agreement pursuant to Section 8.1(a)(iii) as a result of Buyer's fraud or willful misconduct, Seller shall not be responsible for the payment of any Acquisition Costs incurred or accrued by Buyer

and Buyer shall refund to Seller all Acquisition Costs paid by Seller prior to Buyer's receipt of Seller's termination notice.

(d) In the event of a termination of this Agreement pursuant to Section 8.1, this Agreement shall forthwith become void and there shall be no liability on the part of either Party except that: (i) the provisions of this Section 8.1 and Sections 10.2, 10.3, 10.4, 10.6, 10.8, 10.9, 10.10, 10.11, 10.12 and 10.14 shall remain in full force and effect after such termination; and (ii) nothing herein shall relieve either Party from liability for such Party's fraud or material willful breach of this Agreement or any other Transaction Document.

8.2 Post-Closing Filings and Access to Information.

(a) After the Closing, upon reasonable request, each Party shall promptly deliver to the other Party copies of any reasonable post-closing filings or reports that may be reasonably required to be prepared and delivered to any Governmental Authority as a result of the consummation of the transactions described herein, in each case, at the sole cost and expense of the requesting Party. Notwithstanding anything in this Section 8.2 to the contrary, "reasonable access" with respect to Excluded Peer Review Materials shall mean redacted copies of such materials provided to Buyer upon no less than thirty (30) days' prior written notice to Seller.

(b) The Parties acknowledge that subsequent to the Closing, the Selling Entities may need access to information or documents included in the Purchased Assets and in the control or possession of Buyer for the purposes of concluding the transactions herein contemplated, audits, compliance with Laws, and the prosecution or defense of third party claims. Accordingly, Buyer shall for a period of five (5) years after the Closing, and until the expiration of the applicable statute of limitations with respect to any governmental or third party claims, maintain in accordance with retention requirements under applicable Law and make reasonably available to the Selling Entities and their respective Representatives and/or Governmental Authorities, upon written request and at the expense of the Selling Entities, copies of such documents and information as may be available relating to the Businesses for periods prior to the Closing Date to the extent necessary to facilitate concluding the transactions herein contemplated, audits, compliance with Laws and the prosecution or defense of claims. Each Party shall reasonably cooperate with the other in connection with the handling of any such post-Closing matters as may reasonably be requested, in each case, at the sole cost and expense of the requesting Party.

(c) The Parties acknowledge that subsequent to the Closing, Buyer may need access to information or documents in the control or possession of the Selling Entities for the purposes of concluding the transactions herein contemplated, audits, compliance with Laws, and the prosecution or defense of third party claims. Accordingly, for a period of five (5) years after the Closing, and until the expiration of the applicable statute of limitations with respect to any governmental or third party claims, Seller shall maintain in accordance with retention requirements under applicable Law and make reasonably available to Buyer and its Representatives and/or Governmental Authorities, upon written request and at the expense of Buyer, such documents and information (including Excluded Peer Review Materials) as may be available relating to the Businesses to the extent reasonably necessary to facilitate concluding the transactions herein contemplated, administering Buyer's obligations as an employer, audits,

compliance with Laws and the prosecution or defense of claims. Each Party shall cooperate with the other in connection with the handling of any such post-closing matters as may reasonably be requested, in each case, at the sole cost and expense of the requesting Party. For the avoidance of doubt, the documents and information required to be maintained and made reasonably available to Buyer subject to the terms in this Section 8.2(c) shall not include any information or documents included in the Purchased Assets and Seller shall not have any obligation, except where required by Law, to maintain or make reasonably available such information or documents.

(d) Without limiting the foregoing, following the Closing, Buyer shall provide Seller and its Affiliates with reasonable access to, or provide copies (at Seller's and its Affiliates' sole cost and expense) of patient and medical records used in connection with the Businesses prior to the Effective Time to the extent permitted by Law and reasonably necessary for purposes of Seller's and its Affiliates' bona fide compliance with applicable Laws, regulatory requirements or litigation matters.

8.3 Employee Matters.

(a) Not later than ten (10) days prior to the Closing Date, Buyer (or one or more of its Affiliates) shall make, subject to satisfactory results from Buyer's standard hiring practices, offers of employment to all of the Facility Employees (whether in active or leave of absence status), who are currently employed by a Selling Entity as of such time and are not a party to an Employment Agreement that is an Assumed Contract (collectively, the "***Offered Employees***") for positions (including job title, reporting structure and responsibilities) with a Buyer or Affiliate thereof that are equivalent to the positions with the Selling Entity occupied by the respective Offered Employees on the Closing Date. Effective as of the Effective Time, (i) the applicable Selling Entity shall terminate the employment of all of the Offered Employees, and (ii) if such offers are accepted, Buyer (or one or more of their Affiliates) will hire all such employees currently in good standing into positions (including job title, reporting structure and responsibilities) with a Buyer or Affiliate thereof that are equivalent to the positions with the Selling Entity occupied by the respective Offered Employees on the Closing Date. Notwithstanding the foregoing, neither Buyer nor any Affiliate thereof shall be obligated to make offers of employment of any kind to those Facility Employees set forth on Schedule 8.3(a) or to any Facility Employee that fails to satisfy Buyer's standard hiring policies (collectively, the "***Excluded Employees***"). Buyer or an Affiliate thereof shall provide each Offered Employee who accepts such offer and each employee that is a party to an Employment Agreement that is an Assumed Contract (collectively, the "***Transferred Employees***") with (A) a level of compensation that is no less favorable than the compensation package provided to such Transferred Employee by the applicable Selling Entity as of immediately prior to the Closing, and (B) shall use commercially reasonable efforts to provide other employee benefits to such Transferred Employee that in the aggregate are comparable in all material respects to the employee benefits being provided to such Transferred Employee by the applicable Selling Entity as of immediately prior to the Closing. With respect to each Transferred Employee, and subject to applicable Law, Buyer shall assume the Selling Entity's liability to such Transferred Employee for the Accrued PTO as of the Closing Date, in an amount that is mutually agreed upon between the Parties and affords the Transferred Employees a reasonable amount of carry-over Accrued PTO with Buyer. Any such Accrued PTO assumed by Buyer or its Affiliates will be administered in accordance with Buyer's and its Affiliates' employment policies and procedures and subject to the terms of

any applicable collective bargaining agreements. Further, subject to employee resignations or terminations of employees for cause, Buyer or its Affiliates shall retain all Transferred Employees for a minimum of ninety (90) days following the Closing Date.

(b) In respect of each Transferred Employee, existing seniority or periods of service with the Selling Entity of all such Transferred Employees shall be recognized for Employee Benefit Plan purposes and credited for eligibility, vesting, and benefits purposes with respect to the employee benefit plans of Buyer or its Affiliates (collectively, "***Buyer Benefit Plans***"). Buyer shall cause each of its Buyer Benefit Plans in which any Transferred Employee becomes eligible to participate, to (i) waive all limitations as to pre-existing conditions and waiting periods with respect to participation and coverage requirements for any Transferred Employees and their eligible dependents, and (ii) credit each Transferred Employee with all deductible payments, co-payments and co-insurance paid by such Transferred Employee and covered dependents under the group health plans of any of Selling Entity prior to the Closing Date during the year in which the Closing occurs for the purpose of determining the extent to which any such Transferred Employee and his or her dependents have satisfied their deductible and whether they have reached the out-of-pocket maximum under any group health plans maintained by Buyer for such year; provided that Seller shall use their reasonable best efforts to provide to Buyer as of or promptly following the Closing Date such information requested by Buyer as is reasonably necessary to implement the provisions of Section 8.3(b)(ii). Buyer agrees to accept direct rollovers of any electing Transferred Employees from the Selling Entity's retirement savings plan and Buyer agrees to cause the account balances of any electing Transferred Employees to be rolled over in cash (or notes evidencing any outstanding participant loans) to such Buyer's defined contribution plan which satisfies the requirements of Code Section 401(k). Buyer acknowledges and agrees that Buyer and its Affiliates will honor the terms of any employment, severance, union or other Contract between a Transferred Employee and a Seller.

(c) Except for (x) the Accrued PTO assumed by Buyer pursuant to this Agreement, (y) any of the Selling Entity's severance obligations resulting from Buyer's failure to satisfy the hiring covenants in Section 8.3(b) (except with respect to the Excluded Employees), and (z) any assumed pension-related obligations, including any obligations of Buyer with respect to any Multiemployer Plans pursuant to Section 8.18(a), Buyer shall not assume any obligations of the Selling Entities related to any of the Selling Entities' Employee Benefit Plans or liabilities for any equal employment opportunity or fair employment practices claims (such as claims for discrimination, harassment, retaliation, wrongful termination, reasonable accommodations, employee leave issues, etc.), wage and hour claims, immigration-related claims, occupational safety and health related claims, employment related tax claims, unemployment compensation claims or worker's compensation claims. The Selling Entities shall retain all liability for all prior acts or omissions in respect of the Selling Entities' Employee Benefit Plans and any deficient funding obligations for periods prior to the Effective Time. The Selling Entities shall be solely obligated, to the extent required under COBRA or any severance obligations of any Selling Entity, for any Facility Employees (and their covered dependent(s)) who do not accept employment with Buyer or its Affiliates.

(d) Notwithstanding the foregoing, Buyer agrees to adopt and assume Seller's collective bargaining agreements. Buyer agrees to abide by and comply with all terms of Seller's

collective bargaining agreements, including but not limited to any successor provisions requiring Seller to employ all bargaining unit employees, recognize bargaining unit employees' seniority, and comply with the grievance and arbitration procedure for any employees deemed ineligible to be employed by Buyer or its Affiliates.

(e) Prior to the Closing, Buyer (or designee of Buyer) shall make a written offer of appointment and enrollment in a program of graduate medical education of Buyer (or designee of Buyer) (subject to the Closing) on such terms and conditions as determined by Buyer, to all of the residents and fellows listed on the Residents and Fellows List who continue to be enrolled in Seller's program of graduate medical education as of the such offer date, who are anticipated to be enrolled as of the Closing Date, who have satisfied Buyer's customary screening procedures and for whom Buyer, on or before the Closing Date, has verified has the requisite certifications, credentials, and licenses (if applicable) required by the Accreditation Council for Graduate Medical Education, applicable Law and customary practice for such residents and fellows to participate in graduate medical education. Such new terms and conditions of appointment established by Buyer (or designee of Buyer) will be consistent with those established by Seller. Such individuals who accept such offers of appointment are hereinafter referred to as "***Transferred Residents and Fellows***" and will be appointed by Buyer (or designee of Buyer) as of the Effective Time. Buyer shall be responsible for any and all compensation and benefits obligations of Seller in respect of the Transferred Residents and Fellows accruing prior to the Effective Time.

(f) This Section 8.3 shall be binding upon and inure solely to the benefit of each of the Parties, and nothing in this Section 8.3, express or implied, shall confer upon any other Person any rights or remedies of any nature whatsoever under or by reason of this Section 8.3. Nothing contained herein, express or implied, shall be construed to establish, amend or modify any Employee Benefit Plan, Buyer Benefit Plan or any other benefit plan, program, agreement or arrangement. The Parties acknowledge and agree that the terms set forth in this Section 8.3 shall not create any right in any Transferred Employee, residents and fellows listed on the Residents and Fellows List, or any other Person to any continued employment with Buyer or any of its Affiliates or compensation or benefits of any nature or kind whatsoever. Nothing in this Agreement shall be construed to prevent the termination of employment of any individual Transferred Employee or the termination of the appointment or enrollment in graduate medical education of any residents and fellows.

8.4 Medical Staff. To ensure continuity of care in the community, Buyer agrees that the medical staff members of, and other practitioners with clinical privileges at, the Hospitals who are in good standing as of the Closing Date shall maintain medical staff privileges and/or clinical privileges at the Hospitals as of the Closing. After the Closing, the medical staff will be subject to the Medical Staff Bylaws of the Hospitals then in effect, as amended from time to time.

8.5 Consents to Certain Assignments.

(a) Notwithstanding anything in this Agreement to the contrary, this Agreement shall not constitute an agreement to transfer or assign any asset, permit, claim or right or any benefit arising thereunder or resulting therefrom if an attempted assignment thereof, without the Consent of a third party, would constitute a breach or other contravention under any

Contract or Law to which a Selling Entity is a party or by which it is bound, or in any way adversely affect the rights of the Selling Entities or, upon transfer, Buyer under such asset, permit, claim or right. Seller shall use its commercially reasonable efforts to obtain any Consents required to assign to Buyer any Purchased Asset that requires the Consent of a third party, including but not limited to Permits that require the Consent of a Governmental Authority, without any conditions to such transfer or changes or modifications of terms thereunder. Buyer agrees that none of Seller or any of its Affiliates shall have any liability to Buyer arising out of or relating to the failure to obtain any such Consent that may be required in connection with the transactions contemplated by this Agreement.

(b) If any required Consent from a third party in connection with a Purchased Asset, including but not limited to any Consent required from a Governmental Authority in connection with a Permit, is not obtained prior to Closing and as a result thereof Buyer shall be prevented by such third party from receiving the rights and benefits with respect to such Purchased Asset intended to be transferred hereunder, or if any attempted assignment would adversely affect the rights of a Selling Entity thereunder so that Buyer would not in fact receive all such rights or a Selling Entity would forfeit or otherwise lose the benefit of rights that such Selling Entity is entitled to retain, Seller and Buyer shall enter into a lawful and commercially reasonable arrangement, as Seller and Buyer shall agree, under which Buyer would, to the extent practicable and for no additional consideration to Seller, obtain the economic claims, rights and benefits under such asset and assume the obligations and economic burdens with respect thereto in accordance with this Agreement, including by subcontracting, sublicensing or subleasing to Buyer; provided that all reasonable out-of-pocket expenses of such cooperation and related actions shall be paid by Buyer.

8.6 Refunds and Remittances. After the Closing: (a) if Seller or any Affiliate of Seller receives any refund or other amount that is a Purchased Asset or is otherwise properly due and owing to the Businesses or Buyer or any of their Affiliates in accordance with the terms of this Agreement or by Law, such Seller or Affiliate thereof promptly shall remit, or shall cause to be remitted, such amount to Buyer; and (b) if Buyer or any of its Affiliates receives any refund or other amount that is an Excluded Asset or is otherwise properly due and owing to Seller or any of its Affiliates in accordance with the terms of this Agreement or by Law (including any amounts received as underpayments from the Medicare program for services provided by a Selling Entity prior to the Closing under a provider agreement that is a Purchased Asset, and amounts under the CARES Act, including under the Provider Relief Fund), such Buyer or Affiliate thereof promptly shall remit, or shall cause to be remitted, such amount to Seller.

8.7 Assistance with Agreements. To the extent that any of the Contracts of the Businesses are not assignable, during the Interim Period, the Selling Entities shall use commercially reasonable efforts to, promptly and in good faith, assist Buyer and their Affiliates in amending their existing Contracts or novating and/or arranging for new Contracts based on similar material terms as the Contracts set forth on Schedule 8.7, including without limitation contacting the counterparty to inform them of the transactions contemplated hereby, facilitating initial correspondence between such counterparty and Buyer and their Affiliates (if necessary), granting permission to the counterparty to share the financial terms of the existing agreements and providing such counterparty other relevant information regarding the Businesses or the transactions contemplated hereby as they may reasonably request; *provided*, *however*, that in no

event shall Seller be responsible for obtaining or ensuring the execution of any future agreements with such counterparty and Buyer or the terms thereof. Buyer agrees to pay the reasonable out-of-pocket expenses incurred by Seller and pre-approved by Buyer with respect to Seller's obligations under this provision; *provided*, *however*, that Seller shall not be required to pay any consent fee, deposit or similar payment to any such counterparties. Buyer agrees that if the counterparty to such Contracts consents to the novation or entering into a new Contract, Buyer will use commercially reasonable efforts to effectuate such novation or new Contract for the time period set forth on Schedule 8.7 for such counterparty. For the avoidance of doubt, the Contracts set forth on Schedule 8.7 are national and regional Contracts of Seller, and any novation or new Contract shall relate only to the provisions of the Contracts specifically governing the Businesses and not the entire Contracts.

8.8 Terminating Cost Reports.

(a) Seller shall prepare and timely file all Cost Reports relating to the periods ending on or prior to the Closing Date or required as a result of the consummation of the transactions described herein. Buyer shall forward to Prospect any and all correspondence relating to such Seller's Cost Reports or the Selling Entities' Agency Settlements within ten (10) business days after receipt by Buyer. Buyer shall not reply to any such correspondence without Seller's written approval, which Seller shall not unreasonably withhold, delay or condition. Buyer shall remit any receipts relating to the Seller's Cost Reports or the Selling Entities' Agency Settlements within ten (10) business days after receipt by Buyer and forward any demand for payments within ten (10) business days after receipt by Buyer. Seller shall retain all rights to the Seller's Cost Reports and Selling Entities' Agency Settlements, including the right to appeal any Medicare determinations relating to the Selling Entities' Agency Settlements and the Seller's Cost Reports. Seller shall retain the originals of the Seller's Cost Reports, correspondence, work papers and other documents relating to the Seller's Cost Reports and the Selling Entities' Agency Settlements and furnish copies of such documents to Buyer upon reasonable request.

(b) Buyer, upon reasonable notice, during normal business hours and at the sole cost and expense of Seller, shall reasonably cooperate with Seller in regard to the preparation, filing, handling and appeals of the Seller's Cost Reports. Such cooperation shall include the providing of statistics and obtaining files at the Facilities and the coordination with Seller pursuant to adequate notice of Medicare and Medicaid exit conference or meetings. Buyer shall, upon reasonable notice, during normal business hours and at the sole cost and expense of Seller, and subject to applicable Law regarding confidentiality of patient records, provide reasonable access by Seller to all records of the Businesses and, to the extent permitted by Law, shall allow Seller to copy any documents relating to the Seller's Cost Reports and appeals thereof. Following the Closing, Buyer shall not, and shall not permit any of their Affiliates to, refile, reopen, file any appeal with respect to or otherwise amend any Seller Cost Report relating to the periods ending on or prior to the Closing Date in each case without the prior written consent of Seller.

8.9 Use of Seller Policies and Procedures. Buyer agrees that any reliance on, use of, or implementation of the materials included in the Purchased Assets set forth in Section 2.1(a)(xxiv) shall be solely the responsibility of Buyer, including, without limitation, responsibility to ensure any and all materials used or implemented meet compliance and operational needs of the Businesses after the Closing. Buyer further represents that it shall hold

Seller harmless for any use or implementation or other activities related to the materials included in the Purchased Assets set forth in Section 2.1(a)(xxiv).

8.10 Use of Business Names. Buyer covenants that it and its Affiliates shall not use the trade names, trademarks, service marks, trade dress, logos or symbols (as well as any abbreviations, variations or derivations thereof) of Seller or its respective Affiliates that specifically include any of the names set forth on Schedule 2.2(ee), in Buyer's or its Affiliates' respective trades or businesses nor any promotional material, educational material, signage, stationery, supplies or other items of inventory bearing either such names, marks, trade dress, logos or symbols or abbreviations, variations or derivations thereof. Notwithstanding the foregoing, Buyer shall have ninety (90) days after the Effective Time to replace the signage at the Facilities.

8.11 Waiver of Bulk Sales Law Compliance. Each Party hereby waives, in connection with the transactions contemplated by this Agreement, compliance by Seller with the requirements, if any, of the "bulk sales" provision of Article 6 of the Uniform Commercial Code as it is in effect in the states where the Purchased Assets are to be conveyed to Buyer hereunder and other similar bulk transfer notice provisions.

8.12 Closing of Financials. Buyer shall cause the individual(s) acting as the chief financial officer of the Businesses after the Effective Time or such other person(s) as may be responsible for financial closings and reconciliations (the "***Finance Team***") to complete (or take such action as shall be necessary for Buyer or Seller to complete) the standardized closing of Seller's financial records for the Businesses through the Closing Date including, without limitation, the closing of general ledger account reconciliations (collectively, the "***Closing of Financials***"). Buyer shall cause the Finance Team to use their good faith efforts to complete the Closing of Financials by no later than the date which is thirty (30) days after the Closing Date. The Finance Team and other appropriate personnel shall be reasonably available to Seller after the Closing Date as reasonably requested by Seller, including, without limitation, to assist Seller in the completion of any post-Closing audit by Seller.

8.13 Restrictive Covenants. In further consideration, and as a condition and inducement to each Party's willingness to consummate the transactions contemplated by this Agreement, Seller or Buyer, as applicable, covenants and agrees as follows from and after the Closing:

(a) Seller shall not, directly or indirectly, own, lease, operate, develop, construct, provide financing to, manage or control, for a period of one (1) year immediately following the Closing Date, any facility that primarily derives its revenue from the operation of an acute-care hospital (the "***Restricted Business***") that is within the State of Rhode Island (the "***Restricted Area***");

(b) Notwithstanding the forgoing, Section 8.13(a) shall not apply to: (i) any acquisition or other corporate transaction undertaken by any entity in which Seller owns, directly or indirectly, a non-controlling, minority interest; or (ii) any entity resulting from a change in control of any Seller or any of its Affiliates.

(c) Except as otherwise provided in Section 8.3, during the period commencing on the Effective Date and ending twelve (12) months after the Closing, neither Buyer nor any its Representatives or Affiliates will, directly or indirectly, (i) encourage or solicit for employment or engagement or hire or engage any Person who is an employee or contractor of Prospect or Coordinated Regional Care Group, Inc., or any Person that was employed by, contracted by or engaged by Prospect or Coordinated Regional Care Group, Inc. during the 12-month period prior to the Effective Date, or (ii) in any way interfere with the relationship between Prospect or Coordinated Regional Care Group, Inc. and any of their employees or contractors; *provided*, *however*, that the foregoing provision will not prevent Buyer from employing any such Person who (y) contacts Buyer on his or her own initiative without any direct or indirect solicitation by or encouragement from Buyer, or (z) contacts Buyer in response to an employment advertisement or general solicitation.

8.14 Set-Off Right. Either Party shall be entitled to set-off or recoup against amounts due by the other Party pursuant to this Agreement, any amounts due or payable by Buyer or any other Buyer Indemnified Party, on the one hand, and Seller or any other Seller Indemnified Party, on the other hand, pursuant to this Agreement, including any amounts due by Buyer or any other Buyer Indemnified Party under the Transition Services Agreement and any indemnification payment due pursuant to Section 9.2. The exercise of such set-off right, whether or not ultimately determined to be justified, shall not constitute a breach of this Agreement.

8.15 PACE Loans. Buyer shall have the option to either (i) assume the PACE Loans effective as of the Closing or (ii) cause Prospect CharterCARE RWMC, LLC to retire the PACE Loans by paying to Prospect CharterCARE RWMC, LLC the full outstanding amount of the PACE Loans owed by Prospect CharterCARE RWMC, LLC as of the Closing Date, along with any costs or prepayment penalties to be assessed by the Pace Loan Lender, in order to pay off the PACE Loans in full. Buyer shall notify Prospect of its decision to either assume the PACE Loans or cause Prospect CharterCARE RWMC, LLC to retire the PACE Loans no later than sixty (60) days prior to Closing.

8.16 Transfer Taxes. All transfer, documentary, sales, use, stamp, registration, value added and other such Taxes and fees ("***Transfer Taxes***") incurred in connection with Buyer's acquisition of the Purchased Assets that are properly payable by Seller shall be borne and paid by Seller when due or, at Buyer's option, shall be payable by Buyer and credited in full against the Purchase Price at Closing.

8.17 Costs and Expenses.

(a) Buyer and QHR shall pay when due and payable all Acquisition Costs incurred up to the Acquisition Cost Cap in accordance with the terms and conditions of each respective arrangement.

(b) Seller agrees to pay when due and payable, or to reimburse Buyer and/or QHR, and be responsible for all Acquisition Costs incurred in excess of the Acquisition Cost Cap but not exceeding the Acquisition Cost Budget less the Acquisition Cost Cap, unless Seller otherwise agreed in writing to increase the Acquisition Cost Budget, and in accordance with the terms and conditions of each respective arrangement.

(c) Upon the Closing, Seller, Buyer and QHR shall be reimbursed for the full amount of their respective payment of fees, costs and expenses, including the Acquisition Costs and Seller's Transaction Expenses (the "***Transaction Costs and Expenses***"), out of the proceeds of the Purchase Price, in accordance with Section 2.5.

8.18 ERISA Section 4204 Exemption Transaction.

(a) Notwithstanding any provision in this Agreement to the contrary, the Parties intend to comply with the requirements of Section 4204 of ERISA such that the transactions contemplated by this Agreement shall not result in a complete or partial withdrawal by Seller from the multiemployer pension plans set forth on Schedule 8.18(a) (each a "***Multiemployer Plan***", and collectively, the "***Multiemployer Plans***"). Accordingly, Seller and Buyer agree as follows:

(i) After the Closing Date, Buyer shall contribute to each Multiemployer Plan with respect to the covered operations of the Facilities or Businesses for substantially the same number of "contribution base units" for which Seller has an "obligation to contribute" to the Multiemployer Plan (as those terms are defined in Section 4001(a)(11) and 4212 of ERISA, respectively) pursuant to the applicable collective bargaining agreement(s) set forth on Schedule 3.13(a) under which Seller has an obligation to contribute to such Multiemployer Plan.

(ii) Buyer shall provide to each Multiemployer Plan, for a period of five consecutive plan years commencing with the first plan year beginning after the Closing Date, either a bond issued by a surety company that is an acceptable surety for purposes of Section 412 of ERISA or an amount held in escrow by a bank or similar financial institution satisfactory to the Multiemployer Plan. The amount of each such bond or escrow deposit shall be equal to the greater of (A) the average annual contribution that Seller was required to make under the Multiemployer Plan with respect to the covered operations of the Facilities or Businesses for the three (3) plan years immediately preceding the plan year in which the Closing Date occurs, or (B) the annual contribution that Seller was required to make under such Multiemployer Plan with respect to the covered operations of the Facilities or Businesses for the last plan year immediately preceding the plan year in which the Closing Date occurs. In furtherance of the foregoing, the cost of the bond or escrow shall be borne by Buyer.

(iii) The Parties shall cooperate and jointly apply to the Multiemployer Plan before the first day of the first plan year beginning immediately after the Closing to obtain an exemption or variance from the sale contract language of Section 4204(a)(1)(C) of ERISA, to the extent an exemption or variance is available with respect to the same.

(iv) If Buyer completely or partially withdraws from any Multiemployer Plan prior to the end of the fifth plan year beginning after the Closing Date, and the resulting liability of Buyer with respect to such Multiemployer Plan is not paid, then Seller shall be secondarily liable in an amount not to exceed the amount of

withdrawal liability Seller would have had to pay to such Multiemployer Plan as a result of the transactions contemplated by this Agreement but for Section 4204 of ERISA; *provided, however*, that the preceding language will be void and of no effect if the Parties obtain an exemption or variance from the requirements of Section 4204(a)(1)(C) as described in Section 8.18(a)(iii) above. Buyer shall indemnify Seller against any liability incurred by Seller pursuant to this clause (iv).

(b) Seller shall cooperate with Buyer if Buyer wishes to prepare and submit to any or all of the Multiemployer Plans or the Pension Benefit Guaranty Corporation, as applicable, a request for a variance of exemption from the bond/escrow requirement of Section 4204(a)(1)(B) of ERISA (as described in Section 8.18(a)(ii) above). Unless and until such a variance or exemption is granted, Buyer shall comply with the bond/escrow requirement, except to the extent provided in PBGC Regulation Section 2643.11(d).

(c) Buyer covenants and agrees to require any subsequent purchaser of the Facilities or Businesses to apply the procedures of Section 4204(a) of ERISA to the Multiemployer Plans. This Section 8.18(c) shall remain in effect for a period of five (5) years commencing with the first plan year beginning after the Closing Date.

8.19 Continued Billing. To facilitate Buyer's operation of the Facilities as of the Closing, the applicable Selling Entities shall permit Buyer to bill for services rendered from and after the Closing utilizing the existing applicable payor agreements, managed care agreements, and Medicare provider agreements presently held by the Hospitals ("***Existing Provider Agreements***") and the billing code numbers associated with such agreements ("***Existing Provider Numbers***") until the Existing Provider Numbers are transferred to Buyer. Hospitals shall assign the Existing Provider Agreements to Buyer effective as of the Closing as contemplated in Section 5.10, and, so long as Buyer adheres to the requirements hereunder and remains compliant with its regulatory obligations in all material respects, shall take no action to terminate the Existing Provider Agreements or take any other action that would negatively impact the ability of Buyer to use the Existing Provider Numbers.

8.20 Tax Matters

(a) For purposes of this Agreement, any Taxes relating to the Businesses, the Purchased Assets, or the Assumed Liabilities with respect to a Straddle Period that are allocable to the portion of such Straddle Period ending on the Closing Date shall be equal to (i) in the case of Taxes other than those described in clause (ii), the amount that would be payable if the taxable year of Seller ended on (and included) the Closing Date, and (ii) in the case of real, personal, and intangible property Taxes and other similar periodic Taxes that are not based on income or receipts, the amount of all such Taxes for the entire Straddle Period multiplied by a fraction, the numerator of which is the number of days in the Straddle Period up to (and including) the Closing Date, and the denominator of which is the number of days in the entire Straddle Period. With respect to any Joint Venture, the Parties shall cause such Joint Venture to adopt the interim closing of the books method under Section 706 of the Code using a calendar day convention with respect to the transactions contemplated by this Agreement.

(b) With respect to any Joint Venture for which Buyer has the ability to control the preparation and filing of Tax Returns after the Closing Date:

(i) Seller shall prepare or cause to be prepared all Tax Returns required or permitted to be filed by such Joint Venture for taxable periods ending prior to or on the Closing Date which are to be filed after the Closing Date (the "***Seller JV Returns***") in a manner consistent with such Joint Venture's past practice, except as otherwise required by applicable Law, and in accordance with the provisions of this Agreement; and Buyer shall cause the applicable Joint Venture to execute and file the Seller JV Returns as so prepared. The applicable Joint Venture shall bear the costs and expenses of preparing and filing all Seller JV Returns. The Parties shall make available to each other (and to their respective accountants and attorneys) any and all books and records and other documents and information in its possession or control relating to such Joint Ventures reasonably requested by such Persons in order to prepare or review such Seller JV Returns.

(ii) Buyer shall prepare and file or cause to be prepared and filed when due any Tax Returns of such Joint Venture for Tax periods which begin on or before the Closing Date and end after the Closing Date (the "***Straddle Period JV Returns***") in a manner consistent with such Joint Venture's past practice, except as otherwise required by applicable Law, and in accordance with the provisions of this Agreement. Buyer shall permit Seller to review and comment on each Straddle Period JV Return prior to filing, and each such Tax Return shall be subject to review and approval by Seller (which approval shall not be unreasonably withheld) prior to filing. Buyer shall incorporate all of Seller's reasonable comments to any Straddle Period JV Return.

(c) To the maximum extent permitted by applicable Law (including through the potential use of the safe harbor procedures of IRS Revenue Procedure 2011-29 with respect to any success-based fees), any Transaction Deductions shall be treated for purposes of this Agreement and reported on applicable income Tax Returns solely as income Tax deductions of Seller for a taxable period (or portion thereof) that ends on or prior to the Closing Date, and shall not be treated or reported as income Tax deductions for a taxable period beginning after the Closing Date.

(d) Buyer shall promptly notify Seller following receipt of any notice of audit or other proceeding relating to any Seller JV Return, Straddle Period JV Return, or any other Tax Return relating to the Businesses or the Purchased Assets which relates to a Pre-Closing Tax Period (collectively, the "***Prior Period Returns***"). Seller shall control any and all audits or other proceedings and litigation relating to any Prior Period Tax Return (other than Straddle Period JV Returns), including the filing of an amended Tax Return, and Buyer and Seller shall have joint control of any and all audits or other proceedings and litigation relating to a Straddle Period JV Return, including the filing of an amended Tax Return. Neither Seller nor Buyer shall settle or compromise an audit or other proceeding or litigation relating to a Prior Period Return without the consent of the other Party, which consent shall not be unreasonably withheld, conditioned or delayed. To the extent that the provisions of this Section 8.20(d) conflict with the provisions of Section 9.5, this Section 8.20(d) shall control with respect to Tax matters.

(e) After the Closing, Buyer and Seller shall (and shall cause their respective Affiliates) to: (i) assist Buyer and Seller, respectively, in preparing any Tax Returns that they or their Affiliates are responsible for preparing and filing with respect to any Joint Venture; (ii) cooperate fully in responding to any inquiries from or preparing for any audits of, or any disputes with a Governmental Authority regarding, any Taxes or Tax Returns with respect to any Joint Venture; and (iii) make available to Seller and Buyer, respectively, as reasonably requested, all information in its possession relating to any Joint Venture that may be relevant to any Tax Return, audit or examination, proceeding or determination and to any Governmental Authority, as reasonably requested by the other party, all information, records, and documents relating to Taxes of any Joint Venture.

(f) Tax refunds (or credits in lieu thereof) that are received by the Buyer, its Affiliates, or the Joint Ventures that relate to (i) any Pre-Closing Tax Period, or (ii) any other Tax indemnified by Seller under the terms of this Agreement, shall be for the account of Seller, and Buyer shall promptly pay over to Seller any such refund (or credit in lieu thereof), less any Taxes incurred on receipt of any such refund (or credit in lieu thereof), and less any reasonable out-of-pocket costs and expenses incurred by the Buyer and its Affiliates in obtaining any such refund (or credit in lieu thereof). If requested by Seller, Buyer shall, and shall cause the Joint Ventures to, reasonably cooperate with Seller in filing any Tax Return necessary to claim such Tax credits or refunds (including filing amended Tax Returns).

(g) Without the prior written consent of Seller, Buyer will not (i) file or amend or permit any Joint Venture to file or amend any Tax Return relating to a Pre-Closing Tax Period or Straddle Period, (ii) amend or permit any Joint Venture to amend any Tax Return that relates in whole or in part to a Pre-Closing Tax Period, (iii) extend or waive, or cause to be extended or waived, or permit the Joint Venture to extend or waive, any statute of limitations or other period for the assessment of any Tax or deficiency related to a Pre-Closing Tax Period, (iv) make or change any Tax election or accounting method that has retroactive effect to any Pre-Closing Tax Period, (v) initiate discussions or examinations with any taxing authority (including any voluntary disclosures) regarding Taxes with respect to any Pre-Closing Tax Period, (vi) surrender any right to claim a refund of Taxes of any Joint Venture attributable to any Pre-Closing Tax Period, (vii) engage in any transaction on the Closing Date after the Closing outside the Ordinary Course of Business of the Joint Ventures, or (viii) settle any actions, inquiries, claims, assessments, audits or similar events with a Governmental Authority with respect to Taxes against any Joint Venture, in each case, for any taxable period (or portion thereof) that ends on or prior to the Closing Date.

8.21 Escrow Accounts; Attorney General Commitments. To the extent that the Rhode Island AG Opinion and/or Rhode Island DOH Opinion continue in force and effect following the Closing Date, Buyer agrees to comply with the conditions set forth therein.

8.22 Essential Health Care Services.

(a) Except as otherwise provided in Section 8.22(b), Buyer shall maintain both Hospitals and continue to provide collectively the full complement of the essential clinical services set forth on Exhibit F ("***Essential Health Care Services***") for a period of at least five (5) years immediately following the Closing Date. The Parties hereby acknowledge and agree that the foregoing commitment regarding the provision of Essential Health Care Services is intended

to ensure continued choice and access to hospital and non-acute health care services providers. For a period of at least five (5) years immediately following the Closing Date, in the event that Buyer sells the Business and/or either Hospital, Buyer shall require the purchaser thereof to assume the foregoing obligations in their entirety.

(b) Notwithstanding Section 8.22(a), if any of the following contingencies occurs with regard to any particular Essential Health Care Service, Buyer may suspend, terminate, discontinue, or materially and substantially modify, limit, or reduce (as applicable) the Essential Health Care Service:

(i) The Essential Health Care Service is Not Financially Viable;

(ii) The medical staff of the facilities then owned or operated by Buyer do not include qualified physicians necessary to support the provision of the Essential Health Care Service;

(iii) An Essential Health Care Service experiences a significant decrease in patient volumes for any reason not within the reasonable control of Buyer, including technological obsolescence, changes in method, techniques or sites for delivery of the Essential Health Care Service, pharmaceutical advancements, failure of the Essential Health Care Service to qualify for reimbursement under Medicare (or any successor program) or a material portion of other payors, demographic and other market changes, or other competitive/marketplace factors; or

(iv) The actual or projected volume or clinical staffing for an Essential Health Care Service is or will be insufficient to achieve or maintain the level of quality for such Essential Health Care Service that is at least equal to, or better than, the level of quality at which the Essential Health Care Service is provided at any other general acute care community hospital in the region.

8.23 Catholic Identity and Covenants. At all times following the Closing Date, Buyer shall cause its Affiliates to maintain the Catholic identity of all legacy SJHSRI locations of Prospect CharterCare SJHSRI, LLC d/b/a Our Lady of Fatima Hospital (the "***SJHSRI Locations***") and ensure that all services at SJHSRI Locations are rendered in full compliance with the Ethical and Religious Directives for Catholic Health Care Services, as promulgated by the United States Conference of Catholic Bishops and adopted by the Bishop of the Roman Catholic Diocese of Providence, Rhode Island, as the same may be amended from time to time ("***ERDs***"). In furtherance of and consistent with the foregoing, Buyer shall cause its Affiliates to do or ensure all of the following:

(a) Each and every SJHSRI Location, as identified on Exhibit F, shall at all times be operated by Buyer's Affiliates consistent with the Catholicity standards set forth on Exhibit F;

(b) Each and every facility owned or operated by Buyer's Affiliates (other than the SJHSRI Locations identified on Exhibit F), and all programs and services provided thereat or

thereby, shall be operated by Buyer's Affiliates so as to comply with the service restrictions set forth on Exhibit G;

(c) Pastoral care programs shall be maintained at all hospital facilities owned by Buyer's Affiliates;

(d) Buyer's Affiliates shall provide pastoral care education curriculum sufficient to meet the needs of the hospital facilities owned by Buyer's Affiliates; and

(e) Buyer's Affiliates shall maintain chapels in all hospital facilities owned by Buyer's Affiliates.

ARTICLE IX – INDEMNIFICATION

9.1 Survival of Representations, Warranties and Covenants. From and after the Closing Date, the Parties will indemnify each other as provided in this ARTICLE IX . The representations and warranties of the Parties contained in this Agreement will survive the Closing Date until thirty-six (36) months after the Closing Date. Unless otherwise expressly provided herein, each of the covenants or other agreements contained in this Agreement which by their terms contemplate performance on, prior to or after the Closing shall survive the Closing Date until eighteen (18) months after the Closing Date. The Parties acknowledge and agree that with respect to any claims for indemnification pursuant to this Agreement, the survival periods set forth in this Section 9.1 shall govern when any such claim may be brought and shall replace and supersede any statute of limitations that may otherwise be applicable. Any indemnification obligations under this ARTICLE IX with respect to Losses arising prior to the applicable termination date shall not terminate if a claim with respect to such Losses is made by the Indemnified Party prior to such termination date.

9.2 Indemnification by Buyer. Subject to the terms and conditions of this Agreement, including the limitations set forth in Section 9.4, from and after the Closing, Buyer and its Affiliates shall, jointly and severally, defend, indemnify and hold harmless Seller (and its respective Affiliates, and its and their respective officers, directors, employees, counsel, agents, successors and assigns) (collectively, the "***Seller Indemnified Parties***") from and against any and all actual losses, damages, liabilities, obligations, fees, fines, amounts paid in settlement, demands, deficiencies, claims, interest, awards, judgments, penalties, costs and expenses (including reasonable attorneys' fees, costs and other out-of-pocket expenses incurred in investigating or defending the foregoing) (hereinafter collectively, "***Losses***") to the extent arising out of or resulting from:

(a) any breach of representation or warranty by Buyer under this Agreement;

(b) any breach by Buyer of, or any failure by Buyer to perform, any covenant or agreement of, or required to be performed by, Buyer under this Agreement;

(c) any failure of Buyer to timely discharge or perform the Assumed Liabilities;

(d) any actual and intentional fraud, willful misconduct or criminal acts of Buyer or its Affiliates;

(e) any failure of Buyer to timely submit any required notices or filings and obtain any Consents that may be required by a Governmental Authority to transfer or assign any Permit in connection with the transactions contemplated by this Agreement; or

(f) Buyer's use of a Selling Entity's license or registration relating to controlled substances and the operations of pharmacies and laboratories.

9.3 Indemnification by Seller. Subject to the terms and conditions of this Agreement, including the limitations set forth in Section 9.4, from and after the Closing, Seller shall, jointly and severally, defend, indemnify and hold harmless Buyer (and its Affiliates, and its and their respective officers, directors, employees, counsel, agents, successors and assigns) (collectively, the "***Buyer Indemnified Parties***" and collectively with the Seller Indemnified Parties, the "***Indemnified Parties***") from and against any and all actual Losses to the extent arising out of or resulting from:

(a) any breach of representation or warranty by Seller under this Agreement;

(b) any breach by Seller of, or any failure by Seller to perform, any covenant or agreement of, or required to be performed by, Seller under this Agreement;

(c) any Excluded Liability;

(d) any Excluded Asset; or

(e) any actual and intentional fraud, willful misconduct or criminal acts of any of Seller.

9.4 Limitations.

(a) Indemnification by Buyer.

(i) The maximum aggregate amount of indemnifiable Losses that may be recovered from Buyer and its Affiliates by the Seller Indemnified Parties shall be an amount equal to the Cap (other than with respect to the Buyer Fundamental Representations and claims under Section 9.2(d)).

(ii) No claim against Buyer and its Affiliates pursuant to Section 9.2(c)-(f) shall be brought or asserted after the date of expiration of the statute(s) of limitations applicable thereto.

(b) Indemnification by Seller.

(i) Seller shall not be liable to the Buyer Indemnified Parties for any claim for indemnification under Section 9.3 unless and only to the extent that (i) the amount of Losses that would be payable with respect to such claim exceeds $25,000

(the "***De-Minimis Amount***") and (ii) the total indemnifiable Losses that may be recovered from Seller in respect of all claims that exceed the De-Minimis Amount in the aggregate exceeds one percent (1%) of the Purchase Price (the "***Basket Amount***"), in which event Buyer and its Affiliates shall be entitled to seek indemnification under Section 9.3 for all claims in excess of the Basket Amount.

(ii) The maximum aggregate amount of indemnifiable Losses that may be recovered from Seller by the Buyer Indemnified Parties pursuant to Section 9.3 (other than with respect to the Seller Fundamental Representations and claims under Section 9.3(e)) shall be an amount equal to, on a pro rata basis: (A) $20,000,000 during the first twelve (12)-month period following the Closing Date (the "***First Year Cap Amount***"); (B) $13,333,000 during the second twelve (12)-month period following the Closing Date (the "***Second Year Cap Amount***"); and (C) $6,666,000 during the third twelve (12)-month period following the Closing Date (the "***Third Year Cap Amount***" and, together with the First Year Cap Amount and the Second Year Cap Amount, the "***Cap***").

(iii) The maximum aggregate amount of indemnifiable Losses that may be recovered from Seller by the Buyer Indemnified Parties pursuant to Section 9.3(e) with respect to the Seller Fundamental Representations shall be an amount equal to the Purchase Price.

(iv) No claim against Seller pursuant to Section 9.3(c) (other than with respect to the Seller Fundamental Representations under Section 9.3(a) or under Section 9.3(e)), as applicable, shall be asserted after thirty-six (36) months after the Closing Date.

(c) Generally Applicable Limitations.

(i) An Indemnifying Party shall not be liable for any Losses which are punitive, indirect, incidental or consequential in nature (as opposed to direct), including, without limitation, multiple damages, loss of future revenue or income or loss of business reputation or opportunity or any diminution in value or increased operating or compliance expenses or to the extent that such Loss would not have arisen but for the passing of, or a change in, Law or in the future reimbursement rates for services provided in connection with the operation of Facilities, in each case after the Effective Date that is not actually or prospectively in force on the Closing Date.

(ii) For the purposes of calculating the amount of any Losses under Section 9.2 or Section 9.3, there shall be deducted (i) an amount equal to the amount of any tax benefit actually realized by the Indemnified Party in connection with the accrual, incurrence or payment of any such Losses and (ii) an amount equal to the amount of any insurance proceeds actually received by an Indemnified Party in connection with the circumstances giving rise to the right to indemnification hereunder.

(iii) Buyer and Seller shall cooperate with each other with respect to resolving any claim, liability or Loss for which indemnification may be required hereunder, including by making, or causing the applicable Indemnified Party to make, all reasonable efforts to mitigate any such claim, liability or Loss. In the event that Buyer or Seller shall fail to make such reasonable efforts to mitigate, then notwithstanding anything else to the contrary contained herein, the other Parties shall not be required to indemnify any Person for any claim, liability or Loss that could reasonably be expected to have been avoided if such efforts had been made. Without limiting the generality of the foregoing, Buyer and Seller shall, or shall cause the applicable Indemnified Party to, use reasonable efforts to seek full recovery under all insurance policies covering any Loss to the same extent as they would if such Loss were not subject to indemnification hereunder.

(iv) Notwithstanding any other provision of this Agreement to the contrary, no Buyer Indemnified Party, nor any of its Affiliates, shall have any right to indemnification under this Agreement with respect to, or based on, Taxes to the extent such Taxes (i) are attributable to any Tax period other than a Tax period (or portion of a Straddle Period) ending on or before the Closing Date, (ii) result from any transactions or actions taken by, or omissions by, the Buyer Indemnified Party or any of its Affiliates (including without limitation the Joint Ventures) after the Closing that are not specifically contemplated by this Agreement, (iii) actions or activities of Buyer, its Affiliates, or QHR taken with respect to the Purchased Assets for all periods after Closing; or (iv) were already taken into account in the calculation of Net Working Capital or Seller's Transaction Expenses, in each case as finally determined by Seller pursuant to Section 2.6.

9.5 Third Party Claims. An Indemnified Party seeking indemnity as set forth in this ARTICLE IX as a result of a claim or liability that is asserted in writing by a third party against such Indemnified Party (a "***Third Party Claim***") shall notify the Person against whom the indemnity is sought ("***Indemnifying Party***") in writing of the Third Party Claim within ten (10) business days after receipt of such written assertion of a claim or liability describing in reasonable detail (a) the facts giving rise to any claim for indemnification hereunder, (b) the amount or method of computation of the amount of such claim, (c) each individual item of Loss included in the amount so stated, to the extent known, and (d) the nature of the breach of representation, warranty, covenant or agreement with respect to which such Indemnified Party claims to be entitled to indemnification hereunder (all of the foregoing, the "***Claim Information***"), and shall provide any other information with respect thereto as the Indemnifying Party may reasonably request. The failure to provide such notice shall not release the Indemnifying Party from any of its obligations under this ARTICLE IX except to the extent that the Indemnifying Party is prejudiced by such failure; *provided, however*, that the Indemnifying Party shall in no event be liable in respect of any Loss, claim or liability from and after the expiration of six (6) months after the date the Indemnified Party receives written assertion of such Loss, claim or liability, unless the Claim Information in respect of such Loss, claim or liability has been provided to the Indemnifying Party pursuant to this Section 9.5. The Indemnifying Party shall have the right to defend any such Third Party Claim and control the defense of such Third Party Claim; *provided, however*, that the Indemnified Party shall have the right to reasonably approve counsel selected by the Indemnifying Party. If the Indemnifying Party, within ten (10) business days after notice

of such Third Party Claim, fails to take appropriate steps to defend such Third Party Claim or the Third Party Claim relates to Taxes, the Indemnified Party will (upon further notice to the Indemnifying Party) have the right to undertake the defense of such Third Party Claim on behalf of and for the account and at the risk and expense of the Indemnifying Party. If the Indemnifying Party assumes the defense of such Third Party Claim, the Indemnified Party shall have the right to employ separate counsel and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of the Indemnified Party; *provided* that if in the reasonable opinion of counsel for the Indemnified Party, there is a conflict of interest between the Indemnified Party and the Indemnifying Party, the Indemnifying Party shall be responsible for the reasonable fees and expenses of one counsel to such Indemnified Party in connection with such defense. If the Indemnifying Party assumes the defense of any Third Party Claim, the Indemnified Party shall cooperate with the Indemnifying Party in such defense and make available to the Indemnifying Party all witnesses, pertinent records, materials and information in the Indemnified Party's possession or under the Indemnified Party's control relating thereto as is reasonably required by the Indemnifying Party. If the Indemnifying Party assumes the defense of any Third Party Claim, the Indemnified Party shall agree to any settlement, compromise or discharge of such Third Party Claim that the Indemnifying Party may recommend and that by its terms obligates the Indemnifying Party to pay the full amount of the liability in connection with such Third Party Claim, and which releases the Indemnified Party completely in connection with such Third Party Claim. Whether or not the Indemnifying Party assumes the defense of a Third Party Claim, the Indemnified Party shall not admit any liability with respect to, or settle, compromise or discharge, or offer to settle, compromise or discharge, such Third Party Claim without the Indemnifying Party's prior written consent, which consent shall not be unreasonably withheld.

9.6 Direct Claims. If an Indemnified Party becomes aware of any breach of the representations or warranties of the Indemnifying Party hereunder or any other basis for indemnification under this ARTICLE IX , the Indemnified Party shall notify the Indemnifying Party in writing of the same within fifteen (15) business days after becoming aware of such breach or claim, with such notice containing the Claim Information, and shall provide any other information with respect thereto as the Indemnifying Party may reasonably request. The Indemnified Party shall reasonably cooperate and assist the Indemnifying Party in determining the validity of any claim for indemnity by the Indemnified Party and in otherwise resolving such matters. Such assistance and cooperation shall include providing reasonable access to and copies of information, records and documents relating to such matters, furnishing employees to assist in the investigation, defense and resolution of such matters and providing legal and business assistance with respect to such matters. Should the Indemnified Party fail to notify the Indemnifying Party within the time frame required above, the Indemnified Party nonetheless shall be entitled to indemnification by the Indemnifying Party to the extent that the Indemnifying Party has not established that it has been prejudiced by the failure to receive timely notice.

9.7 Claims Made. The time limits set forth in Section 9.4 for making claims for indemnification are in lieu of, and the Parties expressly waive, any other applicable statute of limitations during which such claims may be brought or asserted. Any notice for indemnification made pursuant to Section 9.5 prior to the expiration of the time limit set forth in Section 9.4 for the matter against which indemnity is sought shall for purposes of the time limits set forth in Section 9.4 constitute a claim or demand brought within such time limit, and the obligations of

the Indemnifying Party therefor under this ARTICLE IX shall continue as to such matter, notwithstanding the expiration, if any, of such time limit.

9.8 Scope of Liability. Except in the case of matters relating to fraud, willful misconduct or criminal acts or equitable relief, from and after the Closing, the sole and exclusive remedy of any Indemnified Party for any breach of any representation, warranty, covenant or other claim arising out of or relating to this Agreement and/or the transactions contemplated hereby is set forth in this ARTICLE IX .

9.9 Indemnity Payments.

(a) Any indemnity payment made by Buyer or Seller under this ARTICLE IX shall be made by wire transfer of immediately available funds.

(b) With respect to any claim for indemnification by a Buyer Indemnified Party under this Agreement, such Buyer Indemnified Party will have recourse solely against the undisbursed funds in the Indemnity Escrow Account, in accordance with the Escrow Agreement, except that, following the Indemnity Escrow Release Date, if the Indemnity Escrow Release Date occurs prior to September 30, 2026, Seller shall permit Buyer to have access to Seller's portion of any funds remaining in the Global Conditions Escrow (if any) to satisfy claims pursuant to Section 9.3. Notwithstanding the foregoing, with respect to a claim by a Buyer Indemnified Party pursuant to Section 9.3(e) with respect to actual fraud or willful misrepresentation, such Buyer Indemnified Party will have recourse against (a) *first*, in accordance with the Escrow Agreement, the undisbursed funds in the Indemnity Escrow Account and (b) *second*, from the Selling Entities, jointly and severally, in accordance with each Selling Entity's pro-rata portion of the Purchase Price.

ARTICLE X – GENERAL PROVISIONS

10.1 Additional Assurances. The provisions of this Agreement shall be self-operative and shall not require further agreement by the Parties except as may be herein specifically provided to the contrary; *provided*, *however*, at the request of a Party, the other Party or Parties shall execute and deliver, or cause to be executed and delivered, such additional, reasonable instruments and take such additional, reasonable action as the requesting Party may reasonably deem necessary to effectuate this Agreement and consummate the transactions contemplated hereby. In addition and from time to time after the Closing Date, Seller and Buyer shall each execute and deliver, or cause to be executed and delivered, such other reasonable instruments of conveyance and transfer, and take such other reasonable actions as any Party may reasonably request, to more effectively convey and transfer full right, title and interest to, vest in, and place Buyer in legal and actual possession of the Purchased Assets, including, in the case of Seller, executing and delivering to Buyer such assignments, deeds, bills of sale, consents and other instruments as Buyer or its counsel may reasonably request as necessary or desirable for such purpose. Further, if at any time before or after the Effective Time it is determined that any Affiliate of Seller owns any of the Purchased Assets, then such Seller shall cause such Affiliate to sell, assign, transfer and deliver any such Purchased Asset to the applicable Buyer effective as of the Effective Time without payment of any additional consideration.

10.2 Legal Expenses; Late Payments. In the event a Party elects to incur legal expenses to enforce or interpret any provision of this Agreement by judicial proceedings, the prevailing Party will be entitled to recover reasonable attorneys' fees in addition to any other relief to which the prevailing Party shall be entitled. In the event a Party fails to make any payment when due under this Agreement, interest shall accrue on the amount due from the date such payment is due until it is paid at a per annum rate equal to the prime rate reported by the Wall Street Journal in its "Money Rates" or successor section on the date such payment is due plus five percent (5%) (or the maximum rate allowed by law, whichever is less).

10.3 Choice of Law; Venue. All Actions (in contract or tort) arising out of or relating to this Agreement, the negotiation, execution or performance of this Agreement, the transactions contemplated hereby, any representation or warranty made in or in connection with this Agreement or as an inducement to enter into this Agreement shall be governed by and construed in accordance with the laws of the State of Delaware (including its statutes of limitations), without regard to conflicts of law principles. The venue of all disputes, claims, and lawsuits arising hereunder shall lie in the state and federal courts located in the State of Delaware. Each Party hereby waives, and agrees not to assert, any defense in any Action arising out of or relating to this Agreement or the transactions contemplated hereby that such Party is not subject thereto or that such Action may not be brought or is not maintainable in such courts or that this Agreement may not be enforced in or by such courts or that such Party's property is exempt or immune from execution or that such Action is brought in an inconvenient forum or that the venue of such Action is improper.

10.4 Waiver of Jury Trial. EACH PARTY HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION DIRECTLY OR INDIRECTLY ARISING OUT OF, INVOLVING OR RELATING TO THIS AGREEMENT, ANY OTHER TRANSACTION DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY, WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE. THE PARTIES AGREE THAT ANY OF THEM MAY FILE A COPY OF THIS PARAGRAPH WITH ANY COURT AS WRITTEN EVIDENCE OF THE KNOWING, VOLUNTARY AND BARGAINED-FOR AGREEMENT AMONG THE PARTIES IRREVOCABLY TO WAIVE TRIAL BY JURY AND THAT ANY ACTION OR PROCEEDING WHATSOEVER AMONG THEM RELATING TO THIS AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY SHALL INSTEAD BE TRIED IN A COURT OF COMPETENT JURISDICTION BY A JUDGE SITTING WITHOUT A JURY.

10.5 Benefit, Assignment and Third Party Beneficiaries.

(a) Except as otherwise provided in this Section 10.5 and subject to provisions herein to the contrary, this Agreement shall inure to the benefit of and be binding upon the Parties and their respective legal representatives, successors and assigns; *provided*, *however*, that Seller may not assign this Agreement without the prior written consent of Buyer, and Buyer may not assign this Agreement without the prior written consent of Seller. The Parties acknowledge that Buyer may assign ownership and title to certain of the Purchased Assets to certain designees of Buyer, such that more than one entity may own the Purchased Assets at Closing, *provided,*

however, that such designated assignees shall not be parties or third party beneficiaries under this Agreement and such assignments shall not release Buyer from performing any of its obligations hereunder. This Agreement is intended solely for the benefit of the Parties and is not intended to, and shall not, create any enforceable third party beneficiary rights, except with respect to the provisions of ARTICLE IX , which shall inure to the benefit of the Indemnified Parties, who are intended to be third party beneficiaries thereof. Nothing in this Section 10.5 shall relieve Buyer of its obligations hereunder, including without limitation its obligation to consummate the transactions contemplated hereby, pay all amounts due hereunder (including the Purchase Price, all Assumed Liabilities and all amounts due under the Transaction Documents) and satisfy its indemnification obligations hereunder.

(b) Notwithstanding Section 10.5(a), the Parties hereby acknowledge and agree that the provisions of Section 8.23, including the accompanying Exhibit F and Exhibit G, are for the specific benefit of the Bishop. The Parties further acknowledge and agree that any breach or violation of such provisions shall cause irreparable harm as to which no adequate remedy at law exists and that the Bishop may seek specific performance and injunctive relief in addition to all other remedies in equity or at law. If, in such circumstances, the Bishop is unsuccessful in obtaining specific performance and/or injunctive relief, Buyer shall, if requested by the Bishop in his sole discretion, cease operating under the names "St. Joseph" or "Our Lady of Fatima" or any other name that implies Catholicity.

10.6 Confidentiality. The Parties understand, acknowledge and agree that the Confidentiality Agreement remains in full force and effect, and in addition, covenant and agree to keep confidential, in accordance with the provisions of the Confidentiality Agreement and this Agreement, information provided pursuant to this Agreement. In addition to the foregoing, it is understood and acknowledged by the Parties that the information, documents and instruments delivered to each Party by the other Parties or agents thereof in connection with the negotiation of this Agreement or in compliance with the terms, conditions and covenants hereof are of a confidential and proprietary nature. Both prior to and following the Effective Date, the Parties shall, and shall cause their Representatives and Affiliates to, maintain the confidentiality of all such confidential information, documents or instruments delivered to it by the other Parties or Affiliates or agents thereof and shall not disclose such confidential information, documents and instruments to any third parties other than its Representatives assisting in the transactions contemplated herein or as may be required by applicable Laws and, for a period of three (3) years immediately following the Closing Date, shall only use such information for purposes of the transactions contemplated hereby. If the transactions contemplated hereby are not consummated, each Party shall return or destroy all such confidential information, documents and instruments and all copies thereof in its possession to the Party providing them upon the written request of the other Party. The terms and conditions of this Agreement and all other Transaction Documents shall remain confidential, and the Parties shall not disclose the Transaction Documents, or any part thereof, to any third party other than its Representatives assisting in the transactions contemplated herein or as may be required by applicable Laws. Any breach of this Section 10.6 or of the Confidentiality Agreement by a Party would result in irreparable harm to the other Parties and therefore the Parties shall be entitled to seek an injunction to prohibit any such breach or anticipated breach, without the necessity of posting a bond in addition to other legal and equitable remedies. In the event of any inconsistency or conflict between this Section 10.6 and the Confidentiality Agreement, this Section 10.6 shall prevail to the extent of the inconsistency or

conflict. Notwithstanding anything to the contrary in this Section 10.6, following the Closing, Buyer and its Affiliates shall have no restriction with respect to its use or disclosure of the confidential information relating to the Facilities or the Businesses.

10.7 Public Announcements. No Party shall release, publish or otherwise make available to the public in any manner whatsoever any information or announcement regarding the transactions herein contemplated without the prior written consent of the other Parties, except for information and filings (a) reasonably necessary to be directed to Governmental Authorities to fully and lawfully effect the transactions herein contemplated or (b) required under Law or the rules of any stock exchange applicable to a Party or its Affiliates, in which case, the Party issuing such information or announcement shall provide written notice and a copy of such required information disclosure or announcement to the other Parties not less than two (2) business days prior to the date of such disclosure or announcement.

10.8 Waiver of Breach. Except as may be provided to the contrary elsewhere herein, no delay or omission by any Party to exercise any right or power under this Agreement or pursuant to Law shall impair such right or power or be construed as a waiver thereof. The waiver by any Party of any representation, warranty, covenant or condition, breach or violation of any provision of this Agreement shall not operate as, or be construed to constitute, a waiver of any subsequent breach of the same or any other provision hereof. Any agreement on the part of either Party to any such waiver shall be valid only if set forth in a written instrument executed and delivered by a duly authorized officer on behalf of such Party.

10.9 Notice. Any notice, demand or communication required, permitted or desired to be given hereunder shall be deemed effectively given when personally delivered with signed receipt, when delivered by electronic mail with electronic confirmation of delivery (unless not delivered on a business day or delivered after 5:00 p.m. Eastern Time on a business day, in which case such delivery shall be deemed effective on the next succeeding business day), when delivered by overnight courier with signed receipt, or when delivered by registered United States mail, with postage prepaid and return receipt requested, addressed to the addresses below or to such other address as any Party may designate, with copies thereof to the respective counsel thereof as notified by such Party.

Buyer:

Centurion Foundation, Inc.
3060 Peachtree Road NW
Suite 1030
Atlanta, GA 30305
Attention: President
Email: Ben@centurionmail.org

With Copies to (which shall not constitute notice):

Hall, Render, Killian, Heath & Lyman, P.C.
500 N. Meridian Street, Suite 400
Indianapolis, Indiana 46204
Attention: Jerimi J. Ullom
Email: JUllom@hallrender.com

Seller: Prospect Medical Holdings, Inc.
3415 South Sepulveda Boulevard, 9th Floor
Los Angeles, CA 90034
Attention: General Counsel
Email: Rob.Elders@prospectmedical.com

With Copies to (which shall not constitute notice):

Sheppard Mullin Richter & Hampton LLP
1901 Avenue of the Stars, Suite 1600
Los Angeles, CA 90067-6017
Attention: Eric A. Klein, Esq.
Nioura F. Ghazni, Esq.
Email: EKlein@sheppardmullin.com
NGhazni@sheppardmullin.com

10.10 Severability. In the event any provision (or portion thereof) of this Agreement, or the application of any such provision (or portion thereof) to any Person or circumstance, is held to be invalid, illegal or unenforceable for any reason and in any respect, such invalidity, illegality, or unenforceability shall in no event affect, prejudice or disturb the validity of the remainder of this Agreement, which shall be and remain in full force and effect, enforceable in accordance with its terms.

10.11 Interpretation. In the interpretation of this Agreement, except where the context otherwise requires, (a) "including" or "include" does not denote or imply any limitation, (b) "or" has the inclusive meaning "and/or," (c) "and/or" means "or" and is used for emphasis only, (d) "$" refers to United States dollars, (e) the singular includes the plural, and vice versa, and each gender includes each other gender, (f) the table of contents, captions and headings are only for reference and shall not affect in any way the meaning or interpretation of this Agreement, (g) "Section" refers to a section of this Agreement, unless otherwise stated in this Agreement, (h) "Exhibit" refers to an exhibit to this Agreement (which is incorporated herein by reference), unless otherwise stated in this Agreement, (i) "Schedule" refers to a schedule to this Agreement and incorporates any attachments thereto (which are incorporated herein by reference), unless otherwise stated in this Agreement, (j) all references to times are times in Eastern Time, (k) "day" refers to a calendar day unless expressly identified as a "business day," which means any day that is not a Saturday, Sunday, or official federal holiday in the United States, (l) any capitalized terms used in any Schedule or Exhibit, but not otherwise defined therein, shall have the meaning as defined herein, (m) any agreement, instrument or statute defined or referred to herein or in any agreement or instrument that is referred to herein means such agreement, instrument or statute as from time to time amended, modified or supplemented, including (in the case of agreements or instruments) by waiver or consent and (in the case of statutes) by succession of comparable successor statutes and references to all attachments thereto and instruments incorporated therein, (n) references to a Person are also to its permitted successors and assigns and (o) the terms "hereof", "hereunder" and "herein" and words of similar import shall be construed to refer to this Agreement as a whole (including all the Exhibits and Schedules) and not to any particular provision of this Agreement.

10.12 Entire Agreement, Amendments and Counterparts. This Agreement and the other Transaction Documents supersede all previous Contracts, statements, representations, warranties, covenants, agreements or prior written material between the Parties regarding the subject matter hereof and thereof and constitute the entire agreement existing between or among the Parties respecting the subject matter hereof and thereof, and no Party shall be entitled to benefits other than those specified herein and therein. As between or among the Parties, no oral statements, representations, warranties, covenants, agreements or prior written material not specifically incorporated herein shall be of any force and effect, and neither Party is relying on any such oral statements, representations, warranties, covenants, agreements or prior written material. All prior statements, representations, warranties, covenants, agreements or material, whether written or oral, not expressly incorporated herein are superseded and no changes in or additions to this Agreement shall be recognized unless and until made in writing and signed by all Parties. This Agreement may be executed in counterparts, each and all of which shall be deemed an original and all of which together shall constitute but one and the same instrument. Signatures received via facsimile or other electronic transmission shall be accepted as originals. Notwithstanding any oral agreement or course of conduct of the Parties or their Representatives to the contrary, no Party shall be under any legal obligation to enter into or complete the transactions contemplated hereby unless and until this Agreement shall have been executed and delivered, or caused to be delivered, by each Party. This Agreement may not be amended except by an instrument in writing signed on behalf of each Party.

10.13 Other Owners of Assets.

(a) Buyer and Seller acknowledge that certain Purchased Assets may be owned by a Selling Entity and not Prospect. Notwithstanding the foregoing, and for purposes of all representations, warranties, covenants, and agreements contained herein, Prospect agrees that (i) its obligations with respect to any Purchased Assets shall be joint and several with any Selling Entity that owns or controls such Purchased Assets, (ii) the representations and warranties herein, to the extent applicable, shall be deemed to have been made by, on behalf of and with respect to Selling Entities in their ownership capacity, and (iii) it has the legal capacity to cause, and it shall cause, any of the Selling Entities that owns or controls any Purchased Assets to meet all of Prospect's obligations under this Agreement with respect to such Purchased Assets.

(b) Seller and Buyer acknowledge that certain Purchased Assets may be purchased, and certain Assumed Liabilities may be assumed, at the Closing by Buyer or one or more of its Affiliates. Notwithstanding the foregoing, and for purposes of all representations, warranties, covenants, and agreements contained herein, Buyer agrees and acknowledges, that (i) the representations and warranties herein, to the extent applicable, shall be deemed to have been made by, on behalf of and with respect to Buyer and its Affiliates, as applicable, in its post-Closing ownership capacity, and (ii) it has the legal capacity to cause, and it shall cause, any of its Subsidiaries to meet all of Buyer's obligations under this Agreement with respect to the Purchased Assets and Assumed Liabilities.

10.14 Enforcement. The Parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. Accordingly, each Party shall be entitled to specific performance of the terms hereof, including an injunction or injunctions to prevent breaches of

this Agreement and to enforce specifically the terms and provisions of this Agreement, without proof of actual damages (and each Party waives any requirement for the securing or posting of any bond in connection with such remedy) in any court of the state of Delaware or federal district court of Delaware, this being in addition to any other remedy to which such Party is entitled at law or in equity. Each Party hereby further waives (a) any defense in any Action for specific performance that a remedy at law would be adequate and (b) any requirement under any Law to post security or bond as a prerequisite to obtaining equitable relief. Notwithstanding the foregoing, Seller shall only be entitled to require Buyer to consummate the transaction described herein if: (i) the Parties have received approval of the transaction from the Office of the Rhode Island Attorney General and the Rhode Island Department of Health as described in Section 6.2(d); (ii) Buyer shall have obtained Acquisition Financing satisfactory to Buyer as described in Section 6.4; and (iii) no Material Adverse Changes shall have occurred following the Effective Date.

10.15 Personal Liability. This Agreement shall not create or be deemed to create or permit any personal liability or obligation on the part of any direct or indirect equity holder of any Party or any officer, director, employee, investor or other Representative of any Party.

10.16 Disclosure Generally. Notwithstanding anything to the contrary contained in the Schedules or in this Agreement, the information and disclosures contained in any Schedule shall be deemed to be disclosed and incorporated by reference in any other Schedule as though fully set forth in such Schedule for which applicability of such information and disclosure is reasonably apparent on its face. The fact that any item of information is disclosed in any Schedule shall not be construed to mean that such information is required to be disclosed by this Agreement. Such information and the dollar thresholds set forth herein shall not be used as a basis for interpreting the terms "material" or "Material Adverse Change" or other similar terms in this Agreement.

10.17 Time of Essence. Time is of the essence with regard to all dates and time periods set forth or referred to in this Agreement.

[*Signature Pages Follows*]

IN WITNESS WHEREOF, the Parties have caused this Asset Purchase Agreement to be executed by their authorized officers as of the Effective Date.

BUYER:

Centurion Foundation, Inc.

DocuSigned by:

By: Benjamin M. Mingle
F8DED3556F41403...

Name: Benjamin M. Mingle

Title: President

DocuSign Envelope ID: 3B8F8116-1D6A-4246-A5C7-DFEA127FC253

IN WITNESS WHEREOF, the Parties have caused this Asset Purchase Agreement to be executed by their authorized officers as of the Effective Date.

RE

SELLER:

Prospect Medical Holdings, Inc.

By: Sam Lee
Name: Sam Lee
Title: Senior Vice President

DocuSign Envelope ID: 3B8F8116-1D6A-4246-A5C7-DFEA127FC253

IN WITNESS WHEREOF, the Parties have caused this Asset Purchase Agreement to be executed by their authorized officers as of the Effective Date.

RE

Prospect CharterCARE, LLC

By: Sam Lee
Name: Sam Lee
Title: Senior Vice President

DocuSign Envelope ID: 3B8F8116-1D6A-4246-A5C7-DFEA127FC253

IN WITNESS WHEREOF, the Parties have caused this Asset Purchase Agreement to be executed by their authorized officers as of the Effective Date.

Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center f/k/a Roger Williams General Hospital RE

By: Sam Lee
Name: Sam Lee
Title: Senior Vice President

DocuSign Envelope ID: 3B8F8116-1D6A-4246-A5C7-DFEA127FC253

IN WITNESS WHEREOF, the Parties have caused this Asset Purchase Agreement to be executed by their authorized officers as of the Effective Date.

RE

Prospect RI Home Health and Hospice, LLC

By: Sam Lee
Name: Sam Lee
Title: Senior Vice President

DocuSign Envelope ID: 3B8F8116-1D6A-4246-A5C7-DFEA127FC253

IN WITNESS WHEREOF, the Parties have caused this Asset Purchase Agreement to be executed by their authorized officers as of the Effective Date.

Prospect CharterCARE Home Health and Hospice, LLC

RE

By: Sam Lee
Name: Sam Lee
Title: Senior Vice President

DocuSign Envelope ID: 3B8F8116-1D6A-4246-A5C7-DFEA127FC253

IN WITNESS WHEREOF, the Parties have caused this Asset Purchase Agreement to be executed by their authorized officers as of the Effective Date.

New University Medical Group, LLC d/b/a University Medical Group

RE

By: Sam Lee
Name: Sam Lee
Title: Senior Vice President

DocuSign Envelope ID: 3B8F8116-1D6A-4246-A5C7-DFEA127FC253

IN WITNESS WHEREOF, the Parties have caused this Asset Purchase Agreement to be executed by their authorized officers as of the Effective Date.

Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital RE

By: Sam Lee
Name: Sam Lee
Title: Senior Vice President

DocuSign Envelope ID: 3B8F8116-1D6A-4246-A5C7-DFEA127FC253

IN WITNESS WHEREOF, the Parties have caused this Asset Purchase Agreement to be executed by their authorized officers as of the Effective Date.

Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates RE

By: Sam Lee
Name: Sam Lee
Title: Senior Vice President

DocuSign Envelope ID: 3B8F8116-1D6A-4246-A5C7-DFEA127FC253

IN WITNESS WHEREOF, the Parties have caused this Asset Purchase Agreement to be executed by their authorized officers as of the Effective Date.

Prospect CharterCARE Ancillary Services, LLC

RE

By: Sam Lee
Name: Sam Lee
Title: Senior Vice President

DocuSign Envelope ID: 3B8F8116-1D6A-4246-A5C7-DFEA127FC253

IN WITNESS WHEREOF, the Parties have caused this Asset Purchase Agreement to be executed by their authorized officers as of the Effective Date.

Prospect Blackstone Valley Surgicare, LLC

RE

By: Sam Lee
Name: Sam Lee
Title: Senior Vice President

Exhibit A

Purchase Price Terms

The Purchase Price shall be the fair market value of the Purchased Assets as determined by the Appraiser and as adjusted pursuant to Section 2.6 of the Purchase Agreement; *provided* that such fair market value purchase price determined by the Appraiser is mutually acceptable to Buyer and Seller.

The methodology used to determine the Purchase Price shall be mutually agreed upon by the Parties and reflected in an update to this Exhibit A within sixty (60) days after the completion of the valuation by the Appraiser.

EXHIBIT B

BILL OF SALE AND ASSIGNMENT AND ASSUMPTION AGREEMENT

This BILL OF SALE AND ASSIGNMENT AND ASSUMPTION AGREEMENT (this "***Agreement***"), dated as of [__], 202[_], is by and among Prospect Medical Holdings, Inc., a Delaware corporation, Prospect CharterCARE, LLC, a Rhode Island limited liability company, Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center f/k/a Roger Williams General Hospital, a Rhode Island limited liability company, Prospect RI Home Health and Hospice, LLC, a Rhode Island limited liability company, Prospect CharterCARE Home Health and Hospice, LLC, a Rhode Island limited liability company, New University Medical Group, LLC d/b/a University Medical Group, a Rhode Island limited liability company, Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital, a Rhode Island limited liability company, Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates, a Rhode Island limited liability company, Prospect CharterCARE Ancillary Services, LLC, a Rhode Island limited liability company, and Prospect Blackstone Valley Surgicare, LLC, a Rhode Island limited liability company, on the one hand (collectively, "***Assignors***"), and [Centurion Foundation, Inc., a Georgia nonprofit corporation], on the other hand ("***Assignee***"). Capitalized terms used but not otherwise defined herein have the meaning assigned to them in the Asset Purchase Agreement (the "***Purchase Agreement***"), entered into as of November [__], 2022, by and among Assignors and Assignee.

WHEREAS, pursuant to the transactions contemplated by the Purchase Agreement, Assignors have agreed to assign to Assignee the Purchased Assets, and Assignee has agreed to assume the Assumed Liabilities.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements set forth herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignors and Assignee hereby agree as follows:

1. **Assignment and Assumption**. Effective as of the Closing, each Assignor hereby conveys, grants, bargains, sells, transfers, sets over, and assigns to Assignee and its successors and assigns forever, all of such Assignor's right, title and interest in and to the Purchased Assets, pursuant to the terms set forth in the Purchase Agreement, on the date hereof. Effective as of the Closing, Assignee hereby accepts the foregoing assignment of the Purchased Assets and does hereby assume, and agrees to pay, perform and discharge, the Assumed Liabilities when such payment, performance and discharge are due.

2. **Further Assurances**. Assignors and Assignee hereby agree, from time to time, at the reasonable request of the other, to execute and deliver such other instruments for conveyance, transfer and assumption, and take such other actions as the other may reasonably request in order to more effectively consummate the transactions contemplated by this Agreement. Without limiting the generality of the foregoing, Assignors and Assignee shall take all such action as may be necessary to establish Assignee as a successor to each Assignor under any contracts that constitute Purchased Assets and the Assumed Liabilities, including with respect to Assignors'

rights, duties, liabilities and obligations under, or relating to, any such contracts and the Assumed Liabilities, together with the assets and liabilities relating thereto.[1]

3. Representations and Warranties. Notwithstanding the foregoing, no provision of this Agreement shall in any way modify, replace, amend, change, rescind, waive or in any way affect the express provisions (including the warranties, covenants, agreements, conditions, representations or any of the obligations and indemnifications, and the limitations relating thereto, of Assignee or Assignors) set forth in the Purchase Agreement, this Agreement being intended solely to effect the transfer of certain assets, obligations and liabilities pursuant to the Purchase Agreement. In the event of any conflict or inconsistency between the terms of the Purchase Agreement and the terms hereof, the terms of the Purchase Agreement shall govern.

4. No Third Party Beneficiaries. This Agreement shall be binding upon and inure solely to the benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person, including, without limitation, any union or any employee or former employee of any Assignor, any legal or equitable right, benefit or remedy of any nature whatsoever, including, without limitation, any rights or employment for any specified period, under or by reason of this Agreement.

5. Amendment. This Agreement may not be amended or modified except by an instrument in writing signed by, or on behalf of, Assignors and Assignee.

6. Severability. If any provision of this Agreement is held invalid, unenforceable or void by a court of competent jurisdiction, the remaining provisions shall not for that reason alone be unenforceable or invalid. In such case, the parties hereto agree to negotiate in good faith to create an enforceable contractual provision to achieve the purpose of the invalid provision. Further, if any provision is held to be overbroad as written, such provision shall be deemed amended to narrow its application to the extent necessary to make the provision enforceable according to applicable Laws and shall be enforced as amended.

7. Counterparts. This Agreement may be executed in counterparts, each and all of which shall be deemed an original and all of which together shall constitute but one and the same instrument. Signatures received via facsimile or other electronic transmission shall be accepted as originals.

8. Governing Law. All Actions (in contract or tort) arising out of or relating to this Agreement, the negotiation, execution or performance of this Agreement, any representation or warranty made in or in connection with this Agreement or as an inducement to enter into this Agreement shall be governed by and construed in accordance with the laws of the State of Delaware (including its statutes of limitations), without regard to conflicts of law principles.

[Signature Pages Follow]

[1] **Note to Hall Render**: We rejected the proposed change because it contradicts Prospect's requirement under Section 8.5 of the Purchase Agreement, which requires Prospect to use commercially reasonable efforts to obtain any Consents required to assign to Buyer any Purchased Asset that requires the Consent of a third party.

IN WITNESS WHEREOF, the parties hereto have caused this Bill of Sale and Assignment and Assumption Agreement to be executed by their authorized officers as of the date hereof.

ASSIGNEE:

[Centurion Foundation, Inc.]

By:_____
Name:
Title:

[Signature Page to Bill of Sale and Assignment and Assumption Agreement]

IN WITNESS WHEREOF, the parties hereto have caused this Bill of Sale and Assignment and Assumption Agreement to be executed by their authorized officers as of the date hereof.

ASSIGNORS:

Prospect Medical Holdings, Inc.

By:_____
Name:_____
Title:

Prospect CharterCARE, LLC

By:_____
Name: _
Title:

Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center f/k/a Roger Williams General Hospital

By:_____
Name:
Title:

Prospect RI Home Health and Hospice, LLC

By:_____
Name:
Title:

Prospect CharterCARE Home Health and Hospice, LLC

By:_____
Name:
Title:

New University Medical Group, LLC d/b/a University Medical Group

By:_____
Name:
Title:

[Signature Page to Bill of Sale and Assignment and Assumption Agreement]

Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital

By:_____
Name:
Title:

Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates

By:_____
Name:
Title:

Prospect CharterCARE Ancillary Services, LLC

By:_____
Name:
Title:

Prospect Blackstone Valley Surgicare, LLC

By:_____
Name:
Title:

EXHIBIT C

ASSIGNMENT AND ASSUMPTION OF REAL PROPERTY LEASE

This ASSIGNMENT AND ASSUMPTION OF REAL PROPERTY LEASE (this "***Assignment***") is dated [__], 202[_] (the "***Effective Date***"), by and between [_____], a [_____] ("***Assignor***") and [Centurion Foundation, Inc., a Georgia nonprofit corporation] ("***Assignee***"). Each of Assignor, Assignee, and Lessor (defined below) may be referred to herein individually as a "***Party***" and they all may be referred to herein collectively as the "***Parties***."

RECITALS

WHEREAS, Assignor, as lessee, and [_____], as lessor ("***Lessor***"), are parties to that certain [_____] dated [_____], [as amended by] [_____] (together with all exhibits attached thereto, the "***Lease***"), regarding the premises located at [_____];

WHEREAS, Assignor, Assignee and certain other parties entered into that certain Asset Purchase Agreement, dated November [__], 2022 (the "***Purchase Agreement***") pursuant to which Assignee will acquire certain assets and assume certain obligations of Assignor, and which is anticipated to close effective on or about the date hereof (the "***Transaction***");

WHEREAS, this Assignment is made in connection with the Transaction and the related transaction documents and is conditioned upon the closing of the Transaction pursuant to which Assignor desires to assign its interest in the Lease to Assignee and Assignee desires to assume Assignor's obligations under the Lease in accordance with the terms of this Assignment and, otherwise, in accordance with the terms and conditions of the Transaction and the related Transaction Documents (as defined in the Purchase Agreement); and

WHEREAS, Assignor and Assignee desire to evidence such assignment and assumption in accordance with the terms hereof.

AGREEMENT

NOW, THEREFORE, for and in consideration of the mutual agreements and covenants set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee do hereby expressly agree, covenant, and acknowledge as follows:

1. **Assignment**. Assignor hereby assigns, transfers and conveys to Assignee all of Assignor's right, title, and interest in and to the Lease, including, without limitation, all of Assignor's right, title, and interest in and with respect to any security deposits held by Lessor thereunder. All prior assignments of the Lease, if any, are hereby terminated.

2. **Assumption**. Except as specifically set forth in the Transaction Documents, Assignee accepts the foregoing assignment, transfer and conveyance and hereby assumes, and agrees to perform, any and all of the liabilities, obligations, and duties of Assignor under the Lease.

3. **Closing of the Transaction as Condition Precedent**. For the avoidance of doubt, the closing of the Transaction is a condition precedent to the effectiveness of this Assignment. In the event that the Transaction does not close for any reason, this Assignment is of no force and

effect, and Assignor shall remain responsible for all rights and obligations as tenant under the Lease.

4. **Release**. Except as specifically set forth in the Transaction Documents, the Parties acknowledge and agree that Assignor shall not remain liable and obligated to Lessor and shall be fully released from the performance of any liabilities, obligations, and duties as the tenant under the Lease first arising or accruing on and after the Effective Date.

5. **Address**. From and after the Effective Date, Assignee's address for notices as the tenant under the Lease shall be the following address (or such other address as Assignee may specify by notice to Lessor):

[_____]
Attention: [_____]
Email: [_____]

6. **Effect of Assignment**. The Lease is hereby ratified and affirmed and remains in full force and effect. In the event of any conflict between the Lease and this Assignment, this Assignment shall control. All capitalized terms used herein and not redefined in this Assignment shall have the same meaning ascribed to such terms in the Lease. As between Assignor and Assignee, all representations, warranties, indemnifications, and covenants of such parties set forth in the Transaction Documents are hereby incorporated by reference herein with the same force and effect as if set forth herein in their entirety.

7. **Severability**. If any provision in this Assignment is held by a governmental authority of competent jurisdiction to be invalid, void, unenforceable or against its regulatory policy, the remainder of the provisions contained in this Assignment shall remain valid and binding and shall in no way be affected, impaired or invalidated, and this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable term, provision, covenant or restriction or any portion thereof had never been contained herein. Upon such determination that any provision of this Assignment is invalid, illegal or unenforceable, the Parties shall negotiate in good faith to modify this Assignment so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

8. **Fees and Expenses**. Except as expressly set forth in the Purchase Agreement, (a) Assignee shall be responsible for all costs and expenses incurred by Assignee or any of its affiliates in connection with this Assignment, including fees and disbursements of counsel, financial advisors, and accountants, and (b) Assignor shall be responsible for all costs and expenses incurred by Assignor and its affiliates in connection with this Assignment, including fees and disbursements of counsel, financial advisors, and accountants.

9. **Estoppel**. Assignor and Lessor hereby acknowledge that, to the best of their knowledge, no event of default by either party exists under the Lease, nor is Assignor or Lessor aware of any facts or circumstances that, with the passage of time, could constitute an event of default under the Lease.

10. **Authority**. Assignor and Assignee each hereby represent and warrant that the individual executing this Assignment on its behalf is duly authorized to execute and deliver this Assignment on its behalf and that this Assignment constitutes such Party's valid and binding agreement in accordance with the terms hereof.

11. **Lessor Consent**. Lessor joins herein to evidence its consent and approval to the assignment and assumption of the Lease evidenced hereby.

12. **Governing Law**. All actions (in contract or tort) arising out of or relating to this Assignment, the negotiation, execution or performance of this Assignment, the transactions contemplated hereby, any representation or warranty made in or in connection with this Agreement or as an inducement to enter into this Agreement shall be governed by and construed in accordance with the laws of the State of Delaware (including its statutes of limitations), without regard to conflicts of law principles.

13. **Entire Agreement**. This Assignment, the Lease and, to the extent applicable, the Transaction Documents constitute the entire agreement of the Parties with respect to the subject matter hereof, and supersede all prior agreements, whether written or oral, between the Parties with respect to its subject matter (including any letter of intent, term sheet or the like) and constitute a complete and exclusive statement of the terms of the agreement between the Parties with respect to the subject matter hereof.

14. **Counterparts**. This Agreement may be executed in multiple counterparts, any one of which need not contain the signature of more than one (1) Party, but all such counterparts taken together shall constitute one and the same instrument.

15. **Signatures**. This Agreement, any certificates or instruments delivered pursuant hereto, and any amendments to any of the foregoing, to the extent signed and delivered by means of a facsimile machine, via electronic mail, portable document format (pdf) or any electronic signature complying with the U.S. federal ESIGN Act of 2000 (including DocuSign), shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effects as if it were the original signed version thereof delivered in person; provided that, at the written request of any Party, each other Party thereto shall as promptly as practicable re-execute original forms thereof and deliver them to all other Parties. No Party shall raise the use of a facsimile machine, email, pdf or electronic signature to deliver a signature or the fact that any signature or contract was transmitted or communicated through the use of facsimile machine or email as a defense to the formation of a contract with respect to this Assignment, and each Party forever waives any such defense, except to the extent such defense relates to lack of authenticity.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the Parties have executed and delivered this Assignment, or caused this Assignment to be duly executed and delivered by their respective officers thereunto duly authorized, as of the Effective Date.

ASSIGNEE:

[Centurion Foundation, Inc.]

By:_____
Name:
Title:

ASSIGNOR:

[_____]

By:_____
Name:
Title:

FOR PURPOSES OF ESTOPPEL AND CONSENT PURSUANT TO SECTIONS 4, 9 AND 11 ABOVE:

LESSOR:

[_____]

By:_____
Name:
Title:

EXHIBIT D

LIMITED POWER OF ATTORNEY
FOR USE OF DEA AND RHODE ISLAND BOARD OF PHARMACY CONTROLLED SUBSTANCE REGISTRATION NUMBERS AND DEA ORDER FORMS

[_____], a [_____] (the "***Registrant***"), which owns and operates those certain pharmacies set forth on Exhibit A hereto (collectively, the "***Pharmacies***"), with the locations and United States Drug Enforcement Administration ("***DEA***") and Rhode Island Board of Pharmacy controlled substance registration numbers associated with each of the Pharmacies set forth on Exhibit A (collectively, the "Registration Numbers"), is authorized to sign the current applications for registration and licensure as a registrant under the Controlled Substances Act (21 U.S.C. 801 *et seq*.) or Controlled Substances Import and Export Act of the United States (21 U.S.C. 951 *et seq*.). Effective [_____] (the "***Effective Date***"), the Registrant has made, constituted, and appointed, and by these presents does make, constitute, and appoint, [Centurion Foundation, Inc., a Georgia nonprofit corporation] (the "***New Registrant***"), and [_____] (the "***Pharmacist***"), as the Registrant's true and lawful agents and attorneys-in-fact, and to act in the name, place, and stead of the Registrant, for the limited purpose of utilizing the Registrant's DEA registration numbers and DEA order forms. The New Registrant and Pharmacist shall use the Registrant's DEA registration numbers and DEA order forms until such time as the New Registrant obtains new DEA registration numbers for each of the Pharmacies, but in no event shall this limited power of attorney continue for more than ninety (90) days (unless otherwise extended by the parties hereto) after the Effective Date.

The Registrant further grants this limited power of attorney to the New Registrant and the Pharmacist to act as the true and lawful agents and attorneys-in-fact of the Registrant, and to act in the name, place, and stead of the Registrant, to execute applications for books of official order forms and to sign such order forms in requisition for Schedules II, III, IV and V controlled substances, in accordance with Section 828 of the Controlled Substances Act and part 1305 of Title 21 of the Code of Federal Regulations, as is necessary for the treatment of the Pharmacies' patients.

The Registrant recognizes that, to the extent required by law, it is legally responsible for its Registration Numbers and all activities undertaken with its Registration Numbers by the New Registrant until such time as the New Registrant obtains new Registration Numbers, and therefore ratifies and confirms all that New Registrant and Pharmacist do or cause to be done by virtue of this limited power of attorney, so long as it is consistent with the covenants and warranties included herein. The Registrant grants this limited power of attorney based upon the following covenants and warranties of the New Registrant and the Pharmacist: (a) at all times that this Limited Power of Attorney for Use of DEA and Rhode Island Board of Pharmacy Controlled Substance Registration Numbers and DEA Order Forms is in effect, the New Registrant and the Pharmacist shall operate the Pharmacies and utilize the Registration Numbers and DEA order forms in compliance with all applicable federal, state, and local laws, rules, statutes, regulations, and ordinances, including, but not limited to, all federal, state and local laws governing the regulation of controlled substances and pharmacy practice, and (b) the New Registrant shall make timely application for, diligently pursue, and use its best efforts to obtain new Registration Numbers for the Pharmacies as soon as practicable after the Effective Date.

[*Signature Page Follows***]**

IN WITNESS WHEREOF**,** the Registrant, on the one hand, and the New Registrant and the Pharmacist, on the other hand, have executed this Limited Power of Attorney for Use of DEA and Rhode Island Board of Pharmacy Registration Numbers and DEA Order Forms effective as of the Effective Date.

NEW REGISTRANT:

[Centurion Foundation, Inc.]

By: _____
Name:
Title:

PHARMACIST:

[_____]

By: _____
Name: _____

WITNESSES:

1. _____
Name: _____

2. _____
Name: _____

IN WITNESS WHEREOF**,** the Registrant, on the one hand, and the New Registrant and the Pharmacist, on the other hand, have executed this Limited Power of Attorney for Use of DEA Registration Numbers and DEA Order Forms effective as of the Effective Date.

REGISTRANT:

[_____]

By: _____
Name:
Title:

WITNESSES:

1. _____
Name: _____

2. _____
Name: _____

Exhibit A

Pharmacy Locations and DEA Registration Numbers

Store	Name	Address	City	State	Zip	DEA#

Exhibit E

Essential Health Care Services

1. The Buyer and Buyer's Affiliates shall cause each Hospital to maintain a 24-hour emergency department that complies with applicable federal and state laws with respect to the evaluation and treatment of patients who present or are determined to have an emergency medical condition, or who, in the judgment of a staff physician, have an immediate emergency need; no emergency patient shall be turned away from the Hospitals because of age, race, gender, insurance status, inability to pay, or any other non-clinical factor that is not relevant to the provision of medical services; provided, however, that the foregoing provisions of this Exhibit E shall be subject in all respects to changes in governmental policy.

2. ln addition to the foregoing, Essential Health Care Services to be provided by Buyer's Affiliates, collectively, shall consist of the following:

   - Medical/Surgical Services and Intensive/Coronary Care Unit;
   - Acute Dialysis Services;
   - Inpatient and Outpatient Rehabilitation Services, including Sub-acute;
   - Ambulatory Care Services;
   - Emergency Services, including emergency behavioral health services;
   - Inpatient and Outpatient Psychiatric/Mental Health/Addiction Medicine Services;
   - Diagnostic Imaging and Interventional/Radiology Services, including diagnostic Cardiac Catheterization;
   - Laboratory/Pathology;
   - Inpatient and Outpatient Cancer Services including Blood and Marrow Transplantation/Surgical and Radiation Oncology;
   - Sleep Lab;
   - Wound Care/Hyperbaric Services;
   - Homecare services; and
   - Any other primary care services, as defined by R.I. Gen. Laws §23-17.14-18 and under Rhode Island Department of Health regulations related to said statute, not listed herein.

Exhibit F

Catholicity Standards for Legacy SJHSRI Locations

SJHSRI Locations:

Any and all facilities owned or operated by Prospect CharterCARE SJSHRI, LLC d/b/a Our Lady of Fatima (**"*SJHSRI*"**) immediately prior to the Closing Date, including without limitation Our Lady of Fatima Hospital (**"*SJHSRI Locations*"**).

Standards:

1. Each SJHSRI Location shall be operated in full compliance with the ERDs, as defined in Section 8.24 of this Agreement. The Bishop, as defined in Section 10.5(b) of this Agreement, shall be the sole arbiter with respect to matters relating to compliance with the ERDs at the SJHSRI Locations.

2. At Our Lady of Fatima Hospital, the existing chapel shall be maintained in good condition and repair as a Catholic Chapel with the Blessed Sacrament. and the Roman Catholic priest chaplaincy program shall be maintained. Both of the foregoing shall be financially supported from budgeted revenues.

3. The existing signs, symbols and images of Catholic identity at each SJHSRI Location, both interior and exterior to the facilities, shall be maintained and financially supported from budgeted revenues.

4. The president of Buyer (or his or her designee) shall meet with the Bishop on an annual basis to report on compliance with the foregoing.

5. Notwithstanding any provision in this Agreement to the contrary, the obligations set forth in this Exhibit F are for the specific benefit of the Bishop. The Parties acknowledge and agree that any breach of the foregoing covenants shall cause irreparable harm as to which no adequate remedy at law exists and that the Bishop may seek specific performance and injunctive relief in addition to all other remedies in equity or at law. As provided ln Section 10.5(b) of this Agreement, if, in such circumstances, the Bishop is unsuccessful in obtaining specific performance and/or injunctive relief the Buyer and its Affiliates shall, if requested by the Bishop in his sole discretion, cease operating under the names ‘‘St. Joseph" or "Our Lady of Fatima" or any other name that implies Catholicity.

6. Notwithstanding the foregoing, no provision of this Agreement shall be effective or enforceable if and to the extent that it may cause Buyer or its Affiliates, or any facility owned or operated thereby, to be in violation of applicable law or regulations or to be out of compliance with Medicare or Medicaid certification or participation requirements or The Joint Commission's standards of accreditation. The provision of such laws, regulations, or participation criteria shall supersede the covenants set forth in this Exhibit F to the minimum extent necessary to comply with such laws, regulations, and participation criteria.

Exhibit G

Services Restrictions for Other Locations

Other Locations:

Any and all facilities owned or operated by Buyer's Affiliates related to the Businesses , other than the SJHSRI Locations described in Exhibit F, including Roger Williams Medical Center and any other facilities owned, operated, or acquired by Buyer's Affiliates related to the operation of the Businesses following the Closing Date (**"*Other Locations*"**).

Standards:

1. No Other Location (as defined above) shall cause or permit the following procedures, as defined below (collectively, **"*Prohibited Procedures*"**), to be performed anywhere in its facilities or as part of its operations:

   - Abortion (including embryo reduction or any like procedure) and research involving embryo destruction

     – *Definition:* **"*Abortion*"** means the directly intended termination of pregnancy before viability or the directly intended destruction of a viable fetus. Every procedure the sole immediate effect of which is the termination of pregnancy before viability is an abortion, which, in its moral context, includes the interval between conception and implantation of the embryo.

   - Euthanasia

     – *Definition:* **"*Euthanasia*"** means an action or omission that of itself or by intention causes the death of an individual in order to alleviate all suffering.

   - Physician-Assisted Suicide

     – *Definition:* **"*Physician-Assisted Suicide*"** means euthanasia attended by a physician.

2. The president of Buyer (or his or her designee) shall meet with the Bishop, as defined in Section 10.5(b) of this Agreement, on an annual basis to report on compliance with the foregoing and, more broadly, on the activities and operations of Buyer's Affiliates.

3. Notwithstanding any provision in this Agreement to the contrary, the obligations set forth in this Exhibit G are for the specific benefit of the Bishop. The Parties acknowledge and agree that any breach of the foregoing covenants shall cause irreparable harm as to which no adequate remedy at law exists and that the Bishop may seek specific performance and injunctive relief in addition to all other remedies in equity or at law. As provided in Section 10.5(b) of this Agreement, if, in such circumstances, the Bishop is unsuccessful in obtaining specific performance and/or injunctive relief, Buyer's Affiliates shall, if requested by the Bishop in his sole discretion, cease operating under the names **"*St.***

***Joseph*"** or **"*Our Lady of Fatima*"** or any other name that implies Catholicity.

4. Notwithstanding the foregoing, no provision of this Agreement shall be effective or enforceable if and to the extent that it may cause Buyer's Affiliate, or any facility owned or operated thereby, to be in violation of applicable law or regulations or to be out of compliance with Medicare or Medicaid certification or participation requirements or The Joint Commission's standards of accreditation. The provision of such laws, regulations, or participation criteria shall supersede the covenants set forth in this Exhibit G to the minimum extent necessary to comply with such laws, regulations and participation criteria.

SCHEDULES AND DISCLOSURE SCHEDULES

to the

ASSET PURCHASE AGREEMENT

by and between

Centurion Foundation, Inc.,

on the one hand ("*Buyer*"),

and

Prospect Medical Holdings, Inc.,

and each of the Selling Entities,

on the other hand (collectively, "*Seller*")

Dated as of

November 18, 2022

_____

DISCLOSURE LETTER

This Disclosure Schedule is hereby delivered by Seller, in accordance with that certain Asset Purchase Agreement (the "***Agreement***"), dated as of November 18, 2022, by and among Centurion Foundation, Inc. ("***Buyer***"), and Prospect Medical Holdings, Inc., a Delaware corporation ("***Prospect***"), and each of the Selling Entities (as defined above) (collectively, "***Seller***"). Any capitalized terms used in this Disclosure Schedule but not otherwise defined shall have the respective meanings assigned to such terms in the Purchase Agreement.

This Disclosure Schedule has been arranged to correspond to particular Sections of the Agreement and any matter, fact or item disclosed in any section or paragraph of this Disclosure Schedule shall be considered disclosed with respect to such other section or paragraph of this Disclosure Schedule or the Agreement, as the case may be, if the relevance of such disclosure to such other section or paragraph is reasonably apparent on its face. Each reference to an agreement, contract, list, instrument or other matter listed in these Schedules shall be deemed to incorporate herein such referenced item in its entirety, include any and all exhibits, schedules, annexes and other attachments to such document, and the terms thereof.

The headings, captions and cross-references in this Disclosure Schedule are included for convenience of reference only and shall in no way (i) modify, limit or affect any information provided in this Disclosure Schedule, (ii) be considered in construing or interpreting any information provided in this Disclosure Schedule or (iii) expand the scope of information required to be disclosed in this Disclosure Schedule.

The inclusion of any information (including dollar amounts) in any section of this Disclosure Schedule shall not be deemed to be an admission or acknowledgement by Seller, its members, or the representative that such information is material to, or outside the ordinary course of the business of, the Seller, nor shall such information be deemed to establish a standard of materiality (and the actual standard of materiality may be higher or lower than the matters disclosed by such information). In addition, matters reflected in this Disclosure Schedule are not necessarily limited to matters required by the Purchase Agreement to be reflected in this Disclosure Schedule and such additional matters are set forth for informational purposes only. The information contained in this Disclosure Schedule is disclosed solely for the purposes of the Purchase Agreement, and no information contained herein or therein shall be deemed to be an admission by any Party to any third party of any matter whatsoever (including, without limitation, any violation of applicable Law or breach of contract). Where the terms of a contract or other document have been summarized or described in this Disclosure Schedule, such summary or description does not purport to be a complete statement of all material terms of such contract or document.

In disclosing the information contained in this Disclosure Schedule, the Seller expressly does not waive any attorney-client or other privileges associated with such information or any protection afforded by the work-product doctrine or any similar doctrine with respect to any of the matters disclosed therein. The Seller shall not be prejudiced in any manner whatsoever, and no presumptions shall be created, by virtue of the disclosure of any item or matter herein which otherwise is not required to be disclosed by the Agreement.

Appendix

Schedule 1.1(hhhhh)	Buyer's Knowledge Parties
Schedule 1.1(iiiii)	Sellers' Knowledge Parties
Schedule 1.1(wwwww)	Net Working Capital
Schedule 1.1(iiiiii)	Permitted Encumbrances
Schedule 2.1(a)(i)	Owned Real Property
Schedule 2.1(a)(iv)	Personal Property
Schedule 2.1(a)(vi)	Working Capital Assets
Schedule 2.1(a)(vii)	Excluded Inventory
Schedule 2.1(a)(ix)	Assumed IP
Schedule 2.1(a)(xii)	Assumed Contracts
Schedule 2.1(a)(xiv)	Assumed Permits
Schedule 2.1(a)(xx)	Assets or Equity Interests Relating to the Owned Surgery Centers and Physician Clinics
Schedule 2.2(d)	Excluded Intercompany Assets, Receivables and Obligations
Schedule 2.2(g)	Excluded Contracts
Schedule 2.2(l)	Excluded Pharmaceuticals
Schedule 2.2(u)	Excluded Inventory
Schedule 2.2(v)	Excluded Permits
Schedule 2.2(z)	Retained Employees
Schedule 2.2(dd)	Excluded Owned Real Property and Leased Real Property
Schedule 2.2(ee)	Specifically Excluded Assets
Schedule 2.3(d)	Retained PTO
Schedule 2.3(i)	Specifically Assumed Liabilities
Schedule 2.6(c)	Closing Net Working Capital Principles
Schedule 3.1(a)	State of Formation/Incorporation
Schedule 3.1(b)(ii)	Governmental and Third Party Consents
Schedule 3.1(b)(iii)	Material Breach of Assumed Contracts

Schedule 3.3(a)	Title to Assets
Schedule 3.3(b)	Debt Financing Affecting Purchased Assets
Schedule 3.3(c)	Leased Real Property
Schedule 3.3(d)	Material Personal Property
Schedule 3.3(e)	Proceedings Affecting the Owned Real Property or Leased Real Property
Schedule 3.3(f)	Lease or Other Grant Related to Leased Real Property
Schedule 3.4	Financial Statements/Liabilities
Schedule 3.5(a)	Licenses and Accreditations
Schedule 3.5(b)	License and Accreditation Notices
Schedule 3.6	Regulatory Compliance
Schedule 3.8(a)	Material Contracts
Schedule 3.8(b)	Breach of Material Contracts
Schedule 3.10(a)	Hazardous Materials
Schedule 3.10(b)	Compliance with Environmental Laws
Schedule 3.11	Insurance
Schedule 3.12(a)	Employee Benefit Plans
Schedule 3.12(b)	Employee Benefit Plans Compliance
Schedule 3.13(a)	Employee Relations
Schedule 3.13(b)	Employee Relations Claims & Investigations
Schedule 3.14	Litigation and Proceedings
Schedule 3.15	Medical Staff Matters
Schedule 3.16(a)	Intellectual Property
Schedule 3.16(b)	Owner of Intellectual Property
Schedule 3.17(b)	Tax Liabilities
Schedule 3.19	Seller Brokerage
Schedule 3.20(c)	COVID-19 Employee Matters
Schedule 3.20(d)	COVID-19 Measures

Schedule 3.20(e)	COVID-19 Assistance
Schedule 4.1(b)(ii)	Buyer Consents
Schedule 4.1(b)(iii)	Material Breach of Buyer Contract
Schedule 4.6	No Brokerage
Schedule 6.2(a)	Required Governmental Approvals
Schedule 6.2(c)	Required Consents
Schedule 8.3(a)	Excluded Employees
Schedule 8.7	Assistance with Agreements
Schedule 8.20(a)	Multiemployer Pension Plans

Schedule 1.1(hhhhh)
Buyer's Knowledge

1. Gregory K. Grove, Chief Executive Officer
2. Benjamin M. Mingle, President
3. Steve P. Lovoy, Jr., Vice President of Operations

Schedule 1.1(iiiii)
Seller's Knowledge

1. Jeffrey Liebman, Chief Executive Officer of:
    a. New University Medical Group, LLC
    b. Prospect Blackstone Valley Surgicare, LLC
    c. Prospect CharterCare, LLC
    d. Prospect CharterCare Ancillary Services, LLC
    e. Prospect CharterCare Home Health and Hospice, LLC
    f. Prospect CharterCare Physicians, LLC
    g. Prospect CharterCare RWMC, LLC
    h. Prospect CharterCare SJHSRI, LLC

2. Dan Ison, Interim Chief Financial Officer of:
    a. New University Medical Group, LLC
    b. Prospect Blackstone Valley Surgicare, LLC
    c. Prospect CharterCare, LLC
    d. Prospect CharterCare Ancillary Services, LLC
    e. Prospect CharterCare Physicians, LLC
    f. Prospect CharterCare RWMC, LLC
    g. Prospect CharterCare SJHSRI, LLC

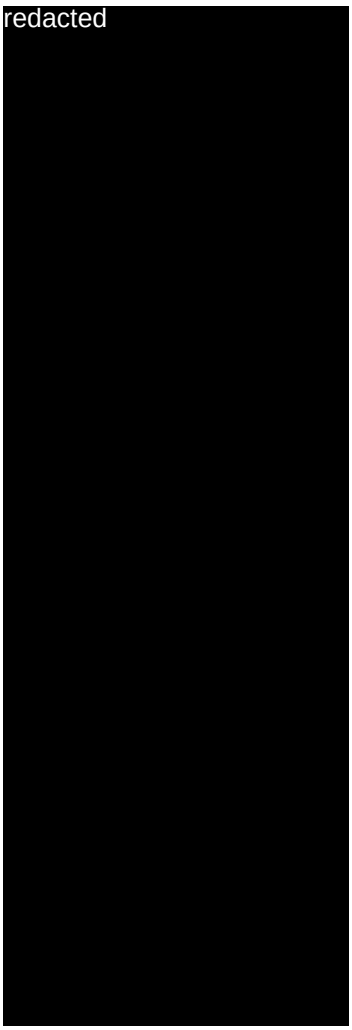
Schedule 1.1(wwwww)
Net Working Capital

redacted

CONFIDENTIAL C-CNT-PMH-021007

redacted

redacted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Schedule 1.1(iiiiii)
Permitted Encumbrances

1. Financing Agreement, dated May 26, 2020, by and between Prospect CharterCARE RWMC, LLC and Rosemawr Capital IV LP.

2. Financing Agreement, dated January 6, 2021, by and between Prospect CharterCARE SJHSRI, LLC and Rosemawr Capital V LP.

3. Real Property Asset Purchase Agreement, dated July 10, 2019, by and among Prospect Medical Holdings, Inc., Prospect CCMC, LLC, Prospect DCMH, LLC, Prospect Manchester Hospital, Inc., Prospect Rockville Hospital, Inc., MPT of Upper Darby PMH, LLC, MPT of Manchester PMH, LLC, MPT of Rockville PMH, LLC, MPT of Springfield PMH, LLC, MPT of Ridley Park PMH, LLC (the "MPT Real Property Asset Purchase Agreement").

4. Master Restructuring Agreement, dated July 26, 2022, by and among Prospect Medical Holdings, Inc. and its undersigned Affiliates therein, and the undersigned Affiliates of MPT Operating Partnership, L.P. (the "MPT Restructuring Agreement").

Schedule 2.1(a)(i)
Owned Real Property

Parcel ID	Address	City	State	Owner[1]
Map 17, Lot 3, May 17, Lot 229, May 17, Lot 18, Map 17, Lot 1116	200 High Service Ave	North Providence	RI	Prospect CharterCARE SJHSRI, LLC, a Rhode Island limited liability company
Map 117, Lot 473	21 Winrooth Ave	Providence	RI	Prospect CharterCARE RWMC, LLC, a Rhode Island limited liability company
Map 117, Lot 491	57 Winrooth Ave.	Providence	RI	Prospect CharterCARE RWMC, LLC, a Rhode Island limited liability company
Map 117, Lot 492	61 Winrooth Ave.	Providence	RI	Prospect CharterCARE RWMC, LLC, a Rhode Island limited liability company
Map 117, Lot 483-490	25, 29, 33, 37, 41, 49, and 53 Winrooth Ave.	Providence	RI	Prospect CharterCARE RWMC, LLC, a Rhode Island limited liability company
Map 117, Lot 507	65 Winrooth Ave.	Providence	RI	Prospect CharterCARE RWMC, LLC, a Rhode Island limited liability company
Map 117, Lot 509	71 Winrooth Ave.	Providence	RI	Prospect CharterCare RWMC, LLC, a Rhode Island limited liability company
Map 117, Lot 471	17 Parkway Ave	Providence	RI	Prospect CharterCare RWMC, LLC, a Rhode Island limited liability company
Map 117, Lot 432	444 Pleasant Valley Pkwy	Providence	RI	Prospect CharterCARE RWMC, LLC, a Rhode Island limited liability company
Map 117, Lot 421	865 Chalkstone Ave	Providence	RI	Prospect CharterCARE RWMC, LLC, a Rhode Island limited liability company
Map 117, Lot 418	867 Chalkstone Ave	Providence	RI	Prospect CharterCARE RWMC, LLC, a Rhode Island limited liability company

[1] The Owner of each parcel and the identification of the address and Parcel ID is subject to confirmation and further review, including per updated title reports and survey and the list of Owned Real Property in this Schedule 2.1(a)(i) may be supplemented, amended or revised accordingly.

Parcel ID	Address	City	State	Owner[1]
Map 117, Lot 417	877 Chalkstone Ave	Providence	RI	Prospect CharterCARE RWMC, LLC, a Rhode Island limited liability company
Map 117, Lot 416	881 Chalkstone Ave	Providence	RI	Prospect CharterCare RWMC, LLC, a Rhode Island limited liability company
Map 117, Lot 415	895 Chalkstone Ave	Providence	RI	Prospect CharterCare RWMC, LLC, a Rhode Island limited liability company
Map 82, Lot 283	825 Chalkstone Ave	Providence	RI	Prospect CharterCare RWMC, LLC, a Rhode Island limited liability company
Map 82, Lot 234-A	50 Convent St	Providence	RI	Prospect CharterCare RWMC, LLC, a Rhode Island limited liability company
Map 82, Lot 224, Map 82, Lot 223, Map 82, Lot 222, Map 82, Lot 221, Map 82, Lot 220, Map 82, Lot 219	33-55 Rosebank Ave.	Providence	RI	Prospect CharterCare RWMC, LLC, a Rhode Island limited liability company

Schedule 2.1(a)(iv)
Personal Property

See attached.

Asset Register

KEY: **"MME" = Major Movable Equipment**
"BI" = Building Improvements

Asset #	Description	Serial #	Tag #	Model #	Units	Major	Minor	Future1	DPIS	Location
91425	Assets Acquired at the Acquisition		10241		1	MME	OTHER	0	06/20/2014	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91188	Assets Acquired at the Acquisition		10004		1	BUILDINGS	OTHER	0	06/20/2014	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91189	Assets Acquired at the Acquisition		10005		1	BI	OTHER	0	06/20/2014	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91446	Assets Acquired at the Acquisition		10262		1	MME	OTHER	0	06/20/2014	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91445	Assets Acquired at the Acquisition		10261		1	MME	OTHER	0	06/20/2014	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91300	Assets Acquired at the Acquisition		10116		1	BUILDINGS	OTHER	0	06/20/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91301	Assets Acquired at the Acquisition		10117		1	BI	OTHER	0	06/20/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91332	Assets Acquired at the		10148		1	FIXED	OTHER	0	06/20/2014	RI-825 CHALKSTONE AVE,
91333	Moveable Leased Equipment acquired at the Acquisition		10149		1	MME	OTHER	0	06/20/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91199	Assets Acquired at the Acquisition		10015		1	MME	OTHER	0	06/20/2014	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91185	Land		10001		1	LAND	NONE	0	06/30/2014	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91296	Assets Acquired at the Acquisition		10112		1	LAND	NONE	0	06/30/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91334	Oil Tank Monitoring System with Pulsar Tank monitor		10150		1	MME	OTHER	0	08/08/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91335	Computers		10151		1	MME	OTHER	0	08/08/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91336	Olympus Endo Equipment		10152		1	MME	OTHER	0	08/13/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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91200	Vivid 7 6T-OR Ultrasound Probe		10016		1	MME	OTHER	0	08/19/2014	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91337	I-Stat Analyzer		10153		1	MME	OTHER	0	08/27/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91201	Refrigerator for Lab with Glass		10017		1	MME	OTHER	0	08/28/2014	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91338	Computers		10154		1	MME	OTHER	0	08/30/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91302	New Top Element for the Grease Trap Unit		10118		1	BI	OTHER	0	09/05/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91303	Design Services for Front Canopy		10119		1	BI	OTHER	0	09/05/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91304	Replace Window in Prior Dept of Medicine		10120		1	BI	OTHER	0	09/05/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91305	New Carpet Installed		10121		1	BI	OTHER	0	09/05/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91202	Cytoscope		10018		1	MME	OTHER	0	09/08/2014	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91339	Prosound Professional EBUS		10155		1	MME	OTHER	0	09/09/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91340	Spectrum IY Pumps		10156		1	MME	OTHER	0	09/10/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91341	Ice Machine		10157		1	MME	OTHER	0	09/10/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91426	Derm Asset Purchased from UMG		10242		1	MME	OTHER	0	09/25/2014	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91203	I-Stat Analyzer		10019		1	MME	OTHER	0	09/28/2014	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91342	Cisco Catalyst		10158		1	MME	OTHER	0	09/30/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91343	CCD Exchange Suite		10159		1	MME	OTHER	0	09/30/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91344	Oncology Management System Software		10160		1	MME	OTHER	0	09/30/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91345	Remote Support Configuration for New Offices		10161		1	MME	OTHER	0	09/30/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91346	Computers		10162		1	MME	OTHER	0	09/30/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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91427	Lincoln - Dermatology		10243		1	MME	OTHER	0	09/30/2014	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91190	New Doors for ACC Corridor		10006		1	BI	OTHER	0	09/30/2014	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91191	New Doors for Doctors Entrance		10007		1	BI	OTHER	0	09/30/2014	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91306	New Railings for stairs on roof		10122		1	BI	OTHER	0	09/30/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91307	New Rubber Roof on Connector between NH and OPD		10123		1	BI	OTHER	0	09/30/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91308	3-Tonn Condenser		10124		1	BI	OTHER	0	09/30/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91309	Wall Paintings in Room#4		10125		1	BI	OTHER	0	09/30/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91310	Engineering Serv in the Design of Temp & Humidity Controls For GO1 Clean Room		10126		1	BI	OTHER	0	09/30/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91311	Backpacks		10127		1	BI	OTHER	0	09/30/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91205	Hemodialysis Equipment TRADE-IN		10021		1	MME	OTHER	0	10/07/2014	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91204	BioRad Bioplex Instrument		10020		1	MME	OTHER	0	10/09/2014	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91347	WaterBath 10L Digital Shaking		10163		1	MME	OTHER	0	10/22/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91348	Washer		10164		1	MME	OTHER	0	11/01/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91349	Clidescope Cobalt System		10165		1	MME	OTHER	0	11/01/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91312	Hospital Signs		10128		1	BI	OTHER	0	11/01/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91313	New Door and frame for Outside Chiller Room		10129		1	BI	OTHER	0	11/02/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91351	E-Bus Ultrasound equipment		10167		1	MME	OTHER	0	11/07/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91353	Colonoscope		10169		1	MME	OTHER	0	11/07/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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91350	Philips Allura Software Upgrade		10166		1	MME	OTHER	0	11/14/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91352	Filter Traps for Pulmonex System		10168		1	MME	OTHER	0	11/14/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91354	GE I-vent		10170		1	MME	OTHER	0	11/14/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91355	Printer for Getinge w/cart		10171		1	MME	OTHER	0	11/17/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91356	Bed Side Care Giver Control		10172		1	MME	OTHER	0	11/17/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91357	Washer		10173		1	MME	OTHER	0	11/17/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91314	Fan Motor		10130		1	BI	OTHER	0	11/17/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91358	Transducer Probe for Ultrasound Machine		10174		1	MME	OTHER	0	11/21/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91206	Steam Sterilizer		10022		1	MME	OTHER	0	11/21/2014	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91207	Transducer		10023		1	MME	OTHER	0	11/22/2014	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91208	Tourniquet System		10024		1	MME	OTHER	0	11/22/2014	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91209	Computers		10025		1	MME	OTHER	0	11/30/2014	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91315	Cancer Center Project capitalize		10131		1	BI	OTHER	0	11/30/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91359	Cancer Center Pharmacy Project		10175		1	MME	OTHER	0	12/01/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91360	Transducer Probe for Ultrasound Machine		10176		1	MME	OTHER	0	12/01/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91361	Ultraview Station		10177		1	MME	OTHER	0	12/01/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91210	Catalyst		10026		1	MME	OTHER	0	12/03/2014	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91362	Freezer		10178		1	MME	OTHER	0	12/11/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91428	Computers		10244		1	MME	OTHER	0	12/11/2014	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91429	Dr Sarni Asset Purchased		10245		1	MME	OTHER	0	12/15/2014	RI-50 MAUDE STREET, PROVIDENCE-0-0-0

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91430	Dr Foreman Asset Purchase		10246		1	MME	OTHER	0	12/15/2014	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91212	Sterilizer		10028		1	MME	OTHER	0	12/19/2014	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91431	HP Notebooks		10247		1	MME	OTHER	0	12/29/2014	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91211	Electro Surgical Units		10027		1	MME	OTHER	0	12/29/2014	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91363	Washer Disinfector		10179		1	MME	OTHER	0	12/31/2014	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91213	Cabinet Double Glass Doors		10029		1	MME	OTHER	0	12/31/2014	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91192	New Sign		10008		1	BI	OTHER	0	01/05/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91364	BMT Kitchen A/C		10180		1	MME	OTHER	0	01/07/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91318	IT Wiring		10134		1	BI	OTHER	0	01/07/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91316	HVAC System Blower Fan Coil Units		10132		1	BI	OTHER	0	01/07/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91317	Doors		10133		1	BI	OTHER	0	01/07/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91366	Urinalysis System		10182		1	MME	OTHER	0	01/08/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91186	Assets Acquired at the		10002		1	LAND	OTHER	0	01/08/2015	RI-200 HIGH SERVICE AVENUE, NP-
91187	Repairs/Pavement to Parking		10003		1	LAND	OTHER	0	01/08/2015	RI-200 HIGH SERVICE AVENUE, NP-
91295	Assets Acquired at the Acquisition		10111		1	LEASEHOLD IMPROVEMENT	OTHER	0	01/08/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91297	Assets Acquired at the		10113		1	LAND	OTHER	0	01/08/2015	RI-825 CHALKSTONE AVE,
91214	Anesthesia machines		10030		1	MME	OTHER	0	01/12/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91365	Freezer		10181		1	MME	OTHER	0	01/13/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91367	Mini C-Arm		10183		1	MME	OTHER	0	01/13/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91368	Bi-pap Machine		10184		1	MME	OTHER	0	01/16/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91432	Physicians Group Purchase		10248		1	MME	OTHER	0	01/19/2015	RI-50 MAUDE STREET, PROVIDENCE-0-0-0

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91215	Steam System for new sterilizer		10031		1	MME	OTHER	0	01/21/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91216	BIPAP Machine		10032		1	MME	OTHER	0	01/29/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91217	Orthopedic Drills & Battery Packs		10033		1	MME	OTHER	0	01/29/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91369	Washer/Disinfector		10185		1	MME	OTHER	0	01/30/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91433	Ritter Autoclave		10249		1	MME	OTHER	0	01/30/2015	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91218	Refrigerator		10034		1	MME	OTHER	0	01/30/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91370	Computers Purchase		10186		1	MME	OTHER	0	01/31/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91219	Cell Saver Recovery System		10035		1	MME	OTHER	0	02/03/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91371	Disinfector		10187		1	MME	OTHER	0	02/09/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91372	C-Arm		10188		1	MME	OTHER	0	02/13/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91220	Stretchers		10036		1	MME	OTHER	0	02/13/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91374	Freezer		10190		1	MME	OTHER	0	02/24/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91221	Sterilizer		10037		1	MME	OTHER	0	02/24/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91222	Cervical Retractor		10038		1	MME	OTHER	0	02/27/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91373	Computer		10189		1	MME	OTHER	0	02/28/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91193	New Floor in Admin Office		10009		1	BI	OTHER	0	03/02/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91375	Freezer		10191		1	MME	OTHER	0	03/06/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91376	Transmitters		10192		1	MME	OTHER	0	03/07/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91434	Dr Iacobucci Asset Purchase		10250		1	MME	OTHER	0	03/09/2015	RI-50 MAUDE STREET, PROVIDENCE-0-0-0

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91223	2 Way Radio System		10039		1	MME	OTHER	0	03/09/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91224	Lab Equipment		10040		1	MME	OTHER	0	03/09/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91225	Pulse Generators		10041		1	MME	OTHER	0	03/10/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91226	PRV Stations		10042		1	MME	OTHER	0	03/17/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91377	Bionet Micro Scissors		10193		1	MME	OTHER	0	03/18/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91378	Access Control for Doctors Lounge Doors		10194		1	MME	OTHER	0	03/19/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91228	Washer/Disinfector		10044		1	MME	OTHER	0	03/20/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91229	Scoot Chair		10045		1	MME	OTHER	0	03/20/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91379	Endoscopy Flushing Pumps		10195		1	MME	OTHER	0	03/21/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91230	Stretcher		10046		1	MME	OTHER	0	03/21/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91231	Gastroscope		10047		1	MME	OTHER	0	03/23/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91232	Human Transboard		10048		1	MME	OTHER	0	03/23/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91227	Gastro Equipment		10043		1	MME	OTHER	0	03/24/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91233	Lab equipment		10049		1	MME	OTHER	0	03/24/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91319	Maude Str Renov Project Capitalize		10135		1	BI	OTHER	0	03/24/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91320	Waste Piping Repair - EEC		10136		1	BI	OTHER	0	03/24/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91380	Zoll Defibrill		10196		1	MME	OTHER	0	03/27/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91381	Washer		10197		1	MME	OTHER	0	03/30/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91382	Computers		10198		1	MME	OTHER	0	03/31/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91194	Custom Blinds		10010		1	BI	OTHER	0	03/31/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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91447	Furniture		10263		1	MME	OTHER	0	03/31/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91234	Refrigerator		10050		1	MME	OTHER	0	03/31/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91235	Computer Purchases		10051		1	MME	OTHER	0	03/31/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91236	A/C		10052		1	MME	OTHER	0	03/31/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91237	Mattress Pad		10053		1	MME	OTHER	0	03/31/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91383	Pulse Oximeter		10199		1	MME	OTHER	0	04/04/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91384	Software		10200		1	MME	OTHER	0	04/08/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91238	Printer		10054		1	MME	OTHER	0	04/10/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91239	Washer Disinfector		10055		1	MME	OTHER	0	04/15/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91385	Laser Cube		10201		1	MME	OTHER	0	04/17/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91387	RCR Detection System		10203		1	MME	OTHER	0	04/17/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91240	Chairs		10056		1	MME	OTHER	0	04/21/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91388	Autoclave Device		10204		1	MME	OTHER	0	04/27/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91386	Stirrups		10202		1	MME	OTHER	0	04/28/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91241	Tv's		10057		1	MME	OTHER	0	04/29/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91435	Dr Rosenberg Asset Purchase		10251		1	MME	OTHER	0	04/30/2015	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91448	HP Network Units		10264		1	MME	OTHER	0	04/30/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91242	Scrubber w/Gell Batteries		10058		1	MME	OTHER	0	04/30/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91321	Window		10137		1	BI	OTHER	0	05/05/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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91195	Roof Repair		10011		1	BI	OTHER	0	05/06/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91243	Motorola Radio		10059		1	MME	OTHER	0	05/13/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91244	Arm Chairs		10060		1	MME	OTHER	0	05/13/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91245	Hospital Beds		10061		1	MME	OTHER	0	05/27/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91390	Hospital Beds		10206		1	MME	OTHER	0	05/29/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91389	Condensing Unit		10205		1	MME	OTHER	0	05/29/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91246	Medical Equipment		10062		1	MME	OTHER	0	05/29/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91391	Cooling Tower		10207		1	MME	OTHER	0	05/31/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91392	Computers		10208		1	MME	OTHER	0	05/31/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91247	A/C Unit		10063		1	MME	OTHER	0	05/31/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91323	Fire Sprinklers		10139		1	BI	OTHER	0	06/04/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91248	Allen Spine Tables		10064		1	MME	OTHER	0	06/09/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91249	Nurse Call Master		10065		1	MME	OTHER	0	06/17/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91250	ESD Cadaver Carrier		10066		1	MME	OTHER	0	06/18/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91251	Expansion Patient Monitor		10067		1	MME	OTHER	0	06/18/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91393	Seroospin Equipment		10209		1	MME	OTHER	0	06/19/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91394	CAT Cricothyrotomy		10210		1	MME	OTHER	0	06/22/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91253	Monitor		10069		1	MME	OTHER	0	06/23/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91254	Furniture		10070		1	MME	OTHER	0	06/23/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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91252	Scope Washers - Endoscopy		10068		1	MME	OTHER	0	06/24/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91395	Software		10211		1	MME	OTHER	0	06/26/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91396	Multigas Modules		10212		1	MME	OTHER	0	06/26/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91397	TV's		10213		1	MME	OTHER	0	06/26/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91398	Board for Injector		10214		1	MME	OTHER	0	06/26/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91399	Femoral Tracker		10215		1	MME	OTHER	0	06/26/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91400	Computers		10216		1	MME	OTHER	0	06/26/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91401	Vac Pump		10217		1	MME	OTHER	0	06/26/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91436	Budlong Asset Purchase		10252		1	MME	OTHER	0	06/26/2015	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91255	Datcard Printer		10071		1	MME	OTHER	0	06/30/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91256	Countertop Incubator		10072		1	MME	OTHER	0	06/30/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91257	Orthscan		10073		1	MME	OTHER	0	06/30/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91258	A/C Units		10074		1	MME	OTHER	0	06/30/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91259	Computers		10075		1	MME	OTHER	0	06/30/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91437	Computer Purchases		10253		1	MME	OTHER	0	07/01/2015	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91449	CostFlex Software		10265		1	MME	OTHER	0	07/01/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91298	Pavement Doctors Lot		10114		1	LAND	OTHER	0	07/01/2015	RI-825 CHALKSTONE AVE,
91438	Apple Valey Asset Purchase		10254		1	MME	OTHER	0	07/06/2015	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91402	Rebuild Surgical Table		10218		1	MME	OTHER	0	07/07/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91196	Health Center Signage		10012		1	BI	OTHER	0	07/07/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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91260	Washer/Disinfector		10076		1	MME	OTHER	0	07/21/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91261	Digital TV'S		10077		1	MME	OTHER	0	07/23/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91322	Boiler Repair		10138		1	BI	OTHER	0	07/27/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91262	ER Door Unit		10078		1	MME	OTHER	0	07/28/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91403	Apple Imac Computer		10219		1	MME	OTHER	0	07/30/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91404	Washer & Dryer		10220		1	MME	OTHER	0	07/31/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91405	Label Printers		10221		1	MME	OTHER	0	07/31/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91439	Dr Wilson IT Equipment		10255		1	MME	OTHER	0	07/31/2015	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91450	Printers		10266		1	MME	OTHER	0	07/31/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91264	Water Pumping System		10080		1	MME	OTHER	0	07/31/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91263	Ice and Water Dispenser		10079		1	MME	OTHER	0	07/31/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91324	Cool water Condense Unit		10140		1	BI	OTHER	0	07/31/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91325	Air Handler		10141		1	BI	OTHER	0	07/31/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91326	Walk-In Cooler		10142		1	BI	OTHER	0	07/31/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91406	Ultrasound Console		10222		1	MME	OTHER	0	08/04/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91265	Beds		10081		1	MME	OTHER	0	08/04/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91197	Lab A/C Unit		10013		1	BI	OTHER	0	08/06/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91440	Mis Furniture		10256		1	MME	OTHER	0	08/09/2015	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91407	Gamma Counter		10223		1	MME	OTHER	0	08/13/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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91266	Lab Equipment		10082		1	MME	OTHER	0	08/14/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91441	Dr Drogin Asset Purchase 35.1610.1682		10257		1	MME	OTHER	0	08/17/2015	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91267	Surgical Drill		10083		1	MME	OTHER	0	08/17/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91268	Urology Imagine Table		10084		1	MME	OTHER	0	08/18/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91408	DatCard		10224		1	MME	OTHER	0	08/19/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91269	Epidural Devices		10085		1	MME	OTHER	0	08/20/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91409	Multigas Modules		10225		1	MME	OTHER	0	08/24/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91270	Urology Instruments		10086		1	MME	OTHER	0	08/24/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91271	Vane Vacuum Pumps		10087		1	MME	OTHER	0	08/25/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91327	Elevator Repair		10143		1	BI	OTHER	0	08/26/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91413	Imaging Plate		10229		1	MME	OTHER	0	08/31/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91414	Pumps		10230		1	MME	OTHER	0	08/31/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91415	Chilled Water Pump		10231		1	MME	OTHER	0	08/31/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91272	Podiatry Chair		10088		1	MME	OTHER	0	08/31/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91273	C-Arm		10089		1	MME	OTHER	0	08/31/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91274	Opmi Lumer		10090		1	MME	OTHER	0	08/31/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91275	Philips Equipment		10091		1	MME	OTHER	0	08/31/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91328	OR Chiller		10144		1	BI	OTHER	0	08/31/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91410	Printers		10226		1	MME	OTHER	0	09/03/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91411	Bar Code Scanners		10227		1	MME	OTHER	0	09/03/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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91412	Endoscopy Equipment-Buyout		10228		1	MME	OTHER	0	09/03/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91276	Monitor		10092		1	MME	OTHER	0	09/04/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91299	Asphalt Pot Holes Repair		10115		1	LAND	OTHER	0	09/04/2015	RI-825 CHALKSTONE AVE,
91277	Uretroscope		10093		1	MME	OTHER	0	09/09/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91278	Dental Handpiece		10094		1	MME	OTHER	0	09/11/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91279	Pulmonary Function System		10095		1	MME	OTHER	0	09/16/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91280	Respiratory system		10096		1	MME	OTHER	0	09/16/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91417	Monoscan system		10233		1	MME	OTHER	0	09/22/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91281	Ultrasonic Unit		10097		1	MME	OTHER	0	09/22/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91442	Computers		10258		1	MME	OTHER	0	09/24/2015	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91282	Portable Dental Unit		10098		1	MME	OTHER	0	09/25/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91283	2 Way Radio		10099		1	MME	OTHER	0	09/25/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91416	Endoscopy Equipment		10232		1	MME	OTHER	0	09/28/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91284	Instrument Tray		10100		1	MME	OTHER	0	09/29/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91285	Pacemaker Analyzer		10101		1	MME	OTHER	0	09/29/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91286	Instrument Tray		10102		1	MME	OTHER	0	09/29/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91418	Table Top Cetrifuge Rotor		10234		1	MME	OTHER	0	09/30/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91419	Tibial Tracker		10235		1	MME	OTHER	0	09/30/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91420	Computer Software		10236		1	MME	OTHER	0	09/30/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91421	Sprinklers Modification		10237		1	MME	OTHER	0	09/30/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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91422	Mesh Surgipro		10238		1	MME	OTHER	0	09/30/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91423	Closed CIP		10239		1	MME	OTHER	0	09/30/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91424	Scopes		10240		1	MME	OTHER	0	09/30/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91198	Closed Various CIP		10014		1	BI	OTHER	0	09/30/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91443	Dr Jacobucci Office Renovations		10259		1	MME	OTHER	0	09/30/2015	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91444	? 35.1610.1683 Added By JFF 04/30/20		10260		1	MME	OTHER	0	09/30/2015	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91451	Cisco Units		10267		1	MME	OTHER	0	09/30/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91452	Computers		10268		1	MME	OTHER	0	09/30/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91453	Cisco Network Switch		10269		1	MME	OTHER	0	09/30/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91454	API Software		10270		1	MME	OTHER	0	09/30/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91455	Xtrimio Flash Drives		10271		1	MME	OTHER	0	09/30/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91287	Stainless Steel Panel		10103		1	MME	OTHER	0	09/30/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91288	Hospital Bed Repair		10104		1	MME	OTHER	0	09/30/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91289	Dental Instruments		10105		1	MME	OTHER	0	09/30/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91290	Freezer		10106		1	MME	OTHER	0	09/30/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91291	Dr Days Tray		10107		1	MME	OTHER	0	09/30/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91292	Chemo Room IV Stations		10108		1	MME	OTHER	0	09/30/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91293	Fil/Rac Board		10109		1	MME	OTHER	0	09/30/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91294	Closed CIP		10110		1	MME	OTHER	0	09/30/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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91329	Roof Repair		10145		1	BI	OTHER	0	09/30/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91330	Closed CIP		10146		1	BI	OTHER	0	09/30/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91331	Roof Top Chiller		10147		1	BI	OTHER	0	09/30/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91457	Elevator Upgrade		10273		1	BI	OTHER	0	10/01/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91458	Aluminum Splash Guard		10274		1	BI	OTHER	0	10/01/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91711	UVA Unite - Derm		10527		1	MME	OTHER	0	10/13/2015	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91620	Pilicam Recorder Kit		10436		1	MME	OTHER	0	10/31/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91619	CMT Tube		10435		1	MME	OTHER	0	10/31/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91621	Computer Purchases		10437		1	MME	OTHER	0	10/31/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91484	Sony Single Chip Camera		10300		1	MME	OTHER	0	10/31/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91485	Dental Instruments		10301		1	MME	OTHER	0	10/31/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91486	Access Door		10302		1	MME	OTHER	0	10/31/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91487	Surgical hand		10303		1	MME	OTHER	0	10/31/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91488	Computer Purchases		10304		1	MME	OTHER	0	10/31/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91712	Dermatology Laser Equipment		10528		1	MME	OTHER	0	11/14/2015	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91622	Battery Analyzer		10438		1	MME	OTHER	0	11/30/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91623	Measurement Analyzer		10439		1	MME	OTHER	0	11/30/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91624	Table Top Centrifuge		10440		1	MME	OTHER	0	11/30/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91625	Computer Purchases		10441		1	MME	OTHER	0	11/30/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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91626	Scopes		10442		1	MME	OTHER	0	11/30/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91627	Swan Pump		10443		1	MME	OTHER	0	11/30/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91489	2 Way radio		10305		1	MME	OTHER	0	11/30/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91490	Black Belt Retractor		10306		1	MME	OTHER	0	11/30/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91491	Dr.Days Trays		10307		1	MME	OTHER	0	11/30/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91492	Laryngoscope		10308		1	MME	OTHER	0	11/30/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91493	Aluminum Cart		10309		1	MME	OTHER	0	11/30/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91494	Computer Purchases		10310		1	MME	OTHER	0	11/30/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91735	Computers		10551		1	MME	OTHER	0	11/30/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91713	Exam tables w/Drawers - Dr Wilson		10529		1	MME	OTHER	0	12/12/2015	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91736	Varies Furniture		10552		1	MME	OTHER	0	12/18/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91593	Windows		10409		1	BI	OTHER	0	12/25/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91737	APC Structurware Central Basic		10553		1	MME	OTHER	0	12/29/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91498	Scanner Bladder		10314		1	MME	OTHER	0	12/30/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91495	Ventilators		10311		1	MME	OTHER	0	12/30/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91496	Surgical Instruments		10312		1	MME	OTHER	0	12/30/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91497	Draperies		10313		1	MME	OTHER	0	12/30/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91499	Boyonet Forceps		10315		1	MME	OTHER	0	12/30/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91500	Computer Purchases		10316		1	MME	OTHER	0	12/30/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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91501	Erology Telescope		10317		1	MME	OTHER	0	12/30/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91714	Aid Plus - Derm		10530		1	MME	OTHER	0	12/30/2015	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91628	Floor Scrubber Machines		10444		1	MME	OTHER	0	12/31/2015	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91715	Computer Purchases		10531		1	IT HARDWARE	OTHER	0	12/31/2015	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91738	Computers		10554		1	MME	OTHER	0	12/31/2015	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91596	Generator for Elevator		10412		1	BI	OTHER	0	01/21/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91597	Boiler Tank		10413		1	BI	OTHER	0	01/21/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91459	Fence		10275		1	BI	OTHER	0	01/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91460	Condenser		10276		1	BI	OTHER	0	01/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91461	Roof Elevator		10277		1	BI	OTHER	0	01/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91462	Nursing Scheduling Office Flooring		10278		1	BI	OTHER	0	01/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91463	Grout Injection		10279		1	BI	OTHER	0	01/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91464	Vertical Pump		10280		1	BI	OTHER	0	01/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91505	Ultrasound Imaging System		10321		1	MME	OTHER	0	01/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91502	Furniture for Wound & HBO Center		10318		1	MME	OTHER	0	01/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91503	Endoscopy Workstation		10319		1	MME	OTHER	0	01/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91504	Chairs for Cafeteria		10320		1	MME	OTHER	0	01/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91506	Medical Radiographic System		10322		1	MME	OTHER	0	01/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91507	DVR's		10323		1	MME	OTHER	0	01/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91508	Uretroscope		10324		1	MME	OTHER	0	01/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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91509	Scope		10325		1	MME	OTHER	0	01/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91510	Alarm Panel		10326		1	MME	OTHER	0	01/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91629	Oxygen Blenders		10445		1	MME	OTHER	0	01/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91630	Monitor/Cath Lab		10446		1	MME	OTHER	0	01/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91594	Doors		10410		1	BI	OTHER	0	02/02/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91595	Flooring in Patient Rooms		10411		1	BI	OTHER	0	02/02/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91598	Roof		10414		1	BI	OTHER	0	02/02/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91599	Doors		10415		1	BI	OTHER	0	02/02/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91739	Catalyst		10555		1	MME	OTHER	0	02/11/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91466	Providence Dental Clinic Renovation		10282		1	BI	OTHER	0	02/23/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91465	Tiger Team Project		10281		1	BI	OTHER	0	02/23/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91716	Phototherapy Houva-project completed in September		10532		1	MME	OTHER	0	02/24/2016	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91717	Dr Foreman - Computer Purchase		10533		1	MME	OTHER	0	02/24/2016	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91718	Athena-Hardware/Software - completed in Sep		10534		1	MME	OTHER	0	02/24/2016	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91719	Urology Office Renovation - Project Compl in Nov		10535		1	MME	OTHER	0	02/24/2016	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91600	Duct work (last year)		10416		1	BI	OTHER	0	02/28/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91601	Alarm Installation (last year)		10417		1	BI	OTHER	0	02/28/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91631	CTDI Phantom		10447		1	MME	OTHER	0	02/29/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91632	Glidescope		10448		1	MME	OTHER	0	02/29/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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91633	Navigation Platform		10449		1	MME	OTHER	0	02/29/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91634	Eye Surgery Handpiece		10450		1	MME	OTHER	0	02/29/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91635	Bio-Medical Test Equipment		10451		1	MME	OTHER	0	02/29/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91636	Correct Closed CIP 2015		10452		1	MME	OTHER	0	02/29/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91513	IT Inverters for Mobile Work Stations		10329		1	MME	OTHER	0	02/29/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91511	Various furniture-Case Management Office		10327		1	MME	OTHER	0	02/29/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91512	Led Handle		10328		1	MME	OTHER	0	02/29/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91514	Glidescopes		10330		1	MME	OTHER	0	02/29/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91515	Battery Module		10331		1	MME	OTHER	0	02/29/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91516	Chemistry Lab Equipment		10332		1	MME	OTHER	0	02/29/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91517	Close Lincoln Radiology CIP		10333		1	MME	OTHER	0	02/29/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91518	Close Tiger Team Project		10334		1	MME	OTHER	0	02/29/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91519	Surgical Table		10335		1	MME	OTHER	0	02/29/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91740	VNX Drivers Storage-PACS Conv		10556		1	MME	OTHER	0	02/29/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91741	Cisco network Equipm for Voice Processing		10557		1	MME	OTHER	0	02/29/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91720	Urology Cystonephro Videoscope		10536		1	MME	OTHER	0	03/22/2016	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91602	Kitchen Electrical Server		10418		1	BI	OTHER	0	03/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91603	HP Pump		10419		1	BI	OTHER	0	03/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91643	Dish machine		10459		1	MME	OTHER	0	03/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91640	TV'S		10456		1	MME	OTHER	0	03/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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91641	Access Control Panel		10457		1	MME	OTHER	0	03/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91642	Computers		10458		1	MME	OTHER	0	03/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91637	IP Security Cameras		10453		1	MME	OTHER	0	03/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91638	Flexible Lab Pro		10454		1	MME	OTHER	0	03/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91639	Finger Sensors		10455		1	MME	OTHER	0	03/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91467	Dish Room Garbage Insekerator		10283		1	BI	OTHER	0	03/31/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91468	ICU Cubicle curtains		10284		1	BI	OTHER	0	03/31/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91520	Ultrasound machine		10336		1	MME	OTHER	0	03/31/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91521	Nurse Call Station		10337		1	MME	OTHER	0	03/31/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91522	CustoNephro Videoscope		10338		1	MME	OTHER	0	03/31/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91523	Computers		10339		1	MME	OTHER	0	03/31/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91524	GE Operator Panel		10340		1	MME	OTHER	0	03/31/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91525	ICU Drawers		10341		1	MME	OTHER	0	03/31/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91721	Microtympanogram -project completed in Sep		10537		1	MME	OTHER	0	03/31/2016	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91722	Dr Horan Practice Acquisition		10538		1	MME	OTHER	0	03/31/2016	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91723	Dr Horan - Computers		10539		1	MME	OTHER	0	03/31/2016	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91724	Photodynamic Therapy Illuminator-Derm		10540		1	MME	OTHER	0	04/13/2016	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91726	Computer Purchases-Dr Horan		10542		1	MME	OTHER	0	04/15/2016	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91604	Cabinets		10420		1	BI	OTHER	0	04/21/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91606	Windows		10422		1	BI	OTHER	0	04/26/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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91607	Carpeting		10423		1	BI	OTHER	0	04/26/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91605	Motor for BMT Handler		10421		1	BI	OTHER	0	04/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91644	Bronchoscope		10460		1	MME	OTHER	0	04/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91645	Centrifuge		10461		1	MME	OTHER	0	04/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91646	E-Steam Sterilizer		10462		1	MME	OTHER	0	04/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91647	Hematology Equipment		10463		1	MME	OTHER	0	04/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91648	File Drawers		10464		1	MME	OTHER	0	04/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91649	B-Vento Software		10465		1	MME	OTHER	0	04/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91650	Stretchers		10466		1	MME	OTHER	0	04/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91651	2 Doors Access Control Panel		10467		1	MME	OTHER	0	04/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91652	Endoscopy Ultrasonic Probe		10468		1	MME	OTHER	0	04/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91653	MRI Battery		10469		1	MME	OTHER	0	04/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91654	OR Table Repair		10470		1	MME	OTHER	0	04/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91655	Computer Purchases		10471		1	MME	OTHER	0	04/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91656	Printer		10472		1	MME	OTHER	0	04/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91657	Vital Sign Monitors		10473		1	MME	OTHER	0	04/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91469	Chiller Repair		10285		1	BI	OTHER	0	04/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91470	Domestic water Pumping station		10286		1	BI	OTHER	0	04/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91471	Pharmacy Repairs		10287		1	BI	OTHER	0	04/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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91526	Bladder Scanner		10342		1	MME	OTHER	0	04/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91527	Versacare Beds		10343		1	MME	OTHER	0	04/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91528	Lifecare Pumps		10344		1	MME	OTHER	0	04/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91529	TV's for Nursing		10345		1	MME	OTHER	0	04/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91532	Scopes		10348		1	MME	OTHER	0	04/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91530	Surgic PropOptic Unit		10346		1	MME	OTHER	0	04/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91531	Nurse Call Panel		10347		1	MME	OTHER	0	04/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91661	Switch for Control Panel		10477		1	MME	OTHER	0	04/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91658	Battery Kit for Portable X-Ray		10474		1	MME	OTHER	0	04/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91659	Respiratory Vent		10475		1	MME	OTHER	0	04/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91660	Carnograph		10476		1	MME	OTHER	0	04/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91662	IP Cameras for Pharmacy		10478		1	MME	OTHER	0	04/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91725	Computer Purchases		10541		1	MME	OTHER	0	04/30/2016	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91742	HP Units		10558		1	MME	OTHER	0	04/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92552	Cable/Wiring Installation		11369		1	IT HARDWARE	OTHER	0	05/01/2016	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92553	Ethernet Switch		11370		1	IT HARDWARE	OTHER	0	05/01/2016	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92554	Laptop (HP Elitebook 840)		11371		1	IT HARDWARE	OTHER	0	05/01/2016	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91744	Grandstream Video Conf System		10560		1	MME	OTHER	0	05/23/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91743	Large Scanner		10559		1	MME	OTHER	0	05/24/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91608	Cafeteria Improvements		10424		1	BI	OTHER	0	05/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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91472	Walk-In Freezer Repair		10288		1	BI	OTHER	0	05/31/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91533	Kerrison Ejector		10349		1	MME	OTHER	0	05/31/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91534	Sterilizer		10350		1	MME	OTHER	0	05/31/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91535	Roller Shades		10351		1	MME	OTHER	0	05/31/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91536	Asip System		10352		1	MME	OTHER	0	05/31/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91537	Ct Scan		10353		1	MME	OTHER	0	05/31/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91538	Draeger Ventilator		10354		1	MME	OTHER	0	05/31/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91539	Triger Rotary		10355		1	MME	OTHER	0	05/31/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91540	Furniture		10356		1	MME	OTHER	0	05/31/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91541	Laminectomy Tray		10357		1	MME	OTHER	0	05/31/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91542	AC's		10358		1	MME	OTHER	0	05/31/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91663	Stem Cell LA		10479		1	MME	OTHER	0	05/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91664	CT Scan		10480		1	MME	OTHER	0	05/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91665	Masimo Monitor		10481		1	MME	OTHER	0	05/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91666	Simman 3G		10482		1	MME	OTHER	0	05/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91667	Colonoscope		10483		1	MME	OTHER	0	05/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91668	Hepatobiliary Instruments		10484		1	MME	OTHER	0	05/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91669	Plasma Freezer		10485		1	MME	OTHER	0	05/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91670	Cast Cutter		10486		1	MME	OTHER	0	05/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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91671	Ultrasound System		10487		1	MME	OTHER	0	05/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91672	Computers		10488		1	MME	OTHER	0	05/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91546	Property Taxes		10362		1	MME	OTHER	0	06/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91547	Sony Camera		10363		1	MME	OTHER	0	06/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91548	Dental Instrument Tray		10364		1	MME	OTHER	0	06/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91549	Access Door		10365		1	MME	OTHER	0	06/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91550	Plasma Storage Unit		10366		1	MME	OTHER	0	06/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91551	Dental Xray		10367		1	MME	OTHER	0	06/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91552	Dental Surgical Drill		10368		1	MME	OTHER	0	06/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91609	Heat Pump System		10425		1	BI	OTHER	0	06/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91543	Histology Microtone		10359		1	MME	OTHER	0	06/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91544	Pumps		10360		1	MME	OTHER	0	06/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91545	Fabric wall Boards		10361		1	MME	OTHER	0	06/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91673	Therakos Cellex System		10489		1	MME	OTHER	0	06/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91674	Endoscopy Workstations		10490		1	MME	OTHER	0	06/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91675	Instrument Tray		10491		1	MME	OTHER	0	06/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91676	Fabius Ventil		10492		1	MME	OTHER	0	06/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91677	Computers		10493		1	MME	OTHER	0	06/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91678	Insuflator		10494		1	MME	OTHER	0	06/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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91679	Surgical Drill		10495		1	MME	OTHER	0	06/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91680	Property Taxes - CNB		10496		1	MME	OTHER	0	06/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91610	Elevator Motor		10426		1	BI	OTHER	0	07/06/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91746	Fluorostand with pedestal		10562		1	MME	OTHER	0	07/14/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91745	Power Supply for Workstations on Wheels		10561		1	MME	OTHER	0	07/19/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91553	Roller Shades		10369		1	MME	OTHER	0	07/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91554	Furniture		10370		1	MME	OTHER	0	07/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91555	Ice Machines		10371		1	MME	OTHER	0	07/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91556	CR Reader System		10372		1	MME	OTHER	0	07/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91557	Water Heater		10373		1	MME	OTHER	0	07/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91558	Computers		10374		1	MME	OTHER	0	07/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91559	Property taxes		10375		1	MME	OTHER	0	07/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91681	PCA Pumps		10497		1	MME	OTHER	0	07/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91682	Pump Infusion		10498		1	MME	OTHER	0	07/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91683	Intubation Fiber Scope		10499		1	MME	OTHER	0	07/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91685	MRI Cart		10501		1	MME	OTHER	0	07/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91686	Property Taxes		10502		1	MME	OTHER	0	07/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91687	ASCO ATS		10503		1	MME	OTHER	0	07/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91684	Fibroscan		10500		1	MME	OTHER	0	07/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91612	Fire Doors		10428		1	BI	OTHER	0	08/01/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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91613	New condenser for CT Room		10429		1	BI	OTHER	0	08/01/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91611	Flooring		10427		1	BI	OTHER	0	08/26/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91560	Knee Trays		10376		1	MME	OTHER	0	08/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91561	Ronguer Injector		10377		1	MME	OTHER	0	08/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91562	Chemistry Lab equipment		10378		1	MME	OTHER	0	08/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91566	Patient Beds		10382		1	MME	OTHER	0	08/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91563	Ice Machine		10379		1	MME	OTHER	0	08/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91564	Semi-Automatic Electrods		10380		1	MME	OTHER	0	08/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91565	Ear Drill		10381		1	MME	OTHER	0	08/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91567	Glidescope Blades		10383		1	MME	OTHER	0	08/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91568	Fusion Navigation system		10384		1	MME	OTHER	0	08/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91569	Pharmacy Refrigerator		10385		1	MME	OTHER	0	08/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91570	Thermal Printer		10386		1	MME	OTHER	0	08/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91571	Property Taxes		10387		1	MME	OTHER	0	08/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91473	Various Repairs - Fruit Hill Property		10289		1	BI	OTHER	0	08/31/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91688	Restraint chair		10504		1	MME	OTHER	0	08/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91689	Cytometer		10505		1	MME	OTHER	0	08/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91690	FACS Canto		10506		1	MME	OTHER	0	08/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91691	OR Doors		10507		1	MME	OTHER	0	08/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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91693	Endoscopy Ablation System		10509		1	MME	OTHER	0	08/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91694	Ultrasound Linear Probe		10510		1	MME	OTHER	0	08/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91695	LED Transilluminator		10511		1	MME	OTHER	0	08/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91696	Computers		10512		1	MME	OTHER	0	08/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91697	CT Scan Machine		10513		1	MME	OTHER	0	08/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91698	Wireless receiver		10514		1	MME	OTHER	0	08/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91699	SpaceLab Ultraview		10515		1	MME	OTHER	0	08/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91700	APLIO 500		10516		1	MME	OTHER	0	08/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91727	Computer Purchases		10543		1	MME	OTHER	0	08/31/2016	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91747	Property Taxes		10563		1	MME	OTHER	0	08/31/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91692	Fibroscan		10508		1	MME	OTHER	0	08/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91572	Laproscopic Instruments		10388		1	MME	OTHER	0	09/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91573	Interface to the Sysmex Analyzer		10389		1	MME	OTHER	0	09/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91574	Eye Trays Instruments		10390		1	MME	OTHER	0	09/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91575	Door Access Control System		10391		1	MME	OTHER	0	09/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91576	Urology Imaging Table		10392		1	MME	OTHER	0	09/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91577	Dr Das Trays		10393		1	MME	OTHER	0	09/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91578	Cervical Retractor		10394		1	MME	OTHER	0	09/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91579	Close CIP - IT 2014		10395		1	MME	OTHER	0	09/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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91580	Close CIP - Elevator Floor		10396		1	MME	OTHER	0	09/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91581	Scrubber with Brush		10397		1	MME	OTHER	0	09/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91582	CT Scan Machine		10398		1	MME	OTHER	0	09/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91583	Behav Health Furniture		10399		1	MME	OTHER	0	09/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91587	Vital Sign Monitor		10403		1	MME	OTHER	0	09/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91584	New Sprinkler Heads		10400		1	MME	OTHER	0	09/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91585	Laproscopic Instruments		10401		1	MME	OTHER	0	09/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91586	Nasal Forceps		10402		1	MME	OTHER	0	09/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91588	Adenoid Curette Tray		10404		1	MME	OTHER	0	09/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91589	Geri Psych BP Monit Equipm		10405		1	MME	OTHER	0	09/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91590	Scopes		10406		1	MME	OTHER	0	09/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91591	MIS Purchases		10407		1	MME	OTHER	0	09/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91592	Rotary Vane Vacuum Pump		10408		1	MME	OTHER	0	09/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91614	Close CIP - Elmhirst 5th Fl Renovations		10430		1	BI	OTHER	0	09/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91615	Close CIP - Heater Exchange Elmhurst		10431		1	BI	OTHER	0	09/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91616	Close CIP - Moving Resident Clinic		10432		1	BI	OTHER	0	09/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91617	Fire Doors		10433		1	BI	OTHER	0	09/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91618	Roof Top Security Camera		10434		1	BI	OTHER	0	09/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91456	Fruit Hill Land Evaluation		10272		1	LAND	NONE	0	09/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91474	Close CIP - 249 Roosevelt Blvd		10290		1	BI	OTHER	0	09/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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91475	Close CIP - Elevator Floor		10291		1	BI	OTHER	0	09/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91476	Close CIP - Closets -Office Conv		10292		1	BI	OTHER	0	09/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91477	Roller Shades		10293		1	BI	OTHER	0	09/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91478	Doors		10294		1	BI	OTHER	0	09/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91482	Close CIP - Main Corridor Remodeling		10298		1	BI	OTHER	0	09/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91479	Close CIP - ED Rooms Upgrade		10295		1	BI	OTHER	0	09/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91480	Close CIP - SOC-Life Safety Code		10296		1	BI	OTHER	0	09/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91481	Close CIP - East Street		10297		1	BI	OTHER	0	09/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91483	Close CIP - Exterior Parking Lot Energy		10299		1	BI	OTHER	0	09/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91701	Sleep Lab Equipment		10517		1	MME	OTHER	0	09/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91702	Stretchers		10518		1	MME	OTHER	0	09/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91703	Netaxs Panel & Access Control		10519		1	MME	OTHER	0	09/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91707	Transfer Switch		10523		1	MME	OTHER	0	09/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91704	Lab Equipment		10520		1	MME	OTHER	0	09/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91705	Computer Purchases		10521		1	MME	OTHER	0	09/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91706	TV'S		10522		1	MME	OTHER	0	09/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91708	Close CIP - Chiller GO1 Lab		10524		1	MME	OTHER	0	09/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91709	Close CIP - East 2 MaxiCare		10525		1	MME	OTHER	0	09/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91710	Close CIP - Moving Resident Clinic		10526		1	MME	OTHER	0	09/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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91730	Dr Flannigan Office Renovations		10546		1	MME	OTHER	0	09/30/2016	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91728	Dr Drogin Office Renovations		10544		1	MME	OTHER	0	09/30/2016	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91729	Surgery Office Acquisition		10545		1	MME	OTHER	0	09/30/2016	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91731	East Side Office Renovations		10547		1	MME	OTHER	0	09/30/2016	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91732	Dr Iacobucci Office Renovations		10548		1	MME	OTHER	0	09/30/2016	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91733	Laptops, Monitors		10549		1	MME	OTHER	0	09/30/2016	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91734	Copier Machine		10550		1	MME	OTHER	0	09/30/2016	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91748	Close IT 2016 CIP		10564		1	MME	OTHER	0	09/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91749	Close IT Project - Dragon		10565		1	MME	OTHER	0	09/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91750	Close Extreme IT Project		10566		1	MME	OTHER	0	09/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91751	Close Access/Concierge Center CIP		10567		1	MME	OTHER	0	09/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91755	Aluminum Screens for BH	#REF!	10572	#REF!	1	BI	OTHER	0	10/01/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91752	Fruit Hill Land Evaluation		10568		1	LAND	NONE	0	10/31/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91756	Doors		10573		1	BI	OTHER	0	10/31/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91767	Defibrillator		10584		1	MME	OTHER	0	10/31/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91768	Lab Refrigerator		10585		1	MME	OTHER	0	10/31/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91769	Phaco Pieces		10586		1	MME	OTHER	0	10/31/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91770	Hospital Beds		10587		1	MME	OTHER	0	10/31/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91771	Cubicles		10588		1	MME	OTHER	0	10/31/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91772	Computer Purchases		10589		1	MME	OTHER	0	10/31/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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91773	Flag Banner		10590		1	MME	OTHER	0	10/31/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91843	Roof Generator		10660		1	BI	OTHER	0	10/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91864	Lovo Cell Harvester Instr		10681		1	MME	OTHER	0	10/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91868	Pharmacy Probe		10685		1	MME	OTHER	0	10/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91865	Fluorchem System		10682		1	MME	OTHER	0	10/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91866	FOT System		10683		1	MME	OTHER	0	10/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91867	Recliners		10684		1	MME	OTHER	0	10/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91869	Monitor		10686		1	MME	OTHER	0	10/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91870	Hand Control Housing		10687		1	MME	OTHER	0	10/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91871	Energy Analyzer		10688		1	MME	OTHER	0	10/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91872	Computers		10689		1	MME	OTHER	0	10/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91844	A/C Compressor		10661		1	BI	OTHER	0	11/10/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91757	Doors		10574		1	BI	OTHER	0	11/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91776	Floor Scale		10593		1	MME	OTHER	0	11/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91774	Motorolla Security Radios		10591		1	MME	OTHER	0	11/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91775	Fluorescent Microscope		10592		1	MME	OTHER	0	11/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91777	Anesthesia Equipm		10594		1	MME	OTHER	0	11/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91778	Chest Compressor System		10595		1	MME	OTHER	0	11/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91779	White Board		10596		1	MME	OTHER	0	11/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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91780	Laproscopic Instrument Trays		10597		1	MME	OTHER	0	11/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91781	Vein Illuminator		10598		1	MME	OTHER	0	11/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91782	ATO Printer		10599		1	MME	OTHER	0	11/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91783	Computers - Last Year		10600		1	MME	OTHER	0	11/30/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91929	Dr Wilson Disposition		10746		1	MME	OTHER	0	11/30/2016	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91873	Security Portable Radios		10690		1	MME	OTHER	0	11/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91874	Lumina Imaging System		10691		1	MME	OTHER	0	11/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91875	Dietary Fryer		10692		1	MME	OTHER	0	11/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91876	Endo HVAC		10693		1	MME	OTHER	0	11/30/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91930	Building Sign		10747		1	MME	OTHER	0	12/15/2016	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91931	Wireless Urodynamic System		10748		1	MME	OTHER	0	12/20/2016	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91753	Fruit Hill Land Evaluation		10569		1	LAND	NONE	0	12/31/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91784	Blood pressure machine		10601		1	MME	OTHER	0	12/31/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91785	Ice machines		10602		1	MME	OTHER	0	12/31/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91786	Air Supply Pumps		10603		1	MME	OTHER	0	12/31/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91787	Scrubber Machine		10604		1	MME	OTHER	0	12/31/2016	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91845	EEC Assets Transferred		10662		1	BI	OTHER	0	12/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91877	Ultrasound System		10694		1	MME	OTHER	0	12/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91878	Cooling Blanket System		10695		1	MME	OTHER	0	12/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91879	Recliner		10696		1	MME	OTHER	0	12/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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91880	Cube Laser - 2016		10697		1	MME	OTHER	0	12/31/2016	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91754	Fruit Hill Sale		10570		1	LAND	NONE	0	01/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91788	Behav Furniture		10605		1	MME	OTHER	0	01/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91789	Case Management Software		10606		1	MME	OTHER	0	01/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91790	Pharmacy Omnicell Machines		10607		1	MME	OTHER	0	01/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91791	Office Furniture		10608		1	MME	OTHER	0	01/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91932	Printers - Dr Santoro		10749		1	MME	OTHER	0	01/31/2017	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91846	Chiller Motor		10663		1	BI	OTHER	0	01/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91847	Wall Cabling for Lab		10664		1	BI	OTHER	0	01/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91848	OR Door		10665		1	BI	OTHER	0	01/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91881	Cryshipper		10698		1	MME	OTHER	0	01/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91882	PPGRI Furniture		10699		1	MME	OTHER	0	01/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91883	PHA Dispensing System Software		10700		1	MME	OTHER	0	01/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91884	Draeger equipment		10701		1	MME	OTHER	0	01/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91885	Refrigerator Unit		10702		1	MME	OTHER	0	01/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91886	Pharmacy Machines		10703		1	MME	OTHER	0	01/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91888	Computers		10705		1	MME	OTHER	0	02/28/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91758	Fire Doors		10575		1	BI	OTHER	0	02/28/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91792	IP Cameras		10609		1	MME	OTHER	0	02/28/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91793	Base Scale		10610		1	MME	OTHER	0	02/28/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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91794	Door Control Equipment		10611		1	MME	OTHER	0	02/28/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91795	Esophagoscope		10612		1	MME	OTHER	0	02/28/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91799	Computers		10616		1	MME	OTHER	0	02/28/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91796	Lab Refrigerator		10613		1	MME	OTHER	0	02/28/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91797	Core Console Pump		10614		1	MME	OTHER	0	02/28/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91798	Eye Tray Instr - 2016 Additions		10615		1	MME	OTHER	0	02/28/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91933	Exterior Signage - Warwick ave		10750		1	MME	OTHER	0	02/28/2017	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91887	Biological Safety Cabinet		10704		1	MME	OTHER	0	02/28/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91934	Bladder Scanner - Urology - 7973		10751		1	MME	OTHER	0	03/29/2017	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91851	EEC Sale		10668		1	BI	OTHER	0	03/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91889	Ice Machine		10706		1	MME	OTHER	0	03/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91890	Electrosurgical Unit Software		10707		1	MME	OTHER	0	03/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91891	Computers		10708		1	MME	OTHER	0	03/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91800	Food Slicer		10617		1	MME	OTHER	0	03/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91801	Lifepack for Wound Care		10618		1	MME	OTHER	0	03/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91802	Blood Bank Refrigerator		10619		1	MME	OTHER	0	03/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91803	Computers		10620		1	MME	OTHER	0	03/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91804	Sterilizer		10621		1	MME	OTHER	0	03/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91849	Fire & Sprinkler Protection Line		10666		1	BI	OTHER	0	03/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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91850	Elevator Motor Field Control		10667		1	BI	OTHER	0	03/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91940	Computers		10757		1	MME	OTHER	0	03/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91805	Various Instruments		10622		1	MME	OTHER	0	04/01/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91806	Centrifuge for Blood Bank		10623		1	MME	OTHER	0	04/01/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91807	Spectrum		10624		1	MME	OTHER	0	04/01/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91808	Endoscopy Equipment		10625		1	MME	OTHER	0	04/01/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91809	Computers		10626		1	MME	OTHER	0	04/01/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91810	?? Maybe Computers		10627		1	MME	OTHER	0	04/01/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91892	Mini Compressor		10709		1	MME	OTHER	0	04/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91893	Computers		10710		1	MME	OTHER	0	04/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91894	Parapac Plus with manual control		10711		1	MME	OTHER	0	04/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91895	Computers		10712		1	MME	OTHER	0	04/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92551	Assets acquired at the acquisition		11368		1	MME	OTHER	0	05/01/2017	RI-1526 ATWOOD AVE, JOHNSTON-0-0-0
91811	Washer Disinfector		10628		1	MME	OTHER	0	05/01/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91812	Thyroid Collar		10629		1	MME	OTHER	0	05/01/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91813	Computers		10630		1	MME	OTHER	0	05/01/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91814	A/C		10631		1	MME	OTHER	0	05/01/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91950	Assets acquired at the acquisition		10767		1	MME	OTHER	0	05/01/2017	RI-1526 ATWOOD AVE, JOHNSTON-0-0-0
91896	Computers		10713		1	MME	OTHER	0	05/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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91759	Compressor		10576		1	BI	OTHER	0	05/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91760	Gas Valve		10577		1	BI	OTHER	0	05/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91852	OR Swing Door		10669		1	BI	OTHER	0	05/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91853	Top Roof Generator		10670		1	BI	OTHER	0	05/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91854	Gas Valve		10671		1	BI	OTHER	0	05/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91815	Histologie cassette Printer		10632		1	MME	OTHER	0	06/01/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91816	Computers		10633		1	MME	OTHER	0	06/01/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91817	EEG Desktop		10634		1	MME	OTHER	0	06/01/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91897	Mask Storage Basket		10714		1	MME	OTHER	0	06/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91898	Pharmacy Cell Vault		10715		1	MME	OTHER	0	06/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91899	Leica Cryostat		10716		1	MME	OTHER	0	06/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91900	Allscripts Interface		10717		1	MME	OTHER	0	06/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91901	Surgical Lights		10718		1	MME	OTHER	0	06/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91902	TV'S		10719		1	MME	OTHER	0	06/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91903	Mobile units		10720		1	MME	OTHER	0	06/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91935	Urology Equipment		10752		1	MME	OTHER	0	06/30/2017	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91904	Housekeeping cart		10721		1	MME	OTHER	0	07/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91905	Crash Cart		10722		1	MME	OTHER	0	07/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91906	Computers		10723		1	MME	OTHER	0	07/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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91818	Cytology Centrifuge		10635		1	MME	OTHER	0	07/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91822	PT Equipment		10639		1	MME	OTHER	0	07/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91819	Surgical Bed		10636		1	MME	OTHER	0	07/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91820	Osmosis System DOWN PAYMENT		10637		1	MME	OTHER	0	07/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91821	Housekeeping Cart		10638		1	MME	OTHER	0	07/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91823	CT Scan Equipm		10640		1	MME	OTHER	0	07/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91824	Computers		10641		1	MME	OTHER	0	07/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91855	Building Sign		10672		1	BI	OTHER	0	07/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91941	Cell Phones		10758		1	IT SOFTWARE	OTHER	0	07/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91951	Flexible Fiberoptic Ureteroscope		10768		1	MME	OTHER	0	08/29/2017	RI-1526 ATWOOD AVE, JOHNSTON-0-0-0
91942	APC Battery Modules		10759		1	IT SOFTWARE	OTHER	0	08/30/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91943	Close CIP		10760		1	MME	OTHER	0	08/30/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91907	Bladder Scanner		10724		1	MME	OTHER	0	08/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91908	Centrifuge		10725		1	MME	OTHER	0	08/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91909	Pharmacy Freezer		10726		1	MME	OTHER	0	08/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91910	Pathology Microscope		10727		1	MME	OTHER	0	08/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91825	OR Monitoring System		10642		1	MME	OTHER	0	08/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91826	Autoscrubber		10643		1	MME	OTHER	0	08/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91827	Burnisher		10644		1	MME	OTHER	0	08/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91828	Heating Unit		10645		1	MME	OTHER	0	08/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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91829	Cell Washer		10646		1	MME	OTHER	0	08/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91830	Bariatric Table		10647		1	MME	OTHER	0	08/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91831	Restraint Chair		10648		1	MME	OTHER	0	08/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91832	Computers		10649		1	MME	OTHER	0	08/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91914	Tube Sealer		10731		1	MME	OTHER	0	08/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91911	Analyzer		10728		1	MME	OTHER	0	08/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91912	Refrigerator		10729		1	MME	OTHER	0	08/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91913	Cytology Centrifuge		10730		1	MME	OTHER	0	08/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91915	Computers		10732		1	MME	OTHER	0	08/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91944	Cisco UCS Blade Expansion		10761		1	MME	OTHER	0	09/08/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91761	Close CIP		10578		1	BI	OTHER	0	09/30/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91762	Close Roof Repair Project		10579		1	BI	OTHER	0	09/30/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91763	Close East str Project		10580		1	BI	OTHER	0	09/30/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91764	Close CT Scan Room Project		10581		1	BI	OTHER	0	09/30/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91765	Close Main Entrance Project		10582		1	BI	OTHER	0	09/30/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91766	Temperature, Humidity Monitoring System		10583		1	BI	OTHER	0	09/30/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91833	C-Arms		10650		1	MME	OTHER	0	09/30/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91834	Splash Guard		10651		1	MME	OTHER	0	09/30/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91835	Motorolla Radio		10652		1	MME	OTHER	0	09/30/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91836	Washer/Disinfector		10653		1	MME	OTHER	0	09/30/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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91837	Pharmacy Refrigerator		10654		1	MME	OTHER	0	09/30/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91838	Close CIP		10655		1	MME	OTHER	0	09/30/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91839	Computers		10656		1	MME	OTHER	0	09/30/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91840	Building Signage		10657		1	LEASEHOLD IMPROVEMENT	OTHER	0	09/30/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91841	EEC Sale		10658		1	LAND	NONE	0	09/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91916	Refrigerator		10733		1	MME	OTHER	0	09/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91917	BMT Stem cell		10734		1	MME	OTHER	0	09/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91918	Microprocessors Temp Controller		10735		1	MME	OTHER	0	09/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91919	Surgical Instr		10736		1	MME	OTHER	0	09/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91920	Storage Cabinet		10737		1	MME	OTHER	0	09/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91921	Ice & Water Dispenser		10738		1	MME	OTHER	0	09/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91922	Bracket Sharps Containers		10739		1	MME	OTHER	0	09/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91923	Surgical Instruments		10740		1	MME	OTHER	0	09/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91924	Refrigerators for Omnicell Cabinets		10741		1	MME	OTHER	0	09/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91925	Close Behav Build-Up CIP		10742		1	MME	OTHER	0	09/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91926	Close IT-2017 CIP		10743		1	MME	OTHER	0	09/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91927	Close Main Entrance CIP		10744		1	MME	OTHER	0	09/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91928	Mammography Equipment		10745		1	MME	OTHER	0	09/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91842	EEC Sale		10659		1	BUILDINGS	OTHER	0	09/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91856	Close Behav Build-UP CIP		10673		1	BI	OTHER	0	09/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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91857	Close Orthopedic set-up Office		10674		1	BI	OTHER	0	09/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91858	Close Ct Scan Project		10675		1	BI	OTHER	0	09/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91859	Close Elmhurst 5th Fl Renov CIP		10676		1	BI	OTHER	0	09/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91860	Close Moving resident clinic CIP		10677		1	BI	OTHER	0	09/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91861	Close Pharmacy Chemo HVAC Upgrade CIP		10678		1	BI	OTHER	0	09/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91862	Close Splash Main Entrance CIP		10679		1	BI	OTHER	0	09/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91863	Close CIP		10680		1	BI	OTHER	0	09/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91937	Closed CIP		10754		1	LEASEHOLD IMPROVEMENT	OTHER	0	09/30/2017	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91936	Closed CIP		10753		1	MME	OTHER	0	09/30/2017	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91938	Closed CIP		10755		1	MME	OTHER	0	09/30/2017	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91939	Closed CIP		10756		1	MME	OTHER	0	09/30/2017	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91945	Hardware/Disk Upgrade		10762		1	MME	OTHER	0	09/30/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91946	Computers		10763		1	MME	OTHER	0	09/30/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91947	Phones		10764		1	IT HARDWARE	OTHER	0	09/30/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91948	Hardware/Disk Upgrade		10765		1	IT SOFTWARE	OTHER	0	09/30/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91949	Arch & Eng Computer Software		10766		1	IT HARDWARE	OTHER	0	09/30/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91960	Disposal JE BW1283312011 Ford FocusVIN: 1FAHP3FN2BW128331		10777		1	MME	OTHER	0	10/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91959	Disposal JE 9W1680492009 Ford FocusVIN: 1FAHP35N69W168049		10776		1	MME	OTHER	0	10/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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91961	HW/Disk Upgrade: VNX-200Gb Fast Cache 25x2.5, Etc. (For IT)		10778		1	MME	OTHER	0	10/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91962	HW/Disk Upgrade: VNX3TB 15x3.5 VNX5200, Etc. (For IT)		10779		1	MME	OTHER	0	10/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91969	Samsung Galaxy S7 & Spigen Case		10786		1	MME	OTHER	0	10/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91994	Patient Privacy Signs 18" x 24		10811		1	BI	OTHER	0	10/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92130	Pneumatic Valve Accuator & Flanged Valve		10947		1	BI	OTHER	0	10/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92131	LM1 DC4500 & Stenner Pump		10948		1	BI	OTHER	0	10/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92019	405 Cube Laser 50MW For Moflo Bracket		10836		1	MME	OTHER	0	10/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92146	Anterior Cervical Distraction System (Instr Trays)		10963		1	MME	OTHER	0	10/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92148	Hydroculator Heating Unit (For OLF 5 South)		10965		1	MME	OTHER	0	10/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92149	Hydroculator Heating Unit (For Peace Street)		10966		1	MME	OTHER	0	10/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92151	Prime Big Wheel Stretcher (For Nursing)		10968		1	MME	OTHER	0	10/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92152	Eye Surgery Stretcher (For OR)		10969		1	MME	OTHER	0	10/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92153	Z-Book 15U G4 Workstation		10970		1	MME	OTHER	0	10/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92154	Elitebook 745 A10-8730B		10971		1	MME	OTHER	0	10/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92155	Grandstream GVC3200 Video Conferencing Kit (For IT)		10972		1	MME	OTHER	0	10/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92156	Chamber Warming Cabinet By Mac Medica (For ED)		10973		1	MME	OTHER	0	10/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92158	SPO2 Reusable Sof Sensors, Etc. By Nonin		10975		1	MME	OTHER	0	10/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92159	LG 19M38D-B LED Monitor		10976		1	MME	OTHER	0	10/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92161	Simplex PS600-AS Doc/Card Scanner, Etc.		10978		1	MME	OTHER	0	10/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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92026	DS100A Finger Sensor, Adapter & Leads		10843		1	MME	OTHER	0	10/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92028	Elitebook 745 A10-8730B & ID Card Scanner		10845		1	MME	OTHER	0	10/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92030	Burnisher w/Wet Batteries Charger & Dust Control (For EVS)		10847		1	MME	OTHER	0	10/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92033	Smart TV & Wall Mount		10850		1	MME	OTHER	0	10/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92034	Code Reader 2600 Bluetooth Barcode Scanner		10851		1	MME	OTHER	0	10/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92035	Temp Probe For Spot Monitoring , Hosing, Etc.		10852		1	MME	OTHER	0	10/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92037	Acer V226HQL LED Monitor		10854		1	MME	OTHER	0	10/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92041	Trans Blot Turbo Transfer Starter System (For Research Lab)		10858		1	MME	OTHER	0	10/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92165	Flex & Control Arm Assembly By Proma Inc		10982		1	MME	OTHER	0	10/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91963	Secureview DX Workstation & Upgrades		10780		1	MME	OTHER	0	11/30/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91970	(5) CTO5 MP9 G2 CPUs & (10) Smart Buy P240VA Monitors & Accessories		10787		1	MME	OTHER	0	11/30/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92018	TBD: Phalanx Engineering Inv #27369		10835		1	MME	OTHER	0	11/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92020	Mask Storage Basket		10837		1	MME	OTHER	0	11/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92145	TBD: Unitech Sound & Security Inv #520792		10962		1	MME	OTHER	0	11/30/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92147	Refrigerator 3 Compartment Pharmaceuticals (For Pharmacy)		10964		1	MME	OTHER	0	11/30/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92157	Radiation Waste Monitoring Syst (For Nuclear Med)		10974		1	MME	OTHER	0	11/30/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92163	Surgical Case Cart & Accessories By Pedigo Steril-Gard (For OR)		10980		1	MME	OTHER	0	11/30/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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92027	Mammography System (For RWMC)		10844		1	MME	OTHER	0	11/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92031	(5) Elitebook 745 A10-8730B & 3Yr Warranty		10848		1	MME	OTHER	0	11/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92040	NEC Myltisync P553 P Series LED Monitor & Accessories (For C3, E3A&B, Biomed)		10857		1	MME	OTHER	0	11/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92046	(3) Code Reader 2600 Barcode Scanner & Accessories		10863		1	MME	OTHER	0	11/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92048	Trans Blot Turbo Transfer Starter System (For Research)		10865		1	MME	OTHER	0	11/30/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92168	(9) PAD Electrode Reusable Mega		10985		1	MME	OTHER	0	11/30/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92169	Boiler Room Control Upgrades		10986		1	MME	OTHER	0	11/30/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92128	Repaving Project (Labor, Equip't, Subcontractors, Parts &		10945		1	LAND IMPROVEMENT	OTHER	0	12/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92150	Mammography System (For RWMC)		10967		1	MME	OTHER	0	12/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92029	Surgical Instruments		10846		1	MME	OTHER	0	12/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92032	System 8 Cordless Drivers & Accessories		10849		1	MME	OTHER	0	12/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92166	(3) Catanooga Table Head Rests Recov & (1) Hausman Hi-Lo Top Repl (For PT Dept)		10983		1	MME	OTHER	0	12/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92178	Hi-Resolution Dual 19" Anti-Glare B&W Monitor For 9800 C-Arm w/Touch Control		10995		1	MME	OTHER	0	12/31/2017	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92053	Bravo PH Recorder w/Reflux Software & Accessories(For Endoscopy)		10870		1	MME	OTHER	0	12/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92054	(5) Elitebook 745 A10-8730B & 3Yr Warranty		10871		1	MME	OTHER	0	12/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92055	Kit Vitalstim Portable Adult		10872		1	MME	OTHER	0	12/31/2017	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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91955	Zoll M Series Defibrillator (Biphasic 3 Lead Pacing AEDRecertified)		10772		1	MME	OTHER	0	12/31/2017	RI-1526 ATWOOD AVE, JOHNSTON-0-0-0
91964	3rd Party Application Synch License For WS-SW-1020 (For Mammography)		10781		1	MME	OTHER	0	01/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91965	(40) Samsung Galaxy G930T Cell Phones/Charges/Cases		10782		1	MME	OTHER	0	01/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91971	(15) PowerMic III Non-Scanner Microphones w/9ft Cords		10788		1	MME	OTHER	0	01/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91978	CHART004 Engineering Services		10795		1	MME	OTHER	0	01/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91998	CharterCARE OPM 2017-2018		10815		1	BI	OTHER	0	01/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92135	Fatima Basement Offices & Hallway + Marian Hall Entrance		10952		1	BI	OTHER	0	01/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92023	(20) Refrigerators For Omincell Cabinets (For Pharmacy)		10840		1	MME	OTHER	0	01/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92024	Refrigerators for Omnicell Cabinets (For Pharmacy)		10841		1	MME	OTHER	0	01/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92162	(5) Elitebook 745 A10-8730B 8GB 256GB 14Inch		10979		1	MME	OTHER	0	01/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92039	(5) Elitebook 745 A10-8730B 8GB 256GB 14Inch		10856		1	MME	OTHER	0	01/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92042	(2) Newport Bariatric Guest Chairs		10859		1	MME	OTHER	0	01/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92045	(2) Elitebook 745 A10-8730B 8GB 256GB 14Inch		10862		1	MME	OTHER	0	01/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92047	(1) Spacelabes Qube Monitor w/92516 Capnopod		10864		1	MME	OTHER	0	01/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92164	(5) Elitebook 745 A10-8730B 8GB 256GB 14Inch		10981		1	MME	OTHER	0	01/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92172	(1) Ice Maker & Water Dispenser (For Emergency Dept)		10989		1	MME	OTHER	0	01/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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92174	(53) Stainless Steel Paper Towel Dispensers & (53) Spineless Button Toilet Pape		10991		1	MME	OTHER	0	01/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92179	(8) Elitebook 745 A10-8730B 8GB 256GB 14Inch, (4) 19.5" V206JQL LED-LCD Monitors		10996		1	MME	OTHER	0	01/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92180	(5) Elitebook 745 A10-8730B 8GB 256GB 14Inch		10997		1	MME	OTHER	0	01/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92181	(5) Elitebook 745 A10-8730B 8GB 256GB 14Inch & (12) Power Strips		10998		1	MME	OTHER	0	01/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92182	(1) Volk Transcend Surgical Lens VTSTVG		10999		1	MME	OTHER	0	01/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92185	(1) Torch Base, (2) Modules & (1) RP2 Verification Kit		11002		1	MME	OTHER	0	01/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92049	Luna Automated Fluorescent Cell Counter (For Surg Immunology)		10866		1	MME	OTHER	0	01/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92050	Skytron Ultra Slide 3603 Surgical Table & Accessories		10867		1	MME	OTHER	0	01/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92056	(10) Isolation Carts & (5) Wall Mounted Isolation Organizers		10873		1	MME	OTHER	0	01/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92057	10) Isolation Carts & (5) Wallmounted Isolation Organizers		10874		1	MME	OTHER	0	01/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92058	2005 GMC Savana G3500 Van (White) VIN#1GDH6310X51912441		10875		1	MME	OTHER	0	01/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92060	Pharmaceutical Refrigerator 17 Cu. Ft. Model MPR-514-PA		10877		1	MME	OTHER	0	01/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92061	(1) Maestro Plus Chewable Ice Machine w/Harmony Top Kit & Water Filter System		10878		1	MME	OTHER	0	01/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92062	(1) Datamax E-Class Mark III E-4205A Labler & (2) CR260 Barcode Scanners		10879		1	MME	OTHER	0	01/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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92064	(1) Elitebook 745 A10-8730B 8GB 256GB 14Inch & (1) MK270 Wireless Keyboard/Mouse		10881		1	MME	OTHER	0	01/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92068	(50) Samsung 28" Televisions w/Wallmounts		10885		1	MME	OTHER	0	01/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92223	CCTV System W/ Exacqvision (PO # 299137 ?)		11040		1	MME	OTHER	0	01/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91957	(1) Camera SN 64054 & (2) Telescope SN655106		10774		1	MME	OTHER	0	02/28/2018	RI-1526 ATWOOD AVE, JOHNSTON-0-0-0
91967	(1) Adapter_Eviva_Affirm Kit		10784		1	MME	OTHER	0	02/28/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91968	(1) R2LIC-211: Imagechecker CAD (10.0) License For On FFDM		10785		1	MME	OTHER	0	02/28/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92115	(1) Injection Needle		10932		1	MME	OTHER	0	02/28/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91996	CharterCARE OPM 2017-2018		10813		1	BI	OTHER	0	02/28/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92022	Scope Storage Cabinet		10839		1	MME	OTHER	0	02/28/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92167	(210) Tables, (9) Dressers & (4) Charies (Various Makes/Models)		10984		1	MME	OTHER	0	02/28/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92183	(3) Elitebook 745 A10-8730B 8GB 256GB 14Inch (For MIS Dept)		11000		1	MME	OTHER	0	02/28/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92063	(8) Ergo Direct ED-911-77 Secure Laptop Wall Mounts		10880		1	MME	OTHER	0	02/28/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92065	(1) Lab Refrigerator 115 Volt 16HZ 23.3 CF		10882		1	MME	OTHER	0	02/28/2018	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92189	(5) Elitebook 745 A10-8730B 8GB 256GB 14Inch (For MIS Dept)		11006		1	MME	OTHER	0	02/28/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92075	(5) Siena Sofas, (2) Siena Chaires & (2) Weston Tables		10892		1	MME	OTHER	0	02/28/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92074	(25) Newport Chairs & (5) Newport Tables (Various Types)		10891		1	MME	OTHER	0	02/28/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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91956	(5) Mega Softe Patient Returen Electrodes		10773		1	MME	OTHER	0	02/28/2018	RI-1526 ATWOOD AVE, JOHNSTON-0-0-0
91958	(1) Orthoscan FD W/Over Rotation Mini C-Arm		10775		1	MME	OTHER	0	03/31/2018	RI-1526 ATWOOD AVE, JOHNSTON-0-0-0
91982	(1) Universal ECG by QRS Diagnostic		10799		1	MME	OTHER	0	03/31/2018	RI-6 BLACKSTONE VALLEY PL,LINCOLN-SUITE 502-0-0
91988	Merch Serv Fees(29) Credits Card Machines @ 21 Locations		10805		1	MME	OTHER	0	03/31/2018	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91999	JE Labor ReclassMisc Capital Bldg Improvement Planning & Oversight		10816		1	BI	OTHER	0	03/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92136	(2) HM Doors + Hardware & Labor (For Women's Imaging)		10953		1	BI	OTHER	0	03/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92137	JE Labor ReclassMisc Capital Bldg Improvement Planning & Oversight		10954		1	BI	OTHER	0	03/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92009	(11) Newport Chairs & (2) Newport Tables (Various Types)		10826		1	FIXED EQUIPMENT	OTHER	0	03/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92025	Ductless Split System For Roofpatching		10842		1	MME	OTHER	0	03/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92186	(11) Chairs (Various Makes/Models)		11003		1	MME	OTHER	0	03/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92066	(5) Elitebook 745 A10-8730B 8GB 256GB 14Inch		10883		1	MME	OTHER	0	03/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92067	(5) Elitebook 745 A10-8730B 8GB 256GB 14Inch		10884		1	MME	OTHER	0	03/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92069	(3) Alein 4819 Chairs w/Adj T-Arm & Soft Casters		10886		1	MME	OTHER	0	03/31/2018	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92070	(3) Alein 4819 Chairs w/Adj T-Arm & Soft Casters		10887		1	MME	OTHER	0	03/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92071	(2) Alein 4819 Chairs w/Adj T-Arm & Soft Casters		10888		1	MME	OTHER	0	03/31/2018	RI-1539 ATWOOD AVE, JOHNSTON-SUITE 302-0-0
92190	(1) Metro Scope Cabinet		11007		1	MME	OTHER	0	03/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92187	(5) HP MP9G2 POS Desktops		11004		1	MME	OTHER	0	03/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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92188	(1) Planetary Model SP20 Mixer & (1) Xtabble Mixer Table		11005		1	MME	OTHER	0	03/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92192	(5) Elitebook 745 A10-8730B 8GB 256GB 14Inch (For MIS Dept)		11009		1	MME	OTHER	0	03/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92195	(50) Motorola XPR3500 HUG Digital Radios 2-Way		11012		1	MME	OTHER	0	03/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92196	(5) Elitebook 745 A10-8730B 8GB 256GB 14Inch (For MIS Dept)		11013		1	MME	OTHER	0	03/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92197	(5) Elitebook 745 A10-8730B 8GB 256GB 14Inch (For MIS Dept)		11014		1	MME	OTHER	0	03/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92198	(1) Isotemp 75L Incubator Gravity 120V		11015		1	MME	OTHER	0	03/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92200	(10) Prodisplay P240VA 23.8 Monitors		11017		1	MME	OTHER	0	03/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92072	(79) Alein 4819 Chairs w/Adj T-Arm & Soft Casters		10889		1	MME	OTHER	0	03/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92073	(11) Newport Chairs & (2) Newport Tables (Various Types)		10890		1	MME	OTHER	0	03/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92078	(1) 75" Gen'l Purpose Refrigerator, 3 Doors, 12 Shelves		10895		1	MME	OTHER	0	03/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92079	(1) Freezer High Performance Jewett30 Deg		10896		1	MME	OTHER	0	03/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92080	(5) Elitebook 745 A10-8730B 8GB 256GB 14Inch		10897		1	MME	OTHER	0	03/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91973	(16) HP MP9G2 POS Desktops + Other H/W		10790		1	MME	OTHER	0	04/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91974	(5) HP MP9G2 POS Desktops		10791		1	MME	OTHER	0	04/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91975	(10) Prodisplay P240VA Monitors + Cords		10792		1	MME	OTHER	0	04/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92097	(3) Surgical Headlights MC7 Hart Top2 (2 Hospital Kit & 1 Standard Kit)		10914		1	MME	OTHER	0	04/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91997	CharterCARE OPM 2017-2018		10814		1	BI	OTHER	0	04/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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92132	(2) Replacement Sign Faces: Lexan 73"x79" w/Vinly Graphics & Installation		10949		1	BI	OTHER	0	04/30/2018	RI-1524 ATWOOD AVE, JOHNSTON-SUITE 345-0-0
92133	(1) Natural Birch "C" Fire Door w/Hinges & Strike Plate		10950		1	BI	OTHER	0	04/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92008	Patient Room Furniture (Various Types & Quantities)		10825		1	FIXED EQUIPMENT	OTHER	0	04/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92011	Various Orthopaedic Surgical Equipment & Trays		10828		1	FIXED EQUIPMENT	OTHER	0	04/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92012	(5) Isolation Carts		10829		1	FIXED	OTHER	0	04/30/2018	RI-825 CHALKSTONE AVE,
92013	(9) Smoke Evacuators		10830		1	FIXED	OTHER	0	04/30/2018	RI-825 CHALKSTONE AVE,
92014	(3) Surgical Headlights MC7 Hart Top2 (2 Hospital Kit & 1 Standard Kit)		10831		1	FIXED EQUIPMENT	OTHER	0	04/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92016	Condensate Pump Replacement		10833		1	FIXED	OTHER	0	04/30/2018	RI-825 CHALKSTONE AVE,
92017	Condensate Pump Replacement		10834		1	FIXED	OTHER	0	04/30/2018	RI-825 CHALKSTONE AVE,
92052	Manoscan Eso Z Catheter (For Endoscopy)		10869		1	MME	OTHER	0	04/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92051	Model 3415 1.0 Flow Rate Particle Counter (For Research GMP)		10868		1	MME	OTHER	0	04/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92191	(1) Fujitsu FI-7600 Prod Scan 110PPM PSIP (For Medical Records)		11008		1	MME	OTHER	0	04/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92199	(1) Laryngoscope w/Visera Camera Head/E-Adapter/Guide Cable		11016		1	MME	OTHER	0	04/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92202	Various Surgical Instruments		11019		1	MME	OTHER	0	04/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92204	Various Surgical Instruments w/Sterilization Case & Battery Packs		11021		1	MME	OTHER	0	04/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92077	(1) I-Mac 27 4.2 32 ETBFU w/Digitizer & 4 TB My Cloud		10894		1	MME	OTHER	0	04/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92083	(1) Apple Mac Book Pro w/Touch Bar 15.4		10900		1	MME	OTHER	0	04/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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92084	(1) Cryoshipper Extra Capacity & (1) PDF Logger		10901		1	MME	OTHER	0	04/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92086	(8) Suretemp Plus 692 Thermometers		10903		1	MME	OTHER	0	04/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92087	(1) HB125 Horizon Series Blood Band Refrigerator 25CF		10904		1	MME	OTHER	0	04/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92088	'(1) Sonosim Edition Deluxe Hardware Bundle w/Various Modules, Packages & Tag Se		10905		1	MME	OTHER	0	04/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92089	(1) Hepa-Care HC-800F Portable Model		10906		1	MME	OTHER	0	04/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92090	Various Orthopaedic Surgical Equipment & Trays		10907		1	MME	OTHER	0	04/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92092	(2) Hepa-Care HC-800F Portable Model		10909		1	MME	OTHER	0	04/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92094	(9) Smoke Evacuators		10911		1	MME	OTHER	0	04/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92010	(1) BD Facscanto II Cytometer 4/2 System IVD (Bundled w/Workstation,Montiors,Pri		10827		1	FIXED EQUIPMENT	OTHER	0	04/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92081	(1) BD Facscanto II Cytometer 4/2 System IVD (Bundled w/Workstation,Montiors,Pri		10898		1	MME	OTHER	0	04/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91966	(50) Samsung Galaxy G930T Cell Phones/Charges/Cases		10783		1	MME	OTHER	0	05/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92098	(5) Elitebook 745 A10-8730B 8GB 256GB 14Inch		10915		1	MME	OTHER	0	05/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92096	(5) Elitebook 745 A10-8730B 8GB 256GB 14Inch		10913		1	MME	OTHER	0	05/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92099	(9) Lithium Iron Phosphate 36ah Batteries w/Accessories		10916		1	MME	OTHER	0	05/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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92102	(1) Secureview Mammography System w/Sync License, Barcode Reader & Monitor		10919		1	MME	OTHER	0	05/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92116	(25) Chairs & (5) Tables (Various Makes/Models)		10933		1	MME	OTHER	0	05/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91983	Install (19) CAT6 Drops In 12 Locations		10800		1	MME	OTHER	0	05/31/2018	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91984	Sign Pro Plaques/Diebond Signs & Vinly Graphics		10801		1	MME	OTHER	0	05/31/2018	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91985	Banner/Vinly Door Graphics & Diebond Sign		10802		1	MME	OTHER	0	05/31/2018	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91986	(1) Non-Illuminated Tenant Sign & 91) Diebond Sign		10803		1	MME	OTHER	0	05/31/2018	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91993	323514#2 Boiler: Retube Hot Pass Section + Other Related R&M		10810		1	BUILDINGS	OTHER	0	05/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92127	(2) Barco MXRT-7600 High Perf PCIE 8GB GDDR5 Display Controller		10944		1	IT SOFTWARE	OTHER	0	05/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92015	Condensate Pump Replacement		10832		1	FIXED	OTHER	0	05/31/2018	RI-825 CHALKSTONE AVE,
92036	Video Integration & Client Stations By Honeywell (For IT & Security)		10853		1	MME	OTHER	0	05/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92038	(10) Spacelabs Telemetry Transmitters		10855		1	MME	OTHER	0	05/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92184	(1) CR-A Class CS7 Control Stain Only		11001		1	MME	OTHER	0	05/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92194	(16) Sun Control Shades & (8) Top Corinices		11011		1	MME	OTHER	0	05/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92206	(1) HP MP9G2 POS Desktops & (8) Acer UM.IC6AA.A02 20" Monitors		11023		1	MME	OTHER	0	05/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92208	(1) MPR Alvarado Base Plate w/Post & Aluminum Boot		11025		1	MME	OTHER	0	05/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92209	(1) Healthometer Scale Wheelchair Ramp		11026		1	MME	OTHER	0	05/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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92082	(1) Smartcast E-Series 65In 4K Television & (1) Elitebook 745 A10-8730B 8GB 256G		10899		1	MME	OTHER	0	05/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92085	(1) Hematrax CT Standalone System w/Printer & Software License		10902		1	MME	OTHER	0	05/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92093	(5) Isolation Carts		10910		1	MME	OTHER	0	05/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91953	(5) Anesthesia System A3 Bellow Ventilators		10770		1	MME	OTHER	0	05/31/2018	RI-1526 ATWOOD AVE, JOHNSTON-0-0-0
91954	(5) Anesthesia System A3 Bellow Ventilators		10771		1	MME	OTHER	0	05/31/2018	RI-1526 ATWOOD AVE, JOHNSTON-0-0-0
91972	(3) HP MP9G2 POS Desktops		10789		1	MME	OTHER	0	06/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91976	(2) HP MP9G2 POS Desktops & (4) Prodisplay P240VA Monitors		10793		1	MME	OTHER	0	06/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91977	(2) HP MP9G2 POS Desktops & (4) Prodisplay P240VA Monitors		10794		1	MME	OTHER	0	06/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92101	(5) Elitebook 745 A10-8730B 8GB 256GB 14Inch		10918		1	MME	OTHER	0	06/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92117	*** OUT FOR SIGNATURE ***		10934		1	MME	OTHER	0	06/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92160	(1) HPE Proliant DL360 Gen9 Server, (2) HPE Midline 1TB Hard Drive & (1) HPE 50W		10977		1	MME	OTHER	0	06/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92170	Voice Mail & Unified Messaging Licenses/Maintenance/Implementation (UM8500 To UM		10987		1	MME	OTHER	0	06/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92171	(2) Demo Transport Stretchers (For Wound Center In Lincoln)		10988		1	MME	OTHER	0	06/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92059	Patient Room Furniture (Various Types & Quantities)		10876		1	MME	OTHER	0	06/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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92201	(8) Prime Big 5th Wheel Stretchers w/Accessories		11018		1	MME	OTHER	0	06/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92203	(2) Podiatry Chairs (Barrier Free, Power, Non-Programmable)		11020		1	MME	OTHER	0	06/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92207	(4) Allen Traction Boots (2 Modular & 2 Disposable) & (2) Modular Attachments Fo		11024		1	MME	OTHER	0	06/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92091	(20) Prime Big 5th Wheel Stretchers w/Accessories		10908		1	MME	OTHER	0	06/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92095	(1) Mass Wall Medical Storage Cabinet w/Various Modules		10912		1	MME	OTHER	0	07/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92100	(6) Chairs, (5) Tables & (1) Sofa (Various Makes/Models)		10917		1	MME	OTHER	0	07/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92104	(1) Eppendorf ? 5430R Microcentrifuge & RTR Container w/Lid		10921		1	MME	OTHER	0	07/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92105	(1) Apple I-Phone 8 64GB Unlocked		10922		1	MME	OTHER	0	07/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92106	(60) Galaxy SY 32GB Android Phones & Otterboxes		10923		1	MME	OTHER	0	07/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92107	(1) Datamax ? I-4212E-4 TT 203DPI Ser Parallel USB12IPS Lan Media HUB		10924		1	MME	OTHER	0	07/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91987	PURCHASE AGREEMENTEstimated Value Of Furniture, Equipment & Computers Provided B		10804		1	MME	OTHER	0	07/31/2018	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91995	(1) Replace 2 8-Row Chelled Water & Steam Coils		10812		1	BI	OTHER	0	07/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92134	Replace Boiler Blow Down Separator		10951		1	BI	OTHER	0	07/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92205	(3) Elitebook 1030 G2 I-7300U 13 8GB 256GB (For MIS Dept)		11022		1	MME	OTHER	0	07/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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92210	(5) Elitebook 745 A10-8730B 8GB 256GB 14Inch (For MIS Dept)		11027		1	MME	OTHER	0	07/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92212	(1) aView Monitor (Item # 405002000)		11029		1	MME	OTHER	0	07/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92214	(2) Eonis MDRC-2224 WP 24" LED LCD Clinical Monitor		11031		1	MME	OTHER	0	07/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92216	(5) HP MP9G2 POS Desktops		11033		1	MME	OTHER	0	07/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92229	(4) Module Power Tripplites (Power Inverters)		11046		1	IT HARDWARE	OTHER	0	07/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92103	(8) Vista & Oasis Chairs, (4) Custom Prarie Wardrobes & (4) Praries Series Table		10920		1	MME	OTHER	0	08/31/2018	RI-1539 ATWOOD AVE, JOHNSTON-SUITE 302-0-0
92108	(10) Elitebook Power Banks		10925		1	MME	OTHER	0	08/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92109	(3) Elitedesk 80 G3 Mini I7/2.9 8GB 256GB Desktops		10926		1	MME	OTHER	0	08/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92110	(1) Cisco Catalyzst 3750 Series Switch		10927		1	MME	OTHER	0	08/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92111	(6) Samsung 28" Televisions w/Wallmounts		10928		1	MME	OTHER	0	08/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92112	(60) Galaxy SY 32GB Android Phones & Otterboxes/(9) Returned		10929		1	MME	OTHER	0	08/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92113	(60) Galaxy SY 32GB Android Phones & Otterboxes/(39 or 40?) Returned		10930		1	MME	OTHER	0	08/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92114	(60) Galaxy SY 32GB Android Phones & Otterboxes/(11) Returned		10931		1	MME	OTHER	0	08/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
91981	JE Alta Dir Pay3M Health Information System		10798		1	MME	OTHER	0	08/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92021	(1) Upgrades Surgery Installations (For Radiology)		10838		1	MME	OTHER	0	08/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92043	(1) Chair, (2) File Cabinets & (1) Storage Cabinet		10860		1	MME	OTHER	0	08/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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92044	Office Equip't: Chair, File/Storage Cabinets & Light Set		10861		1	MME	OTHER	0	08/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92173	(5) Isolation Carts		10990		1	MME	OTHER	0	08/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92175	(10) Isolation Carts & (5) Wall Mounted Isolation Organizers		10992		1	MME	OTHER	0	08/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92176	10) Isolation Carts & (5) Wallmounted Isolation Organizers		10993		1	MME	OTHER	0	08/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92193	Various Surgical Instruments w/Cases/Trays/Brackets/Holders		11010		1	MME	OTHER	0	08/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92076	(12) Dressers, (47) Chairs, (1) Sofa & (1) Bench (Various Makes/Models)		10893		1	MME	OTHER	0	08/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92213	(2) La-z-boy Sleep Chairs		11030		1	MME	OTHER	0	08/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92215	(5) HP MP9G2 POS Desktops		11032		1	MME	OTHER	0	08/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92217	(3) HP MP9G2 POS Desktops		11034		1	MME	OTHER	0	08/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92218	(4) HP Probook X360 11 G2 CM3/1.0		11035		1	MME	OTHER	0	08/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92219	(6) Neptune 3 Rovers (Med Waste Mgmt Syst) & (2) Docking Stations		11036		1	MME	OTHER	0	08/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92220	(1) Hoshizaki Cuplet Ice Maker / Water Dispenser Machine		11037		1	MME	OTHER	0	08/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92221	(1) Cisco Catalyzst 3750 Series Switch		11038		1	MME	OTHER	0	08/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92222	(5) Elitebook 745 A10-8730B 8GB 256GB 14Inch & (2) Docking Stations		11039		1	MME	OTHER	0	08/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91979	(5) Elitebook 745 A10-8730B 8GB 256GB 14Inch		10796		1	MME	OTHER	0	09/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
91980	(6) HP MP9G2 POS Desktops		10797		1	MME	OTHER	0	09/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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91989	JE Practice PurchVarious Medical Office Furniture & Equipment		10806		1	MME	OTHER	0	09/30/2018	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91990	JE Close-Out CIPs 2435.1660.3516 RWA DR KING PRACTICE IT 2018-687		10807		1	IT HARDWARE	OTHER	0	09/30/2018	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91991	JE Close-Out CIPs 2235.1660.3514 RWA UNIT		10808		1	LEASEHOLD IMPROVEMENT	OTHER	0	09/30/2018	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91992	JE Close-Out CIPs 2335.1660.3515 RWA WARREN		10809		1	LEASEHOLD IMPROVEMENT	OTHER	0	09/30/2018	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92000	JE Close-Out CIPs 1221.1660.0427 RWH SPLASH MAIN ENTRANCE RW		10817		1	BI	OTHER	0	09/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92001	JE Close-Out CIPs 1721.1660.0739 RWH PHYSICIAN LOUNGE REFRES		10818		1	BI	OTHER	0	09/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92002	JE Close-Out CIPs 1821.1660.0740 RWH RW-EOC/LIFE SAFETY ALT		10819		1	BI	OTHER	0	09/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92121	(1) Biological Saftey Cabinet		10938		1	MME	OTHER	0	09/30/2018	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92118	(1) HB125 Horizon Series Blood Bank Refrigerator 25CF		10935		1	MME	OTHER	0	09/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92119	(2) Light Source Endo LED Lights (For Trach Intub Fiber Scope?)		10936		1	MME	OTHER	0	09/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92120	(1) Fisher Accukskan Go Spectrophotometer w/Cuvette		10937		1	MME	OTHER	0	09/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92122	(1) aView Monitor		10939		1	MME	OTHER	0	09/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92123	(35) Spirit Select & (5) S3 PX1-3005 Patient Beds + Frames		10940		1	MME	OTHER	0	09/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92124	(5) Elitebook 745 A10-8730B 8GB 256GB 14Inch		10941		1	MME	OTHER	0	09/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92125	JE Close-Out CIPs 1921.1660.0742 RWH SUPPLY STORAGE ALTERATI		10942		1	MME	OTHER	0	09/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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92126	JE Close-Out CIPs 2121.1660.0747 RWH MAMMOGRAPHY INSTALL ALT		10943		1	MME	OTHER	0	09/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92129	Temp, Humidity, Pressure Monitoring System (For OR)		10946		1	BUILDINGS	OTHER	0	09/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92138	JE Close-Out CIPs 0101.1670.0224 SJH CATERING TO KITCHEN UP		10955		1	BI	OTHER	0	09/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92139	JE Close-Out CIPs 0701.1670.0238 SJH BEHAVIORAL HEALTH ALTER		10956		1	BI	OTHER	0	09/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92140	JE Close-Out CIPs 1001.1660.0738 SJH IT-2017 (C)		10957		1	BI	OTHER	0	09/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92006	JE Close-Out CIPs 1621.1660.0736 RWH CATERING TO KITCHEN UPG		10823		1	BI	OTHER	0	09/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92003	JE Close-Out CIPs 2021.1660.0745 RWH SIMPSON BLDG ROOF REPLA		10820		1	BI	OTHER	0	09/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92004	JE Close-Out CIPs 1321.1660.0730 RWH ORTHOPEDICS OFFICE SETU		10821		1	BI	OTHER	0	09/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92005	JE Close-Out CIPs 1521.1660.0735 RWH RWMC CURTAIN WALL REPLA		10822		1	BI	OTHER	0	09/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92007	JE Close-Out CIPs 1421.1660.0731 RWH 64 SLICE CT AND UPGRADE		10824		1	BI	OTHER	0	09/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92144	JE Close-Out CIPs 0601.1670.0236 SJH REVERSE OSMOSIS SYSTEM		10961		1	FIXED EQUIPMENT	OTHER	0	09/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92141	JE Close-Out CIPs 1101.1670.0216 SJH CT SCAN ROOM RENOVATION		10958		1	BI	OTHER	0	09/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92142	JE Close-Out CIPs 0201.1670.0225 SJH OP BEH RENO-214 HIGH SE		10959		1	BI	OTHER	0	09/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92143	JE Close-Out CIPs 0401.1670.0230 SJH OLF-EOC/LIFE SAFETY ALT		10960		1	BI	OTHER	0	09/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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92177	(1)(Each) Surg Cart w/Pwr Strip, 2L5" HD Widescreen Medica, HD Video Syst, Flex		10994		1	MME	OTHER	0	09/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92550	GJ 175 Capitalize Internal IT Labor Costs Oracle		11367		1	IT SOFTWARE	OTHER	0	09/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92211	(250) Wire Shelves & (50) Mat Inlays (Various Sizes)		11028		1	MME	OTHER	0	09/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92224	(1) HLR125 Horizon Series Hematology Reagent Refrigerator 25CF		11041		1	MME	OTHER	0	09/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92225	(1) Standard Pharmacy/Vaccine Refrigerator 16CF		11042		1	MME	OTHER	0	09/30/2018	RI-21 PEACE ST, PROVIDENCE-0-0-0
92226	(3) Standard Pharmacy/Vaccine Refrigerators 16CF		11043		1	MME	OTHER	0	09/30/2018	RI-21 PEACE ST, PROVIDENCE-0-0-0
92227	(1) Pre-Owned Angiography Dicom Box		11044		1	MME	OTHER	0	09/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92228	(11) Spirit Platform, (6) Spirit Select & (5) S3 PX1-3005 Patient Beds + Frames		11045		1	MME	OTHER	0	09/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92230	JE Close-Out CIPs 0801.1670.0808 SJH		11047		1	LEASEHOLD IMPROVEMENT	OTHER	0	09/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92231	JE Close-Out CIPs 0501.1670.0235 SJH FAMILY		11048		1	LEASEHOLD IMPROVEMENT	OTHER	0	09/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92232	(60) Galaxy SY 32GB Android Phones & Otterboxes		11049		1	MME	OTHER	0	09/30/2018	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
91952	(1) 120KW Electric Carbon Steel Steam Generator 480V		10769		1	FIXED EQUIPMENT	OTHER	0	09/30/2018	RI-1526 ATWOOD AVE, JOHNSTON-0-0-0
92244	Computers, probooks,LCD monitors		11061		1	MME	OTHER	0	10/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92255	Recliners Care One		11072		1	MME	OTHER	0	10/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92259	Sales Tax		11076		1	MME	OTHER	0	10/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92256	Bed Project, spirit platform		11073		1	MME	OTHER	0	10/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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92264	Bronchoscopes		11081		1	MME	OTHER	0	10/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92267	ERCP scopes		11084		1	MME	OTHER	0	10/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92268	Sales Tax		11085		1	MME	OTHER	0	10/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92333	Replace C-Arm		11150		1	FIXED	OTHER	0	10/31/2018	RI-1526 ATWOOD AVE, JOHNSTON-
92346	Computer		11163		1	MME	OTHER	0	10/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92350	Furniture		11167		1	MME	OTHER	0	10/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92354	Beds		11171		1	MME	OTHER	0	10/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92355	Sales Tax		11172		1	MME	OTHER	0	10/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92356	Radical 7 Color screen handheld, root nib temp,		11173		1	MME	OTHER	0	10/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92357	Sales Tax		11174		1	MME	OTHER	0	10/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92366	Dual trigger rotar, Reciprocating saw, Trigger pin collet, Sagittal saw		11183		1	MME	OTHER	0	10/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92367	Sales Tax		11184		1	MME	OTHER	0	10/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92371	Duodenoscope, probes, flushing		11188		1	MME	OTHER	0	10/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92372	Scopes, Flushing, Probe, Video		11189		1	MME	OTHER	0	10/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92420	Cables, Faceplate, Labor, Patch panel, Caddy box		11237		1	MME	OTHER	0	10/31/2018	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92418	Docking Station, Elitebook, Keyboard/Mouse		11235		1	MME	OTHER	0	10/31/2018	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92266	Evis Exera bronchoscope		11083		1	MME	OTHER	0	11/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92270	Horizon Series Lab refrigerator		11087		1	MME	OTHER	0	11/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92326	Tape drive		11143		1	IT SOFTWARE	OTHER	0	11/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92345	Laptops, monitors		11162		1	MME	OTHER	0	11/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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92348	Furniture		11165		1	MME	OTHER	0	11/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92349	Cube laser par for MOFLO bracker		11166		1	MME	OTHER	0	11/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92360	Defender for Samsung galaxy		11177		1	MME	OTHER	0	11/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92363	Stem Cell lab freezer		11180		1	MME	OTHER	0	11/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92364	M-Series articulating arm kit		11181		1	MME	OTHER	0	11/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92365	Sales Tax		11182		1	MME	OTHER	0	11/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92369	Evis Exera II Video Processor		11186		1	MME	OTHER	0	11/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92370	Sales Tax		11187		1	MME	OTHER	0	11/30/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92415	SecurView DX Manager		11232		1	IT SOFTWARE	OTHER	0	11/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92417	Defender for Samsung galaxy		11234		1	MME	OTHER	0	11/30/2018	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92419	Docking station, Elitebook, mouse, keyboard		11236		1	MME	OTHER	0	11/30/2018	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92352	BD Facscanto II Cytometer System		11169		1	MME	OTHER	0	11/30/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92245	Computer		11062		1	MME	OTHER	0	12/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92246	ENT Instrument tray		11063		1	MME	OTHER	0	12/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92261	Vital sign equipment (part of Masimo Corp. Agreement)		11078		1	MME	OTHER	0	12/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92271	Quote from Helman		11088		1	MME	OTHER	0	12/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92272	500 lb Wilson Frames		11089		1	MME	OTHER	0	12/31/2018	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92338	Repair hot pass tubes for boiler		11155		1	BUILDINGS	OTHER	0	12/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92375	Trinocular Lab Microscope		11192		1	MME	OTHER	0	12/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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92376	Mammo reader (new technology)		11193		1	MME	OTHER	0	12/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92377	Dermatone kits		11194		1	MME	OTHER	0	12/31/2018	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92416	Cables, faceplates		11233		1	MME	OTHER	0	12/31/2018	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92243	Elitebook		11060		1	MME	OTHER	0	01/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92247	Sterilization Containers		11064		1	MME	OTHER	0	01/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92249	Urinalysis analyzer		11066		1	MME	OTHER	0	01/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92262	Kit, Radical-7 Color Screen Handheld, kit, root, NIBP, Temp		11079		1	MME	OTHER	0	01/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92286	Monitors, scanner, casters, mounts		11103		1	MME	OTHER	0	01/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92287	Sales Tax		11104		1	MME	OTHER	0	01/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92324	Aspen Breast QA+ Enterprise		11141		1	IT SOFTWARE	OTHER	0	01/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92347	Dispose of old rusted racking and install new		11164		1	MME	OTHER	0	01/31/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92378	Dispose of old rusted racking and install new		11195		1	MME	OTHER	0	01/31/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92379	Sales Tax		11196		1	MME	OTHER	0	01/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92384	Monitors, scanner, casters, mounts		11201		1	MME	OTHER	0	01/31/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92240	Sterilizers		11057		1	FIXED	OTHER	0	02/28/2019	RI-200 HIGH SERVICE AVENUE, NP-
92253	Laryngoscope telescope		11070		1	MME	OTHER	0	02/28/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92263	Sales Tax		11080		1	MME	OTHER	0	02/28/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92276	Plate warmer replacement		11093		1	MME	OTHER	0	02/28/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92277	Laptop, elitebook		11094		1	MME	OTHER	0	02/28/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92278	Laptop, elitebook		11095		1	MME	OTHER	0	02/28/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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92282	Digitalization OLF scanners		11099		1	MME	OTHER	0	02/28/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92284	C_Arm monitor upgrade		11101		1	MME	OTHER	0	02/28/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92374	Trane Chiller Overhaul		11191		1	MME	OTHER	0	02/28/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92373	Endoscopy Dual Lumen Scope		11190		1	MME	OTHER	0	02/28/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92382	Ultrasound probe		11199		1	MME	OTHER	0	02/28/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92390	Liquid Nitrogen Storage		11207		1	MME	OTHER	0	02/28/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92391	Replace bone graft freezer		11208		1	MME	OTHER	0	02/28/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92423	Retinavue Imager for retinopathy		11240		1	MME	OTHER	0	02/28/2019	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92385	Luminex Magpix instrument to perform multiplex cytokine quantification		11202		1	MME	OTHER	0	02/28/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92233	Parts and Labor for OR temp monitoring system at Fatima		11050		1	BUILDINGS	OTHER	0	03/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92248	Air Cleaners dehumidifiers		11065		1	MME	OTHER	0	03/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92252	ENT Instrument tray		11069		1	MME	OTHER	0	03/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92289	2 PRO CART III MOBILE CONSOLE 110		11106		1	MME	OTHER	0	03/31/2019	RI-21 PEACE ST, PROVIDENCE-0-0-0
92351	Furniture, cabinet, stacking chairs, guest chairs, benches		11168		1	MME	OTHER	0	03/31/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92353	Wall storage cabinet, shelving, wire basket		11170		1	MME	OTHER	0	03/31/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92359	Samsung Handheld phones		11176		1	MME	OTHER	0	03/31/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92362	Horizon Series Blood Bank Refrigerator		11179		1	MME	OTHER	0	03/31/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92380	Wire Shelves, mat shelf, container, and dividers		11197		1	MME	OTHER	0	03/31/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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92388	Computerized Flo-Lab system, Ditcom, installation, training and inservice		11205		1	MME	OTHER	0	03/31/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92389	Freezer rack, Mve 616F-GB Full auto		11206		1	MME	OTHER	0	03/31/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92386	LUMINEX MAGPIX INSTRUMENT W/XPONENT 4.2		11203		1	MME	OTHER	0	03/31/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92242	Sterilization Containers		11059		1	MME	OTHER	0	04/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92251	Capitalized Labor		11068		1	MME	OTHER	0	04/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92257	Bed Project, spirit platform (Sales Tax)		11074		1	MME	OTHER	0	04/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92260	Cart root masimo, screen		11077		1	MME	OTHER	0	04/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92274	RP 5810 VITEK 2 PC; RP 5810 OBSERVA PC, MONITOR 20" LCD, PRINTER SAMSUNG ML 375		11091		1	MME	OTHER	0	04/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92280	Telephone System: Software Upgrade (Sales Tax)		11097		1	MME	OTHER	0	04/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92288	Sterilization containers		11105		1	MME	OTHER	0	04/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92290	Pro Cart III Mobile Console 110 (Sales Tax)		11107		1	MME	OTHER	0	04/30/2019	RI-21 PEACE ST, PROVIDENCE-0-0-0
92291	Telephone System		11108		1	MME	OTHER	0	04/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92292	Telephone System: SV9500 Migrations(Sales Tax)		11109		1	MME	OTHER	0	04/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92295	Hepa-Care potable model, Antimicrobial prefilter, geal seal filter		11112		1	MME	OTHER	0	04/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92298	MULTI-FREQUENCY LINEAR TRANSDUCER, VASCULAR (11L3)		11115		1	MME	OTHER	0	04/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92302	Bladder Scanner		11119		1	MME	OTHER	0	04/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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92334	Remove and replace pump		11151		1	MME	OTHER	0	04/30/2019	RI-1526 ATWOOD AVE, JOHNSTON-0-0-0
92361	Blood Bank Refrigerator		11178		1	MME	OTHER	0	04/30/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92395	Endoscopic insufflator, tank shtlle valve system, reusable water bottles		11212		1	MME	OTHER	0	04/30/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92396	mdf-du702vha Pa capital equipment		11213		1	MME	OTHER	0	04/30/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92398	BMT lab bladder scanner		11215		1	MME	OTHER	0	04/30/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92254	PRE OWNED DICOM BOX		11071		1	MME	OTHER	0	05/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92265	EEIII HIGH DEF DIAGNOS IC BRONCHOSCOPE		11082		1	MME	OTHER	0	05/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92269	HLR245 HORIZON SERIES LABORATORY REFRIGERATOR 45CF; 1271 LITERS		11086		1	MME	OTHER	0	05/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92279	Telephone System		11096		1	MME	OTHER	0	05/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92283	Desktop computers		11100		1	MME	OTHER	0	05/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92293	DISHWASHER POT/PAN/UTENSIL DOOR TYPE, CHAMPION MODEL NO. PP-20; STEAM BOOSTER AN		11110		1	MME	OTHER	0	05/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92297	JEWETT 4.9CF UNDR FRZ -30 115V		11114		1	MME	OTHER	0	05/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92299	5 Ventilators		11116		1	MME	OTHER	0	05/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92305	Laptops		11122		1	MME	OTHER	0	05/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92303	Monitors		11120		1	MME	OTHER	0	05/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92304	Laptops		11121		1	MME	OTHER	0	05/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92306	CELL WASHER CW3 W/12PLACE RTR		11123		1	MME	OTHER	0	05/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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92308	Monitors		11125		1	MME	OTHER	0	05/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92309	Laptops		11126		1	MME	OTHER	0	05/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92332	120KW Electric Carbon Steel Steam Generator - 480V		11149		1	FIXED EQUIPMENT	OTHER	0	05/31/2019	RI-1526 ATWOOD AVE, JOHNSTON-0-0-0
92335	Lancaster Pump Model# 909B-3		11152		1	MME	OTHER	0	05/31/2019	RI-1526 ATWOOD AVE, JOHNSTON-0-0-0
92368	EGD Towers		11185		1	MME	OTHER	0	05/31/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92393	FDR GO PORTABLE X-RAY SYSTEM		11210		1	MME	OTHER	0	05/31/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92397	5 Ventilators		11214		1	MME	OTHER	0	05/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92399	Skytron Bariatric Table #3602		11216		1	MME	OTHER	0	05/31/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92387	Maintenance agreement; reclass to expense		11204		1	MME	OTHER	0	05/31/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92296	JEWETT 4.9CF UNDR FRZ -30 115V		11113		1	MME	OTHER	0	06/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92300	Evoqua Twin Softeners & Pumps		11117		1	MME	OTHER	0	06/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92325	30 Zebra Barcode Medication Scanners		11142		1	MME	OTHER	0	06/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92337	12 Laptops		11154		1	MME	OTHER	0	06/30/2019	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92394	Pneumatic Saw		11211		1	MME	OTHER	0	06/30/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92424	PILLCAM RECORDER		11241		1	MME	OTHER	0	06/30/2019	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92427	2 LAPTOPS		11244		1	IT HARDWARE	OTHER	0	06/30/2019	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92429	2 LAPTOPS		11246		1	IT HARDWARE	OTHER	0	06/30/2019	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92431	2 LAPTOPS		11248		1	IT HARDWARE	OTHER	0	06/30/2019	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92294	1 Hepa-Care Portable Model		11111		1	MME	OTHER	0	07/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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92301	1 Vantage PTC Water Purifier w/Filter, Pump Booster & Salt Pellets + S&H + Labor		11118		1	MME	OTHER	0	07/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92307	2 SYSTEM 8 CORDLESS DRIVER; 2 ADJUSTABLE PIN COLLET (2.0-3.2MM); 2 WIRE COLLET (		11124		1	MME	OTHER	0	07/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92311	3 NETWORK SWITCHES		11128		1	MME	OTHER	0	07/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92383	20 WOWs		11200		1	MME	OTHER	0	07/31/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92401	TUBE SEALER, W/ POWER UNIT, BATTERY CHARGER		11218		1	MME	OTHER	0	07/31/2019	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92421	1 Nextgen Logiq E R7 Compact Digital Ultrasound w/LE Dicom Software Option		11238		1	MME	OTHER	0	07/31/2019	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92422	Capitalized Sales Tax		11239		1	MME	OTHER	0	07/31/2019	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92428	Capitalized Sales Tax		11245		1	IT HARDWARE	OTHER	0	07/31/2019	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92430	Capitalized Sales Tax		11247		1	IT HARDWARE	OTHER	0	07/31/2019	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92432	Capitalized Sales Tax		11249		1	IT HARDWARE	OTHER	0	07/31/2019	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92250	Returned CV-170; Replaced by S-190		11067		1	MME	OTHER	0	08/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92273	RP 5810 VITEK 2 PC; RP 5810 OBSERVA PC, MONITOR 20" LCD, PRINTER SAMSUNG ML 375		11090		1	MME	OTHER	0	08/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92281	Canon Scanners		11098		1	MME	OTHER	0	08/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92381	Canon Scanners		11198		1	MME	OTHER	0	08/31/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92402	1 Rees' Temperature Monitoring System		11219		1	MME	OTHER	0	08/31/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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92403	1 Demo Expression Patient Montor (MR400) w/Infor Portal,Strip Printer,Patient C		11220		1	MME	OTHER	0	08/31/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92406	Recliners		11223		1	MME	OTHER	0	08/31/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92236	GJ 358 2019.09.30 - CIP Xfer - 01.1670.0812 - SJH PNUEMATIC TUBE-OLF 2018-807		11053		1	FIXED EQUIPMENT	OTHER	0	09/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92234	GJ 358 2019.09.30 - CIP Xfer - 01.1670.0238 - SJH BEHAVIORAL HEALTH ALTERATIONS		11051		1	FIXED EQUIPMENT	OTHER	0	09/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92235	GJ 358 2019.09.30 - CIP Xfer - 01.1670.0229 - SJH OLF-SECURITY CAMERAS		11052		1	FIXED EQUIPMENT	OTHER	0	09/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92237	GJ 358 2019.09.30 - CIP Xfer - 01.1670.0813 - SJH STOREROOM SECURITY-C-2018_440		11054		1	FIXED EQUIPMENT	OTHER	0	09/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92238	GJ 358 2019.09.30 - CIP Xfer - 01.1670.0814 - SJH ADMIN SECURITY C-2018-972		11055		1	FIXED EQUIPMENT	OTHER	0	09/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92239	GJ 358 2019.09.30 - CIP Xfer - 01.1670.0815 - SJH Wanderguard System 2018-280		11056		1	FIXED EQUIPMENT	OTHER	0	09/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92241	Sterilizers:; V-PRO MAX SINGLE DOOR CABINET 208-230V; 2 SYSTEM 1E UNIT AND INCLU		11058		1	FIXED EQUIPMENT	OTHER	0	09/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92258	Beds		11075		1	MME	OTHER	0	09/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92275	REACHIN CO2 IR INCUBATOR 851L LAB USE; UV DECONTAMINATION KIT FOR MCO 80 SERIES		11092		1	MME	OTHER	0	09/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92285	20 WOWs		11102		1	MME	OTHER	0	09/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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92310	1 Powerex Compressor		11127		1	MME	OTHER	0	09/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92312	Replace Condenser Coil On Existing MRI Chiller		11129		1	MME	OTHER	0	09/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92313	1 Flex Cystonephro Videoscope Rev, 2 Ultra Light URO Camera, 1 Telescope OES Eli		11130		1	MME	OTHER	0	09/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92314	1 Ice & Water Dispenser with Stand (Hoshizaki Model # DCM-270BAH)		11131		1	MME	OTHER	0	09/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92315	1 APC2 Argon Plasma Coagulator with choice of Precise APC + Accessories		11132		1	MME	OTHER	0	09/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92316	PMH I/C - TFC Lease # 1		11133		1	IT HARDWARE	OTHER	0	09/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92317	PMH I/C - TFC Lease # 2		11134		1	IT HARDWARE	OTHER	0	09/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92318	PMH I/C - TFC Lease # 3		11135		1	IT HARDWARE	OTHER	0	09/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92319	PMH I/C - TFC Lease # 4		11136		1	IT HARDWARE	OTHER	0	09/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92320	PMH I/C - TFC Lease # 5		11137		1	IT HARDWARE	OTHER	0	09/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92321	PMH I/C - TFC Lease # 6		11138		1	IT HARDWARE	OTHER	0	09/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92322	PMH I/C - TFC Lease # 7		11139		1	IT HARDWARE	OTHER	0	09/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92323	PMH I/C - TFC Lease # 9		11140		1	IT HARDWARE	OTHER	0	09/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92328	PMH I/C - TFC Lease # 5		11145		1	IT SOFTWARE	OTHER	0	09/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92327	PMH I/C - TFC Lease # 4		11144		1	IT SOFTWARE	OTHER	0	09/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92329	PMH I/C - TFC Lease # 6		11146		1	IT SOFTWARE	OTHER	0	09/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92330	PMH I/C - TFC Lease # 7		11147		1	IT HARDWARE	OTHER	0	09/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92331	CIP To In-Service PP&E		11148		1	IT HARDWARE	OTHER	0	09/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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92336	Amsco Washer Disinfector 5052: Deinstall Vison SC Amsco 7053L & Dispose of Washe		11153		1	MME	OTHER	0	09/30/2019	RI-1526 ATWOOD AVE, JOHNSTON-0-0-0
92339	CIP To In-Service PP&E		11156		1	BI	OTHER	0	09/30/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92340	CIP To In-Service PP&E		11157		1	BI	OTHER	0	09/30/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92341	CIP To In-Service PP&E		11158		1	BI	OTHER	0	09/30/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92342	CIP To In-Service PP&E		11159		1	BI	OTHER	0	09/30/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92343	CIP To In-Service PP&E		11160		1	BI	OTHER	0	09/30/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92344	CIP To In-Service PP&E		11161		1	FIXED	OTHER	0	09/30/2019	RI-825 CHALKSTONE AVE,
92358	Miscellaneous Cash Reclass		11175		1	MME	OTHER	0	09/30/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92392	Lab Compressor		11209		1	MME	OTHER	0	09/30/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92400	PEDI SCOPE WITH SCOPE GUIDE		11217		1	MME	OTHER	0	09/30/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92404	1 Patient Monitoring System		11221		1	MME	OTHER	0	09/30/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92405	1 Manoscan ESO Z Catheter		11222		1	MME	OTHER	0	09/30/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92407	PMH I/C - TFC Lease # 1		11224		1	IT HARDWARE	OTHER	0	09/30/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92408	PMH I/C - TFC Lease # 2		11225		1	IT HARDWARE	OTHER	0	09/30/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92409	PMH I/C - TFC Lease # 3		11226		1	IT HARDWARE	OTHER	0	09/30/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92410	PMH I/C - TFC Lease # 4		11227		1	IT HARDWARE	OTHER	0	09/30/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92411	PMH I/C - TFC Lease # 5		11228		1	IT HARDWARE	OTHER	0	09/30/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92412	PMH I/C - TFC Lease # 6		11229		1	IT HARDWARE	OTHER	0	09/30/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92413	PMH I/C - TFC Lease # 7		11230		1	IT HARDWARE	OTHER	0	09/30/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92414	PMH I/C - TFC Lease # 9		11231		1	IT HARDWARE	OTHER	0	09/30/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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92425	PMH I/C - TFC Lease # 4		11242		1	IT HARDWARE	OTHER	0	09/30/2019	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92426	PMH I/C - TFC Lease # 6		11243		1	IT HARDWARE	OTHER	0	09/30/2019	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92433	CIP Xfer - 35.1660.3517 - RWA CCMA MAUDE-Alter CER2018-		11250		1	LEASEHOLD IMPROVEMENT	OTHER	0	09/30/2019	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92434	RP 5810 VITEK 2 PC; RP 5810 OBSERVA PC, MONITOR 20" LCD, PRINTER SAMSUNG ML 375		11251		1	MME	OTHER	0	10/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92435	Canon Scanners		11252		1	MME	OTHER	0	10/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92436	Telephone System		11253		1	MME	OTHER	0	10/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92437	Canon Scanners		11254		1	MME	OTHER	0	10/31/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92438	2 Submersible Pumps		11255		1	MME	OTHER	0	10/31/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92443	Sales Tax Reclass		11260		1	MME	OTHER	0	11/30/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92440	1 Rees' Temperature Monitoring System		11257		1	MME	OTHER	0	11/30/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92441	Sales Tax Reclass		11258		1	MME	OTHER	0	11/30/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92442	1 BMT Medical Air Compressor Replacement		11259		1	MME	OTHER	0	11/30/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92444	1 Amico Duplex Medical Vac System Installation		11261		1	MME	OTHER	0	11/30/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92439	Sales Tax Reclass		11256		1	MME	OTHER	0	11/30/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92445	Returned CV-170; Replaced by S-190 + Returned Flex Video HD Rhino Laryagoscope		11262		1	MME	OTHER	0	12/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92446	38 Beds: 11 Spirit Platrom, 21 Proform 2710 & 6 Spirit Select		11263		1	MME	OTHER	0	12/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92447	Sales Tax Reclass		11264		1	MME	OTHER	0	12/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92448	Sales Tax Reclass		11265		1	MME	OTHER	0	12/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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92449	Sales Tax Reclass		11266		1	MME	OTHER	0	12/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92450	Sales Tax Reclass		11267		1	MME	OTHER	0	12/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92451	Returned 2 Crile Hemo Forceps, cvd 14		11268		1	MME	OTHER	0	12/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92452	Stellar XL light heads w/2 ar,s 1090/895, wa;; cpmtrp; stellar XL dual wall cont		11269		1	MME	OTHER	0	12/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92453	Sales Tax Reclass		11270		1	MME	OTHER	0	12/31/2019	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92454	Sales Tax Reclass		11271		1	MME	OTHER	0	12/31/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92455	Sales Tax Reclass		11272		1	MME	OTHER	0	12/31/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92456	Sales Tax Reclass		11273		1	MME	OTHER	0	12/31/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92457	KITCHEN CONDENSING UNIT COMPRESSOR REPLACEMENT		11274		1	MME	OTHER	0	12/31/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92458	Sales Tax Reclass		11275		1	MME	OTHER	0	12/31/2019	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92459	Sales Tax Reclass		11276		1	MME	OTHER	0	12/31/2019	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92460	1 Vantage PTC Water Purifier w/Filter, Pump Booster & Salt Pellets + S&H + Labor		11277		1	MME	OTHER	0	01/31/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92461	1 Powerex Compressor		11278		1	MME	OTHER	0	01/31/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92462	3 NETWORK SWITCHES		11279		1	MME	OTHER	0	01/31/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92466	Lancaster Pump Model# 909B-3		11283		1	MME	OTHER	0	01/31/2020	RI-1526 ATWOOD AVE, JOHNSTON-0-0-0
92463	Sales Tax Reclass		11280		1	MME	OTHER	0	01/31/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92464	30 Zebra Barcode Medication Scanners		11281		1	MME	OTHER	0	01/31/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92465	Sales Tax Reclass		11282		1	MME	OTHER	0	01/31/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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92467	Sales Tax Reclass		11284		1	MME	OTHER	0	01/31/2020	RI-1526 ATWOOD AVE, JOHNSTON-0-0-0
92468	Sales Tax Reclass		11285		1	MME	OTHER	0	01/31/2020	RI-1526 ATWOOD AVE, JOHNSTON-0-0-0
92469	Various Furniture		11286		1	MME	OTHER	0	01/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92470	Sales Tax Reclass		11287		1	MME	OTHER	0	01/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92471	Various Furniture		11288		1	MME	OTHER	0	01/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92472	Sales Tax Reclass		11289		1	MME	OTHER	0	01/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92473	12 Laptops		11290		1	MME	OTHER	0	01/31/2020	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92474	Sales Tax Reclass		11291		1	MME	OTHER	0	01/31/2020	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92475	135 iPads & 8 Cell Phones		11292		1	IT HARDWARE	OTHER	0	01/31/2020	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92476	OR BOOMS & LIGHTS		11293		1	MME	OTHER	0	02/29/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92477	FedEx Reclass		11294		1	MME	OTHER	0	02/29/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
113817	6 PRIME BIG WHEEL STRETCHER30		OLF20192572		1	FURNITURE & FIXTURES	OTHER	0	03/30/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92478	Sales Tax Reclass		11295		1	MME	OTHER	0	03/31/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92479	PEDI SCOPE WITH SCOPE GUIDE		11296		1	MME	OTHER	0	03/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92480	Sales Tax Reclass		11297		1	MME	OTHER	0	03/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92481	1 Nextgen Logiq E R7 Compact Digital Ultrasound w/LE Dicom Software Option		11298		1	MME	OTHER	0	03/31/2020	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92482	1 Ice & Water Dispenser with Stand (Hoshizaki Model # DCM-270BAH)		11299		1	MME	OTHER	0	04/30/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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92483	New Practice Purchase (Refer To Asset/Depreciation Schedule Provided With Purcha		11300		1	FURNITURE & FIXTURES	OTHER	0	04/30/2020	RI-857 POST ROAD, WARWICK-0-0-0
92484	New Practice Purchase (Refer To Asset/Depreciation Schedule Provided With Purcha		11301		1	LEASEHOLD IMPROVEMENTS	OTHER	0	04/30/2020	RI-857 POST ROAD, WARWICK-0-0-0
113824	MEDICAL GAS AIR DRYER		RWMCC20202891		1	FIXED EQUIPMENT	OTHER	0	05/29/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92485	1 Flex Cystonephro Videoscope Rev, 2 Ultra Light URO Camera, 1 Telescope OES Eli		11302		1	MME	OTHER	0	05/31/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92489	6 39-Inch Rollaway Bed w/Fiber Mattress		11306		1	MME	OTHER	0	05/31/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92486	Sales Tax Reclass		11303		1	MME	OTHER	0	05/31/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92487	CCHP-bk 3000 Ultrasound System		11304		1	MME	OTHER	0	05/31/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92488	50% Procurement fee -OR Door Locker Room Security Cameras		11305		1	MME	OTHER	0	05/31/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92490	2 Flight 60T (Turbine) Ventilator, Dual Lim w/Internal Mixer		11307		1	MME	OTHER	0	05/31/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92491	Labor & Materials: RWMC 3rd Floor Gyp Replace (Room 351)		11308		1	BI	OTHER	0	05/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92492	Commercial Roofing Proposal & Agreement Dated 06/24/19 Final Payment (Meditech P		11309		1	BI	OTHER	0	05/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92493	Commercial Roofing Proposal & Agreement Dated 06/24/19 Payment (Meditech PO 0338		11310		1	BI	OTHER	0	05/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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92494	Installation of 1 Door of Access Control on the Cancer Unit Door-Final Balance		11311		1	FIXED EQUIPMENT	OTHER	0	05/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92495	Capital PO 100467 5288821 (UST-567) PROBE GEN LINEAR 50 MM 13-4 MHX, UST-567		11312		1	MME	OTHER	0	05/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92496	CCHP-APC ARGON PLASMA COAGULATOR AND VIO 300D		11313		1	MME	OTHER	0	05/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92497	Shipping cost for part # 998861C - PO 100181		11314		1	MME	OTHER	0	05/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92498	Capital: PO100181 Credit invoice for Freight Charge		11315		1	MME	OTHER	0	05/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92499	CytoFLEX C17772		11316		1	MME	OTHER	0	05/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92500	CharterCare-CytoFLEX C00446 & C16574		11317		1	MME	OTHER	0	05/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92501	Energy Platform & Filter 3-Port		11318		1	MME	OTHER	0	05/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92502	Universal Generator Cart X1		11319		1	MME	OTHER	0	05/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92503	SEA3730 RAPIDVAC INTERLINK CABLE X1		11320		1	MME	OTHER	0	05/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92504	6 39-Inch Rollaway Bed w/Fiber Mattress		11321		1	MME	OTHER	0	05/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92505	Reverse Sep17 GJ15 "Close Derm Renovation Project		11322		1	MME	OTHER	0	05/31/2020	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92506	Record Revised PP&E & N/P Balances For Close-Out		11323		1	MME	OTHER	0	05/31/2020	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92507	Reverse Sep17 GJ15 "Close Derm Renovation Project		11324		1	LEASEHOLD IMPROVEMENT	OTHER	0	05/31/2020	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92508	Record Revised PP&E & N/P Balances For Close-Out		11325		1	LEASEHOLD IMPROVEMENT	OTHER	0	05/31/2020	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92512	Capital PO 100493 EASY LOBBY SMV MAIN APPLICATION SOFTWARE		11329		1	IT SOFTWARE	OTHER	0	05/31/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92509	GE-E'S CAIO Devise Serial Number		11326		1	MME	OTHER	0	05/31/2020	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92510	Capital-PO100450 Hospital Package		11327		1	MME	OTHER	0	05/31/2020	RI-50 MAUDE STREET, PROVIDENCE-0-0-0

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92513	Capital-PO100262 HP Elite Notebook		11330		1	IT HARDWARE	OTHER	0	05/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92511	Hitachi Alpha 7 IOUS Ultrasound Scanner		11328		1	MME	OTHER	0	05/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92514	IV Pumps		11331		1	MME	OTHER	0	06/30/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92515	OR Video Equipment		11332		1	MME	OTHER	0	06/30/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92516	2 CS2500 Coag Analyzers		11333		1	MME	OTHER	0	07/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92517	2 CS2500 Coag Analyzers		11334		1	MME	OTHER	0	07/31/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92518	28 Dell Latitude I5-6300U Laptops, 61 Dell Latitude I5-5300U Laptops & 75 Dell 4		11335		1	IT HARDWARE	OTHER	0	07/31/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92519	Stryker RemB System (Drills, Saws, Drivers, Etc.)		11336		1	MME	OTHER	0	07/31/2020	RI-1526 ATWOOD AVE, JOHNSTON-0-0-0
92527	Install Innowave Unity		11344		1	FIXED	OTHER	0	08/30/2020	RI-825 CHALKSTONE AVE,
92520	Medical Gas Pipeline Network		11337		1	FIXED	OTHER	0	08/30/2020	RI-200 HIGH SERVICE AVENUE, NP-
92521	Conical Blunt Blade		11338		1	MME	OTHER	0	08/30/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92522	Single Drill Guide		11339		1	MME	OTHER	0	08/30/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92523	Twist Drill		11340		1	MME	OTHER	0	08/30/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92524	HTFA ASY-0003		11341		1	MME	OTHER	0	08/30/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92525	82 Zebra Barcode Scanner: Item #s DS8178-HCUB210FP5W & DS8178-HCUB210FS5W		11342		1	MME	OTHER	0	08/30/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92526	IW523046NPR		11343		1	FIXED	OTHER	0	08/30/2020	RI-825 CHALKSTONE AVE,
92528	Sales Tax Reclass		11345		1	MME	OTHER	0	08/30/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92529	CAPSA Solutions LTD		11346		1	IT HARDWARE	OTHER	0	08/30/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92530	Credit for IT EQUIPMENT PER QUOTE #12812467		11347		1	IT HARDWARE	OTHER	0	08/30/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92531	CAPSA SOLUTIONS		11348		1	IT HARDWARE	OTHER	0	08/30/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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92532	Cisco		11349		1	IT HARDWARE	OTHER	0	08/30/2020	RI-857 POST ROAD, WARWICK-0-0-0
98248	CESS-1408-00 POWER HEIGHT/WIDTH PARALLEL BARS (10 FT)	CES-1408-00			1	MME	EXERCISE/REHAB	0	08/31/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98249	CESS-DTS-1 DIRECT TO SITE SERVICES/OPT ASSEMBLY & INSTALL BY CME TEAM				1	MME	OTHER	0	08/31/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98259	24 VMWARE VSPHERE 7 ENT PLUS 1 PROC WITH 3YR PROD SUPPORT				1	IT SOFTWARE	OTHER	0	08/31/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98498	Backup Storage Solution				1	IT HARDWARE	OTHER	0	09/24/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92535	GJ 371 2020.09.30 - CIP Xfer - 01.1670.0228 - SJH GERI PSYCH NURSE CALL STATION		11352		1	FIXED EQUIPMENT	OTHER	0	09/30/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92533	GJ 371 2020.09.30 - CIP Xfer - 01.1670.0227 - SJH UNPROTECTED AREAS-SPRINKLE		11350		1	FIXED EQUIPMENT	OTHER	0	09/30/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92534	GJ 371 2020.09.30 - CIP Xfer - 01.1670.0231 - SJH OLF COOLING TOWER REPLACEMENT		11351		1	FIXED EQUIPMENT	OTHER	0	09/30/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92536	1 Beckman Coulter Unicel Dxi600 Access Immunoassay System		11353		1	MME	OTHER	0	09/30/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92537	Various Biomedical Equipment Per Crothall FY20 Report		11354		1	MME	OTHER	0	09/30/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92538	Stryker Surgical Drills, Drivers, Saws, etc. (Detail Equip't List Included In BVS		11355		1	MME	OTHER	0	09/30/2020	RI-1526 ATWOOD AVE, JOHNSTON-0-0-0
92539	GJ 371 2020.09.30 - CIP Xfer - 21.1660.0723 - RWH SPLASH ED EXPANSION		11356		1	BI	OTHER	0	09/30/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92540	GJ 371 2020.09.30 - CIP Xfer - 21.1660.0756 - RWH MAUDE ST-DOOR ACCESS 2019-2385		11357		1	BI	OTHER	0	09/30/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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92541	GJ 371 2020.09.30 - CIP Xfer - 21.1660.0749 - RWH PNEUMATIC TUBE RWMC 2018-807		11358		1	FIXED EQUIPMENT	OTHER	0	09/30/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92542	GJ 371 2020.09.30 - CIP Xfer - 21.1660.0752 - RWH REDAPTIVE LIGHT-RETRO 2018-1620		11359		1	FIXED EQUIPMENT	OTHER	0	09/30/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92543	1 Beckman Coulter Unicel Dxi600 Access Immunoassay System		11360		1	MME	OTHER	0	09/30/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92544	Telemery System For BMT Unit		11361		1	MME	OTHER	0	09/30/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92545	Various Biomedical Equipment Per Crothall FY20 Report		11362		1	MME	OTHER	0	09/30/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92546	GJ 371 2020.09.30 - CIP Xfer - 35.1660.3518 - RWA 41 SANDERSON MOB FIT-2018-761		11363		1	LEASEHOLD IMPROVEMENTS	OTHER	0	09/30/2020	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92547	GJ 371 2020.09.30 - CIP Xfer - 01.1670.0213 - SJH SPLASH ED REN UPGRADE2018-1822		11364		1	BI	OTHER	0	09/30/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92548	GJ 371 2020.09.30 - CIP Xfer - 01.1670.0818 - SJH OLF COOLING TOWER REPLACEMENT		11365		1	BI	OTHER	0	09/30/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92549	GJ 371 2020.09.30 - CIP Xfer - 01.1670.0235 - SJH FAMILY DENTAL CENTER ALTER		11366		1	LEASEHOLD IMPROVEMENTS	OTHER	0	09/30/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
115133	PNEUMATIC TUBE CCHP_2018_807 (SEE ALSO 92541)		CCHP_2018_807		1	FIXED EQUIPMENT	OTHER	0	09/30/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92587	OLF ED RENOVATION OLF_2017_169		11404		1	BI	OTHER	0	09/30/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
113969	Telemery System for BMT Unit - PO duplicate				1	MME	OTHER	0	09/30/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
98392	5213125-1 MODEL# HLF125 HORIZON SERIES -30 DEGREE LAB FREEZER				1	MME	LAB EQUIPMENT	0	10/12/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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98393	890050-2 TRUEBLUE DELIVERY AND SET-UP/WHITE-GLOVE DELIVERY				1	BI	OTHER	0	10/12/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
113779	ROCHA ASSETS ACQUIRED DURING PURCHASE		CCHP0020		1	MME	OTHER	0	10/20/2020	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
115130	GENERATOR REPLACEMENT OLF_2018_1409 (SEE ALSO 92588)		OLF_2018_1409		1	BI	OTHER	0	10/27/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92588	Emerg Generator & Switch Gear OLF_2018_1409 & OLF_17_008 PACE		11405		1	BI	OTHER	0	10/27/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
115145	USP 800 PHARMACY CCHP_2017_170 (SEE ALSO 92585 & 113530)		CCHP_2017_170		1	BI	OTHER	0	10/30/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92597	PHARMACY USP 800 CCHP_2017_170		11414		1	BI	OTHER	0	10/30/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
115001	OLF USP 800 PHARMACY (SEE ALSO 92597)		CCHP20171700		1	BI	OTHER	0	10/30/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
115001	OLF USP 800 PHARMACY (SEE ALSO 92597)		CCHP20171700		1	BI	OTHER	0	10/30/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
115030	USP 800 PHARMACY (SEE ALSO 92585 & 113530)		CCHP2017170Z		1	BI	OTHER	0	10/30/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
115002	RWH SPLASH ED EXPANSION (SEE ALSO 92586)		RWMCC20202842C		1	BUILDINGS	RENOVATIONS	0	10/30/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113530	RWH USP 800 Pharmacy PACE		CCHP2017170A		1	BI	OTHER	0	10/30/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92585	RWH USP 800 Pharmacy CCHP_2017_170 PACE		11402		1	BI	OTHER	0	10/30/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92558	RWMCC20192624		11375		1	BI	OTHER	0	10/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92555	Oracle Implementation		11372		1	IT SOFTWARE	OTHER	0	10/31/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92556	OLF20192623		11373		1	FIXED	OTHER	0	10/31/2020	RI-200 HIGH SERVICE AVENUE, NP-
92557	OLF20192673		11374		1	MME	OTHER	0	10/31/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92559	RWMCC20192624		11376		1	BI	OTHER	0	10/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92560	RWMCC20192672		11377		1	FIXED	OTHER	0	10/31/2020	RI-825 CHALKSTONE AVE,
92561	RWMCC20192672		11378		1	FIXED	OTHER	0	10/31/2020	RI-825 CHALKSTONE AVE,
92562	RWMCC20192672		11379		1	FIXED	OTHER	0	10/31/2020	RI-825 CHALKSTONE AVE,

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92563	RWMCC20192674		11380		1	MME	OTHER	0	10/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92564	RWMCC20192674		11381		1	MME	OTHER	0	10/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92565	RWMCC20192674		11382		1	MME	OTHER	0	10/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92566	RWMCC20192674		11383		1	MME	OTHER	0	10/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92567	RWMCC20192674		11384		1	MME	OTHER	0	10/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92568	RWMCC20192674		11385		1	MME	OTHER	0	10/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92569	RWMCCC20181659		11386		1	BI	OTHER	0	10/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
115131	BOILER BURNER REPLACEMENT RWMC_2019_2672 (SEE ALSO 92560-92562)		RWMCC_2019_2672		1	FIXED EQUIPMENT	OTHER	0	10/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
98251	49K245/FLEXIBLE DUCT 10 DIA MYLAR 25FT				15	FIXED EQUIPMENT	OTHER	0	11/16/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98250	49K258/QUICK CLAMP 12-1/2 IN DIA STAINLESS STEEL				14	FIXED EQUIPMENT	OTHER	0	11/16/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98253	49K258/QUICK CLAMP 12-1/2 IN DIA STAINLESS STEEL				1	FIXED EQUIPMENT	OTHER	0	11/16/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92570	71001 - COVID-19		11387		1	MME	OTHER	0	11/30/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
113819	ORTHOVISION FRACTURE TABLE		OLF20203151		1	MME	OTHER	0	11/30/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
111694	INV 67444 INSTALLATION OF VIDEO SURVEILLANCE AT FATIMA HOSPITAL 2 SOUTH, 3 SOUTH	AAAQ5450-01			1	MME	OTHER	0	12/09/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98254	49K49/INTAKE MANIFOLD FOR MFR# OA1200V/PAC				4	FIXED EQUIPMENT	OTHER	0	12/14/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98255	49K49/INTAKE MANIFOLD FOR MFR# OA1200V/PAC				3	FIXED EQUIPMENT	OTHER	0	12/14/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
115132	ED RENOVATION RWMCC_2020_2842 (SEE ALSO 113531)		RWMCC_2020_2842		1	BUILDINGS	RENOVATIONS	0	12/20/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92595	SPACELAB SIGN INT 2018_1725 - 21.1660.0753		11412		1	BI	OTHER	0	12/20/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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113531	RWH ED Renovation PACE		RWMCC20202842		1	BUILDINGS	RENOVATIONS	0	12/20/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92586	RWH SPLASH ED EXPANSION RWMCC_2020_2842 PACE		11403		1	BUILDINGS	RENOVATIONS	0	12/20/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
98411	ITEM# H-1200-EN-115V-US : 115V DOMESTIC W/H31B H1200 - TOP LEVEL PHANTOM P/N				3	MME	MEDICAL EQUIPMENT	0	12/30/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113821	20 WOWs - MOBILE WORKSTATIONS		OLF20203164		1	MME	OTHER	0	12/30/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
113822	20 WOWs - MOBILE WORKSTATIONS		RWMCC2023163		1	MME	OTHER	0	12/30/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92571	AL201761		11388		1	IT HARDWARE	OTHER	0	12/31/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92572	CCHP20192481		11389		1	IT SOFTWARE	OTHER	0	12/31/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92573	CCHP20192721		11390		1	IT SOFTWARE	OTHER	0	12/31/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92574	PMH20202775		11391		1	IT HARDWARE	OTHER	0	12/31/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92575	PMH20203014		11392		1	IT SOFTWARE	OTHER	0	12/31/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92576	PMH20203134		11393		1	IT HARDWARE	OTHER	0	12/31/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92577	CCMA20202793		11394		1	IT HARDWARE	OTHER	0	12/31/2020	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
92581	RWMCC20192714		11398		1	BI	OTHER	0	12/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92578	RWMCC20181661		11395		1	BI	OTHER	0	12/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92579	RWMCC20192624		11396		1	BI	OTHER	0	12/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92580	RWMCC20192674		11397		1	MME	OTHER	0	12/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92582	RWMCC20203150		11399		1	MME	OTHER	0	12/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92583	Uteroscope Overhaul (Reclassified From R&M)		11400		1	MME	OTHER	0	12/31/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92584	OLF20203155		11401		1	MME	OTHER	0	12/31/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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92589	OLF_2018_1678		11406		1	BI	OTHER	0	12/31/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92590	OLF_2018_817		11407		1	BI	OTHER	0	12/31/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
113818	SECURITY CAMERAS - MATERIALS		OLF20203104C		1	FIXED EQUIPMENT	OTHER	0	12/31/2020	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
113823	RECTAL MANOMETRY - MANOSCAN AR 3D PROBE		RWMCC20202857		1	MME	OTHER	0	12/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113827	TRIDENT RC SPECIMEN RADIOGRAPHY SYSTEM		RWMCC20202876		1	MME	OTHER	0	12/31/2020	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
98396	7993/NURSE CALL GATEWAY 8-				1	FIXED	OTHER	0	01/01/2021	RI-825 CHALKSTONE AVE,
98394	7960/CONSOLE CONTROLLER				1	FIXED	OTHER	0	01/01/2021	RI-825 CHALKSTONE AVE,
98395	7912/PC STAFF STATION PUSHBUTTON PATIENT STATION				5	FIXED EQUIPMENT	OTHER	0	01/01/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
98397	7953/ROOM CONTROLS W/PRISM DOME LIGHT				13	FIXED EQUIPMENT	OTHER	0	01/01/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
98398	7920-PC/ENHANCED SINGLE PATIENT STATION				14	FIXED EQUIPMENT	OTHER	0	01/01/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
98399	7930-PC/ SINGLE PUSH BUTTON STATION				20	FIXED EQUIPMENT	OTHER	0	01/01/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
98400	7965/COLOR TOUCHSCREEN NURSE CONSOLE				1	FIXED EQUIPMENT	OTHER	0	01/01/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
98401	7969/CONSOLE RECEPTACLE				1	FIXED	OTHER	0	01/01/2021	RI-825 CHALKSTONE AVE,
98402	7988/CABINET 24*18				1	FIXED	OTHER	0	01/01/2021	RI-825 CHALKSTONE AVE,
98408	User ID Conversion - HealthStream Professional Services				4	IT SOFTWARE	BASIC APPLICATION	0	01/01/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98403	7991/LAN SWITCH 8-PORT +1				1	FIXED	OTHER	0	01/01/2021	RI-825 CHALKSTONE AVE,
98404	7995A/POWER SUPPLY W/BATTERY BACKUP 120-240VAC				1	FIXED EQUIPMENT	OTHER	0	01/01/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
98405	7980-1/STAFF ASSIGNMENT				1	FIXED	OTHER	0	01/01/2021	RI-825 CHALKSTONE AVE,
98406	7983-01/EIS LOGGING & REPORTING SOFTWARE				1	FIXED EQUIPMENT	OTHER	0	01/01/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
98407	7984/LAN BRIDGE SOFTWARE				1	FIXED	OTHER	0	01/01/2021	RI-825 CHALKSTONE AVE,
98409	Job Title Conversion - HealthStream Professional Services				4	IT SOFTWARE	BASIC APPLICATION	0	01/01/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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98410	Department Conversion - HealthStream Professional Services				4	IT SOFTWARE	BASIC APPLICATIO N	0	01/01/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
114638	30 Motorola SL300 two-way radios		OLF20213 681	Motorola Portable Radio	30	MINOR EQUIPMENT	OTHER	0	01/01/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98670	FURNISH 24 SILVER PORTRAIT WALL FRAMES/BLACK END CAPS/ADDED HOLES FOR SCREW MOUNT				1	BI	OTHER	0	01/11/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
111698	E8350PB Trophon Printer Paper				1	MME	OTHER	0	01/11/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
111696	E8350MA Trophon 2 Automated Ultrasound Probe Disinfector				1	MME	OTHER	0	01/11/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
111697	E8350PA Trophon Printer				1	MME	OTHER	0	01/11/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
111699	E8350MC Trophon Sonex-HL				1	MME	OTHER	0	01/11/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
111700	E8350MB Trophon Chemical Indicators				1	MME	OTHER	0	01/11/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
111701	E8350MA Trophon 2 Automated Ultrasound Probe Disinfector				1	MME	OTHER	0	01/11/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
111702	E8350PA Trophon Printer				1	MME	OTHER	0	01/11/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
111703	E8350PB Trophon Printer Paper				1	MME	OTHER	0	01/11/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
111704	E8350MC Trophon Sonex-HL				1	MME	OTHER	0	01/11/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
111705	E8350MB Trophon Chemical Indicators				1	MME	OTHER	0	01/11/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
98651	LIGATURE RESISTANT TANK				26	FIXED	OTHER	0	01/21/2021	RI-200 HIGH SERVICE AVENUE, NP-
98257	LV-1 SINGLE GANG LOW VOLTAGE RINGS				33	MME	MEDICAL EQUIPMENT	0	01/25/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98258	LABOR				1	BI	OTHER	0	01/25/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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98256	6832 CAT5 BATH STATIONS				33	BI	OTHER	0	01/25/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
113820	ARTERIAL VASCULAR UNIT - FLO-LAB 2100-SX2		OLF203250		1	MME	OTHER	0	01/29/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98229	Dock Station				1	IT HARDWARE	OTHER	0	01/31/2021	RI-857 POST ROAD, WARWICK-0-0-0
98237	GeneXpert XVI R2 16 Testing Site System	844147			1	MME	LAB EQUIPMENT	0	01/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98252	RPM-RT1/SINGLE ROOM PRESSURE MONITOR	47542449			15	FIXED EQUIPMENT	OTHER	0	01/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98238	GeneXpert XVI R2 8	842125			1	MME	LAB EQUIPMENT	0	01/31/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
98239	Prospect-Wide Laborlytics Productivity Application				1	IT SOFTWARE	CORPORATE FUNCTION	0	01/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98240	Panasonic VIP 25.7 CuFT Refrigerator			VIP w/ECO Natural Refrigerant	1	MME	OTHER	0	01/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98500	Raimondo Business Valuation Exhibits 2078-0069				1	MME	OTHER	0	02/01/2021	RI-857 POST ROAD, WARWICK-0-0-0
98598	D-EVO II SINGLE 14 X 17 GOS ONLY				1	MME	MEDICAL EQUIPMENT	0	02/04/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
98667	ULTRASOUND BRONCHOSCOPE PER QUOTE #Q-01001997 DATED 11/3/20	7123789		BF-UC180F	1	MME	MEDICAL EQUIPMENT	0	02/05/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112109	KEY CONTROL CABINET 30				1	FIXED	STORAGE	0	02/11/2021	RI-825 CHALKSTONE AVE,
112110	KEYED PADLOCK 3/8				12	FIXED	STORAGE	0	02/11/2021	RI-825 CHALKSTONE AVE,
111695	AeroDR LT 14x17	8001315			2	MME	MEDICAL EQUIPMENT	0	02/11/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98668	49K225/AIR FILTRATION SYSTEM 16x16 HEPA				15	FIXED EQUIPMENT	OTHER	0	02/12/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98669	SPECTROSTAR NANO	601-1350			1	MME	LAB EQUIPMENT	0	02/19/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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98603	INV 67921 VIDEO SURVEILLANCE FOR WEST 3 & 4 & CENTER 1 - EQUIPMENT ONLY	AAAQ5472			1	FIXED EQUIPMENT	OTHER	0	02/23/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
98602	SC65930-CCHP-Software				1	IT SOFTWARE	OTHER	0	02/28/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98455	RNWL PROD SNS VCTR SVR 6 STD 154739046 8/21/19-12/31/23				1	IT SOFTWARE	BASIC APPLICATION	0	02/28/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98456	RNWL PROD SNS VSPHERE 6 ENT PLUS 155102856 8/21/19-12/31/23				6	IT SOFTWARE	BASIC APPLICATION	0	02/28/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
111955	49K49/INTAKE MANIFOLD FOR MFR# OA1200V/PAC				3	MME	OTHER	0	03/10/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
111956	49K49/INTAKE MANIFOLD FOR MFR# OA1200V/PAC				5	MME	OTHER	0	03/10/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
111872	Excelsius GPS Robot	GPS-0270			1	MME	MEDICAL EQUIPMENT	0	03/11/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98599	CCHP - Uplogix 5000 Local Manager, 22 Serial Ports				1	IT HARDWARE	OTHER	0	03/15/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98600	CCHP - Uplogix 500 Local Manager, 6 Serial Ports. Includes LMS				1	IT HARDWARE	OTHER	0	03/15/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98601	CCHP - 500/5000 LTE AT&T Internal Modem w/ ext antenna				2	IT HARDWARE	OTHER	0	03/15/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98497	Backup Storage Solution				1	IT HARDWARE	OTHER	0	03/19/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98499	Reverses Asset # 92570				1	MME	OTHER	0	03/19/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
112099	PILLCAM RECORDER CRADLE DR3X1				1	MME	OTHER	0	03/26/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112100	PILLCAM RECORD ACCESSORIESDR3				1	MME	OTHER	0	03/26/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112101	PILLCAM RECORDER DR3 X1				1	MME	OTHER	0	03/26/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
98649	Presidio Storage/Server	FOX2425PB7N		Cisco UCS S3260	1	IT HARDWARE	OTHER	0	03/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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98644	3M_360_Encompass_Software				1	IT SOFTWARE	OTHER	0	03/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98650	Presidio Catalyst 48 Port Switch				1	IT HARDWARE	OTHER	0	03/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98604	SC65929-CCHP-Software				1	IT SOFTWARE	OTHER	0	03/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98605	SC65933-CCHP-Software				1	IT SOFTWARE	OTHER	0	03/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98606	SC65929-CCHP-Software				1	IT SOFTWARE	OTHER	0	03/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98607	SC65933-CCHP-Software				1	IT SOFTWARE	OTHER	0	03/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98608	CONVECTION OVEN, GAS VULCAN MODEL NO: VC55GD INCLUDES 1 YEAR LIMITED PARTS & LAB				2	MME	OTHER	0	03/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98609	CASTERS, SET OF (4) IN LIEU OF STANDARD LEGS				2	MME	OTHER	0	03/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98610	GAS CONNECTOR HOSE KIT / ASSEMBLY				2	MME	OTHER	0	03/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98611	DELIVER / SET IN PLACE				1	MME	OTHER	0	03/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98612	REMOVAL / DISPOSAL				1	MME	OTHER	0	03/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98613	FREIGHT				1	MME	OTHER	0	03/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98614	CONVECTION OVEN, GAS VULCAN MODEL NO: VC55GD INCLUDES 1 YEAR LIMITED PARTS & LAB				1	MME	OTHER	0	03/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98615	CASTERS, SET OF (4) IN LIEU OF STANDARD LEGS				1	MME	OTHER	0	03/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98616	GAS CONNECTOR HOSE KIT / ASSEMBLY				1	MME	OTHER	0	03/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98617	DELIVER / SET IN PLACE				1	MME	OTHER	0	03/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98618	REMOVAL / DISPOSAL				1	MME	OTHER	0	03/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98619	FREIGHT				1	MME	OTHER	0	03/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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98643	3M_360_Encompass_Software				1	IT SOFTWARE	OTHER	0	03/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98647	3M_360_Encompass_Software				1	IT SOFTWARE	OTHER	0	03/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98648	Presidio Enterprise Plus License				1	IT SOFTWARE	OTHER	0	03/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98642	3M_360_Encompass_Software				1	IT SOFTWARE	OTHER	0	03/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98645	SC65933-CCHP-Software				1	IT SOFTWARE	OTHER	0	03/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
98646	SC65929-CCHP-Software				1	IT SOFTWARE	OTHER	0	03/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
111912	Presidio Storage/Server & Software				1	IT HARDWARE	OTHER	0	03/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
111718	GAS CONNECTOR HOSE KIT / ASSEMBLY				2	MME	OTHER	0	04/17/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
111716	CONVECTION OVEN, GAS VULCAN MODEL NO: VC55GD INCLUDES 1 YEAR LIMITED PARTS & LAB				2	MME	OTHER	0	04/17/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
111717	CASTERS, SET OF (4) IN LIEU OF STANDARD LEGS				2	MME	OTHER	0	04/17/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
111719	DELIVER / SET IN PLACE				1	MME	OTHER	0	04/17/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
111720	REMOVAL / DISPOSAL				1	MME	OTHER	0	04/17/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
111721	FREIGHT				1	MME	OTHER	0	04/17/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
111706	CCHP - Maintenance and Support 24x7x365, 1 YR (NBD+TAC+S/W Maint),Per Year (Fee				1	IT SOFTWARE	OTHER	0	04/28/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
111707	CCHP - Maintenance and Support 24x7x365, 1 YR (NBD+TAC+S/W Maint),Per Year (Fee				1	IT SOFTWARE	OTHER	0	04/28/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
111708	CCHP - Maintenance and Support 24x7x365, 1 YR (NBD+TAC+S/W Maint),Per Year (Fee				1	IT SOFTWARE	OTHER	0	04/28/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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111709	CCHP - Uplogix Control Center Software, 50 Local Managers				1	IT SOFTWARE	OTHER	0	04/28/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
111710	CCHP - Maintenance and Support 24x7x365, 1 YR (TAC+S/W Maint), PerYear (Fees Pre				1	IT SOFTWARE	OTHER	0	04/28/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
111711	CCHP - Maintenance and Support 24x7x365, 1 YR (NBD+TAC+S/W Maint),Per Year (Fee				1	IT SOFTWARE	OTHER	0	04/28/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
111712	CCHP - Maintenance and Support 24x7x365, 1 YR (NBD+TAC+S/W Maint),Per Year (Fee				1	IT SOFTWARE	OTHER	0	04/28/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
111713	CCHP - Maintenance and Support 24x7x365, 1 YR (NBD+TAC+S/W Maint),Per Year (Fee				1	IT SOFTWARE	OTHER	0	04/28/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
111714	CCHP - Uplogix Control Center Software, 50 Local Managers				1	IT SOFTWARE	OTHER	0	04/28/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
111715	CCHP - Maintenance and Support 24x7x365, 1 YR (TAC+S/W Maint), PerYear (Fees Pre				1	IT SOFTWARE	OTHER	0	04/28/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
111722	Meraki MR52 Cloud Managed AP				90	IT HARDWARE	OTHER	0	04/28/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
111723	REDHAT 3YR SUB RHEL SVR PREMIUM PHYSICAL OR VIRTUAL NODES	RH00003F3			1	IT SOFTWARE	OTHER	0	04/28/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
111875	Neurosurgery Associates				1	MINOR	OTHER	0	04/30/2021	RI-200 HIGH SERVICE AVENUE, NP-
112113	860310 PAGEWRITE TC50 CARDIOGRAPH				21	MME	MEDICAL EQUIPMENT	0	05/14/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112114	860309 TROLLEY PAGEWRITER TC30/TC50/20				21	MME	MEDICAL EQUIPMENT	0	05/14/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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112115	860310 PAGEWRITE TC50 CARDIOGRAPH				20	MME	MEDICAL EQUIPMENT	0	05/14/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
112116	860309 TROLLEY PAGEWRITER TC30/TC50/20				19	MME	MEDICAL EQUIPMENT	0	05/14/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
112102	PROFESSIONAL SERVICES RESOURCES - ONCOLOGY SME				104	IT SOFTWARE	OTHER	0	05/15/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
111867	PILLCAM RECORD ACCESSORIESDR3				1	MME	OTHER	0	05/26/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
111863	PILLCAM RECORDER CRADLE DR3X1				1	MME	OTHER	0	05/26/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
111864	PILLCAM RECORD ACCESSORIESDR3				1	MME	OTHER	0	05/26/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
111865	PILLCAM RECORDER DR3 X1				1	MME	OTHER	0	05/26/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
111866	PILLCAM RECORDER CRADLE DR3X1				1	MME	OTHER	0	05/26/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
111868	PILLCAM RECORDER DR3 X1				1	MME	OTHER	0	05/26/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
111869	49K49/INTAKE MANIFOLD FOR MFR# OA1200V/PAC				1	MME	OTHER	0	05/26/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
111870	49K49/INTAKE MANIFOLD FOR MFR# OA1200V/PAC				5	MME	OTHER	0	05/26/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
111871	PROFESSIONAL SERVICES RESOURCES - ONCOLOGY SME				33	IT SOFTWARE	OTHER	0	05/26/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
112117	REPLACEMENT BATTERY MODULES FOR APC SYMMETRA PX UPS				2	MME	MAINTENANCE EQUIPMENT	0	06/04/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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111957	CHANGE ORDER TOTAL WITH CREDIT TOWARDS PRIOR EQUIPMENT PURCHASED RETURNED/SWAPPE				1	MME	OTHER	0	06/10/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
112565	PROFESSIONAL SERVICES RESOURCES - ONCOLOGY SME		CCHP20213412		1	IT SOFTWARE	OTHER	0	06/20/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112103	FREIGHT/INSIDE DELIVERY				1	MME	LAB EQUIPMENT	0	06/29/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
112104	STERILGARD® 304				1	MME	LAB EQUIPMENT	0	06/29/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
112105	STERILGARD® 304				1	MME	LAB EQUIPMENT	0	06/29/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
112106	FREIGHT/INSIDE DELIVERY				1	MME	LAB EQUIPMENT	0	06/29/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
112107	STERILGARD® 304				1	MME	LAB EQUIPMENT	0	06/29/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
112108	FREIGHT/INSIDE DELIVERY				1	MME	LAB EQUIPMENT	0	06/29/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
112111	OPTIONAL SERVICES PRICING - NOT INCLUDED IN BASE PRICE				1	MME	OTHER	0	06/29/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
112112	OPTIONAL SERVICES PRICING - NOT INCLUDED IN BASE PRICE				1	MME	OTHER	0	06/29/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
112462	Fatima Nursing Unit Furniture				1	FURNITURE & FIXTURES	OTHER	0	07/30/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
114138	2 CARRIER - CADAVER, COVERED		RWMCC20213585	MDR600039	2	MME	OTHER	0	07/30/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112447	PROFESSIONAL SERVICES RESOURCES - ONCOLOGY SME				7	IT SOFTWARE	OTHER	0	07/31/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112444	Meraki MR44 WiFi 6 Indoor AP				228	IT HARDWARE	OTHER	0	07/31/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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112445	HLR256-GX Horizon Series™ Laboratory Refrigerator, 56 cu ft (1586 Liters)				1	MME	OTHER	0	07/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
112446	TrueBlue Delivery and Set Up				1	MME	OTHER	0	07/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
112448	GGX125-IS				2	MME	OTHER	0	07/31/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112449	MAYFIELD ULTRA BASE UNIT				1	MME	OTHER	0	07/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
112450	MAYFIELD SWIVEL ADAPTOR				1	MME	OTHER	0	07/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
112451	MAYFIELD MODIFIED SKULL CLAMP				1	MME	OTHER	0	07/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
112452	SC82653-CCHP-Software				1	IT SOFTWARE	OTHER	0	07/31/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112453	SYMPHONY PLUS ICE AND WATER DISPENSER 35 LB STORAGE AUTO FILL COUNTERTOP REMOVAB				1	MME	OTHER	0	07/31/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112454	4" LEG KIT SET OF 4 25CI AND 50 CI SERIES				1	MME	OTHER	0	07/31/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112455	CARBON STANDARD CAPACITY WATER FILTER SYSTEM MAESTRO SRIES ICE MACHINES (ONE PER				1	MME	OTHER	0	07/31/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112456	RECORDER BRAVO CF REFLUX				2	MME	OTHER	0	07/31/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112457	SPFTWARE REFLUX V6.1				1	MME	OTHER	0	07/31/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112458	VACUUM PUMP BRAVO 110V X1				1	MME	OTHER	0	07/31/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112459	VACUUM PUMP KIT BRAVO X1				1	MME	OTHER	0	07/31/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112464	RWMC ED Addition and Renovation				1	MME	OTHER	0	07/31/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112461	OLF Spine Microscope	000000-2237-756			1	MME	OTHER	0	07/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
112460	Scope Endo Equipment				1	MME	OTHER	0	07/31/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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112465	Switch Replacements & 20192721 - Backup storage solution				1	MME	OTHER	0	07/31/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112466	Backup storage solution 20192721				1	MME	OTHER	0	07/31/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112463	Covid - Labrepco LLC				1	MINOR	OTHER	0	07/31/2021	RI-200 HIGH SERVICE AVENUE, NP-
114309	Adaptable Arm Positioning System, Connector and Tray		RWMCC20213617		3	MME	OTHER	0	08/02/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
114309	Adaptable Arm Positioning System, Connector and Tray		RWMCC20213617		3	MME	OTHER	0	08/02/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
114059	System 8 Cordless Driver		OLF_2021_3615		1	MME	OTHER	0	08/02/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
114060	System 8 Cordless Driver - Core Sterilization Case		OLF_2021_3615B		1	MME	OTHER	0	08/02/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
113825	PhD LX SYSTEM (EXISTING)		OLF20213679C		1	MME	OTHER	0	08/02/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
113816	LAB BIO-RAD PHD LX SYSTEM		OLF20213679B		1	MME	OTHER	0	08/02/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
114915	BRIGHTREE UPFRONT FEES				1	IT SOFTWARE	OTHER	0	08/15/2021	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
112665	LEICA ST5010 CHIMNEY				1	FIXED	OTHER	0	08/16/2021	RI-200 HIGH SERVICE AVENUE, NP-
112662	ASP300 WAX VENT TO WAX				2	FIXED	OTHER	0	08/16/2021	RI-200 HIGH SERVICE AVENUE, NP-
112663	LEICA ST5010 CHIMNEY				3	FIXED	OTHER	0	08/16/2021	RI-200 HIGH SERVICE AVENUE, NP-
112664	ST5010 AIR EVACUATION HOSE SOLVENTRESISTANT 4M				3	FIXED EQUIPMENT	OTHER	0	08/16/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
112666	LEICA ST5010 CHIMNEY				2	FIXED	OTHER	0	08/16/2021	RI-200 HIGH SERVICE AVENUE, NP-
112667	ST5010 AIR EVACUATION HOSE SOLVENTRESISTANT 4M				1	FIXED EQUIPMENT	OTHER	0	08/16/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
112668	ST5010 AIR EVACUATION HOSE SOLVENTRESISTANT 4M				2	FIXED EQUIPMENT	OTHER	0	08/16/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
112669	ASP300 WAX VENT TO WAX				1	FIXED	OTHER	0	08/16/2021	RI-200 HIGH SERVICE AVENUE, NP-
112670	ST5010 AIR EVACUATION HOSE SOLVENTRESISTANT 4M				1	FIXED EQUIPMENT	OTHER	0	08/16/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
112671	LEICA ST5010 CHIMNEY				1	FIXED	OTHER	0	08/16/2021	RI-200 HIGH SERVICE AVENUE, NP-
112672	16 CU FT PREMIER PHARMACY STANDARD GLASS DOOR REFRIGERATOR	CESS-734040-00001	RWMCC20213589		2	BI	OTHER	0	08/16/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-2-0-0

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112673	ESTIMATED FREIGHT		RWMCC21213589C		1	BI	OTHER	0	08/16/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112674	DIRECT TO SITE SERVICES - OPTIONAL ASSEMBLY AND INSTALL BY CME TEAM TO SITE		RWMCC20213589B		1	BI	OTHER	0	08/16/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-2-0-0
112564	WIRE SHELVING MOVILE 67-7/8 H CHROME		RWMCC2018806B		6	FURNITURE & FIXTURES	OTHER	0	08/16/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112566	WIRE SHELVING MOVILE 67-7/8 H CHROME		RWMCC2018806A		1	FURNITURE & FIXTURES	OTHER	0	08/16/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112700	SC82652-CCHP-Software		AL2018616 B		1	IT SOFTWARE	OTHER	0	08/16/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112701	SC82656-CCHP-Software		AL2018616		1	IT SOFTWARE	OTHER	0	08/16/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112704	Walk in Freezer - Capital PO 101049		OLF20202826		1	FIXED EQUIPMENT	OTHER	0	08/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
112705	Walk in Freezer - Capital PO 101263		RWMCC20203280		1	FIXED EQUIPMENT	OTHER	0	08/31/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112699	REPLACEMENT BATTERY MODULES FOR APC SYMMETRA PX UPS		RWMCC20213470		2	MME	OTHER	0	08/31/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112706	Walk in Freezer - Capital PO 101264		RWMCC20203283		1	FIXED EQUIPMENT	OTHER	0	08/31/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113310	Blood Gas Analyzer DX RP500e Capital Lease		RWMCC_2021_3421		1	MME	OTHER	0	09/18/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112965	PhD LX SYSTEM (EXISTING)		OLF20213679	4260400	1	MME	OTHER	0	09/27/2021	RI-200 HIGH SERVICE AVENUE, NP-1-LAB-0
112960	LEICA ST5010 CHIMNEY ADAPTER		OLF20202826B		1	MME	OTHER	0	09/27/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
112961	LEICA ST5010 CHIMNEY ADAPTER		OLF20202826C		1	MME	OTHER	0	09/27/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
112962	CATALYST 9200L 48-PORT POE+, 4 X 10G, NETWORK ESSENTIALS		CCHP20213712	5410210	3	MME	OTHER	0	09/27/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112963	C9200L DNA ESSENTIALS, 48-PORT, 3 YEAR T		CCHP20213712C	5410212	3	MME	OTHER	0	09/27/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112964	SNTC-8X5XNBD Catalyst 9200L 48-port PoE, 4 x 10G, Ne		CCHP20213712B	CON-SNT-C9200L4X	3	MME	OTHER	0	09/27/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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112944	SUPPORT BASE,2WX28H,SQUARE		CCHP2017170R		4	FURNITURE & FIXTURES	OTHER	0	09/27/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112942	WAVEWORKS,29DX15W,PEDESTAL,BOX/BOX/FILE		CCHP2017170Q		2	FURNITURE & FIXTURES	OTHER	0	09/27/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112941	WAVEWORKS,30DX72W,SURFACE,RECTANGULAR		CCHP2017170B		2	FURNITURE & FIXTURES	OTHER	0	09/27/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112943	WAVEWORKS,15WX27H,PEDESTAL BACK PANEL,LAMINATE		CHCP2017170S		2	FURNITURE & FIXTURES	OTHER	0	09/27/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112945	WAVEWORKS,30DX72W,SURFACE,RECTANGULAR, HPL		CCHP2017170P		1	FURNITURE & FIXTURES	OTHER	0	09/27/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112946	WAVEWORKS,29DX15W,PEDESTAL,BOX/BOX/FILE, UNDERSURFACE,LAM		CCHP2017170	WW2915PUBBFL-6SN-X-KRS-792-792	1	FURNITURE & FIXTURES	OTHER	0	09/27/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112947	WAVEWORKS,15WX27H,PEDESTAL BACK PANEL,LAMINATE		CCHP2017170O		2	FURNITURE & FIXTURES	OTHER	0	09/27/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112948	WAVEWORKS,24DX72W,SURFACE,RECTANGULAR, HPL		CCHP2017170N		1	FURNITURE & FIXTURES	OTHER	0	09/27/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112949	WAVEWORKS,23DX15W,PEDESTAL,FILE/FILE,UNDERSURFACE,LAMINATE		CCHP2017170M		1	FURNITURE & FIXTURES	OTHER	0	09/27/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112950	WAVEWORKS,23DX28H,END PANEL,LAMINATE		CCHP2017170L		1	FURNITURE & FIXTURES	OTHER	0	09/27/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112951	ACCESSORIES,48W,UNDERSURFACE SUPPORT RAIL,BLACK		CCHP2017170K		2	FURNITURE & FIXTURES	OTHER	0	09/27/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112952	Presto, Task, Midback, Basic Posture, Adjustable T Arm		CCHP2017170J		7	FURNITURE & FIXTURES	OTHER	0	09/27/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112953	Inertia, Mesh Back, Side, Standard, with Arms		CCHP2017170I		11	FURNITURE & FIXTURES	OTHER	0	09/27/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112954	Tuck, Midback, Stacker, Polypropylene Back, Sled Base, No Arms		CCHP2017170H		3	FURNITURE & FIXTURES	OTHER	0	09/27/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112955	Entail, Mesh Midback, Basic Synchro Tilt, with Arm		CCHP2017170G		3	FURNITURE & FIXTURES	OTHER	0	09/27/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112956	WAVEWORKS,36DX36W,SURFACE,SQUARE,HPL		CCHP207270F		1	FURNITURE & FIXTURES	OTHER	0	09/27/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112957	CONFERENCE,28WX28H,BASE,4PRONG		CCHP2017170E		1	FURNITURE & FIXTURES	OTHER	0	09/27/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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112958	Labor, Non Union, Regular Business Hours + trash removal		CCHP2017170D		1	FURNITURE & FIXTURES	OTHER	0	09/27/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112959	7% TAX		CCHP2017170C		1	FURNITURE & FIXTURES	OTHER	0	09/27/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112940	NETWORK SWITCH (1 FOR EVERY 4 BEDS)		RWMCC20203284E	1106684	1	MME	OTHER	0	09/27/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112936	ALICE 6 LDxS PKG W/UPGRADE NONIN ADT		RWMCC20203284		4	MME	OTHER	0	09/27/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112937	COMPUTER PKG SLEEPWARE DESKTOP		RWMCC20203284C	1144815	4	MME	OTHER	0	09/27/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112938	ALICE 6 A/V PKG PTZ CAMERA STANDARD		RWMCC20203284B	1144817	4	MME	OTHER	0	09/27/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112939	BIDIRECTIONAL HL7		RWMCC20203284D	106148	1	MME	OTHER	0	09/27/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112966	SC02691-CCHP-Software		AL2018616B		1	IT SOFTWARE	OTHER	0	09/27/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112967	SC02693-CCHP-Software		AL2018616D		1	IT SOFTWARE	OTHER	0	09/27/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
112968	SC02694-CCHP-Software		AL2018616C		1	IT SOFTWARE	OTHER	0	09/27/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113305	Air System Repair-Busch Lube Vacuum	EASW00172	OLF20213665		1	MME	OTHER	0	09/28/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
113056	SNTC-8X5XNBD Catalyst 9200L 48-port PoE, 4 x 10G, Ne		CCHP20213712D		1	MME	OTHER	0	09/30/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113055	API Project - CCHP 10%		PMH20203086		1	IT HARDWARE	OTHER	0	09/30/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113496	SMART BUY 250 G8 I5-1135G7 15IN 16GB 256GB	4L1Q8UT#ABA	CCHP20213563 B		15	IT HARDWARE	OTHER	0	10/01/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113497	HP 3Y ABSOLUTEDDS PREMIUM 1-2499 SVC		CCHP20213563		15	IT HARDWARE	OTHER	0	10/01/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113304	SUPPLY THE FOLLOWING BREAKERS FOR SWITCHBOARD C		RWMCC20213761		1	IT HARDWARE	OTHER	0	10/18/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113498	CLEANROOM TEST/CERTIFICATION SCAN 16 HEPA FILTERS		RWMCC2018806		1	FIXED EQUIPMENT	OTHER	0	10/31/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113302	INV 67960 VIDEO SURVEILLANCE FOR WEST 3 & 4 & CENTER 1 - Installation Services		RWMCC20203105 C		1	FURNITURE & FIXTURES	OTHER	0	10/31/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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113303	INV 68183 VIDEO SURVEILLANCE FOR WEST 3 & 4 & CENTER 1 - Installation Services		RWMCC20203105 B		1	FURNITURE & FIXTURES	OTHER	0	10/31/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113306	INV 67960 VIDEO SURVEILLANCE FOR WEST 3 & 4 & CENTER 1 - Installation Services		RWMCC20203105 A		1	FURNITURE & FIXTURES	OTHER	0	10/31/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113307	INV 68183 VIDEO SURVEILLANCE FOR WEST 3 & 4 & CENTER 1 - Installation Services		RWMCC20203105		1	FURNITURE & FIXTURES	OTHER	0	10/31/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113308	INV 67960 VIDEO SURVEILLANCE FOR WEST 3 & 4 & CENTER 1 - Installation Services		RWMCC20203105 E		1	FURNITURE & FIXTURES	OTHER	0	10/31/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113309	INV 68183 VIDEO SURVEILLANCE FOR WEST 3 & 4 & CENTER 1 - Installation Services		RWMCC20203105 D		1	FURNITURE & FIXTURES	OTHER	0	10/31/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113499	Gynnie Ultrasound Stretcher		RWMCC20213586 C		1	FURNITURE & FIXTURES	OTHER	0	11/02/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113500	Gynnie Ultrasound Stretcher		RWMCC20213586 B		1	FURNITURE & FIXTURES	OTHER	0	11/02/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113501	Gynnie Ultrasound Stretcher		RWMCC20213586		1	FURNITURE & FIXTURES	OTHER	0	11/02/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113533	25 HP 3Y ABSOLUTEDDS PREMIUM 1-2499 SVC		CCMA20213776A		25	IT HARDWARE	OTHER	0	11/10/2021	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
113534	25 SMART BUY ZBOOK FURY 15 G8 I7-11850H 15IN 32GB 512GB		CCMA20213776		25	IT HARDWARE	OTHER	0	11/10/2021	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
113535	25 CA SB20: Screen size equal to or greater than 15in and less than 35in		CCMA20213776B		25	IT HARDWARE	OTHER	0	11/10/2021	RI-50 MAUDE STREET, PROVIDENCE-0-0-0
113494	PRIME BIG WHEEL STRETCHER26		RWMCC20203235 B		4	FURNITURE & FIXTURES	OTHER	0	11/18/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113495	PRIME BIG WHEEL STRETCHER30		RWMCC20203235		3	FURNITURE & FIXTURES	OTHER	0	11/18/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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113538	ST5010 AIR EVACUATION HOSE SOLVENTRESISTANT 4M		OLF20202826F		1	BI	OTHER	0	11/30/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
113539	CV5030 EXHAUST HOSE SOLVENTRESISTANT 3M LONG 32 MM DIAMETER		OLF20202826E		1	BI	OTHER	0	11/30/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
113532	CV5030 EXHAUST HOSE SOLVENTRESISTANT 3M LONG 32 MM DIAMETER		OLF20202826A		1	BI	OTHER	0	11/30/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
113536	ST5010 AIR EVACUATION HOSE SOLVENTRESISTANT 4M		OLF20202826D		1	BI	OTHER	0	11/30/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
114553	Replace Walk in Cooler and 2 Produce Doors		OLF20213705		1	FIXED EQUIPMENT	OTHER	0	11/30/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
113775	Eye Surgery Stretcher	2021006000839	OLF20213692		1	FURNITURE & FIXTURES	OTHER	0	12/01/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
114000	XT FLEXLOCK WITH 50 FT CABLE,INSTALLED		OLF20203326B		1	MME	OTHER	0	12/03/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
113757	XT FLEXLOCK REFRIGERATOR WITH 50 FT CABLE,INSTALLED		OLF20203326		1	MME	OTHER	0	12/03/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
113758	EKG System - 890512 Tracemaster Implementation Services		CCHP_2020_2864H		1	IT SOFTWARE	OTHER	0	12/22/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113958	EKG System		CCHP20202864F		1	IT SOFTWARE	OTHER	0	12/22/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113754	EKG System - 860426 INTELLISPACE ECG MANAGEMENT SYSTEM		CCHP_2020_2864D		1	IT SOFTWARE	OTHER	0	12/22/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113750	EKG System - 860331 DECG IBE Interop solutions		CCHP_2020_2864		1	IT SOFTWARE	OTHER	0	12/22/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113751	EKG System - MXU0226 IECG Implementation Services		CCHP_2020_2864B		1	IT SOFTWARE	OTHER	0	12/22/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113752	EKG System - 890512 Tracemaster Implementation Services		CCHP_2020_2864F		3	IT SOFTWARE	OTHER	0	12/22/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113753	EKG System - MXU0227 IntelliSpace ECG Implementation Services		CCHP_2020_2864E		1	IT SOFTWARE	OTHER	0	12/22/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113755	EKG System - 866183 INTELLIBRIDGE ENTERPRISE		CCHP_2020_2864I		1	IT SOFTWARE	OTHER	0	12/22/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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113756	EKG System - 860331 DECG IBE Interop solutions		CCHP_2020_2864C		1	IT SOFTWARE	OTHER	0	12/22/2021	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113778	ALARM SYSTEM JJ CARDOSI APPL #5		OLF20181678D		1	BI	OTHER	0	12/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
114363	Renovation for Rehab Therapy Suite		OLF20213680		2	LEASEHOLD IMPROVEMENT	OTHER	0	12/31/2021	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
114139	30 SMART BUY P24 G4 23.8IN DISPLAY		CCHP20213563C		30	IT HARDWARE	OTHER	0	01/01/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
114140	20 HP MP9 DM I58500T 8GB/256 PC		CCHP20213563B		20	IT HARDWARE	OTHER	0	01/01/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
114137	Disposal of Washer (to purchase Deinstall Vision SC, AMSCO 5052 Washer)		OLF20213683D		1	FIXED EQUIPMENT	OTHER	0	01/03/2022	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
114136	Deinstall Vision SC, AMSCO 5052 Washer		OLF20213683B		1	FIXED EQUIPMENT	OTHER	0	01/03/2022	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
114057	OMNICELL G5 Anesthesia Work Station		OLF_2020_3326		1	MME	OTHER	0	01/12/2022	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
113806	Supply cabinet - 18" side panel		RWMCC2018806D		18	FURNITURE & FIXTURES	OTHER	0	01/17/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113807	Supply cabinet - connector kit		RWMCC2018806F		9	FURNITURE & FIXTURES	OTHER	0	01/17/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113808	Supply cabinet - FREIGHT		RWMCC2018806H		1	FURNITURE & FIXTURES	OTHER	0	01/17/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113809	Supply cabinet - HANDLING		RWMCC2018806J		1	MME	OTHER	0	01/17/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113810	Supply cabinet		RWMCC2018806C		1	FURNITURE & FIXTURES	OTHER	0	01/17/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113811	Supply cabinet - 18" side panel		RWMCC2018806E		1	FURNITURE & FIXTURES	OTHER	0	01/17/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113812	Supply cabinet - connector kit		RWMCC2018806G		1	FURNITURE & FIXTURES	OTHER	0	01/17/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113813	Supply cabinet - FREIGHT		RWMCC2018806I		1	MME	OTHER	0	01/17/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113814	Supply cabinet - HANDLING		RWMCC2018806K		1	MME	OTHER	0	01/17/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113802	System 8 Cordless Driver	2113301403	OLF20213615		1	MME	OTHER	0	01/17/2022	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
113803	System 8 Cordless Driver Case, Small		OLF20213615B		1	MME	OTHER	0	01/17/2022	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
113804	System 8 Cordless Driver	2113301403	OLF20213615C		1	MME	OTHER	0	01/17/2022	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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113805	System 8 Cordless Driver Case, Small		OLF20213615D		1	MME	OTHER	0	01/17/2022	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
113815	Supply cabinet		RWMCC2018806-A		18	FURNITURE & FIXTURES	OTHER	0	01/17/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
113826	OSMO1 OSMOMETER SINGLE SAMPLE		RWMCC20213905	OSMO1	1	MME	OTHER	0	01/21/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
114135	AIR COMPRESSOR 2 CFM 110 VAC/60 HZ		OLF20213683		1	MME	OTHER	0	01/31/2022	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
114241	SAWS AND BATTERY PACKS (SAG SAW, OSC SAW, MICRO DRILL, U-Driver)		OLF20213618		1	MME	OTHER	0	02/01/2022	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
114996	OLF_2018_1678 UPGRADE FIRE ALARM SYSTEM		OLF20181678		1	BI	OTHER	0	02/08/2022	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
114760	VOID 24 TELEMETRY TRANSMITTER W/6-MTH WARRANTY		RWMCC20223998B		1	MME	OTHER	0	03/01/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
114391	LAPAROSCOPY GS TOWERS		RWMCC20213748		1	MME	OTHER	0	03/01/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
114359	24 TELEMETRY TRANSMITTERS		RWMCC20223998		24	MME	OTHER	0	03/01/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
114334	DynaCAD 2 to 4 Upgrades DCAD 4.0 Upgrade Breast SW		RWMCC20213441		1	IT SOFTWARE	OTHER	0	03/01/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
114360	AMSCO Washer Disinfector 5052, 200-208V, 60HZ, DD, STEAM	00724995192976	OLF20213683C		1	MME	OTHER	0	03/01/2022	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
114361	ALLEN LIFT ASSIST BEACH CHAIR		OLF20213934		1	MME	OTHER	0	03/01/2022	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
114362	MANOMENTRY SYSTEM UPGRADE (CART, CATHETER AND SOFTWARE)		RWMCC20213961		1	MME	OTHER	0	03/01/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
114759	RETURN 46 WYSE 5070 THIN CLIENT CELERON J4105 4GB 32GB EMMC KYBD/MSE NO WIFI 3YR		PMH20213878B		1	IT HARDWARE	OTHER	0	03/09/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
114759	RETURN 46 WYSE 5070 THIN CLIENT CELERON J4105 4GB 32GB EMMC KYBD/MSE NO WIFI 3YR		PMH20213878B		1	IT HARDWARE	OTHER	0	03/09/2022	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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114358	100 DELL WYSE 5070 THIN CLIENT CELERON J4105 4GB 32GB EMMC KYBD/MSE NO WIFI 3YR		PMH20213878		101	IT HARDWARE	OTHER	0	03/09/2022	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
114358	100 DELL WYSE 5070 THIN CLIENT CELERON J4105 4GB 32GB EMMC KYBD/MSE NO WIFI 3YR		PMH20213878		100	IT HARDWARE	OTHER	0	03/09/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
114358	100 DELL WYSE 5070 THIN CLIENT CELERON J4105 4GB 32GB EMMC KYBD/MSE NO WIFI 3YR		PMH20213878		1	IT HARDWARE	OTHER	0	03/09/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
114364	RWMC 600V ELECTRICAL SYSTEM REPLACEMENT - DESIGN DOCS		RWMCC20213937		1	BI	OTHER	0	03/09/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
114335	2019 Nissan NV200 Van	3NCM0KN2KK690997	CCHP20213730	VN200 Van	1	VEHICLES	OTHER	0	03/15/2022	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
114446	3 BIOCON-750 BLADDER SCANNER W/PRINTER		RWMCC20224050		3	MME	OTHER	0	04/01/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
114447	15 SMART BUY USB-C/A UNIVERSAL DOCK G2		CCHP20213563D		15	IT HARDWARE	OTHER	0	04/01/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
114475	Qty 2: Siemens DX RP500e Blood Gas Analyzers		OLF20213694		2	MME	OTHER	0	04/01/2022	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
114557	ECHOSENS FIRBROSCAN 530 COMPACT WITH M & XL PROBES BUNDLE		RWMCC20213913		1	MME	OTHER	0	04/01/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
114995	48 WYSE 5070 THIN CLIENT CELERON J4105		PMH20213878C		50	IT HARDWARE	OTHER	0	04/04/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
114995	48 WYSE 5070 THIN CLIENT CELERON J4105		PMH20213878C		50	IT HARDWARE	OTHER	0	04/04/2022	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
114562	VIDEO SURVEILLANCE FOR WEST 3, 4 and CENTER 1		RWMCC20203105H		1	FIXED EQUIPMENT	OTHER	0	05/01/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
114555	AMSCO 5052 Washer		OLF20213683E		1	MME	OTHER	0	05/01/2022	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
114556	TRIOS TABLE BASE, SPINAL SURGERY TOP & RADIOLUCENT IMAGING TOP		RWMCC20213892		1	MME	OTHER	0	05/01/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
114926	COMPLETED INSTALL OF NURSE CALL SYSTEM 4TH FL WEST BH		RWMCC20203283B		1	FIXED EQUIPMENT	OTHER	0	05/02/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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114552	RWMC 600V ELECTRICAL SYSTEM REPLACEMENT - DESIGN DOCS		RWMCC20213937B		1	BI	OTHER	0	05/03/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
114909	4 TON VRF SINGLE ZONE AHU		RWMCC20213813		1	FIXED EQUIPMENT	OTHER	0	05/25/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
114910	UPGRADE COMPUTED TOMOGRAPHY (CT) CARDIAC CTA		RWMCC20213935		1	IT SOFTWARE	OTHER	0	06/01/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
114912	20 SPACELABS TELEMETRY TRANSMITTER		RWMCC20223998C		20	MME	OTHER	0	06/01/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
114646	Mindray: Monitors (N17 & N1 w/Masimo), Multi-Gas 2X with auto ID & Other		OLF20213911		1	MME	MEDICAL EQUIPMENT	0	06/01/2022	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
114644	Omnicell G5 Anesthesia Workstations, PCA Drawers & XT Cabinets/Return Bins		RWMCC20203327		1	MME	MEDICAL EQUIPMENT	0	06/01/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
114656	TELESCOPE OES ELITE 4MM (6 - 30 deg, 6 - 70 deg)		OLF20223999B		6	MME	MEDICAL EQUIPMENT	0	06/01/2022	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
114657	DATCARD PACSCUBE EPSON DP 100 SYSTEM		OLF20224048		1	IT HARDWARE	OTHER	0	06/01/2022	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
114658	6 - TRAY INSERT UROLOGY PRE-MOLDED		OLF20223999		6	MINOR EQUIPMENT	OTHER	0	06/01/2022	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
114992	OLF_2018_1678 UPRGADE FIRE ALARM SYSTEM		OLF20181678B		1	BI	OTHER	0	06/28/2022	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92594	UPGRADE OR HVAC SYSTEM RWMCC_2018_806		11411		1	BI	OTHER	0	06/30/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
114999	OLF HISTOLOGY LAB CONSTRUCTION (SEE ALSO 92591)		OLF20202827		1	BI	OTHER	0	06/30/2022	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92591	HIST LAB OLF_2019_2153		11408		1	BI	OTHER	0	06/30/2022	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
115029	UPGRADE OR HVAC SYSTEM (SEE ALSO 92594)	RWMCC20213558	RWMCC2018806Z		1	BI	OTHER	0	06/30/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
114740	37 PIN CONNECTORS W/6' CABLES AND WALL PLATES FOR NEW NURSES CALL SYSTEM		RWMCC20203280B		14	IT HARDWARE	OTHER	0	07/01/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
114741	DATCARD PACSCUBE CATALYST 6000 TRADE-IN		RWMCC20224047		1	MME	MEDICAL EQUIPMENT	0	07/01/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0

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114997	EMERG DIGITAL RADIO - LABOR & DESIGN		OLF20224006B		1	FIXED EQUIPMENT	OTHER	0	07/01/2022	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
114761	ROOFTOP UNIT DX COOLING/ELECTRIC HEATING		RWMCC20213922		1	FIXED EQUIPMENT	OTHER	0	07/01/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
114763	DIGITAL RADIO COVERAGE FOR FIRE DEPT		OLF20224006		1	FIXED EQUIPMENT	OTHER	0	07/01/2022	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
114742	50 HP SMART BUY PC's (25 WITH WIFI)		CCHP20213651		25	IT HARDWARE	OTHER	0	07/01/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
114749	Mindray A5 Anesthesia System with Gas Module capability (Qty = 5)		RWMCC20213848	A5	1	MME	MEDICAL EQUIPMENT	0	07/01/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-7421-0
114916	COMPLETED INSTALLATION OF NURSE CALL SYSTEM		RWMCC20203280C		1	IT HARDWARE	OTHER	0	07/01/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
114914	HIP NAVIGATION TRAY				1	MME	MEDICAL EQUIPMENT	0	07/06/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
114743	FOLLETT SYMPHONY PLUS COUNTERTOP ICE AND WATER DISPENSER	12CI425A-S	RWMCC20213641		1	MME	OTHER	0	07/08/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
114762	HOSHIZAKI ICE AND WATER CUBELET-STYLE DISPENSER		OLF20224146		1	FURNITURE & FIXTURES	OTHER	0	07/31/2022	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
114911	REPLACE TRANE RTU W/NEW 7.5 TON 575V RTU		RWMCC20213831		1	FIXED EQUIPMENT	OTHER	0	08/01/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
114913	DESIGN DOCS FOR MRI & NUCLEAR MED EQUIP REPLACEMENT		OLF20213705B		1	FIXED EQUIPMENT	OTHER	0	08/01/2022	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
114925	Echo Ultrasound Equipment		OLF20213969		1	MME	MEDICAL EQUIPMENT	0	08/08/2022	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
115028	ASU CHILLER REPLACEMENT RWMCC20203195		RWMCC20203195		1	BI	OTHER	0	08/30/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
115027	ICU/CCU ROOF RWMCC_2021_3410		RWMCC20213410		1	BI	OTHER	0	08/30/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
114917	Portable Xray: Fujifilm FDR Go Plus Mobile w/DEVO II G35 Pkg		RWMCC20213972	FDR Go Plus Mobile	1	MME	MEDICAL EQUIPMENT	0	08/31/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-7630-0
114924	TRANSDUCER PROBE T FINGER-GRIP A10/ UST-91		RWMCC20224180		1	MME	MEDICAL EQUIPMENT	0	08/31/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
114993	WATERLOO 6 DRAWER RED EMERGENCY CART		OLF20213897		11	FURNITURE & FIXTURES	OTHER	0	09/01/2022	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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114994	WINDOW REPLACEMENT - RWH 4TH FLOOR BH UNIT		RWMCC20213865		1	BI	OTHER	0	09/01/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
92593	CCHP_2018_807		11410		1	BI	OTHER	0	09/30/2022	RI-825 CHALKSTONE AVE, PROVIDENCE-0-0-0
115000	WALK IN FREEZER CONSTRUCTION (SEE ALSO 92592)		OLF20202826J		1	BI	OTHER	0	09/30/2022	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92596	PHARMACY HVAC REPLACEMENT - 01.1670.0234		11413		1	BI	OTHER	0	09/30/2022	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92598	OR HONEYWELL MAINT-01.762542857 - 01.1670.0811		11415		1	BI	OTHER	0	09/30/2022	RI-200 HIGH SERVICE AVENUE, NP-0-0-0
92592	KITCHEN FREEZER OLF_2019_2314		11409		1	BI	OTHER	0	09/30/2022	RI-200 HIGH SERVICE AVENUE, NP-0-0-0

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Schedule 2.1(a)(vi)
Working Capital Assets

[Prospect to populate]

Schedule 2.1(a)(vii)
Excluded Inventory

[Prospect to provide prior to Closing]

Schedule 2.1(a)(ix)
Assumed IP

1. All Intellectual Property listed on Schedule 3.16(a) incorporated herein by reference, unless listed on Schedule 2.2(ee).

2. Trade Names:

Trade Name	Owner
Roger Williams Medical Center	Prospect CharterCARE RWMC, LLC
University Medical Group	New University Medical Group, LLC
Our Lady of Fatima Hospital	Prospect CharterCARE SJHSRI, LLC
CharterCARE Medical Associates	Prospect CharterCARE Physicians, LLC
CharterCare Health Partners	Prospect CharterCARE, LLC

Schedule 2.1(a)(xii)
Assumed Contracts

1. All Contracts listed in the Description of Lease Documents in Schedule 3.3(c).

2. Collective Bargaining Agreement, dated February 4, 2021, by and between Teamsters' Local Union No. 251, affiliated with the International Brotherhood of Teamsters and Prospect CharterCare RWMC d/b/a Roger Williams Medical Center

3. Collective Bargaining Agreement (expired June 30, 2022 and currently in negotiations), by and between Prospect CharterCare, LLC & United Nurses & Allied Professionals

4. Contract, dated July 31, 2021, by and between Prospect CharterCare, LLC and United Nurses and Allied Professionals, Local 5110

5. Offer Form, dated May 6, 2022, by and between Norstan Communications, Inc. d/b/a Black Box Network Services and Prospect Chartercare RWMC, LLC d/b/a Roger Williams Medical Center

6. Commercial Services Agreement, dated January 19, 2022, by and between CoxCom, LLC; Cox Rhode Island Telcom, LLC; Cox Connecticut Telcom, LLC and Prospect Charter Care LLC

7. Commercial Services Agreement, dated October 31, 2018, by and between CoxCom, LLC; Cox Rhode Island Telcom, LLC; Cox Connecticut Telcom, LLC and Prospect Chartercare RWMC, LLC

8. Commercial Services Agreement, dated June 24, 2020, by and between CoxCom, LLC; Cox Rhode Island Telcom, LLC; Cox Connecticut Telcom, LLC and Prospect Chartercare SJHSRI, LLC d/b/a Our Lady of Fatima Hospital

9. Commercial Services Agreement, dated March 5, 2019, by and between CoxCom, LLC; Cox Rhode Island Telcom, LLC; Cox Connecticut Telcom, LLC and Prospect Chartercare SJHSRI, LLC d/b/a Our Lady of Fatima Hospital

10. Master Service Agreement, dated December 13, 2021, by and between Charter Care Health and FujiFilm Medical Systems U.S.A., Inc.

11. Master Service Agreement, dated May 13, 2019, by and between Manhattan Telecommunications Corporation and Prospect Chartercare RWMC, LLC d/b/a Roger Williams Medical Center

12. Billing Agreement, dated September 21, 2017, by and between Prospect Blackstone Valley Surgicare, LLC and Source Medical Solutions, Inc.

13. Letter regarding Contract No. 00013398, dated May 21, 2020, by UpToDate, Inc. and accepted and agreed to by Prospect CharterCare, LLC d/b/a CharterCARE Health Partners of Rhode Island.

14. Order Form, dated August 24, 2022, by and between CarePort Health, LLC and Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Health

15. Master Agreement, dated August 17, 2022, by and between Complete Staffing Solutions, Inc. and Prospect CharterCARE LLC d/b/a CharterCARE Health Partners of Rhode Island

16. Service Agreement, dated May 3, 2018, by and between R.M. Foley Inc. and Our Lady of Fatima Hospital

17. Vending Services Agreement, dated May 3, 2018, by and between Foley FoodService and Roger Williams Medical Center, as amended by that Amendment and Extension to Vending Service Agreement, dated May 2, 2022, by and between Foley Food Service and Roger Williams Medical Center

18. Vidistar Agreement, dated August 24, 2022, by and between FujiFilm Healthcare Americas Corporation and Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center

19. Vidistar Agreement, dated August 24, 2022, by and between FujiFilm Healthcare Americas Corporation and Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital

20. Master Agreement for Staffing Services, dated June 1, 2022, by and between Medefis and Prospect CharterCARE, LLC d/b/a CharterCARE Health Partners.

21. Staffing Services Agreement, dated November 30, 2021, by and between Meleeo, LLC and Prospect CharterCARE, LLC

22. Freezer Equipment Consignment Agreement, dated February 23, 2022, by and between Misonix, Inc. and Prospect CharterCARE SJHSRI LLC d/b/a Our Lady of Fatima Hospital

23. Specimen Collection and Processing Agreement, dated April 29, 2022, by and between Myriad Genetic Laboratories, Inc. and Prospect CharterCARE, LLC

24. Letter of Participation, dated July 19, 2018, by and between Angelica and Prospect Blackstone Valley, LLC

25. Agreement, dated December 21, 2017, by and between A& D Professional Pest Elimination and Roger Williams Medical Center, as extended by that Contract Extension Agreement dated November __ 2020.

26. Agreement, dated December 29, 2017, by and between A& D Professional Pest Elimination and Our Lady of Fatima, as extended by that Contract Extension Agreement dated November __ 2020.

27. Quote #Q-202972-4, dated January 1, 2021, by and between Accruent, LLC and CharterCARE Health Partners

28. Preventative Maintenance Service Agreement, dated December 11, 2021, by and between Atlantic Compressor & Vacuum and Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital

29. Statement of Work – Related to Agreement of Tax Services and Terms and Conditions dated March 5, 2018, by and between BDO USA, LLP and Prospect CharterCARE, LLC

30. Medical Gas Preventative Maintenance Plan Quote Summary, dated November 10, 2020, by and between BeaconMedaes and Roger Williams Medical Center.

31. Sales Quote Q-30792, dated March 18, 2022, by and between bioMerieux, Inc. and St. Joseph Healthcare (Our Lady of Fatima Hospital)

32. Amendment to VIDAS-3 Gold Placement Agreement #56113v13, dated July 26, 2021, by and between bioMerieux, Inc. and St. Joseph Healthcare.

33. SpyGlass DS Stone Management Primary Vendor Agreement Amendment, dated June 3, 2021, by and between Roger Williams Medical Center and Boston Scientific Corporation

34. [SpyGlass DS Stone Management Priamry Vendor Agreement, dated July 29, 2016, by and between Roger Williams Medical Center and Boston Scientific Corporation.]

35. Service Agreement, dated September 5, 2021, by and between Bio-Rad Laboratories, Inc. and Prospect CharterCare SJHSRI LLC d/b/a Our Lady of Fatima Hospital

36. Agency Provider Recruiting Agreement, dated May 1, 2021, by and between Cambridge Medical Professionals and Prospect CharterCARE, LLC d/b/a CharterCARE Health Partners

37. Agreement for Services, dated March 14, 2018, by and between Capitol Conduit LLC and Prospect CharterCARE, LLC d/b/a CharterCARE Health Partners

38. Vascular Access Services Agreement, dated December 9, 2019, by and between AccessRN, Inc. and Prospect CharterCARE, LLC d/b/a CharterCARE Health Partners of Rhode Island.

39. Addendum to Vascular Access Services Agreement, dated December 9, 2021, by and between AccessRN, Inc. and Prospect CharterCARE, LLC d/b/a CharterCARE Health Partners of Rhode Island.

40. Locum Tenens Coverage Agreement, dated November 18, 2021, by and between CompHealth and Prospect CharterCARE, LLC d/b/a CharterCare Health Partners, as amended by that certain Amendment dated July 14, 2022.

41. Memorandum of Understanding, dated July 22, 2022, by and between Comprehensive Wound Healing Center at Fatima and Prospect CharterCare RWMC, LLC d/b/a Roger Williams Medical Center

42. Master Medication Services Agreement, dated April11, 2022, by and between Genoa Healthcare, LLC and Prospect CharterCARE LLC d/b/a CharterCare Health Partners of Rhode Island

43. Memorandum of Understanding, dated August 30, 2022, by and between HopeHealth Hospice & Palliative Care and Prospect CharterCare RWMC, LLC d/b/a Roger Williams Medical Center

44. Memorandum of Understanding, dated July 25, 2022, by and between Performance Physical Therapy Rhode Island and Prospect CharterCare RWMC, LLC d/b/a Roger Williams Medical Center

45. Services Agreement, dated July 17, 2019, by and between Bromedicon, LLC and Prospect CharterCARE SJHSRI, LLC and Prospect CharterCARE RWMC, LLC

46. Rental Agreement and Support Agreement, dated May 24, 2017, by and between CareFusion Solutions, LLC and Prospect CharterCARE RWMC, LLC

47. Implementation Timeline, dated June 14, 2017, by and between CareFusion Solutions, LLC and Prospect CharterCARE RWMC, LLC

48. Carrier Commercial Service, dated February 20, 2020, by and between Carrier Commercial Service and Prospect CharterCARE SJHSRI, LLC

49. Service Agreement, dated August 5, 2019, by and between Carrier Commercial Service and Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center

50. Addendum to Proposal, dated December 30, 2020, by and between Casey Engineer Maintenance, Inc. and Prospect Charter Care SJHSRI, LLC

51. Addendum to Proposal, dated December 30, 2020, by and between Casey Engineer Maintenance, Inc. and Prospect Charter Care, LLC d/b/a Roger Williams Medical Center

52. 2022-2023 Institutional Agreement, dated , by and between Central Application Service for Podiatric Residencies and Roger Williams Medical Center

53. Quote # 3785628-1, dated May 14, 2021, by and between CBG BioTech and Our Lady of Fatima Hospital

54. Quote Confirmation, dated November 21, 2018, by and between CDWG and Prospect CCHP SJHSRI d/b/a St Joseph Health Service

55. Customer Application & Product Order Form, dated , by and between Clint Pharmaceuticals, Inc. and Prospect Blackstone Valley, LLC

56. Agreement for Locum Tenens Coverage, dated November 18, 2021, by and between CompHealth and Prospect CharterCARE, LLC d/b/a CharterCare Health Partners

57. Consigned Inventory Acknowledgement, dated February 8, 2018, by and between Cook Medical, LLC and Roger Williams General Hospital

58. Consigned Inventory Acknowledgement, dated February 7, 2018, by and between Cook Medical, LLC and Our Lady of Fatima

59. Second Amendment to the Blue Cross & Blue Shield of Rhode Island Laboratory Services Agreement, dated December 23, 2019, by and between Blue Cross & Blue Shield of Rhode Island and Prospect CharterCARE RWMC, LLC

60. Second Amendment to the Blue Cross & Blue Shield of Rhode Island Outpatient Surgical Center Participation Agreement, dated July 9, 2019, by and between Blue Cross & Blue Shield of Rhode Island and Prospect Blackstone Valley Surgicare, LLC

61. Affiliation Agreement, dated May 31, 2022, by and between Chamberlain University and Prospect CharterCare, LLC d/b/a CharterCare Health Partners of Rhode Island

62. Affiliation Agreement, dated August 1, 2022, by and between First Response EME/Educational Resource Group LLC and Prospect Chartercare, LLC d/b/a Chartercare Health Partners of Rhode Island

63. Inter-Institutional Agreement in Podiatric Medical Education, dated July 1, 2022, by and among Prospect CharterCare RWMC, LLC d/b/a Roger Williams Medical Center and The Miriam Hospital

64. Affiliation Agreement, dated June 23, 2022, by and between Priority Nutrition Care LLC and Prospect CharterCare, LLC d/b/a CharterCare Health Partners of Rhode Island

65. Master Affiliation Agreement, dated July 1, 2022, by and between Rhode Island Hospital and Roget Williams Medical Center

66. Inter-Institutional Agreement in Podiatric Medical Education, dated July 1, 2022, by and among Prospect CharterCare RWMC, LLC d/b/a Roger Williams Medical Center and Rhode Island Hospital

67. Graduate Medical Education Letter of Agreement for Resident/Fellow Rotations, dated October 24, 2022, by and between Rush University Medical Center and Roger Williams Medical Center

68. Affiliation Agreement, dated September 5, 2022, by and between Salve Regina University and Prospect CharterCare LLC d/b/a CharterCare Health Partners of Rhode Island

69. Affiliation Agreement, dated May 24, 2022, by and between Springfield College and Prospect CharterCare, LLC d/b/a CharterCare Health Partners of Rhode Island

70. Program Letter of Agreement – No Resident Affiliation Agreement, dated June 1, 2022, by and between Temple University Hospital, Inc., Interventional Cardiology Program and Roger Williams Medical Center on behalf of its Internal Medicine Program

71. University of Connecticut School of Medicine Visiting Residents/Fellows Letter of Understanding, dated September 12, 2022, by and between Roger Williams Medical Center and University of Connecticut School of Medicine

72. Affiliation Agreement, dated July 18, 2022, by and between University of Massachusetts Boston by and through Manning College of Nursing and Health Services and Prospect CharterCARE LLC d/b/a CharterCare Health Partners of Rhode Island

73. Affiliation Agreement, dated February 8, 2021, by and between University of New England and Prospect CharterCare LLC d/b/a CharterCare Health Partners of Rhode Island, as amended by that certain Amendment dated January 1, 2022

74. Clinical Affiliation Agreement dated July 9, 2020 by and between University of New England and Prospect Charter RWMC, LLC d/b/a Roger Williams Medical Center

75. Anticipated Payment Agreement, dated June 1, 2022, by and between University of New England, along with its College of Osteopathic Medicine and Prospect Charter RWMC, LLC d/b/a Roger Williams Medical Center

76. Program Letter of Agreement, dated August 1, 2022, by and between Yale-new Haven Medical Center and Roger William Medical Center

77. Unified Participation Agreement, dated January 8, 2020, by and between the American Heart Association, Inc. and Prospect CharterCARE RWMC LLC d/b/a Roger Williams Medical Center

78. Blood Service Agreement, dated August 25, 2019, by and between American Renal Associates, Dialysis Center of East Providence, Dialysis Center of Pawtucket, Dialysis Center of Warwick,

Dialysis Center of Providence, Dialysis Center of Johnston, Dialysis Center of Woonsocket, and Prospect CharterCARE Ancillary Services, LLC d/b/a CharterCare Ancillary Services

79. Business Associate Agreement, dated June 1, 2022, by and between Berry, Dunn McNeil & Parker, LLC and Prospect CharterCARE, LLC d/b/a CharterCARE Health Partners of Rhode Island

80. Offer Letter, dated October 10, 2018, by Prospect Medical Holdings and accepted and agreed to by Jeff Liebman.

81. Change of Control Severance Agreement, dated January 27, 2022, by and between Prospect Medical Holdings, Inc. and Dan Ison.

82. Employment Agreement, dated January 1, 2012, by and between CharterCARE Health Partners and R. Otis Brown.

83. Change of Control Severance Agreement, dated August 12, 2022, by and between Prospect Medical Holdings, Inc. and Donna Rubinate.

84. Change of Control Severance Agreement, dated August 12, 2022, by and between Prospect Medical Holdings, Inc. and Lynn Leahey.

85. [Contract with Allen]

86. Change of Control Severance Agreement, dated August 12, 2022, by and between Prospect Medical Holdings, Inc. and Michal Frejka.

87. Change of Control Severance Agreement, dated August 12, 2022, by and between Prospect Medical Holdings, Inc. and Guenevieve del Mundo.

88. Change of Control Severance Agreement, dated August 12, 2022, by and between Prospect Medical Holdings, Inc. and Susan Benfeito.

89. Change of Control Severance Agreement, dated August 12, 2022, by and between Prospect Medical Holdings, Inc. and Lynn Leahey.

90. Change of Control Severance Agreement, dated August 19, 2021, by and between Prospect Medical Holdings, Inc. and Andrew L. Fuss.

91. Employment Agreement, dated November 20, 2017, by and between Prospect CharterCARE SJHSRI, LLC and Matthew Downey, DMD.

92. Employment Agreement, dated April 30, 2021, by and between Prospect CharterCARE SJHSRI, LLC and Olutayo Odusanwo, DDS.

93. First Amendment to Employment Agreement, dated August 2, 2020, between Prospect CharterCARE SJHSRI, LLC and Joseph G. Samartano, DDS.

94. Per-Diem Employment Agreement, dated June 30, 2014, by and between Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital and Elizabeth Conklin, M.D.

95. First Amendment to Per-Diem Employment Agreement, dated December 11, 2017, by and between Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital and Elizabeth Conklin, M.D.

96. Physician Employment Agreement, dated February 8, 2022, by and between Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center and Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital, and Elkins Guzman D.O.

97. Provider Employer Agreement, dated August 16, 2021, by and between Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital and Juan Jose Gan, M.D.

98. Physician Employment Agreement, dated January 3, 2022, by and between Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center, Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital, and Ashley D. Collins, D.O.

99. Physician Employment Agreement, dated May 26, 2019, by and between Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center and Vincent Armenio, MD.

100. Amendment to the Physician Employment Agreement, dated November 30, 2020 by, and between Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center and Vincent Armenio, MD.

101. Employment Agreement, dated November 1, 2015, by and between Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center and Vincent Armenio, MD.

102. Physician Employment Agreement, dated June 29, 2012, by and between Roger Williams Medical Associates, Inc. and Vincent Armenio, MD.

103. Physician Employment Agreement, dated April 20, 2020, by and between Prospect CharterCARE Physicians, LLC and Gregory J. Steinmetz, M.D.

104. Physician Employment Agreement, dated September 2, 2020, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates, and Humberto Leal Bailey M.D.

105. Physician Employment Agreement, dated July 12, 2021, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates, and Humberto Leal Bailey M.D.

106. Third Amendment to the Physician Employment Agreement, dated September 14, 2020, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates, and Humberto Leal Bailey M.D.

107. Employment Agreement, dated December 10, 2018, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Abd Almonem Abdelrahman, M.D.

108. Physician Employment Agreement, dated July 30, 2019, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Rabih El-Bizri, M.D.

109. Amendment to Physician Employment Agreement, dated May 7, 2020, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Rabih El-Bizri, M.D.

110. Part-Time Employment Agreement, dated September 11, 2014, by and between St. Joseph Health Services of Rhode Island and Richard Miller, M.D., as amended by that certain First Amendment to Employment Agreement, dated December 15, 2017, by and between Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital and Richard Miller, M.D.

111. First Amendment to Physician Employment Agreement, dated May 7, 2021, by and between Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital and Rodrigo Nardi, M.D.

112. Employment Agreement, dated January 5, 2018, by and between Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital and Rodrigo Nardi, M.D.

113. Employment Agreement, dated January 8, 2016, by and between Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital and Rodrigo Nardi, M.D.

114. Physician Employment Agreement, dated February 3, 2020, by and between Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital and Rodrigo Nardi, M.D.

115. First Amendment to Employment Agreement, dated August 10, 2017, by and between Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital and Rodrigo Nardi, M.D.

116. Physician Employment Agreement, dated November 6, 2020, by and between Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital and Rodrigo Nardi, M.D.

117. Call Coverage Services Amendment to Physician Employment Agreement, dated January 4, 2021, by and between Prospect CharterCARE SJHSRI, LLC d/b/a CharterCARE Medical Associates and Guy R. Nicastri, M.D., F.A.C.S.

118. Physician Employment Agreement, dated February 24, 2021, by and between Prospect CharterCARE SJHSRI, LLC d/b/a CharterCARE Medical Associates and Guy R. Nicastri, M.D., F.A.C.S.

119. Employment Agreement, dated August 30, 2013, by and between Roger Williams Medical Center and Rebecca M. Brown, M.D.

120. Employment Agreement, dated February 2, 2018, by and between Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center and Rebecca M. Brown, M.D.

121. Employment Agreement, dated March 31, 2016, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Todd D. Viccione, M.D.

122. Amendment to Employment Agreement, dated April 1, 2018, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Todd D. Viccione, M.D.

123. Amendment to Physician Employment Agreement, dated July 1, 2020, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Todd D. Viccione, M.D.

124. First Amendment to Employment Agreement, dated October 1, 2017, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Todd D. Viccione, M.D.

125. Amendment to Employment Agreement, dated December 5, 2020, by and between Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center and Ali Akhtar, M.D.

126. Physician Employment Agreement, dated February 5, 2020, by and between Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center and Ali Akhtar, M.D.

127. Second Amendment to Physician Employment Agreement, dated February 25, 2021, by and between Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center and Ali Akhtar, M.D.

128. Employment Agreement, dated June 23, 2016, by and between Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center and Ali Akhtar, M.D.

129. Physician Employment Agreement, dated July 1, 2021, by and between Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center and Cristian Hiraldo-Infante, M.D.

130. Second Amendment to the Physician Employment Agreement, dated September 2, 2020, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates, and Abdul Rahman Al Hout, M.D.

131. Physician Employment Agreement, dated July 19, 2021, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates, and Abdul Rahman Al Hout, M.D.

132. First Amendment to Employment Agreement, dated August 16, 2018, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates, and Michael R. Alavian, M.D.

133. Employment Agreement, dated August 16, 2017, by and between Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center and Gregory G. Allen, Jr., D.O.

134. Amendment to Employment Agreement, dated December 5, 2020, by and between Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center and Gregory G. Allen, Jr., D.O.

135. Amendment to Employment Agreement, dated April 1, 2018, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and David Leibowitz D.O.

136. Employment Agreement, dated April 1, 2017, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and David Leibowitz D.O.

137. Physician Employment Agreement, dated January 25, 2021, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Tatiana Antoci, M.D.

138. Provider Employment Agreement, dated November 10, 2021, by and between Prospect CharterCARE LLC, d/b/a CharterCARE Health Partners of Rhode Island and Emad Awa, M.D.

139. Employment Agreement, dated August 26, 2013, by and between St. Joseph Health Services of Rhode Island and Andrew J. Lemoi, D.P.M.

140. Employment Agreement, dated December 15, 2014, by and between Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center and Rajnish Bansal, M.D.

141. Employment Agreement, dated July 19, 2018, by and between Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center and Rajnish Bansal, M.D.

142. Part Time Employment Agreement, dated August 30, 2018, by and between Prospect CharterCare SJHSRI LLC, d/b/a Our Lady of Fatima Hospital, and Andrew J. Lemoi, D.P.M.

143. Employment Agreement, dated March 26, 2018, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Luke Barre, M.D.

144. Provider Employment Agreement, dated November 1, 2021, by and between Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center and Sahil Batta, M.D.

145. Amendment to Employment Agreement, dated December 5, 2020, by and between Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center and John Miskovsky, M.D.

146. Employment Agreement, dated January 2, 2019, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Anne G. Bauman, M.D.

147. Employment Agreement, dated November 1, 2015, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Anne G. Bauman, M.D.

148. Physician Employment Agreement, dated November 8, 2019, by and between Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital and William Beliveau, M.D.

149. Amendment to Employment Agreement, dated April 1, 2018, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Dennis Botelho, M.D.

150. First Amendment to Physician Employment Agreement, dated November 1, 2018, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Dennis Botelho, M.D.

151. Physician Employment Agreement, dated November 1, 2020, by and between Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center and Prospect CharterCARE SJHSRI d/b/a Our Lady of Fatima Hospital and Abdul Saied Calvino, M.D.

152. Amendment to Physician Employment Agreement, dated April 1, 2021, by and between Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center and Prospect CharterCARE SJHSRI d/b/a Our Lady of Fatima Hospital and Abdul Saied Calvino, M.D.

153. Employment Offer Letter, dated June 5, 2018, by and between Prospect CharterCARE Physicians, LLC and Daniel Christian, M.D.

154. Employment Agreement, dated August 1, 2018, by and between Prospect CharterCare Physicians, LLC d/b/a CharterCARE Medical Associates and Daniel Christian, M.D.

155. First Amendment to Employment Agreement, dated August 19, 2018, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Steven M. Colagiovanni, M.D.

156. Employment Agreement, dated August 18, 2015, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Steven M. Colagiovanni, M.D.

157. Physician Employment Agreement, dated July 15, 2020, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Gerald Colvin, M.D.

158. First Amendment to Employment Agreement, dated May 6, 2019, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and John Corsi, D.O.

159. Employment Agreement, dated April 20, 2018, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and John Corsi, D.O.

160. Employment Agreement, dated April 5, 2021, by and between Prospect CharterCARE SJHSRI, LLC d/b/a St. Joseph Health Center and Olutayo Odusanwo, DDS.

161. Employment Agreement, dated April 20, 2015, by and between by and between Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center and Bharti Rathore, M.D.

162. First Amendment to Employment Agreement, dated December 16, 2015, by and between by and between Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center and Bharti Rathore, M.D.

163. Employment Agreement, dated August 31, 2018, by and between by and between Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center and Bharti Rathore, M.D.

164. Physician Employment Agreement, dated February 7, 2022, by and between Prospect CharterCARE LLC d/b/a CharterCARE Health Partners of Rhode Island and Jon M. Dooley, M.D.

165. Employment Agreement, dated January 1, 2015, by and between Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center and N. Joseph Espat, M.D.

166. First Amendment to Employment Agreement, dated November 27, 2017, by and between Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center and N. Joseph Espat, M.D.

167. Physician Employment Agreement, dated July 19, 2021, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Krystel Feghali, M.D.

168. Second Amendment to the Physician Employment Agreement, dated September 2, 2020, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Krystel Feghali, M.D.

169. Employment Agreement, dated September 28, 2018 by and between Prospect CharterCare, SJHSRI, LLC, and Yvonne M.Wolny

170. Employment Agreement, dated August 1, 2014, by and between Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center and John Findley, M.D.

171. Employment Agreement, dated February 19, 2017, by and between Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center and John Findley, M.D.

172. Physician Employment Agreement, dated July 22, 2019, by and between Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center and John Findley, M.D.

173. Employment Agreement, dated May 16, 2017, by and between Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital and John Findley, M.D.

174. Employment Agreement, dated June 17, 2018, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Alexander Harmatz, M.D., as addended by that Commencement Date of Employment dated July 2, 2018.

175. Employment Agreement, dated June 27, 2018, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Michael Hayden, D.O., as amended by that certain First Amendment to Employment Agreement, dated September 25, 2018, and as amended by that certain Amendment to Physician Employment, dated September 1, 2021.

176. Employment Agreement, dated March 27, 2018, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Gary G. King, D.O.

177. Physician Employment Agreement, dated January 1, 2013, by and between Roger Williams Medical Center and R. James Koness, M.D.

178. Physician Employment Agreement, dated February 5, 2020, by and between Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center and Kurush Setna, M.D., as amended by that certain Amendment to Employment Agreement, dated December 5, 2020.

179. Physician Employment Agreement, dated April 14, 2019, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Hua C. Lu, M.D.

180. Amendment to Employment Agreement dated April 1, 2018 by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Hua Lu, M.D.

181. Employment Agreement, dated July 23, 2018, by and between Prospect CharterCARE RWMC LLC d/b/a Roger Williams Medical Center and Franklin McCool, M.D.

182. First Amendment to Employment Agreement, dated April 1, 2018, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Joseph V. Meharg, M.D.

183. Physician Employment Agreement, dated March 6, 2019, by and between Prospect CharterCARE RWMC LLC d/b/a Roger Williams Medical Center and Alvara G. Menendez Rivera, M.D.

184. Physician Employment Agreement, dated July 27, 2020, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Elham Mohammadirad, as amended by that certain Amendment to the Physician Employment Agreement dated December 6, 2020.

185. Employment Agreement, dated November 20, 2015, by and between Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital and David J. Mysels, M.D., as amended by that certain First Amendment to Employment Agreement dated April 1, 2016, and as amended by that certain Second Amendment to Employment Agreement dated November 1, 2016.

186. Per Diem Employment Agreement, dated March 8, 2018, by and between Prospect CharterCare SJHSRI LLC d/b/a Our Lady of Fatima Hospital and Andrea Goldfarb, MD

187. First Amendment to Employment Agreement, dated August 16, 2018, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Leif Eric Olsson, M.D.

188. Employment Agreement, dated July 23, 2018, by and between Prospect CharterCare SJHSRI, LLC and Tala Tariq Al-Bajjali, D.M.D.

189. Employment Agreement, dated May 31, 2015, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Usha Panneerselvam, M.D., as amended by that certain First Amendment to Employment Agreement dated October 30, 2016, and as amended by that certain Amendment to Employment Agreement dated April 1, 2018.

190. Second Amendment to Employment Agreement, dated August 1, 2020, by and between Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center and Ponnandai Somasundar, M.D.

191. Employment Agreement, dated November 9, 2018, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Kenneth Botelho, P.A.

192. Provider Employment Agreement, dated October 23, 2020, by and between Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center and Suraj Ram, MD

193. Employment Agreement, dated November 9, 2018, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Julie Edwards, P.A.

194. Employment Agreement, dated July 19, 2018, by and between Prospect CharterCare RWMC, LLC d/b/a Roger Williams Medical Center and Ritesh Rathore, M.D.

195. Employment Agreement, dated August 17, 2017, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Rabih El-Bizri, M.D.

196. Employment Agreement, dated May 2013, by and between Roger Williams Medical Center and Todd F. Roberts, M.D., as amended by that certain First Amendment to Employment Agreement dated June 26, 2016.

197. Physician Employment Agreement, dated October 19, 2020, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Anthony Rocha, MD

198. Employment Agreement, dated August 11, 2017, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Alan Epstein, M.D.

199. Physician Employment Agreement, dated April 1, 2021, by and between Prospect CharterCare SJHSRI, LLC d/b/a Our Lady of Fatima Hospital and Stephen Saris, M.D.

200. Employment Agreement, dated April 14, 2019, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Maria Ferreira, NP

201. Physician Employment Agreement, dated July 18, 2022, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Dimitra Skiada, M.D.

202. Employment Agreement, dated October 16, 2017, by and between Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center and Ponnandai Somasundar, as amended by that certain First Amendment to Employment Agreement dated May 3, 2019

203. Employment Agreement, dated , by and between Roger Williams Medical Center and Maria Aileen Soriano-Posaturo, M.D.

204. Physician Employment Agreement, dated February 1, 2021, by and between Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center and Thomas Raimondo, DO

205. Physician Employment Agreement, dated August 17, 2021, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Giselle M. Torres-Cordero, M.D.

206. Employment Agreement, dated September 11, 2018, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Jennifer Jennings, APRN

207. Physician Employment Agreement, dated November 22, 2019, by and between Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center and Joseph R. Tucci, M.D.

208. Employment Agreement, dated August 20, 2017, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Joseph R. Tucci, M.D.

209. Employment Agreement, dated August 20, 2017, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Joseph V. Meharg, M.D.

210. Per Diem Employment Agreement, dated January 7, 2019, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Vinod Thomas, MD

211. Call Coverage Services Amendment, dated February 26, 2021, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Vinod Thomas, M.D.

212. Provider Employment Agreement, dated January 7, 2022, by and between Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center and Vinod Thomas, M.D.

213. Physician Employment Agreement, dated July 1, 2019, by and between Prospect Chartercare RWMC, LLC and Lidia Vognar, M.D.

214. Physician Employment Agreement, dated April 14, 2019, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Hugo Yamada, M.D., as amended by that certain Amendment to Employment Agreement dated April 1, 2018.

215. Employment Agreement, dated December 4, 2018, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Michelle Leveillee, APRN

216. Provider Employment Agreement, dated February 9, 2022, by and between Prospect CharterCARE SJHSRI LLC d/b/a Our Lady of Fatima Hospital and Joseph Domenico, D.P.M.

217. Employment Agreement, dated March 27, 2018, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Gary G. King, D.O.

218. Physician Employment Agreement, dated July 31, 2022, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Nabil Toubia, M.D.

219. Employment Agreement, dated February 25, 2019, by and between Prospect CharterCare RWMC, LLC d/b/a Roger Williams Medical Center and Nicole Lewis, PA-C

220. Physician Employment Agreement, dated May 9, 2022, by and between Prospect CharterCare RWMC, LLC d/b/a Roger Williams Medical Center and Rebecca M. Brown, M.D.

221. Physician Employment Agreement, dated August 30, 2021, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Darshak Patel, MD

222. Amendment to Physician Employment Agreement, dated August 1, 2021, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Stephanie A. Curry, M.D.

223. Per Diem Employment Agreement, dated September 25, 2018, by and between Prospect CharterCare SJHSRI, LLC and Amir Yavari D.D.S.

224. Physician Employment Agreement, dated December 7, 2020, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Michael L. Lin, M.D.

225. Employment Agreement, dated August 18, 2017, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Karen E. Noyes, M.D.

226. Employment Agreement, dated March 26, 2019, by and between Prospect CharterCare RWMC, LLC d/b/a Roger Williams Medical Center and Kim Raposo-Busa, APRN, MSN

227. Employment Agreement, dated August 20, 2017, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Gayle Rebovich, M.D.

228. Employment Agreement, dated August 20, 2017, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Sukanya Somasundar, M.D.

229. Physician Employment Agreement, dated May 10, 2020, by and between Prospect CharterCare RWMC, LLC d/b/a Roger Williams Medical Center and John A. Stoukides, M.D.

230. Employment Agreement, dated August 20, 2017, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Nabil Toubia, M.D.

231. Physician Employment Agreement, dated July 6, 2020, by and between Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates and Mohammad Soma Younes, M.D.

232. Part Time Employment Agreement, dated February 1, 2021, by and between Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital and Phillip Zingale, PA-C

Schedule 2.1(a)(xiv)
Assumed Permits

ENTITY	LICENSE	LICENSE NO.
Prospect Blackstone Valley Surgicare, LLC	Medicare	U300394357
Prospect CharterCare Home Health Services	Medicare	417029
CharterCare Medical Associates	Medicare	U100153243
Prospect CharterCare RWMC, LLC	Medicare	U100151235
		U100152467
		41S004
Roger Williams Medical Center	Medicare	410004
	Radioactive Material License	7D-026-01
	UST Facility, Certificate of Registration	UST Facility No. 1462
	Hazardous Waste Registration	EPA ID RIR000510933
		EPA ID RID069851913
		EPA ID RID075687665
	Certificate of Boiler Inspection	RI037972
		RI038491
		RI038492
		RI038489
		RI003797
		RI003787
		RI003780
		RI003781
		RI048835
		RI056430
		RI048832
		RI003770
		RI036624
	Wastewater Discharge Permit	O9006-095-0419
		P9004-106-0424
Roger Williams Breast Health Center	Medicare	410004
Prospect CharterCare SJHSRI, LLC d/b/a Our Lady of Fatima Hospital	Medicare	U100050750
		U100151083
		41T005
		410005
		41S005
	Radioactive Material License, Radiation Control Agency	7D-026-01

ENTITY	LICENSE	LICENSE NO.
	UST Facility, Certificate of Registration	UST Facility No. 58
	Certificates of Boiler Inspection	RI035540
		RI003725
		RI003724
		RI003721
		RI037852
	Wastewater Discharge Permit	P9400-310-0415
		P9002-091-1014
		P9002-092-0515
		B9400-153-0420
St. Joseph Health Center	Medicare	41T005

Schedule 2.1(a)(xx)
Assets or Equity Interests Relating to the Owned Surgery Centers and Physician Clinics

[Prospect to populate, if any]

Schedule 2.2(d)
Excluded Intercompany Assets, Receivables and Obligations

[Buyer to populate]

CONFIDENTIAL C-CNT-PMH-021138

Schedule 2.2(g)
Excluded Contracts

The following Seller Global Contracts:

1. Software License and Services Agreement, dated February 23, 2018, by and between 3M Health Information Systems, Inc. and Prospect Medical Holdings, Inc.

2. Master Purchasing Agreement, dated June 24, 2019, by and between Prospect Medical Holdings, Inc. and API Healthcare Corporation.

3. Addendum No. 2 to Master Purchasing Agreement, dated December 4, 2019, by and between Prospect Medical Holdings, Inc. and API Healthcare Corporation.

4. Addendum No. 3 to Master Purchasing Agreement, dated June 30, 2020, by and between Prospect Medical Holdings, Inc. and API Healthcare Corporation, and all attachments thereto.

5. Addendum No. 4 to Master Purchasing Agreement, dated June 30, 2020, by and between Prospect Medical Holdings, Inc. and API Healthcare Corporation.

6. Addendum No. 5 to Master Purchasing Agreement, dated August 19, 2020, by and between Prospect Medical Holdings, Inc. and API Healthcare Corporation.

7. Addendum No. 6 to Master Purchasing Agreement, dated November 4, 2020, by and between Prospect Medical Holdings, Inc. and API Healthcare Corporation.

8. Addendum No. 9 to Master Purchasing Agreement, dated March 10, 2021, by and between Prospect Medical Holdings, Inc. and API Healthcare Corporation.

9. Elsevier Master Agreement, dated December 22, 2017, by and between Prospect Medical Holdings, Inc. and Elsevier Inc.

10. Amendment 1 to the Elsevier Master Agreement, dated December 2, 2020, by and between Prospect Medical Holdings, Inc. and Elsevier Inc.

11. Schedule 3 Product Specific Terms to the Elsevier Master Agreement, dated December 31, 2020, by and between Prospect Medical Holdings, Inc. and Elsevier Inc.

12. Add Product, Delete Product, Add Location and Renewal Amendment to the Master Customer Agreement, dated March 31, 2021, by and between Experian Health, Inc. and a wholly owned subsidiary of Prospect Medical Holdings, Inc., Alta Hospitals System.

13. Master Purchase Agreement, dated July 6, 2015, by and between Prospect Medical Holdings, Inc and FairWarning Services, LLC.

14. Renewal Order Form: Support & Maintenance Services, dated September 23, 2021, by and between Prospect Medical Holdings, Inc and FairWarning Services, LLC.

15. Renewal Order Form: Managed Privacy Services, dated September 23, 2021, by and between Prospect Medical Holdings, Inc and FairWarning Services, LLC.

16. Master Services Agreement, dated February 13, 2018, by and between Prospect Medical Holdings, Inc. and Infinite Computer Solutions Inc.

17. Statement of Work, dated February 25, 2019, by and between Prospect Medical Holdings, Inc. and Infinite Computer Solutions Inc.

18. SOW, dated May 1, 2020, by and between Prospect Medical Holdings, Inc and Infinite Computer Solutions.

19. Master Software License and Services Agreement, dated June 14, 2018, by and between Prospect Medical Holdings, Inc and Health Qlix Incorporated.

20. Order#1 Form, dated June 14, 2018, by and between Prospect Medical Holdings, Inc and Health Qlix Incorporated.

21. Order#2 Form, dated April 26, 2020, by and between Prospect Medical Holdings, Inc and Health Qlix Incorporated.

22. Managed Technology Master Services Agreement, dated August 19, 2019, by and between Alta Hospital Systems, LLC and OTRI Corporation, dba EPM.

23. SOW, dated January 8, 2020, by and between Alta Hospitals System, LLC and OTRI Corporation d/b/a EPM.

24. Managed Technology Master Services Agreement, dated August 1, 2021, by and between Prospect Medical Holdings, Inc and OTRI Corporation d/b/a EPM.

25. SOW - Addendum to Master Service Agreement , dated September 22, 2021, by and between Prospect Medical Holdings, Inc and OTRI Corporation d/b/a EPM.

26. SOW - Cerner Implementation Support , dated September 1, 2021, by and between Prospect Medical Holdings, Inc and OTRI Corporation d/b/a EPM.

27. Microsoft Enterprise Services Work Order, dated June 24, 2021, by and between Prospect Medical Holdings, Inc. and Microsoft Corporation.

28. Microsoft Enterprise Services Work Order, dated June 6, 2021, by and between Prospect Medical Holdings, Inc. and Microsoft Corporation.

29. Amendment , dated April 23, 2021, by and between Prospect Medical Holdings, Inc. and Microsoft Corporation.

30. Healthcare Master Agreement, dated __, by and between Nuance Communications, Inc., Alta Hospitals System, LLC, Prospect CharterCARE, LLC, Prospect Hospital Holdings, LLC, Prospect EOGH, Inc., Prospect Crozer, LLC, Prospect ECHN, Inc., and Prospect Waterbury, Inc.

31. Termination Amendment to Online Healthcare Master Agreement Affected Orders, dated October 1, 2021, by and between Nuance Communications, Inc. and Alta Hospital System, LLC, Prospect CharterCARE, LLC, Prospect Crozer, LLC, Prospect Waterbury, Inc., and Prospect ECHN, Inc.

32. Oracle Cloud Services Agreement, dated April 16, 2018, by and between Prospect Medical Holdings, Inc. and Oracle America, Inc.

33. Ordering Document, dated April 16, 2018, by and between Prospect Medical Holdings, Inc. and Oracle America, Inc.

34. Ordering Document, dated August 31, 2018, by and between Prospect Medical Holdings, Inc and Oracle America, Inc.

35. Ordering Document, dated September 29, 2020, by and between Prospect Medical Holdings, Inc and Oracle.

36. Oracle Cloud Services Agreement, dated August 29, 2018, by and between Oracle America, Inc. and Prospect Medical Holdings, Inc.

37. Ora Oracle Cloud Services Agreement, dated April 9, 2018, by and between Oracle America, Inc. and Prospect Medical Holdings, Inc.

38. Service Agreement, dated March 10, 2017, by and between Alta Hospitals System, LLC and R4Solutions Inc.

39. SOW, dated February 10, 2017, by and between Prospect Medical Holdings, Inc and R4 Solutions.

40. First Addendum and Amendment to Statement of Work , dated June 1, 2020, by and between Prospect Medical Holdings, Inc and R4 Solutions, Inc.

41. Master SaaS Agreement and Professional Services Statement of Work, dated April 17, 2018, by and between Prospect Medical Holdings, Inc. and VisiQuate, Inc.

42. Adage Master Services Agreement, dated October 25, 2018, by and between Alta Hospitals System, LLC; Prospect CharterCare, LLC; Prospect ECHN, Inc.; Prospect Waterbury, Inc.; Prospect Crozer, LLC and Adage Technologies, Inc.

43. SOW, dated December 21, 2020, by and between Prospect Medical Holdings, Inc. and Adage Technologies, Inc.

44. Global Master Services Agreement, dated December 21, 2020, by and between ADP, Inc. and Prospect Medical Holdings, Inc.

45. MSO Agreement for Athena Services, dated February 24, 2022, by and between AthenaHealth, Inc. and Prospect Medical Holdings, Inc.

46. Order Form, dated August , 2019, by and between Brightree Home Health & Hospice, LLC and Prospect Home Health and Hospice, LLC and its affiliates.

47. Customer Assignment Agreement , dated February 17, 2022, by and among Prospect Medical Holdings, Inc, Alithya Travercent LLC, and Management Health Solutions, Inc.

48. Change Order No. 2, dated February 17, 2021, by and between Alithya Travercent, LLC and Prospect Medical Holdings, Inc.

49. Cerner Sales Order, dated March 4, 2021, by and between Prospect Medical Holdings, Inc. and Cerner Corporation.

50. Amended and Restated Cerner Business Agreement, dated as of December 15, 2017, by and between Cerner Corporation and Prospect Medical Holdings, Inc.

51. Cerner System Schedule No. 14, dated March 27, 2020, by and between Cerner Corporation and Prospect Medical Holdings, Inc.

52. Master Agreement, dated July 18, 2018, by and between Prospect Medical Holdings, Inc. and Change Healthcare Technologies, LLC

53. Order Form, dated July 18, 2018, by and between Prospect Medical Holdings, Inc and Change Healthcare Technologies, LLC

54. Order, dated November 10, 2021, by and between DeliverHealth, LLC and Alta Hospitals System, LLC, Prospect CharterCARE, LLC, Prospect EOGH, Inc., Prospect Crozer, LLC, Prospect ECHN, Inc. and Prospect Waterbury, Inc.

55. Healthcare Master Agreement dated August 1, 2016, and the Choice for Clinical Documentation (Gold)-Encounter by and between Nuance Communications and Alta Hospitals System, LLC, Prospect CharterCARE, LLC, Prospect EOGH, Inc., Prospect Crozer, LLC, Prospect ECHN, Inc. and Prospect Waterbury, Inc., as assigned by Nuance Communications to DeliverHealth, LLC

56. Order Form, dated [June 13, 2022], by and between Prospect Medical Holdings, Inc. for Prospect CharterCARE, LLC and HealthStream, Inc.

57. Order Form, dated [December 1, 2021], by and between Prospect Medical Holdings, Inc. and HealthStream, Inc.

58. Order Form, dated [July 9, 2021], by and between Prospect Medical Holdings, Inc. for Prospect Medical Systems, Inc. and HealthStream, Inc.

59. End-User License Agreement and Business Associate Agreement, dated March 11, 2021, by and between Prospect Medical Holdings, Inc. and Technology Solutions, Inc.

60. Master License Agreement, dated May 1, 2018, by and between Prospect Medical Holdings, Inc. and MCG Health, LLC

61. Master Services Agreement, dated December 1, 2021, by and between Press Ganey Associates, LLC d/b/a Press Ganey Associates, Inc. and Prospect Medical Holdings, Inc.

62. Order Form, dated July 19, 2017, by and between Prospect Medical Holdings, Inc. and RL Solutions.

63. Resuscitation Quality Improvement Program Master Services Agreement, dated April 8, 2021, by and between RQI Partners, LLC and Prospect Medical Holdings, Inc.

64. Sublicense Agreement Abbott i-Stat De Software, dated January 5, 2022, by and between Prospect Medical Holdings, Inc. and TELCOR, Inc.

65. Master Agreement, dated December 21, 2021, by and between Prospect Medical Holdings, Inc. and TELCOR, Inc.

66. Master Software and Services Agreement, dated June 30, 2021, by and between Prospect Medical Holdings, Inc. and UiPath Inc.

67. Professional Services Order Q-261570, dated June 30, 2021, by and between Prospect Medical Holdings, Inc. and UiPath Inc.

68. Master Services Agreement, dated March 31, 2017, by and between Prospect Medical Holdings, Inc. and its subsidiaries and Vitalware, LLC

69. Amendment to Master Services Agreement, dated September 10, 2020, by and between Prospect Medical Holdings and its Subsidiaries and Vitalware, LLC

70. Vitalware Software License and Services Agreement, dated February 23, 2018 and as amended August 1, 2021, between 3M Health Information Systems, Inc. and Prospect Medical Holdings, Inc.

71. Intraoperative Monitoring Services Agreement, dated April 1, 2021, by and between Assue Neuromonitoring, LLC, Alta Hospitals System, LLC, Prospect CharterCARE, LLC, Prospect ECHN, Inc., Prospect Crozer, LLC, Prospect Waterbury, Inc., and Prospect EOGH, Inc.

72. Amendment to the Agreement Number 41413, dated July 6, 2021, by and between Prospect Medical Holdings, Inc. and its subsidiaries listed therein and Abbott Laboratories, Inc.

73. Master Agreement, dated March 18, 2021, by and between Ala Hospital System, LLC, on behalf of its subsidiaries, Prospect Waterbury, Inc. d/b/a Waterbury Hospital, Prospect ECHN, Inc. on behalf of its subsidiaries, Prospect EOGH, Inc. d/b/a Est Orange General Hospital, Prospect Crozer, LLC on behalf of its subsidiaries, Prospect CharterCARE, LLC on behalf of its subsidiaries, and Abbott Rapid DX North America, LLC, as amended by that certain Amendment 2 dated January 4, 2021

74. Customer Assignment Agreement, dated February 17, 2022, by and between Alithya Ranzal LLC and Prospect Medical Holdings, Inc.

75. Agreement, dated November 1, 2020, by and between Altus Spine, Alta Hospitals System, LLC, Prospect CharterCARE LLC, Prospect ECHN, Inc., Prospect Crozer, LLC, Prospect Waterbury, Inc. and Prospect EOGH, Inc.

76. American Red Cross Blood Services Agreement, dated January 1, 2022, by and between Prospect Medical Holdings, Inc. and The American National Red Cross, Biomedical Services

77. Pricing Agreement, dated January 31, 2022, by and between Prospect Medical Holdings, Inc. and Boehringer Laboratories, LLC

78. Amendment to Agreement, dated October 28, 2021, by and between Prospect Medical Holdings, Inc. and Cepheid

79. Product Pricing Agreement, dated March 27, 2019, by and between the wholly owned Subsidiaries of Prospect Medical Holdings including Alta Hospitals System, LLC, Prospect Charter Care, LLC, Prospect ECHN, Inc., Nix Hospitals System, LLY, Prospect Waterbury, Inc., Prospect Crozer, LLC, Prospect EOGH, Inc. and Acumed LLC

80. CAPS IV Services Agreement, dated July 29, 2019, by and between Central Admixture Pharmacy Services, Inc., Alta Hospitals System, LLC, Prospect Charter Care, LLC, Prospect ECHN, Inc., Nix Hospitals System, LLC, Prospect Waterbury, Inc., Prospect Crozer, LLC, and Prospect EOGH, Inc.

81. Radiopharmaceutical Supply Agreement, dated April 12, 2019, by and between Cardinal Health 414, LLC and Prospect Medical Holdings, Inc. on behalf of Prospect Charter Care, LLC, Alta Hospitals System, LLC, Nix Hospitals System, LLY, Prospect Crozer, LLC, Prospect ECHN, Inc., Prospect Waterbury, Inc., and Prospect EOGH, Inc.

82. Agreement, dated __, by and between Veeam Software Corporation and Prospect Medical Holdings, Inc.

83. Quote #11607817, dated September 25, 2018, by and between MoreDirect, Inc. d/b/a Connection, Prospect Medical Holdings, Inc. and Alta Hospitals System LLC

84. Corporate Account Agreement, dated April 1, 2022, by and between CooperSurgical, Inc., Prospect Medical Holdings, Inc., Alta Hospitals System, LLC, Prospect CharterCARE, LLC, Prospect ECHN, Inc., Prospect Crozer, LLC, and Prospect Waterbury, Inc.

85. Local Negotiated Agreement, dated November 29, 2021, by and between Covidien Sales LLC, a Medtronic company, and Prospect Medical Holdings, Inc.

86. Product Pricing Agreement, dated May 31, 2018, by and between CTL Medical Inc., Alta Hospitals System, LLC, Alta Prospect CharterCARE, LLC, Prospect ECHN, Inc., Nix Hospitals System, LLC, Prospect Waterbury, Inc., Prospect Crozer, LLC and Prospect EOGH, Inc.

87. Master Services Agreement, dated November 13, 2018, by and between Patient Pathways, LLC, Total Renal Care, Inc., DaVita Inc., and Prospect Medical Holdings, Inc. and its subsidiaries that have signed a Letter of Participation in the form set forth in Exhibit D to the Master Services Agreement

88. IDN Agreement (DePuy Synthes Trauma), dated November 9, 2022, by and between Johnston & Johnson Health Care Systems, Inc., Alta Hospitals System, LLC, Prospect Charter Care, LLC, Prospect ECHN, Inc., Prospect Crozer, LLC, Prospect Waterbury, Inc., and Alta Newport Hospital, Inc.

89. IDN Agreement (DePuy Synthes Mitek Sports Medicine), effective as of August 16, 2019, by and between Johnson & Johnson Health Care Systems Inc., Alta Hospitals System, LLC, Prospect CharterCare, LLC, Prospect ECHN, Inc., Prospect Crozer, LLC, Prospect Waterbury, Inc. and Prospect EOGH, Inc., as amended by that certain Amendment to IDN Agreement, effective January 23, 2020

90. IDN Agreement (DePuy Synthes Joint Reconstruction), dated May 20, 2022, by and between Johnson & Johnson Health Care Systems, Inc. and the wholly or partially owned subsidiaries of Prospect Medical Holdings, Inc. listed on the signature page thereto

91. Service Agreement, dated November 7, 2015, by and between Prospect CharterCARE, LLC d/b/a CharterCare Health Partners and Compass Group USA, Inc., as amended by that certain Amendment effective as of July 1, 2019

92. Sales Pricing Agreement, dated May 23, 2022, by and between Endologix LLC, Alta Hospitals System, LLC, Prospect CharterCARE, LLC, Prospect ECHN, Inc., Prospect Crozer, LLC and Prospect Waterbury, Inc.

93. Proposal # 90825, dated February 17, 2021, by and between Express Badging Services, Inc. and Prospect Medical Holdings, Inc.

94. Vizient GPO Letter Agreement, dated February 14, 2022, by and between Fisher Healthcare, an unincorporated division of Fisher Scientific Company LLC and Prospect Medical Holdings Inc.

95. IDN Agreement, dated June 28, 2022, by and between Johnson & Johnson Health Care Systems Inc., Alta Hospitals System, LLC, Prospect CharterCare, LLC, Prospect ECHN, Inc., Prospect Crozer, LLC and Prospect Waterbury, Inc.

96. Pricing Agreement, dated July 26, 2022, by and between W.L. Gore & Associates, Alta Hospitals System, LLC, Prospect CharterCARE, LLC, Prospect ECHN, Inc., Prospect Crozer, LLC and Prospect Waterbury, Inc.

97. Product Pricing Agreement, dated December 21, 2018, by and between Encore Medical LP, d/b/a DJO Surgical, Alta Hospitals System, LLC, Prospect Charter Care, LLC, Prospect ECHN, Inc., Nix Hospitals System, LLC, Prospect Waterbury, Inc., Prospect Crozer, LLC and Prospect EOGH, Inc.

98. Acute Care Letter of Commitment, dated September 26, 2016, by and between Johnson & Johnson Health Care System Inc. and Roger Williams Medical Center, pursuant to that certain Agreement, dated January 1, 2013, by and between Johnson & Johnson Health Care System Inc. and MedAssets Performance Management Solutions

99. Authorization to Provide Services, dated December 23, 2016, by and between Healogics, Inc. and Prospect Chartercare SJHSRI, LLC d/b/a Our Lady of Fatima Hospital

100. Reference Laboratory Services Agreement, effective as of July 1, 2020, by and between Mayo Collaborative Services, LLC d/b/a Mayo Clinic Laboratories, Alta Hospitals System, LLC, Prospect ECHN, Inc., Prospect Waterbury, Inc., Prospect CharterCare, LLC, Prospect Crozer, LLC and Prospect EOGH, Inc.

101. Medtronic Purchase Agreement, dated July 5, 2019, by and between Medtronic Sofamor Danek USA, Inc., Alta Hospitals System, LLC, Prospect CharterCare, LLC, Prospect ECHN, Inc., Nix Hospitals System, LLY, Prospect Waterbury, Inc., Prospect Crozer, LLC and Prospect EOGH, Inc.

102. Sale & Pricing Agreement, dated October 4, 2021, by and between Heraeus Medical LLC, Alta Hospitals Systems, LLC, Prospect Charter Care, LLC, Prospect ECHN, Inc., Prospect Waterbury, Inc., Prospect EOGH, Inc. and Prospect Crozer, LLC

103. Pricing Agreement, dated November 22, 2019, by and between Inspire Medical Systems, Inc., Alta Hospitals System, LLC, Prospect CharterCARE, LLC, Prospect ECHN, Inc., Prospect Crozer, LLC and Prospect Waterbury, Inc., as amended by that certain Amendment to Pricing Agreement dated May 26, 2022.

104. Master Services Agreement, dated August 1, 2020, by and between Iron Mountain Information Management, LLC, Alta Hospitals System, LLC, Prospect CharterCARE, LLC, Prospect ECHN, Inc., Nix Hospitals System, LLC, Prospect Waterbury, Inc., Prospect Crozer, LLC, and Prospect EOGH, Inc.

105. Affiliate/Multi-Location Agreement, dated March 30, 2022, by and between Iron Mountain Information Management, LLC and Prospect Medical Holdings, Inc.

106. Amendment One to Masimo Deferred Equipment Agreement, dated September 28, 2018, by and between Masimo Americas, Inc. and Prospect Medical Holdings, Inc.

107. Supply Agreement, dated September 10, 2020, by and between McKesson Corporation, McKesson Plasma and Biologics LLC, Prospect Medical Holdings, Inc., Alta Hospitals System, LLC, Prospect Chartercare, LLC, Prospect Crozer, LLC, Prospect Waterbury, Inc., Prospect ECHN, Inc. and Prospect EOGH, Inc.

108. Amendment to Product Sale Agreement, dated August 31, 2021, by and between Medtronic USA, Inc., Prospect Medical Holdings, Inc., Alta hospitals System, LLC, Prospect CharterCARE, LLC, Prospect ECHN, Inc., Prospect Crozer, LLC, Prospect Waterbury, Inc. and Prospect EOGH, Inc.

109. IDN Agreement, effective as of March 26, 2019, by and between Mentor Worldwide LLC, Alta Hospitals System, LLC, Prospect Charter Care LLC, Prospect ECHN, Inc., Nix Hospitals System, LLC, Prospect Waterbury, Inc., Prospect Crozer, LLC and Prospect EOGH, Inc, as amended by that certain Amendment to IDN Agreement effective as of September 6, 2019.

110. Product Pricing Agreement, dated February 28, 2022, Howmedica Osteonics Corp, acting through its Orthopaedics Division, Tornier, Inc., Prospect Medical Holdings, Inc., Alta Hospitals System, LLC, Prospect ECHN, Inc., Prospect Waterbury, Inc., Prospect CharterCARE, LLC and Prospect Crozer, LLC

111. Product Pricing Agreement, dated September 2, 2022, Howmedica Osteonics Corp, acting through its Orthopaedics Division, Wright Medical Technology, Inc. and Tornier, Inc., Alta Hospitals System, LLC, Prospect ECHN, Inc., Prospect Waterbury, Inc., Prospect CharterCARE, LLC and Prospect Crozer, LLC

112. Amendment to the Product Pricing Agreement, dated December 21, 2021, by and between Howmedica Osteonics Corp., acting through its Spine Division and K2M, Inc., Alta Hospitals System, LLC, Prospect CharterCare, LLC, Prospect ECHN, Inc., Prospect Crozer, LLC, Prospect Waterbury, Inc. and Prospect EOGH, Inc.

113. Addendum to Corporate Purchasing Agreement, dated January 1, 2020, by and between Prospect Medical Holdings, Inc. and W.B. Mason Co., Inc.

114. Amendment to Statement of Work, dated April 1, 2020, by and between Vizient, Inc. and Prospect Medical Holdings, Inc., pursuant to that certain Master Services Agreement dated January 1, 2018, that certain Vizient Group Purchasing Program Custom Services Statement of Work dated January 1, 2018 and those certain Vizient Savings Actualyzer (VSA) – Supplies with Benchmarking, VSA Pharmacy, VSA Capital, Transaction Management, and eCommerce Exchange statement of works dated January 1, 2018

115. Order/Amendment Form # 7 to Emergency Care Institute d/b/a ECRI Master Membership Agreement, dated September 2, 2021, by and between Emergency Care Research Institute d/b/a ERCI and Prospect Medical Holdings, Inc.

116. Order/Amendment Form # 6 to Emergency Care Institute d/b/a ECRI Master Membership Agreement, dated September 2, 2021, by and between Emergency Care Research Institute d/b/a ERCI and Prospect Medical Holdings, Inc.

117. Order/Amendment Form # 5 to Emergency Care Institute d/b/a ECRI Master Membership Agreement, dated September 2, 2021, by and between Emergency Care Research Institute d/b/a ERCI and Prospect Medical Holdings, Inc.

118. Vizient Member Local Agreement, dated January 27, 2022, by and between Musculoskeletal Transplant Foundation, Inc., Prospect Medical Holdings, Inc., Alta Hospitals System, LLC, Prospect CharterCARE, LLC, Prospect ECHN, Inc., Prospect Crozer, LLC, Prospect Waterbury, Inc. and Prospect EOGH, Inc., pursuant to that certain Vizient Contract MS4868 by and between Vizient and Prospect Medical Holdings, Inc.

119. Master Laboratory Services Agreement, dated May 22, 2019, by and between NeoGenomics Laboratories, Inc., Alta Hospitals System, LLC, Prospect CharterCARE, LLC, Prospect ECHN, Inc., Prospect Waterbury, Inc., Prospect Crozer, LLC, Prospect EOGH, Inc. and Nix Hospitals System, LLC

120. Glucometer and Strip Pricing Agreement, dated January 4, 2021, by and between Nova Biomedical Corporation, Alta Hospitals System, LLC, Prospect CharterCARE, LLC, Prospect ECHN, Inc. and Prospect Waterbury, Inc.

121. Master Products and Pricing Agreement, dated January 24, 2022, by and between Smith & Nephew, Inc., Alta Hospitals System, LLC, Prospect CharterCARE, LLC, Prospect ECHN, Inc., Prospect Crozer, LLC and Prospect Waterbury, Inc.

122. Service Order, dated October 19, 2021, by and between Charter Communications Operating, LLC and Prospect Medical Holdings, Inc.

123. Master Service Agreement, dated June 1, 2019, by and between Stericycle, Inc. and, for themselves and on behalf of any of their operating facilities, Alta Hospitals System, LLC, Nix Hospitals System, LLC, Prospect ECHN, Inc., Prospect Waterbury, Inc., Prospect Crozer, LLC, Prospect CharterCARE, LLC, and Prospect EOGH, Inc.

124. Product Pricing Agreement, dated February 26, 2019, by and between Zimmer US, Inc. d/b/a Zimmer Biomet, Alta Hospitals System, LLC, Prospect Charter Care, LLC, Prospect ECHN, Inc., Nix Hospitals System, LLC, Prospect Waterbury, Inc., Prospect Crozer, LLC and Prospect EOGH, Inc.

125. Zimmer Biomet Spine Price List, dated September 22, 2021, by and between Zimmer Biomet Corporation, Alta Hospitals System, LLC, Prospect CharterCare, LLC, Prospect ECHN, Inc., Prospect Crozer, LLC, Prospect Waterbury, Inc. and Prospect EOGH, Inc.

126. SoftTech Health LabDMS System Agreement and Appendix A: SoftTech Health Purchase Agreement, dated March 16, 2022, by and between SofTech Health, LLC, Prospect Medical Holdings, Inc., Alta Hospitals System, LLC, Prospect Chartercare, LLC, Prospect Waterbury, Inc. and Prospect ECHN, Inc.

127. Pharmacy Network Services Statement of Work, effective January 1, 2021, by and between Vizient, Inc. and Mid-Atlantic Purchasing Coalition, pursuant to that certain Master Custom/Consulting Services Agreement between Vizient and each Participating Member

128. IDN Master Agreement, dated March 1, 2019, by and between Siemens Healthcare Diagnostics, Inc. and Prospect Medical Holdings, Inc.

129. Contract with SNOW re IT Service Management Softwar

130. Contract with Episerver re website design

131. [Healthcare Information System Software Agreement, dated March 2, 2001, between Prospect Medical Holdings, Inc. and Medical Information Technology, Inc.

132. [Healthcare Information System Software Agreement, dated September 30, 2005, between Prospect Medical Holdings, Inc. and Medical Information Technology, Inc.]

Schedule 2.2(l)
Excluded Pharmaceuticals

None.

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Schedule 2.2(u)
Excluded Inventory

[Prospect to provide prior to Closing.]

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Schedule 2.2(v)
Excluded Permits

ENTITY	LICENSE	LICENSE NO.
Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center	Hospital Facility License	HOS00133 HOS00133-01
	Hospital Facility License	HOS00133-02
	Hospital Facility License	HOS00133-04
	Hospital Facility License	HOS00133-05
	Hospital Bed License	BED00009
	Rhode Island Medicaid	10133342014
	Pharmacy – Institutional	PHB00044
	Pharmacy – Institutional	PHB00045
	Pharmacy – Institutional	PHB00046
	Radiology Facility	RAD0255
	Radiology Facility	HRF0022
	CLIA Certificate	41D0663777
	CLIA Certificate	41D0869896
	CLIA Certificate	41D0943703
	DEA License	FR4639843
	DEA License	FR4639829
	State Controlled Substance Registration	PHB00044
	State Controlled Substance License	CMC 00042
	CSR – Pharmacy Institutional	CPHB00044 CPHB00045
	Food Business License	FSV30239
RWMC East Providence Cancer Center	DEA License	FR4639879
Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital	Hospital Bed License	HOS00132
	Hospital Facility License (d/b/a Fatima Would Care Group)	HOS00132-07
	Hospital Bed License	HOS00132-02
	Hospital Bed License (d/b/a CharterCARE Ancillary Services and Fatima Hospital Radiology)	HOS00132-03
	Hospital Bed Licenses (d/b/a Fatima Hospital Out Patient Rehab)	HOS00132-04
	Hospital Bed License (249 Roosevelt Ave)	HOS00132-005
	Hospital Bed License d/b/a St. Joseph Dental Associates	HOS00132-06
	Physician Hospital Beds	BED00011
	Pharmacy – Institutional	PHB00047
	CSR Pharmacy – Institutional	CPHB00047
	Hospital Radiology Facility	HRF0021
	Dental X-Ray Facility	DEF0832
	Dental X-Ray Facility	DEF0828
	Dental X-Ray Facility	DEF0829
	Rhode Island Medicaid	1871918870
	Food Business License	FSV30270

ENTITY	LICENSE	LICENSE NO.
	DEA License	FO4639805
Prospect CharterCARE Home Health and Hospice, LLC,	Home Nursing Care Provider/Home Care Provider License	HNC02373
	Rhode Island Medicaid	1811402100
Prospect CharterCARE Ancillary Services, LLC	Phlebotomy Station	LS00745 PLS000653 PLS000652 PLS000669 PLS000685 PLS000654 PLS000649 PLS000666 PLS000678 PLS000745 PLS00708 PLS00723
Prospect CharterCARE Physicians LLC	CLIA Waiver	CLIA ID 41D2117327 CLIA ID 41D0695381 CLIA ID 41D0082353 CLIA ID 41D0082313 CLIA ID 41D0083976 CLIA ID 41D0083233 CLIA ID 41D2070648
	Rhode Island Medicaid	1624943135
CharterCARE Laboratory Services	Phlebotomy Station	PLS00653 PLS00655 PLS00652 PLS00662 PLS00656 PLS00683 PLS00649 PLS00672 PLS00671 PLS00664 PLS00659 PLS00685 PLS00666 PLS00669 PLS00670 PLS00665 PLS00673 PLS00674

ENTITY	LICENSE	LICENSE NO.
		PLS00660 PLS00675 PLS00663 PLS00647 PLS00687 PLS00650 PLS00679
	Clinical Laboratory- In State	LCI00840
	CLIA Waiver	41D2041970 41D2076767
Prospect Blackstone Valley Surgicare, LLC	Freestanding Ambulatory Surgical Center (FASC)	FAS01032
	Rhode Island Medicaid	1457898215
CharterCare Sleep Disorders Center	Organized Ambulatory Care Facility	ACF01620

Schedule 2.2(z)
Retained Employees

[Prospect to populate]

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Schedule 2.2(dd)
Excluded Owned Real Property and Leased Real Property

1. Office Lease, dated September 12, 2017, by and between 1301 Atwood LLC, a Delaware limited liability company and Prospect Medical Systems, Inc., a Delaware corporation.

Schedule 2.2(ee)
Specifically Excluded Assets

1. All Patents referenced on Schedule 3.16(a) are incorporated herein.

2. The following trade names:

Trade Name	Owner
CRCG	Prospect Coordinated Regional Care Group, Inc.
Prospect ACO Rhode Island	Prospect Health Services RI, Inc.
Prospect Provider Group RI, LLC	Prospect Provider Group RI, LLC
Prospect	Seller and all Selling Entities

Schedule 2.3(d)
Retained PTO

None.

Schedule 2.3(i)
Specifically Assumed Liabilities

None.

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Schedule 2.6(c)
Closing Net Working Capital Principles

[Prospect to provide prior to Closing,]

Schedule 3.1(a)
State of Formation/Incorporation

Selling Entity	State of Formation/Incorporation
Prospect Medical Holdings, Inc.	Delaware
Prospect CharterCARE, LLC	Rhode Island
Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center	Rhode Island
Prospect RI Home Health and Hospice, LLC	Rhode Island
Prospect CharterCARE Home Health and Hospice, LLC	Rhode Island
New University Medical Group, LLC d/b/a University Medical Group	Rhode Island
Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital	Rhode Island
Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates	Rhode Island
Prospect CharterCARE Ancillary Services, LLC	Rhode Island
Prospect Blackstone Valley Surgicare, LLC	Rhode Island

Schedule 3.1(b)(ii)
Governmental and Third Party Consents

(A) Governmental Authority Consents:

1. The Transaction requires Hospital Conversion Act ("HCA") approval by the Rhode Island Attorney General and Department of Health for the Hospital Facility Licenses and Hospital Bed Licenses for Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center and Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital. The HCA application should be filed at least 280 days prior to Closing.
2. A Change in Effective Control Application must be submitted to the Rhode Island Department of Health Center for Health Systems Policy and Regulation for Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center's hospital facility licenses and hospital bed licenses at least 120-days prior to closing.
3. A Change in Effective Control Application must be submitted to the Rhode Island Department of Health Center for Health Systems Policy and Regulation for Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima's hospital facility licenses and hospital bed licenses at least 120-days prior to closing.
4. A Change in Effective Control Application must be submitted to the Rhode Island Department of Health Center for Health Systems Policy and Regulation for Prospect Blackstone Valley Surgicare, LLC's Freestanding Ambulatory Surgical Center license at least 120-days prior to Closing.[2]
5. A Change in Effective Control Application must be submitted to Rhode Island Department of Health Center for Health Systems Policy and Regulation for the home nursing care provider license for Prospect CharterCARE Home Health and Hospice, LLC at least 120-days prior to Closing.[3]
6. A Change in Effective Control Application must be submitted to Rhode Island Department of Health Center for Health Systems Policy and Regulation for CharterCARE Sleep Disorder Center's Organized Ambulatory Care Facility license at least 120-days prior to Closing.
7. For the Pharmacy – Institutional licenses held by Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center and Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital, notice must be given to the Rhode Island Department of Health 14-days prior to Closing, in addition to the filing of a new license application at least 60-days prior to Closing.
8. A Form 855A must be submitted to the Centers for Medicare and Medicaid Services ("CMS") for each Medicare enrollment within 30-days of Closing.
9. Notice and a provider enrollment application must be given to the Rhode Island Department of Human Services for each Selling Entity's Medicaid enrollment within 35-days of the change.
10. A new license application must be submitted to the Rhode Island Department of Health for Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center's and Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Radiology Facility's licenses.

[2] The Center for Health Systems Policy and Regulation will have up to 90 days to review the Change in Effective Control Application once the application is accepted for review.
[3] The Center for Health Systems Policy and Regulation will have up to 90 days to review the Change in Effective Control Application once the application is accepted for review.

11. A new application must be submitted to the Rhode Island Dept. of Health for each of Selling Entity's CLIA waiver certificates.
12. A new application must be submitted for each of Selling Entity's DEA licenses.
13. Pursuant to Section 5.9 of the APA, a Power of Attorney must be executed for each of Selling Entity's DEA licenses.
14. Transfer of control applications must be submitted to the Rhode Island Radiation Control Program for the Selling Entity's radiology and x-ray licenses at least 30-days prior to Closing.
15. The applicable Selling Entity must notify the Rhode Island Dept. of Environmental Management, Office of Waste Management (the "DEM") within 7 days of a change of ownership for the Underground Storage Tank Facility, Certificate of Registration and Buyer must submit a "Transfer of Ownership and UST Registration" to the DEM within 7 days of assuming ownership.
16. A revised permit application must be submitted to the [Environmental Protection Agency] for Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center's Hazardous Waste Registration must be submitted by the new owner at least 90 days prior to Closing.
17. Upon Closing, notice must be provided to the Rhode Island Dept. of Labor and Training, Division of Workforce Regulation and Safety, Occupational Safety Unit for Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center's and Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital's Certificates of Boiler Inspection.
18. A new application must be submitted to Rhode Island's Office of Food Protection for Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center's and Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital's Food Business Licenses at least 30 days prior to Closing.[4]
19. Notice must be provided to the Narragansett Bay Commission for Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center's and Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital's Wastewater Discharge Permit at least 90 days prior to Closing.
20. A transfer of control application must be submitted to the Rhode Island Radiation Control Agency for Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital's Dental X-Ray Facility license as soon as possible prior to Closing.
21. A new application must be submitted to the Rhode Island Dept. of Health for Prospect CharterCARE Ancillary Services, LLC's and CharterCARE Laboratory Services' Clinical Laboratory – In State and Phlebotomy Station license at least 30 days prior to Closing.
    A transfer of control application must be submitted to the Rhode Island Dept. of Health for Roger Williams Medical Center's and Prospect CharterCARE SJHSRI, LLS d/b/a Our Lady of Fatima's radioactive material licenses within 30 days after Closing.

(B) Other Third Party Consents:

[4] Note to Draft: There is no requirement that a new application be submitted at the time of closing, but the regulator suggested to submit the application early. We recommend submitting the application at least 30 days prior to Closing.

1. Notice to the Accreditation Council for Graduate Medical of change in the organization of Roger Williams Medical Center, for Program Nos. 4464344001, 1554321120, 1404331401, 0814308067, 1494331043 and 1504331028.

2. The MPT Real Property Asset Purchase Agreement.

3. The MPT Restructuring Agreement.

[In progress. SM populating schedule based on contracts currently in Data Room. Subject to change based on receipt of full list from Prospect.]

Schedule 3.1(b)(iii)
Material Breach of Assumed Contracts

None.

Schedule 3.3(a)
Title to Assets

None.

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Schedule 3.3(b)
Debt Financing Affecting Purchased Assets[5]

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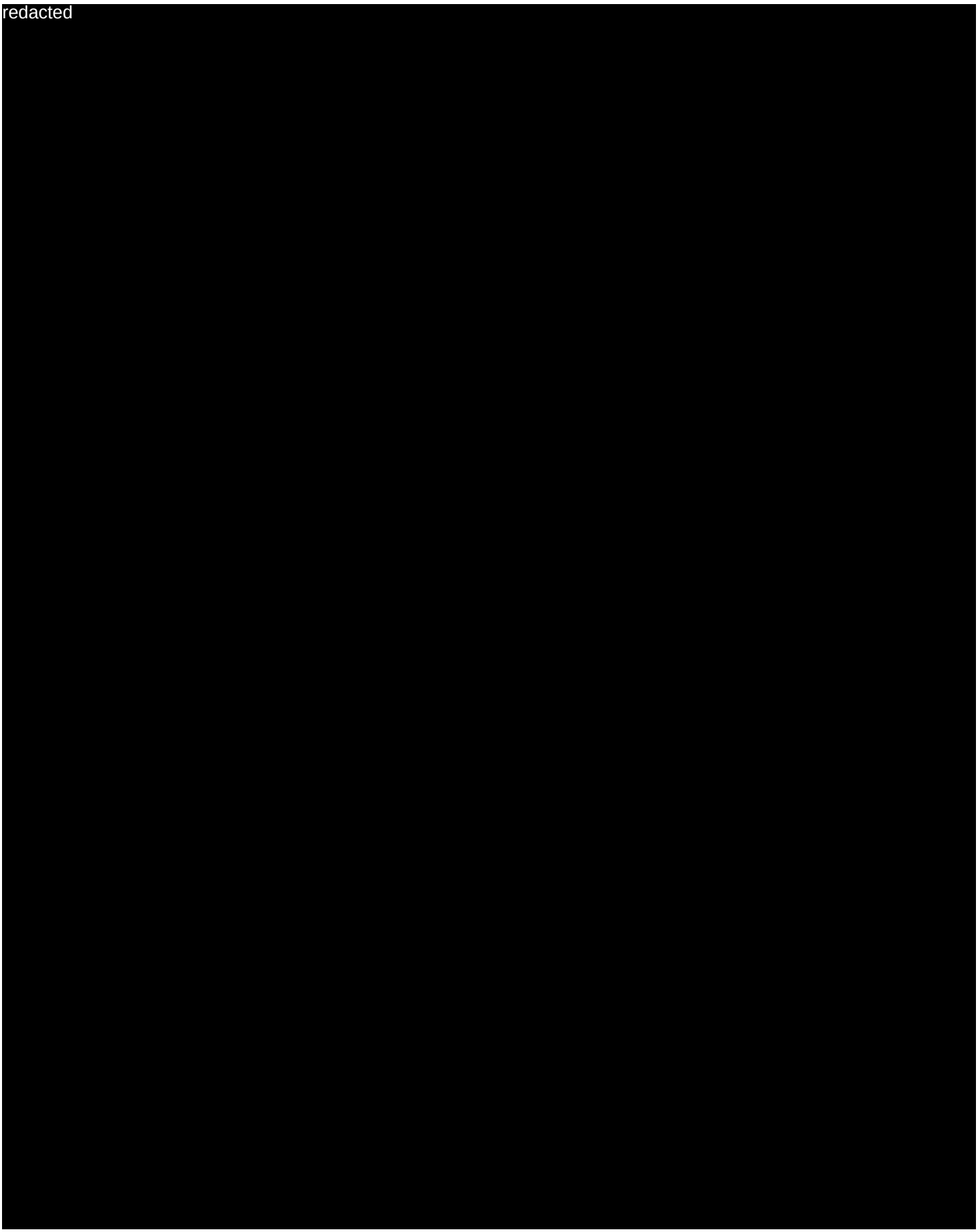

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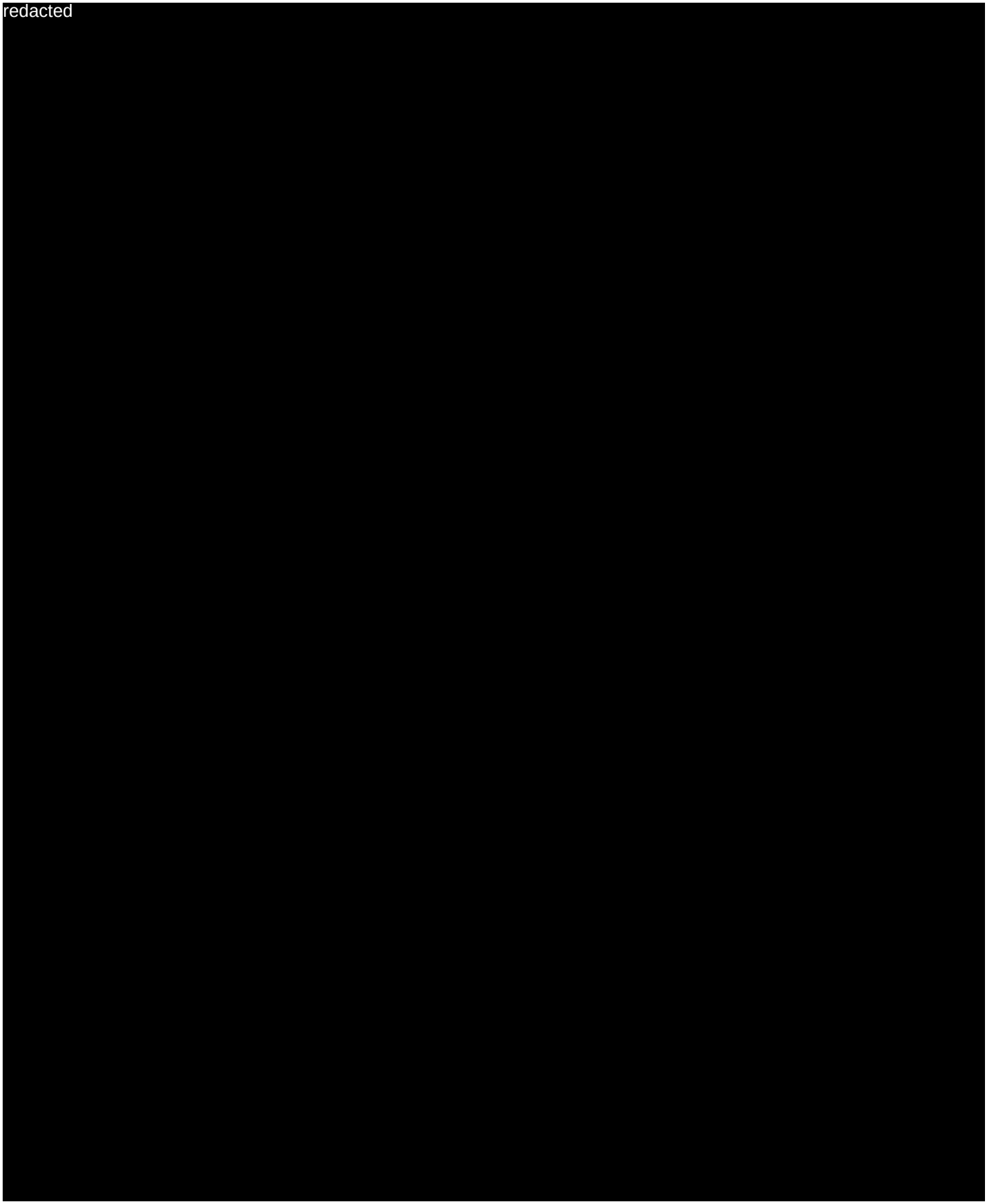

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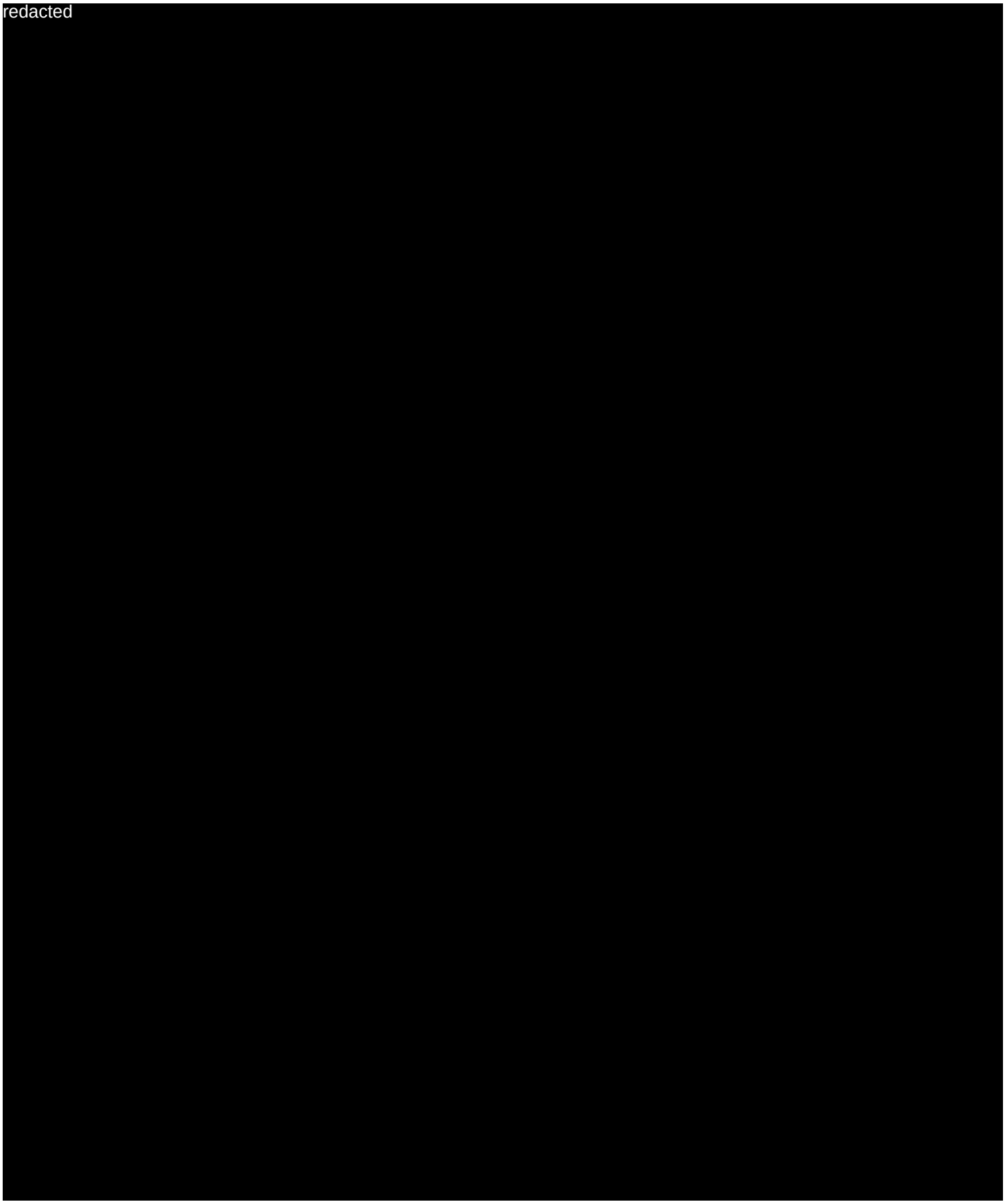

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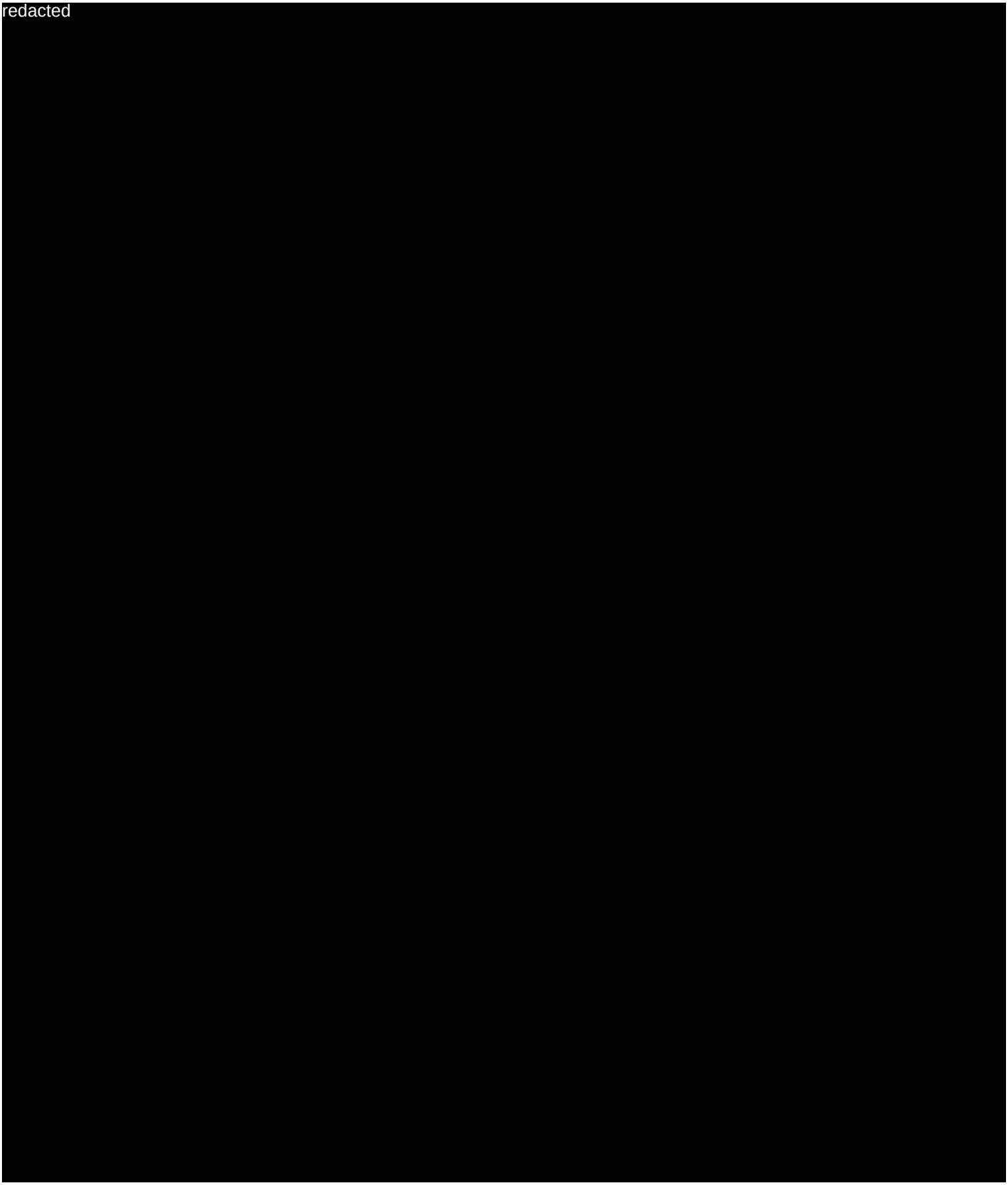

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Schedule 3.3(c)
Leased Real Property

Selling Entity Lessee/Lessor	Address	City	State	Description of Lease Documents
Prospect CharterCARE Physicians, LLC	466 Putman Plaza Unit 10	Smithfield	RI	Commercial Lease dated July 13, 2015 between 466 Putnam Plaza, LLC (Lessor) and Prospect CharterCare Physicians, LLC (Lessee) for 466 Putnam Pike, Unit 10, Smithfield, RI, as extended by that Commercial Lease Summary dated June 1, 2021. (Doc. 13.14.1.62-1, Doc. 13.14.7-47)
Prospect CharterCare Ancillary Services, LLC	1524 Atwood Ave Suite 345	Johnston	RI	Agreement of Lease dated November 15, 2021 between Atwood Medical Health Services, LLC (Landlord) and Prospect CharterCARE Ancillary Services, LLC d/b/a CharterCARE Ancillary Services for 1524 Atwood Ave., Suite 345, Johnston, RI (Doc. 13.14.7-16)
University Medical Group	1407 South County Trail	East Greenwich	RI	Office Lease Agreement dated July 17, 2012 between Valley Place Office Park, LLC (Landlord) and University Medical Group (Tenant) for 1407 South County Trail, East Greenwich, RI. (Doc. 13.14.7-36)[6]
Prospect CharterCare, LLC	1180 Hope Street	Bristol	RI	Monthly Rental Summary dated January 2016 between Medical Associates of Rhode Island, Inc. (Lessor) and Prospect CharterCare, LLC (Lessee), and emails confirming year-to-year term renewals for office and two exam rooms. (Doc. 13.14.1.5-1, -2)
Prospect CharterCARE, LLC	1539 Atwood Avenue	Johnston	RI	Indenture of Lease dated February 9, 2016 between Primary Care

[6] This Lease will not be renewed after its expiration date (Dec. 31, 2022) and it is expected to relocate following execution of a new lease for space at 1351 South County Trail, East Greenwich, RI which is currently being negotiated.

Selling Entity Lessee/Lessor	Address	City	State	Description of Lease Documents
	Suite 201			Associates of Johnston, L.L.C. (Landlord) and Prospect CharterCARE LLC d/b/a CharterCARE Medical Associates (Tenant) for 1539 Atwood Avenue, Suite 201, Johnston, RI. (Doc. 13.14.1.9-1)
[Providence Eye Associates, Inc. / Roger Williams Realty Corporation]	50 Maude Street	Providence	RI	Lease Agreement dated January 1, 2008 between Roger Williams Realty Corporation (Landlord) and Providence Eye Associates, Inc. (Tenant) for 1,200 sf on the first floor in the building at 50 Maude Street, Providence, RI, as amended by that Lease Extension dated January 1, 2013 and that Lease Renewal Amendment dated March 21, 2022 (Doc. 13.14.1.21-1; Doc. 13.14.7-17) Lease dated July 1, 2016 between Prospect CharterCARE RWMC, LLC (Landlord) and Center for Medical Research, LLC (Tenant) for 211 sf (Room 101 on the 1st Floor) at 50 Maude Street, Providence, RI (Doc. 13.14.1.27-1) License dated ___, 2015 between Prospect CharterCARE RWMC, LLC (Licensor) and JPH Holdings, Inc. (Licensee) for use or parking lot adjacent to Smith and Maude Streets (Doc. 13.14.1.13-1, and -2)
Prospect CharterCare RWMC, LLC	50 Maude Street Unit B	Providence	RI	Lease Agreement dated December 22, 2016 between Valley Stream Property, LLC (Landlord) and Prospect CharterCare RWMC, LLC (Tenant) for 50 Maude Street, Unit B, Providence RI. (Doc. 13.14.1.22-1, and -22-1)

Selling Entity Lessee/Lessor	Address	City	State	Description of Lease Documents
Prospect CharterCare Physicians, LLC	725 Reservoir Ave A portion of Unit 6 (4,700 sf)	Cranston	RI	Lease dated July 1, 2016 between Alumni Realty, LLC (Landlord) and Prospect CharterCare, LLC d/b/a CharterCARE Health Partners (Tenant) for 725 Reservoir Ave., portion of Unit 6 [4,700 sf], Cranston, RI, as amended by that Lease Extension to Expiring Lease dated July 1, 2021 between Alumni Realty, LLC (Landlord) and Prospect CharterCare, Physicians, LLC d/b/a CharterCARE Medical Associates (Doc. 13.14.7-22, Doc 13.14.7-15)
Prospect CharterCare Ancillary Services, LLC	725 Reservoir Ave Portion of Unit 6 (1,389 sf)	Cranston	RI	Lease dated July 1, 2016 between Alumni Realty, LLC (Landlord) and Prospect CharterCARE, LLC d/b/a CharterCARE Health Partners for 725 Reservoir Ave., portion of Unit 6, Cranston, RI, as amended by that Lease Extension to Expiring Lease dated July 1, 2021 between Alumni Realty, LLC (Landlord) and Prospect CharterCARE Ancillary Services, LLC d/b/a CharterCARE Ancillary Services (Doc. 13.14.1.30-1, and -2).
[Our Lady of Fatima Ancillary Services, Inc.]	1830 Mineral Spring Ave	North Providence	RI	Indenture of Lease dated January 31, 2014 by Branting, LLC (Lessor) and Our Lady of Fatima Ancillary Services, Inc. (Lessee) for a portion of 1830 Mineral Spring Avenue, North Providence, RI.
[St. Joseph Health Services of Rhode Island]	1840 Mineral Spring Ave	North Providence	RI	Indenture of Lease dated January 31, 2014 by Branting, LLC (Lessor) and St. Joseph Health Services of Rhode Island. (Lessee) for a portion of 1840 Mineral Spring Avenue, North Providence, RI

Selling Entity Lessee/Lessor	Address	City	State	Description of Lease Documents
Prospect CharterCare RWMC, LLC	100 Kenyon Ave	Wakefield	RI	Session Agreement dated July 1, 2015, by and between South County Hospital Healthcare System (landlord), and Prospect Charger Care RWMC, LLC d/b/a Roger Williams Medical Center for 2 exam rooms for 2, 4 hour rental sessions per month at 100 Kenyon Ave. (Timeshare – Doc. 13.14.1.40)
Prospect CharterCare RWMC, LLC	100 Kenyon Ave	Wakefield	RI	Session Agreement dated February 12, 2018, by and between South County Health, and Prospect Charger Care RWMC, LLC d/b/a Roger Williams Medical Center for 2 exam rooms for 2, 4 hour rental sessions per month at 100 Kenyon Ave. (Timeshare – Doc. 13.14.1.39)
Prospect CharterCare Physicians, LLC	1524 Atwood Ave LL6	Johnston	RI	Agreement of Lease executed May 2016 between Atwood Medical Health Services, LLC (Landlord) and Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates (Tenant) for 1524 Atwood Avenue, Unit LL6, Johnston, RI
Prospect CharterCare Ancillary Services, LLC	226 Buttonwoods Avenue	Warwick	RI	Ancillary Services and Lease Agreement undated between Comprehensive Community Action Program, Inc. d/b/a Family Health Services (Practice) and Prospect CharterCARE Ancillary Services, LLC d/b/a CharterCARE Ancillary Services (Provider) for 1090 Cranston Street, Cranston, RI, 191 MacArthur Boulevard, Coventry, RI, and 226 Buttonwoods Avenue, Warwick, RI (Doc. 13.14.1.43-1)

Selling Entity Lessee/Lessor	Address	City	State	Description of Lease Documents
Prospect CharterCare Physicians, LLC / Our Lady of Fatima	387 Waterman Avenue	East Providence	RI	Medical Office Space Lease (Full-Time) dated October 18, 2020 by and between 387 Waterman, LLC (assigned from Anthony Rocha, M.D.) (Landlord) and Prospect CharterCare Physicians LLC (Tenant) for 387 Waterman Avenue, as amended by that certain letter dated November 14, 2022 from Susana Chan, OD of Proprio Property, LLC to ChaterCare. (Doc 13.14.1.44) Phelmbotomy and Lease Agreement dated January 2014 by and between Anthony Roca, MD (Landlord) and Our Lady of Fatima (Tenant) for 387 Waterman Avenue (Doc 13.14.1.45)
Our Lady of Fatima Ancillary Services, Inc.	775 Centre of New England	West Greenwich	RI	Indenture of Lease dated January 31, 2014 between GRACECO, LLC (Lessor) and Our Lady of Fatima Ancillary Services, Inc. (Lessee) for 775 Centre of New England Blvd., West Greenwich, RI (Doc. 13.14.1.46-1).
Prospect CharterCare Ancillary Services, LLC	1637 Mineral Springs Avenue	North Providence	RI	Lease dated September 15, 2011 between North Providence Medical Services, Inc. (Landlord) and Elmhurst Health Associates, Inc. (Tenant) for 1637 Mineral Springs Ave., portion of the 2nd floor, North Providence, RI, as amended by that certain First Amendment to Lease dated October 1, 2014 between North Providence Medical Realty Associates, LLC (Landlord) and Prospect CharterCare Ancillary Services, LLC d/b/a CharterCARE Laboratory Services (Tenant) and that certain Second Amendment to

Selling Entity Lessee/Lessor	Address	City	State	Description of Lease Documents
				Lease dated December 23, 2019 between Riyansh Realty, LLC (Landlord) and Prospect CharterCare Ancillary Services, LLC d/b/a CharterCARE Laboratory Services (Tenant). (Doc. 13.14.7-40, -41, -12).
Prospect CharterCare Physicians, LLC	1 Office Parkway	East Providence	RI	Lease dated June 29, 2012 by Penny & Vincent's Enterprises, LLC (Landlord) and Roger Williams Medical Associates, Inc. for One Office Parkway, East Providence, RI, as amended by that certain Lease Renewal Agreement dated May 31, 2016 by Landlord and Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates (Tenant), as further amended by that certain Lease Renewal Second Amendment dated November 1, 2021. (Doc. 13.14.1.53) [7]
[Prospect CharterCare Physicians, LLC]	6 Blackstone Valley Place Suite 502	Lincoln	RI	Lease dated May 1, 2014 between Rhode Island Medical Realty, LLC (Landlord) and Roger Williams Medical Associates, Inc. (Tenant) for the entirety of Suite 502 of 6 Blackstone Valley Place, Lincoln, RI (Doc. 13.14.1.60-1) [*Subject to:* Suite Sublease Agreement dated ___ between George M. Moniz, D.P.M (Sublessee) and Prospect CharterCARE Physicians, LLC (Sublessor) for a portion of Suite 502 at 6 Blackstone Valley Place, Lincoln RI. (Timeshare) (Doc. 13.14.1.57-1 and .59-1)]

[7] This Lease will not be renewed after its expiration date (Dec. 31, 2022).

Selling Entity Lessee/Lessor	Address	City	State	Description of Lease Documents
Prospect CharterCARE SJHSRI, LLC	21 Peace Street	Providence	RI	Lease dated December 28, 2016 by 21 Peace Street, LLC (Landlord) and Prospect CharterCARE SJHSRI, LLC (Tenant) for space on Floors 1-5 of the West Building and parking lots at 21 Peace Street, Providence, RI (Doc.13.14.1.73-2), as amended by that Letter dated February 16, 2017 from Landlord (Doc. 13.14.1.73-1) *Subject to:* Agreement for Lease of Office Space and Personnel dated October 1, 2015 by Prospect CharterCARE SJHSRI, LLC (Landlord) and Federal Hill House Association (Tenant) for 21 Peace Street, First Floor, Providence, RI (Doc. 13.14.1.14-1) Lease dated August 1, 2015 by Prospect CharterCare SJHSRI, LLC d/b/a St. Joseph Health Center (Landlord) and Riverwood Mental Health Services (Tenant) for 21 Peace Street, Second Floor, Providence, RI (Doc.13.14.1.16-2) as amended by that certain First Amendment dated April 15, 2016 (13.14.1.16-1)
Prospect CharterCare Ancillary Services, LLC	191 MacArthur Boulevard	Coventry	RI	Ancillary Services and Lease Agreement undated between Comprehensive Community Action Program, Inc. d/b/a Family Health Services (Practice) and Prospect CharterCARE Ancillary Services, LLC d/b/a CharterCARE Ancillary Services (Provider) for 1090 Cranston Street, Cranston, RI, 191

Selling Entity Lessee/Lessor	Address	City	State	Description of Lease Documents
				MacArthur Boulevard, Coventry, RI, and 226 Buttonwoods Avenue, Warwick, RI (Doc. 13.14.1.76-1)
[Our Lady of Fatima Ancillary Services, Inc.]	673/677 Atwood Avenue	Cranston	RI	Phlebotomy and Lease Agreement dated May 1, 2013 between Monica Realty, LLC (Landlord) and Our Lady of Fatima Ancillary Services, Inc. (Tenant) for 673/677 Atwood Avenue, Cranston RI. (Doc. 13.14.1.85-1).
[Our Lady of Fatima Ancillary Services, Inc.]	1 Randall Square	Providence	RI	Phlebotomy and Sub-Lease Agreement executed February 2014 by Luciano Sztulman, MD, Inc. (Landlord) and Our Lady of Fatima Ancillary Services, Inc. (Tenant) for 1 Randall Square, Providence, RI
Prospect CharterCare Ancillary Services, LLC	1090 Cranston Street	Cranston	RI	Ancillary Services and Lease Agreement undated between Comprehensive Community Action Program, Inc. d/b/a Family Health Services (Practice) and Prospect CharterCARE Ancillary Services, LLC d/b/a CharterCARE Ancillary Services (Provider) for 1090 Cranston Street, Cranston, RI, 191 MacArthur Boulevard, Coventry, RI, and 226 Buttonwoods Avenue, Warwick, RI (Doc. 13.14.1.88-1).
[Our Lady of Fatima Ancillary Services, Inc.]	1524 Atwood Avenue	Johnston	RI	Phlebotomy and Lease Agreement with an effective date of November 1, 2013 by J. Scott Toder, MD (Landlord) and Our Lady of Fatima Ancillary Services, Inc. (Tenant) for 1524 Atwood Avenue, Suite 333, Johnston, RI (Doc. 13.14.7-31)
Prospect CharterCare Ancillary Services, LLC	2138 Mendon Road, Unit 103B	Cumberland	RI	Lease dated February 1, 2022 between Cumberland Medical Associates, LLC (Landlord) and Prospect CharterCare Ancillary Services, LLC d/b/a CharterCare

Selling Entity Lessee/Lessor	Address	City	State	Description of Lease Documents
				Ancillary Services (Tenant) for 2138 Mendon Road, Unit 103B, Cumberland, RI. (Doc. 13.14.1.93-1).
Prospect CharterCare Ancillary Services, LLC	1681 Cranston Street	Cranston	RI	Lease dated October 1, 2020, by and between Fron, LLC (Landlord) and Prospect CharterCare Ancillary Services, LLC (Tenant) for 1681 Cranston Street, Suite F (Doc 13.14.1.100, Doc. 13.14.7-29)
Prospect CharterCare RWMC, LLC	1050 Warwick Avenue	Warwick	RI	Lease Agreement dated February 1, 2021 between Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center (Lessee) and B&L Realty (Lessor) for office space at 1050 Warwick Avenue, Warwick, RI. (Doc. 13.14.7-9)
Prospect CharterCare Ancillary Services, LLC	1352 Smith Street	North Providence	RI	Lease dated February 8, 2017 by William J Beliveau, MD and Prospect CharterCARE Ancillary Services, LLC d/b/a CharterCARE Ancillary Services for 1352 Smith Street, North Providence, RI (13.14.1.111-2), as amended by that certain Lease Amendment dated March 10, 2017 by Atwood Medical Associates as successor in interest to William J Beliveau, MD (Landlord) and Tenant, as amended by that letter dated January 17, 2022 from Leslie Martineau to Dr. William Beliveau re extension (13.14.111-1)
Prospect Blackstone Valley Surgicare, LLC	1526 Atwood Avenue	Johnston	RI	Indenture of Lease dated June 10, 2001 between Atwood Health Properties, LLC (Landlord) and Blackstone Valley Surgicare, Inc. (Tenant) for 1526 Atwood Ave., Johnston, Rhode Island, as amended by that certain First Amendment to Lease dated

Selling Entity Lessee/Lessor	Address	City	State	Description of Lease Documents
				September 20, 2004, that certain Second Amendment to Lease dated October 31, 2016 between Atwood Health Properties, LLC (Original Landlord), Atwood Medical Properties, LLC (Landlord) and Blackstone Valley Surgicare, Inc. (Tenant) and that certain Lease Assignment, Assumption, Extension and Modification dated May 1, 2017 between Blackstone Valley Surgicare GP, LLC (Assignor), Blackstone Valley Surgicare, Inc. (Original Tenant), Prospect Blackstone Valley Surgicare, LLC (Assignee) and Atwood Medical Properties, LLC (Tenant)
Prospect CharterCare Ancillary Services, LLC	851 Main Street	Warren	RI	Lease dated May 25, 2017 between Racing Green Two, LLC, successor-in-interest to 851 Warren Associates, LLC (Landlord) and Prospect CharterCare Ancillary Service, LLC d/b/a Chartercare Ancillary Services (Tenant) for 851 Main Street, Warren RI. (1,355 sf in basement of the MOB – Doc. 13.14.1.112-2).
Prospect CharterCare Physicians, LLC	851 Main Street	Warren	RI	Lease dated May 25, 2017 between Racing Green Two, LLC, successor-in-interest to 851 Warren Associates, LLC (Landlord) and Prospect CharterCare Physicians, LLC d/b/a Chartercare Medical Associates (Tenant) for 851 Main Street, Warren RI. (5,397 sf on 1st floor and in basement - Doc. 13.14.1.115-2) *Subject to:*

Selling Entity Lessee/Lessor	Address	City	State	Description of Lease Documents
				Suite Sublease Agreement dated September 1, 2017 between University Gastroenterology, LLC (Sublessee) and Prospect CharterCARE Physicians, LLC (Sublessor) for a portion of 851 Main Street, Warren RI. (Timeshare – Doc. 13.14.1.1-1). Suite Sublease Agreement dated September 1, 2017 between David M. Colannino, D.P.M., Inc. (Sublessee) and Prospect CharterCARE Physicians, LLC (Sublessor) for a portion of 851 Main Street, Warren RI. (Timeshare – Doc. 13.14.1.114-1). Suite Sublease Agreement dated September 1, 2017 between Caring for Women (Sublessee) and Prospect CharterCARE Physicians, LLC (Sublessor) for a portion of 851 Main Street, Warren RI. (Timeshare)
Prospect CharterCare Ancillary Services, LLC	4300-4302 Post Road	Warwick	RI	Lease dated September 1, 2017, by and between Jonathan Martin, MD (Landlord) and Prospect CharterCARE Ancillary Services, LLC (Tenant) for 4300-4302 Post Road, as extended pursuant to that Letter dated February 17, 2020 from Christopher V. Bilotti to CharterCARE Health Partners and that letter dated January 17, 2022 from Leslie Martineau to Marlborough Warwick, LLC (Doc 13.14.1.116)
Prospect CharterCare Physicians, LLC	41 Sanderson Road Suite 206	Smithfield	RI	Lease dated August 7, 2018, by and between Sanderson Associates, LLC (Landlord) and Prospect CharterCare Physicians, LLC

Selling Entity Lessee/Lessor	Address	City	State	Description of Lease Documents
				(Tenant) for 41 Sanderson Road, Suite 206 as amended by that certain Amendment to Lease dated April 17, 2020 (Doc. 13.14.1.25, Doc. 13.14.7-4)
Prospect CharterCare Physicians, LLC	41 Sanderson Road	Smithfield	RI	Suite Session Lease Agreement dates July 1, 2016, by and between Sanderson Associates, LLC (landlord) and Prospect CharterCare Physicians, LLC (tenant) for 2 exam rooms at 41 Sanderson Road for full days on Tuesdays and Thursdays. (Doc 13.14.1.25-2)
Prospect CharterCare Physicians, LLC	41 Sanderson Road Suite 204	Smithfield	RI	Lease dated August 7, 2018 between Sanderson Associates, LLC (Lessor) and Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates (Lessee) for 41 Sanderson Rd. Suite 204, Smithfield, RI (Doc. 13.14.7-2)
Prospect CharterCare Physicians, LLC	41 Sanderson Road Suite 205	Smithfield	RI	Lease dated August 7, 2018 between Sanderson Associates, LLC (Lessor) and Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates (Lessee) for 41 Sanderson Rd. Suite 205, Smithfield, RI (Doc. 13.14.7-3)
Prospect CharterCare Physicians, LLC	41 Sanderson Road Suite 207	Smithfield	RI	Lease dated May 1, 2019 between Sanderson Associates, LLC (Landlord) and Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates (Tenant) for 41 Sanderson Rd. Suite 207, Smithfield, RI (Doc. 13.14.7-19)
Prospect CharterCare	41 Sanderson Road Suite 108	Smithfield	RI	Lease dated May 26, 2020 between Sanderson Associates, LLC (Lessor) and Prospect

Selling Entity Lessee/Lessor	Address	City	State	Description of Lease Documents
Ancillary Services, LLC				CharterCARE Ancillary Services, LLC (Lessee) for 41 Sanderson Rd. Suite 108, Smithfield, RI (Doc. 13.14.7-5)
Prospect CharterCare Physicians, LLC	2 Wake Robin Suite 204	Lincoln	RI	Medical Office Lease dated February 1, 2019 by Wake Robin Associates, LLC (Landlord) and Prospect CharterCare Physicians, LLC d/b/a CharterCare Medical Associates (Tenant) for 2 Wake Robin Road, Suite 204, Lincoln, RI, as amended by the First Amendment to Medical Office Lease dated February 1, 2022 (Doc. 13.14.1.123-1, Doc. 13.14.7-18)
WellOne Primary Medical and Dental Care	74-84 Pascoag Main Street	Pascoag	RI	License Agreement with a commencement date of March 18, 2019 between Northwest Community Health Care d/b/a WellOne Primary Medical and Dental Care (licensor) and Prospect Chartercare Physicians, LLC d/b/a Chartercare Medical Associates (Licensee) for license of a portion of the space within a condominium located at 74-84 Pascoag Main Street, Pascoag, RI (Doc. 13.14.7-53).
Prospect CharterCare Physicians, LLC	857 Post Road	Warwick	RI	Medical Office Space Lease (Full-Time) dated March 9, 2020 between Kerzer Associates, LLC (Landlord) and Prospect CharterCARE Physicians, LLC (Tenant) for 857 Post Rd. Warwick, RI. (Doc. 13.14.7-32)
Prospect Medical Systems, Inc.	1301 Atwood Avenue	Johnson	RI	Office Lease dated September 12, 2017 between 1301 Atwood LLC (Landlord) and Prospect Medical Systems, Inc. (Tenant) for 1301

Selling Entity Lessee/Lessor	Address	City	State	Description of Lease Documents
				Atwood Ave., Suite 106N, Johnston RI (Doc. 13.14.7-10)
Prospect CharterCare Physicians, LLC	869 Post Road	Warwick	RI	Medical Office Space Lease (Part-Time) dated December 1, 2020 between Kerzer Associates, LLC (Landlord) and Prospect CharterCare Physicians, LLC d/b/a CharterCARE Medical Associates (Tenant) for 969 sf of space at 869 Post Road, Warwick, RI (Doc. 13.14.7-33)[8]
Prospect CharterCare Physicians, LLC	215 Tollgate Road	Warwick	RI	Medical Office Space Lease (Part-Time) dated September 1, 2019 between GI Associates, LLC (Landlord) and Prospect CharterCare Physicians, LLC d/b/a CharterCARE Medical Associates (Tenant) for 1994 sf of space at 215 Tollgate Road, Suites 201-202, Warwick, RI (Doc. 13.14.7-52)
Prospect CharterCare Ancillary Services, LLC	1515 Smith Street	Providence	RI	Medical Office Space Lease (Full-Time) dated September 1, 2020 between Smith Well, Inc. (Landlord) and Prospect CharterCARE Ancillary Services, LLC for 856 sf of space located at 1515 Smith Street, Suite B, No. Providence, RI (Doc. 13.14.7-50)
Prospect CharterCare Physicians, LLC	725 Reservoir Avenue Suite 202	Cranston	RI	Medical Office Space Lease (Full-Time) dated February 1, 2021 between Patricia G. Marsocci, Trustee of Revocable Intervivos Trust (Landlord) and Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates for 725 Reservoir Ave., Suite 202, Cranston, RI. (Doc. 13.14.7-37, -38)
Prospect CharterCARE	1300 Mineral Spring Avenue	North Providence	RI	Phlebotomy and Lease Agreement effective April 1, 2018 between

[8] This Lease will not be renewed after its expiration date (Nov. 30, 2022)

Selling Entity Lessee/Lessor	Address	City	State	Description of Lease Documents
Ancillary Services, LLC				Claude E. Younes, MD (Landlord) and Prospect CharterCARE Ancillary Services, LLC d/b/a CharterCARE Ancillary Services (Tenant) for 1300 Mineral Spring Avenue, North Providence, RI (Doc. 13.14.7-54)
Prospect CharterCARE Ancillary Services, LLC	395 Atwood Avenue	Cranston	RI	Lease Agreement with an effective date of April 1, 2018 between RICG-C, LLC (Practice) and Prospect CharterCARE Ancillary Services, LLC d/b/a CharterCARE Ancillary Services (Tenant) for 150.90 dedicated lab space and 670.85 shared space at 395 Atwood Ave., Cranston RI (Doc. 13.14.7-48)
Prospect CharterCARE Physicians LLC	501 Wampanoag Trail Suite 101	East Providence	RI	Lease dated September 23, 2022 between collectively, (i) Wampanoag Trail Offices, LLC and (ii) Timber Properties, LLC (Landlord) and Prospect CharterCARE Physicians, LLC (Tenant) for 501 Wampanoag Trail, Suite 101, East Providence, RI (Doc. 13.14.7-20)[9]
Our Lady of Fatima Ancillary Services, Inc.	2295 Diamond Hill Rd.	Cumberland	RI	Phlebotomy and Lease Agreement with an effective date August 1, 2013 between Family Internal Medicine, Inc. (Landlord) and Our Lady of Fatima Ancillary Services, Inc. (Tenant) for a portion of 2295 Diamond Hill Rd., Cumberland, RI (Timeshare – Doc. 13.14.1.90-1, Doc. 13.14.7-28).
Roger Williams Medical Center (N Joseph Espat, MD)	70 Kenyon Ave. Ste. 216	Wakefield	RI	Office Use and Service Agreement effective January 1, 2012 between Roger Williams Medical Center (N Joseph Espat, MD) (Landlord) and Joseph J. O'Neill, MD (O'Neill

[9] Subject to full execution.

Selling Entity Lessee/Lessor	Address	City	State	Description of Lease Documents
				Medical, Inc.) (Tenant) for 70 Kenyon Ave. Ste. 216, Wakefield, RI (Timeshare Doc. 13.14.1.37-1, Doc. 13.14.7-7)
Prospect CharterCare RWMC, LLC, and Prospect Medical Systems, Inc.	895 Chalkstone	Providence	RI	First Amendment to License Agreement dated May 1, 2015 between Los Andes, LLC (Licensee) and Prospect CharterCare RWMC, LLC d/b/a Roger Williams Medical Center for the parking area around 895 Chalkstone Ave., Providence, RI. (Doc. 13.14.1.17-1)
Prospect CharterCare RWMC, LLC	1539 Atwood Ave. Suite 301	Johnston	RI	Medical Office Space Lease (Full Time) dated November 16, 2020 between Primary Care Associates of Johnston, L.L.C. (Landlord) and Prospect CharterCare RWMC, LLC Tenant) for 1539 Atwood Ave., Suite 301, Johnston, RI. (Doc. 13.14.1.63-1, Doc. 13.14.7-43, -44).
Prospect CharterCARE SJHSRI	200 High Service Ave.	North Providence	RI	Commercial Lease dated July 21, 2022 between Prospect CharterCARE SJHSRI d/b/a Our Lady of Fatima Hospital (Landlord) and Genoa Healthcare, LLC (Tenant) for 52.5 sf of shared space at 200 High Service Ave., North Providence, RI.

Schedule 3.3(d)
Material Personal Property

[Prospect to populate]

Schedule 3.3(e)
Proceedings Affecting the Owned Real Property or Leased Real Property

Agency	Violation/Proceeding	Address
City of Police Department of Inspection and Standards	Violation/Exterior: #304.2 – Apply protective coating to walls where needed	864 Admiral Street, Providence Rhode Island 02904

Schedule 3.3(f)
Lease or Other Grant Related to Leased Real Property

[Prospect to populate]

Schedule 3.4
Financial Statements

Complete and accurate copies of (i) the audited combined and consolidating balance sheets with respect to the Businesses as of September 30, 2019, 2020, and 2021, and; (ii) the unaudited balance sheets and statements of income with respect to the Businesses for the period ended August 31, 2022 are attached.

1. None.

Prospect CharterCARE, LLC

Consolidated Financial Statements

As of and for the Years Ended
September 30, 2021 and 2020

The report accompanying these financial statements was issued by BDO USA, LLP, a Delaware limited liability partnership and the U.S. member of BDO International Limited, a UK company limited by guarantee.

Prospect CharterCARE, LLC

Consolidated Financial Statements

As of and for the Years Ended September 30, 2021 and 2020

Prospect CharterCARE, LLC

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Independent Auditor's Report

Board of Directors
Prospect CharterCARE, LLC
Los Angeles, California

Opinion

We have audited the consolidated financial statements of Prospect CharterCARE, LLC, (the Company), which comprise the consolidated balance sheets as of September 30, 2021 and 2020, and the related consolidated statements of operations, changes in members' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of September 30, 2021 and 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter Regarding Financial Support

As discussed in Note 1 to the consolidated financial statements, the Company is financially depended on its parent company which has agreed to provide the financial support necessary for the operations of the Company. The accompanying consolidated financial statements do not reflect any adjustments or disclosures that would be required should the parent company discontinue its financial support.

Adoption of Accounting Standards Update (ASU) 2014-09, Revenue from Contracts with Customers (Topic 606)

As more fully described in Note 2 to the consolidated financial statements, the Company changed its method of revenue recognition as a result of the adoption of the amendments to the Financial Accounting Standards Board Accounting Standards Codification resulting from ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*. Our opinion is not modified with respect to these matters.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

BDO USA, LLP, a Delaware limited liability partnership, is the U.S. member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO is the brand name for the BDO network and for each of the BDO Member Firms.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the consolidated financial statements are issued or available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

BDO USA, LLP

January 7, 2022

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Prospect CharterCARE, LLC

Consolidated Balance Sheets
(in thousands)

September 30,	2021	2020
Assets		
Current assets		
Cash and cash equivalents	$ -	$ 1,820
Restricted cash	485	521
Patient accounts receivable, less allowance for doubtful accounts of $25,371 at September 30, 2020	40,561	36,314
Other receivables	5,274	4,803
Due from government payers	6,787	6,281
Due from affiliated companies, net	24,209	32,458
Inventories	7,136	6,569
Prepaid expenses and other current assets	5,791	4,934
Total current assets	90,243	93,700
Property, improvements and equipment, net	62,244	60,265
Goodwill, net	420	415
Equity method investments	3,948	3,644
Other assets	713	2,057
Total assets	$ 157,568	$ 160,081

See accompanying notes to consolidated financial statements.

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Prospect CharterCARE, LLC

Consolidated Balance Sheets
(in thousands)

September 30,	2021	2020
Liabilities and Members' Equity		
Current liabilities		
Accounts payable and other accrued liabilities	$ 31,313	$ 30,512
Accrued salaries, wages and benefits	19,794	23,971
Deferred revenue	1,265	1,376
Due to government payers	4,236	5,742
Refund liability, current portion	20,935	6,198
Capital leases, current portion	938	254
Total current liabilities	78,481	68,053
Capital leases, net of current portion	2,322	932
Asset retirement obligations	3,031	2,982
Refund liability, net of current portion	-	21,347
Other long-term liabilities	59,462	35,686
Total liabilities	143,296	129,000
Commitments, contingencies and subsequent events		
Members' equity		
Member contributions	120,105	120,105
Accumulated deficit	(105,833)	(89,024)
Total members' equity	14,272	31,081
Total liabilities and members' equity	$ 157,568	$ 160,081

See accompanying notes to consolidated financial statements.

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Prospect CharterCARE, LLC

Consolidated Statements of Operations
(in thousands)

For the Years Ended September 30,	2021	2020
Revenues		
Net patient service revenues		$ 327,759
Provision for bad debts		(17,091)
Net patient service revenues less provision for bad debts	$ 338,972	310,668
Other non-patient hospital revenues	9,574	11,543
Total net revenues	348,546	322,211
Operating Expenses		
Salaries, wages and benefits	191,323	182,085
Supplies	67,154	58,939
Taxes and licenses	18,376	23,257
Purchased services	33,616	30,900
Depreciation and amortization	10,865	8,924
Professional fees	17,662	16,003
Legal settlement, net (see Note 6)	(11,900)	22,250
Other	6,024	4,027
Insurance	11,923	4,040
Management fees	4,004	6,532
Utilities	4,812	4,893
Lease and rental	5,503	5,206
Research grant expense	2,011	2,263
Repairs and maintenance	1,809	1,805
Registry	2,026	1,547
Total operating expenses	365,208	372,671
Pandemic relief grant income	245	36,069
Operating income from unconsolidated equity method investments	304	881
Operating loss	(16,113)	(13,510)
Other expense:		
Interest expense	729	836
Other (income) expense, net	(33)	715
Total other expense	696	1,551
Net loss from continuing operations	(16,809)	(15,061)
Income from discontinued operations	-	420
Net loss	$ (16,809)	$ (14,641)

See accompanying notes to consolidated financial statements.

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Prospect CharterCARE, LLC

Consolidated Statements of Members' Equity
(in thousands)

	Member Contributions	Accumulated Deficit	Total Members' Equity
Balance at October 1, 2019	$ 120,105	$ (74,383)	$ 45,722
Net loss	-	(14,641)	(14,641)
Balance at September 30, 2020	120,105	(89,024)	31,081
Net loss	-	(16,809)	(16,809)
Balance at September 30, 2021	$ 120,105	$ (105,833)	$ 14,272

See accompanying notes to consolidated financial statements.

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Prospect CharterCARE, LLC

Consolidated Statements of Cash Flows
(in thousands)

For the Years Ended September 30,	2021	2020
Operating activities		
Net loss	$ (16,809)	$ (14,641)
Adjustments to reconcile net loss to net cash, cash equivalents and restricted cash provided by operating activities:		
Depreciation and amortization	10,795	8,856
Provision for bad debts	-	(17,091)
Accretion of interest for asset retirement obligations	70	68
Undistributed earnings from equity method investments	(304)	(881)
Changes in operating assets and liabilities, net of business combinations:		
Patient accounts receivables	(4,247)	30,490
Due to/from government payers, net	(2,012)	92
Refund liability	(6,610)	27,545
Inventories	(567)	(595)
Prepaid expenses, other receivables and other current assets	(1,328)	(3,030)
Other assets	1,344	(88)
Accounts payable and other accrued liabilities	20,240	26,849
Net cash, cash equivalents and restricted cash provided by operating activities	572	57,574
Investing activities		
Purchases of property, improvements and equipment	(4,380)	(5,273)
Change in due from (to) affiliated companies, net	2,508	(50,254)
Cash distributions from equity investments	-	912
Cash paid for acquisitions	(105)	(625)
Net cash, cash equivalents and restricted cash used in investing activities	(1,977)	(55,240)
Financing activities		
Repayments of capital leases	(451)	(167)
Net cash used in financing activities	(451)	(167)
Change in cash, cash equivalents and restricted cash	(1,856)	2,167
Cash, cash equivalents and restricted cash, beginning of year	2,341	174
Cash, cash equivalents and restricted cash, end of year	$ 485	$ 2,341
Supplemental disclosure of cash flow information		
Interest paid	$ 1,066	$ 983
Schedule of non-cash investing and financing activities		
Equipment acquired under capital lease	$ 2,525	$ 1,261
Equipment acquired under PACE financing	$ 5,505	$ -
Accrual of property, improvements and equipment	$ 236	$ 1,412

See accompanying notes to consolidated financial statements.

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1. Organization

In June 2014, Prospect Medical Holdings, Inc. ("Prospect" or "PMH"), through a newly formed indirect subsidiary, Prospect CharterCARE, LLC ("PCC" or the "Company"), acquired substantially all of the assets of CharterCARE Health Partners and its subsidiaries, in exchange for an 85% interest in PCC, $43.3 million in cash and a commitment to invest at least $50 million in CCHP and its subsidiaries for strategic business development and capital improvements over the next four years (the "CharterCARE acquisition"). As a result of the acquisition, PMH had an indirect 85% ownership interest in PCC, with the remaining 15% being owned by the prior owner of the selling entities, CharterCARE Health Partners, which was subsequently renamed CharterCARE Community Board ("CCCB"). Effective August 18, 2021, PMH bought the 15% minority interest and PCC became an indirect wholly-owned subsidiary (see Note 6).

The Company provides a comprehensive range of services at Roger Williams Medical Center ("RWMC") and Our Lady of Fatima Hospital ("Fatima" or "SJHRI").

Admitting physicians are primarily practitioners in the local area. The hospitals have payment arrangements with Medicare, Medicaid and other third-party payers, including commercial insurance carriers, health maintenance organizations ("HMOs") and preferred provider organizations ("PPOs").

COVID-19 Pandemic

During 2020 and 2021, federal, state and local authorities have taken several administrative actions intended to assist healthcare providers in providing care during the outbreak of the novel coronavirus ("COVID-19") public health emergency. Sources of relief include the Coronavirus Aid, Relief and Economic Security Act, the Paycheck Protection Program and Health Care Enhancement Act (the "PPPHCE Act"), the Continuing Appropriations Act, 2021 and Other Extensions Act, and the Consolidated Appropriations Act, 2021 (collectively, the "COVID Acts"). With the COVID Acts, the federal government authorized funding to be distributed through the Public Health and Social Services Emergency Fund ("Provider Relief Fund" or "PRF"). The U.S. Department of Health and Human Services ("HHS") will recoup PRF grant funds not utilized by the established deadlines. The COVID Acts also revised the Medicare accelerated payment program in an attempt to disburse payments to hospitals and other care providers more quickly and permitted employers to defer payment of the 6.2% employer Social Security tax beginning March 27, 2020 through December 31, 2020. In June 2021, HHS established new deadlines for when recipients of PRF grants must use the funding received, generally 12 to 18 months after receipt of the grant funds.

In certain circumstances, when a hospital is experiencing financial difficulty due to delays in receiving payment for the Medicare services it provided, it may be eligible for an accelerated or advance payment pursuant to the Medicare accelerated payment program. The COVID Acts revised the Medicare accelerated payment program in an attempt to disburse payments to healthcare providers more quickly. Recipients may retain the accelerated payments for one year from the date of receipt before recoupment commences, which is effectuated by a 25% offset of claims payments for 11 months, followed by a 50% offset for the succeeding six months. The initial 11-month recoupment period began in April 2021. At the end of the 29-month period, interest on the unpaid balance will be assessed at 4% per annum. As of September 30, 2021, the Company had received Medicare accelerated and advance payments of approximately $27,545,000, of which approximately $6,610,000 had been repaid during year ended September 30, 2021 and approximately $20,935,000 and $27,545,000 were

reflected in current and noncurrent refund liabilities in the accompanying consolidated balance sheets as of September 30, 2021 and 2020, respectively.

The following table shows the funds that the Company received through the PRF in both general and targeted distributions during the years ended September 30, 2021 and 2020 (in thousands):

	General Funds	Targeted Funds	State funds	Other funds	Total
Funds received during the year ended September 30, 2020	$ 8,320	$ 16,350	$ 15,782	$ 78	$ 40,530
Transferred from affiliated companies	459	-	-	-	459
Applied to lost revenues	(8,779)	(16,350)	(10,940)	-	(36,069)
Applied to incremental expenses	-	-	(4,842)	(30)	(4,872)
Applied to incremental capital	-	-	-	(48)	(48)
Funds unused at September 30, 2020	$ -	$ -	$ -	$ -	$ -
Funds received during the year ended September 30, 2021	517	-	-	258	775
Transferred from affiliated companies	2,526	-	-	-	2,526
Applied to lost revenues	(245)	-	-	-	(245)
Applied to incremental expenses	(2,798)	-	-	(258)	(3,056)
Funds unused at September 30, 2021	$ -	$ -	$ -	$ -	$ -

The amount of lost revenues (represented as a negative change in year-over-year net revenues from patient care related sources) was recorded in "pandemic relief grant income" and incremental expenses were recognized as a reduction to operating expense within the accompanying consolidated statements of operations for the years ended September 30, 2021 and 2020. The recognition of amounts received is conditioned upon the provision of care for individuals with possible or actual cases of COVID-19 after January 31, 2020, certification that payment will be used to prevent, prepare for and respond to COVID-19 and will reimburse the recipient only for healthcare related expenses or lost revenues that are attributable to COVID-19, and receipt of the funds. Amounts are recognized as a reduction to operating costs and expenses only to the extent the Company is reasonably assured that underlying conditions are met. These monies have been recognized following the grant accounting model, recognizing income or reduction to expenses over the applicable reporting period as management becomes reasonably assured of meeting the required criteria. As of September 30,

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2021, the Company has no funds that had not been recognized in the consolidated statements of operations.

Liquidity

At September 30, 2021, the Company had positive working capital of approximately $11.8 million. As of September 30, 2021, the Company had a receivable of approximately $24.2 million due from Prospect and its subsidiaries, which is included in due from affiliated companies, net in the accompanying consolidated balance sheets. The Company believes that its current liquidity or access to financing will be sufficient to meet its operating, investing and financing cashflow requirements for the next year from the date these consolidated financial statements were available to be issued.

2. Significant Accounting Policies

Principles of Consolidation and Basis of Presentation

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and include the accounts of all wholly-owned subsidiaries, but do not include the accounts of the parent companies, Prospect or CCCB. All significant intercompany balances and transactions have been eliminated in consolidation.

Revenues

Net Patient Service Revenues

On October 1, 2020, the Company adopted the new revenue recognition standard, Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") 2014-09, "Revenue from Contracts with Customers (Topic 606)", using a modified retrospective method of application to all contracts existing on October 1, 2020. The core principle of the guidance in ASU 2014-09 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The adoption of ASU 2014-09 resulted in changes to the presentation and disclosure of revenue primarily related to uninsured or underinsured patients. Prior to the adoption of ASU 2014-09, a significant portion of the provision for doubtful accounts related to self-pay patients, as well as co-pays, co-insurance amounts and deductibles owed by patients with insurance. Under ASU 2014-09, the estimated uncollectable amounts due from these patients are generally considered implicit price concessions that are a direct reduction to net operating revenues, with a corresponding reduction in the amounts presented as provision for doubtful accounts.

The Company has revised its accounting policies related to revenues effective October 1, 2020 and these are discussed below.

The Company recognizes net operating revenues in the period in which performance obligations under contracts by transferring our services to customers are satisfied. Net operating revenues are recognized in the amounts to which the Company expects to be entitled, which are the transaction prices allocated to the distinct services.

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Net operating revenues for the Company primarily consist of net patient service revenues, principally for patients covered by Medicare, Medicaid, managed care and other health plans, as well as certain uninsured patients and other uninsured discount and charity programs. Additionally, the Company also earns revenues from capitation arrangements that are made directly with various managed care providers.

The following is a summary of sources of patient service revenues (in thousands):

For the Years Ended September 30,	2021	2020
Medicare	$ 64,576	$ 60,258
Medicaid	31,815	33,595
Managed Care	208,702	199,600
Self-Pay/Other	33,879	34,306
Total	$ 338,972	$ 327,759

Fee-for-Service ("FFS") Revenues

FFS revenues are due from patients, third-party payers (including managed care payers and government programs) and others, and they include variable consideration for retroactive revenue adjustments due to settlement of audits, reviews and investigations. Generally, the Company bills patients and third-party payers several days after the services are performed or shortly after discharge. Revenues are recognized as performance obligations are satisfied.

Performance obligations are determined based on the nature of the services provided and revenues are recognized when performance obligations satisfied over time based on actual charges incurred in relation to total expected charges. This method provides a faithful depiction of the transfer of services over the term of performance obligations based on the inputs needed to satisfy the obligations. Generally, performance obligations satisfied over time relate to patients in the Company's hospitals receiving inpatient acute care services. The Company measures the performance obligation from admission into the hospital, or the commencement of an outpatient service, to the point when it is no longer required to provide services to that patient, which is generally at the time of discharge or completion of the outpatient services. Patient encounters and related episodes of care and procedures qualify as distinct goods and services, provided simultaneously together with other readily available resources, in a single instance of service, and thereby constitute a single performance obligation for each patient encounter and, in most instances, occur at readily determinable transaction prices. All services provided are expected to result in cash flows and are therefore reflected as net patient service revenues in the consolidated financial statements.

The transaction price is determined based on gross charges for services provided, reduced by contractual adjustments provided to third-party payers, discounts provided to uninsured patients, and implicit price concessions provided primarily to uninsured patients. The estimates of contractual adjustments and discounts are based on contractual agreements, discount policies and historical cash collection experience. As a practical expedient, the Company adopted a portfolio approach for the FFS revenue stream to group together contracts with similar characteristics and analyze historical cash collections trends. The contracts within the portfolio share the characteristics conducive to ensuring that the results do not materially differ under the new standard if it were to be applied to individual patient contracts related to each patient encounter.

The Company is responsible for confirming member eligibility, performing program utilization review, potentially directing payment to the provider and accepting the financial risk of loss associated with services rendered, as specified within the Company's patient contracts. The Company has the ability to adjust contractual fees with patients and possess the financial risk of loss in certain contractual obligations. These factors indicate the Company is the principal and, as such, the Company records gross fees contracted with patient in revenues.

Revenues under the traditional FFS service Medicare and Medicaid programs are based primarily on prospective payment systems. Retrospectively determined cost-based revenues under these programs, which were more prevalent in earlier periods, and certain other payments, such as disproportionate share hospital and bad debt expense reimbursement, which are based on our hospitals' cost reports, are estimated using historical trends and current factors. Cost report settlements under these programs are subject to audit by Medicare and Medicaid auditors and administrative and judicial review, and it can take several years until final settlement of such matters is determined and completely resolved. The Company records accruals to reflect the expected final settlements on cost reports. For filed cost reports, the accrual is recorded based on those cost reports and subsequent activity. The accrual for periods for which a cost report is yet to be filed is recorded based on estimates of what the Company expects to report on the filed cost reports. After the cost report is filed, the accrual may need to be adjusted and these accruals are adjusted in future periods as they become known.

Settlements with third-party payers for retroactive revenue adjustments due to audits, reviews or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care using the most likely outcome method. These settlements are estimated based on the terms of the payment agreement with the payer, correspondence from the payer and historical settlement activity, including an assessment to ensure that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements are adjusted in future periods as adjustments become known, or as years are settled or are no longer subject to such audits, reviews and investigations and these accruals are adjusted in future periods as they become known.

The following is a summary of due from and due to governmental payers at September 30, 2021 and 2020 (in thousands):

September 30,	2021	2020
Due from government payers:		
Medicaid disproportionate share	$ 5,970	$ 5,091
Medicare cost report settlements	817	1,190
	$ 6,787	$ 6,281
Due to government payers:		
License Fee	$ 3,856	$ 4,461
Medicare cost report settlements	380	1,281
	$ 4,236	$ 5,742

The Company is not aware of any material claims, disputes, or unsettled matters with any payers that would affect revenues that have not been adequately provided for and disclosed in the accompanying consolidated financial statements. Because the laws, regulations, instructions and rule interpretations governing Medicare and Medicaid reimbursement are complex, subject to interpretation and can change frequently, the estimates recorded could change by material amounts.

Charity Care

The Company provides charity care to patients who lack financial resources and are deemed to be medically indigent based on criteria established under the Company's charity care policy. This care is provided without charge or at amounts less than the Company's established rates. Because the Company does not pursue collection of amounts determined to qualify as charity care, such amounts are not reported as net operating revenues. The direct and indirect costs related to this care totaled approximately $949,000 and $1,094,000 for the years ended September 30, 2021 and 2020, respectively. Direct and indirect costs for providing charity care are estimated by calculating a ratio of cost to gross charges and then multiplying that ratio by the gross uncompensated charges associated with providing care to charity patients.

Patients who are covered by third-party payers are responsible for related co-pays, co-insurance and deductibles, which vary in amount. The Company estimates the transaction price for patients with co-pays, co-insurance and deductibles and for those who are uninsured based on historical collection experience and current market conditions. The discount offered to certain uninsured patients is recognized as a contractual allowance, which reduces net operating revenues at the time the self-pay accounts are recorded. The uninsured patient accounts, net of contractual allowances recorded, are further reduced to their net realizable value at the time they are recorded through implicit price concessions based on historical collection trends for self-pay accounts and other factors that affect the estimation process. Although outcomes vary, the Company's policy is to attempt to collect amounts due from patients, including co-pays, co-insurance and deductibles due from patients with insurance, at the time of service while complying with all federal and state statutes and regulations. All of the Company's hospital facilities are subject to Emergency Medical Treatment and Active Labor Act ("EMTALA"). This federal law and accompanying regulations require any hospital that participates in the Medicare program to conduct an appropriate medical screening examination of every person who comes to the hospital's emergency department for treatment and, if the patient is suffering from an emergency medical condition, to either stabilize that condition or make an appropriate transfer of the patient to a facility that can treat the condition. The obligation to screen and stabilize emergency medical conditions exists regardless of a patient's ability to pay for treatment. There are severe penalties under EMTALA for violations of the law and regulations, including if a hospital fails to screen or appropriately stabilize or transfer a patient or if the hospital delays appropriate treatment in order to first inquire about the patient's ability to pay. Penalties for violations of EMTALA include civil monetary penalties and exclusion from participation in the Medicare program. In addition, an injured patient, the patient's family or a medical facility that suffers a financial loss as a direct result of another hospital's violation of the law can bring a civil suit against that other hospital. The Company believes that it is in compliance with EMTALA and is not aware of any pending or threatened EMTALA investigations involving allegations of potential wrongdoing that would have a material effect on the Company's consolidated financial statements.

State Supplemental Medicaid Programs

RWMC and SJHSRI are participants in the State of Rhode Island's Disproportionate Share Hospital ("DSH") Program, which assists hospitals that provide a disproportionate amount of uncompensated care. Under the program, Rhode Island hospitals, including RWMC and SJHSRI, receive federal and state Medicaid funds as additional reimbursement for treating a disproportionate share of low-income patients. The Company recognizes revenues related to supplemental Medicaid payments using the most likely outcome method, and the estimates also consider whether it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur. RWMC and SJHSRI recognized revenue related to DSH and Upper Payment Limit ("UPL") reimbursement of approximately $22,273,000 and $20,239,000 for the years ended September 30, 2021 and 2020, respectively. DSH and UPL payments received were approximately $21,394,000 and $20,073,000 for the years ended September 30, 2021 and 2020. The State of Rhode Island also assesses a license fee to all hospitals in Rhode Island based on each hospital's net patient revenue. The Company recorded license fee expense of approximately $14,501,000 and $17,846,000 for the years ended September 30, 2021 and 2020, respectively, which is included within taxes and licenses expense within the accompanying consolidated statements of operations.

Patient Accounts Receivable, Net

Collection of receivables from third-party payers and patients are the Company's primary source of cash and is critical to its operating performance. For patient accounts receivable resulting from revenue recognized prior to October 1, 2020, a provision for doubtful accounts was established to reduce the carrying value of such receivables to their estimated net realizable value. Generally, the Company estimated this allowance based on the aging of our accounts receivable by hospital, its historical collection rates as well as changes in applicable laws, rules and regulations and contract terms, to assure that provisions for contractual allowances are made using the most accurate information available. The allowance for doubtful accounts was approximately $25,371,000 as of September 30, 2020, representing 41% of gross accounts receivable. Under the provisions of ASU 2014-09, which the Company adopted effective October 1, 2020, when the Company has an unconditional right to payment, subject only to the passage of time, the right is treated as a receivable. Patient accounts receivable, including billed accounts and unbilled accounts for which there is the unconditional right to payment, and estimated amounts due from third-party payers for retroactive adjustments, are receivables if the right to consideration is unconditional and only the passage of time is required before payment of that consideration is due. For patient accounts receivable subsequent to the Company's adoption of ASU 2014-09 on October 1, 2020, the estimated uncollectable amounts are generally considered implicit price concessions that are a direct reduction to patient accounts receivable rather than allowance for doubtful accounts. Such implicit price concessions may be caused by denials for payments for services due to issues over patient eligibility for medical coverage, the Company's ability to demonstrate medical necessity for services rendered and payer authorization of hospitalization.

Other Non-Patient Hospital Revenues

Other non-patient hospital revenues totaled approximately $9,574,000 and $11,543,000 for the years ended September 30, 2021 and 2020, respectively. The principal components of other non-patient hospital revenues include grant revenue and rental revenue.

Property, Improvements and Equipment

Property, improvements and equipment are stated on the basis of cost or, in the case of acquisitions, at their acquisition date fair values. Depreciation is provided using the straight-line method over the estimated useful lives of the assets, and amortization of leasehold improvements is provided using the straight-line basis over the shorter of the remaining lease period or the estimated useful lives of the leasehold improvements. Leasehold improvements are generally depreciated over 5 to 40 years, buildings and improvements are depreciated over 5 to 40 years, equipment is depreciated over 2 to 15 years and furniture and fixtures are depreciated over 2 to 20 years. Equipment capitalized under capital lease obligations are amortized over the lesser of the life of the lease or the useful life of the asset.

Goodwill

Goodwill represents the excess of the consideration paid and liabilities assumed over the fair value of the net assets acquired, including identifiable intangible assets.

The Company follows the private company alternative, under which private companies can elect to amortize goodwill on a straight-line basis over 10 years, or less than 10 years if the entity demonstrates that another useful life is more appropriate. It also permits a private company to apply a simplified impairment model to goodwill, allowing impairment analysis to be evaluated at the entity level. Accordingly, the Company amortizes goodwill on a straight-line basis over 10 years. The Company evaluates goodwill for impairment at the entity level when a triggering event occurs that indicates that the fair value of the entity may be below its carrying amount. When a triggering event occurs, the Company first assesses qualitative factors to determine whether the quantitative impairment test is necessary. If that qualitative assessment indicates that it is more likely than not that goodwill is impaired, the Company performs the quantitative test to compare the entity's fair value with its carrying amount, including goodwill. If the qualitative assessment indicates that it is not more likely than not that goodwill is impaired, further testing is unnecessary. The goodwill impairment loss, if any, represents the excess of the carrying amount of the entity over its fair value. There was no goodwill impairment recorded during the years ended September 30, 2021 and 2020.

Insurance Reserves

Medical Malpractice Liability Insurance

The Company carries professional and general liability insurance to cover medical malpractice claims under claims-made policies. Under the policies, insurance premiums cover only those claims actually reported during the policy term. Should the claims-made policy not be renewed or replaced with equivalent insurance, claims related to occurrences during the policy term but reported subsequent to the policy's termination may be uninsured.

During the years ended September 30, 2021 and 2020, PMH's captive insurance company provided malpractice and general liability ($5,000,000 per occurrence and $37,000,000 in the aggregate), along with excess healthcare professional liability and umbrella liability insurance policy on a claims-made basis covering healthcare professional liability, general liability, automobile liability, employers' liability, helipad liability and non-owned aircraft liability. The limit provided was $80,000,000 during the years ended September 30, 2021 and 2020, for each loss event and in the annual aggregate excess

of the primary coverage layers described above. This coverage was fully reinsured by third party carriers.

GAAP requires that a health care organization record and disclose the estimated costs of medical malpractice claims in the period of the incident of malpractice, if it is reasonably possible that liabilities may be incurred and losses can be reasonably estimated. The Company has recognized an estimated liability for incurred but not reported claims and the self-insured risks (including deductibles and potential claims in excess of policy limits) based upon an actuarial valuation of the Company's historical claims experience of its hospitals. At September 30, 2021 and 2020, the total gross claims liability, was approximately $22,003,000 and $7,865,000 and reinsurance recoverable on unpaid losses were approximately $2,481,000 and $1,969,000, respectively, included within other long-term liabilities and prepaid expenses and other current assets, respectively, on the accompanying consolidated balance sheets, and were estimated using a discount factor of 4.00%.

Workers' Compensation Insurance

The Company was fully insured for workers' compensation claims with no deductible during the years ended September 30, 2021 and 2020.

Reserve Methodology

The claims reserve is based on the best data available to the Company. The estimate, however, is subject to a significant degree of inherent variability. The estimate is continually monitored and reviewed, and as the reserve is adjusted, the difference is reflected in current operations. While the ultimate amount of the medical malpractice claims liability is dependent on future developments, management is of the opinion that the associated liabilities recognized in the accompanying consolidated financial statements are adequate to cover such claims. Management is not aware of any potential claims whose settlement, if any, would have a material adverse effect on the Company's consolidated financial position, results of operations or cash flows.

Employee Health Plans

The Company maintains self-insured Exclusive Provider Organization ("EPO")/HMO and PPO plans for all eligible employees. Employee health benefits are administered by a third-party claims administrator, based on plan coverage and eligibility guidelines determined by the Company, as well as by collective bargaining agreements. Commercial insurance policies cover per occurrence losses in excess of $350,000. Actuarially estimated liability for incurred but not reported claims are held by Prospect related to employee health plans, and the liability is trued up through its intercompany account with Prospect, which is included in due from affiliated companies, net in the accompanying consolidated balance sheets.

Asset Retirement Obligations

The Company recognizes the fair value of a liability for legal obligations associated with asset retirements in the period in which it is incurred, if a reasonable estimate of the fair value of the obligation can be made. Over time, the liability is accreted to its present value each period. Upon settlement of the obligation, any difference between the cost to settle the asset retirement obligation and the liability recorded is recognized as a gain or loss in the consolidated statements of operations. The Company has accrued $3,031,000 and $2,982,000 related to asbestos remediation as of September

30, 2021 and 2020, respectively. The liability was estimated using a discount factor which ranged from 1.9% and 2.2%. The Company recorded $68,000 and $70,000 of accretion during the years ended September 20, 2021 and 2020, respectively.

Cash, Cash Equivalents and Restricted Cash

Cash and Cash Equivalents

The Company considers all highly liquid debt instruments with initial maturities of 90 days or less to be cash equivalents. Cash and cash equivalents are primarily comprised of deposits with banks. The Company maintains its cash at banks with high credit-quality ratings.

Restricted Cash

The Company held restricted cash of $485,000 and $521,000 as of September 30, 2021 and 2020, respectively, which was restricted for research at the Company's hospitals and representative payee funds for long term behavioral health patients.

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the consolidated balance sheets that sum to the total of the same amount shown in the consolidated statements of cash flows (in thousands):

September 30,		**2021**		2020
Cash and cash equivalents	$	-	$	1,820
Restricted cash		**485**		521
	$	**485**	$	2,341

Inventories

Inventories of supplies are valued at the lower of amounts that approximate the weighted average cost or net realizable value, which approximates market value, and are expensed as incurred. Inventories consist primarily of medical and surgical supplies and pharmaceuticals.

Income Taxes

For tax reporting purposes, the Company was treated as a Partnership through August 17, 2021, and the Company and its wholly-owned subsidiaries were treated as pass-through entities. From August 18, 2021 onwards, in connection with PMH's acquisition of the noncontrolling interest, all of the Company's activities will be reported as part of the Company's parent company filings. Therefore, no provision is made in the accompanying consolidated financial statements for liabilities for federal, state or local income taxes since such liabilities are the responsibility of the Company's parent companies. The Company periodically evaluates its tax positions, including its status as a pass-through entity, to evaluate whether it is more likely than not that such positions would be sustained upon examination by a tax authority for all open tax years, as defined by the statute of limitations, based on its technical merits.

As of September 30, 2021 and 2020, the Company has not established a liability for uncertain tax positions. The Company files income tax returns in the U.S. federal jurisdiction and the state of Rhode Island. Generally, the Company is subject to examination by U.S. federal (or state and local) income tax authorities for three to four years from the filing of a tax return.

Concentrations of Credit Risk

Cash and cash equivalents are maintained at financial institutions and, at times, balances may exceed federally insured limits of $250,000 per depositor of each financial institution. The Company has not experienced any losses to date related to these balances.

Financial instruments that potentially subject the Company to concentrations of credit risk consist of receivables due from Medicare and Medicaid. The Company received revenues from Medicare and Medicaid as follows (excluding revenues for discontinued operations, in thousands):

Years Ended September 30,	2021	% of Total Revenues	2020	% of Total Revenues
Medicare	$ 64,576	19 %	$ 60,258	18 %
Medicaid	31,815	9 %	33,595	10 %
Total	$ 96,391	28 %	$ 93,853	28 %

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities at the dates, and for the periods, that the consolidated financial statements are prepared. Actual results could materially differ from those estimates. Principal areas requiring the use of estimates include amounts due from/to government payers, allowances for implicit price concession, contractual discounts and doubtful accounts (2020), professional and general liability claims, long-lived assets, intangible assets and asset retirement obligations.

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, "Leases (Topic 842)" with effective dates deferred for all entities by ASU 2019-10, and further deferred for nonpublic entities by ASU 2020-05. The core principle of ASU 2016-02 is that a lessee should recognize the assets and liabilities that arise from leases, including operating leases. Under the new requirements, a lessee will recognize in the consolidated balance sheets a liability to make lease payments (the lease liability) and the right-of-use asset representing the right to the underlying asset for the lease term. For leases with a term of 12 months or less, the lessee is permitted to make an accounting policy election by class of underlying asset not to recognize lease assets and lease liabilities. The recognition, measurement, and presentation of expenses and cash flows arising from a lease by a lessee have not significantly changed from previous GAAP. Nonpublic entities will apply the new standard for annual periods beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022. The Company is currently evaluating the standard and the impact on its consolidated financial statements and footnote disclosures.

In June 2016, the FASB issued ASU 2016-13, "Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments". The amendments in this standard require the measurement of all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. In addition, this standard amends the accounting for credit losses on available-for-sale debt securities and purchased financial assets with credit deterioration. The amendment is effective for nonpublic entities for annual reporting periods beginning after December 15, 2022. Early adoption is permitted. The Company is currently evaluating the standard and the impact on its consolidated financial statements and footnote disclosures.

Recently Adopted Accounting Pronouncements

On October 1, 2020, the Company adopted ASU 2014-09, *Revenue from Contracts with Customers*, and all subsequent amendments thereto (collectively, "Topic 606"). Topic 606 supersedes virtually all existing revenue recognition guidance, including industry-specific guidance, and replaces it with a single, comprehensive framework for recognizing revenue from contracts with customers. Topic 606 also requires enhanced disclosure about the Company's revenue from contracts with customers. The Company elected to adopt Topic 606 using the modified retrospective method. There is minimal impact from the implementation of ASC 606 except for the classification of bad debt and it is likely that the consolidated financial statement users will not have a lack of comparability in the financial statements.

Reclassifications

Certain reclassifications were made to the prior year consolidated financial statements in order to conform to the current year presentation. These reclassifications did not have a material impact on previously reported consolidated financial statements.

3. Property, Improvements and Equipment, Net

Property, improvements and equipment, net, consisted of the following (in thousands):

September 30,	2021	2020
Property, improvements and equipment:		
Land and land improvements	$ 7,471	$ 7,471
Buildings and improvements	66,637	58,972
Leasehold improvements	4,770	4,768
Equipment	57,269	48,668
	136,147	119,879
Less: accumulated depreciation	(77,182)	(66,458)
	58,965	53,421
Construction in progress	3,279	6,844
Property, improvements and equipment, net	$ 62,244	$ 60,265

At September 30, 2021 and 2020, the Company had assets under capitalized leases of approximately $7,903,000 and $5,378,000, respectively, and related accumulated depreciation of $4,424,000 and $3,320,000, respectively.

Depreciation expense was approximately $10,724,000 and $8,815,000 for the years ended September 30, 2021 and 2020, respectively.

4. Acquisitions

During the year ended September 30, 2021, the Company entered into four acquisitions for a total cash consideration of approximately $106,000. The purchase price was allocated between goodwill and property, improvements and equipment, net. Goodwill acquired is not expected to be deductible for tax purposes.

During the year ended September 30, 2020, CharterCARE Physicians entered into a stock purchase agreement to acquire a medical practice with primary care physicians. Total cash consideration was approximately $625,000. Substantially all of the purchase price was allocated to goodwill. Goodwill acquired is not expected to be deductible for tax purposes.

5. Goodwill and Intangible Assets

The net carrying value of goodwill by reporting unit is as follows (in thousands):

September 30,	2021	2020
Gross	$ 490	$ 437
Accumulated amortization	(70)	(22)
Net	$ 420	$ 415

The changes in the net carrying amount of goodwill for the years ended September 30 are as follows (in thousands):

September 30,	2021	2020
Balance, beginning of year	$ 415	$ -
Acquisitions	53	437
Amortization	(48)	(22)
Balance, end of year	$ 420	$ 415

Amortization expense was approximately $48,000 and $22,000 for the years ended September 30, 2021 and 2020 and is included in goodwill amortization expense in the accompanying consolidated statements of operations.

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Estimated amortization expense for each fiscal year of goodwill is as follows (in thousands):

Years ending September 30,	
2022	$ 49
2023	49
2024	49
2025	49
2026	49
Thereafter	175
Total future amortization expense	$ 420

The weighted-average remaining useful life for the goodwill was approximately nine years as of September 30, 2021.

6. Acquisition of Non-Controlling Interest in CharterCare

PCC, through wholly owned subsidiaries, operates both RWMC and SJHRI. One of the seller entities, SJHRI, had a Retirement Plan (the "Retirement Plan") which is a defined benefit pension plan and was set up for the benefit of employees of SJHRI when the hospital was a standalone hospital owned by a religious institution. PMH and PCC did not acquire the Retirement Plan as part of the CharterCARE acquisition, and $14 million of the proceeds from the sale were contributed to the Retirement Plan in exchange for PMH and its subsidiaries, including PCC, not having any liabilities related to the Retirement Plan. In August 2017, a petition was filed to place the Retirement Plan into receivership by its administrators because it was underfunded. In June 2018, the receiver for the Retirement Plan (along with various named participants) filed a lawsuit on behalf of all participants against various defendants which included CCCB, PMH, PCC, and the two subsidiaries which own RWMC and SJHRI, along with the administrators of the Retirement Plan, The Angell Pension Group, Inc., among others. Also, in March 2019, CCCB sued PMH and various directors of the Company, and certain subsidiaries. The suits involved allegations related to the valuation of CCCB's 15% ownership interest in PCC. In December 2019, CCCB and its subsidiaries settled with the receiver of the Retirement Plan. As a result, in January 2020 the receiver took control of CCCB's noncash assets, including its ownership interest in PCC. In December 2019, PMH sued CCCB on the basis that CCCB had breached the original terms of the acquisition by entering into the settlement agreement with the receiver and seeking indemnity against the receiver's June 2018 lawsuit.

PMH entered into a Settlement Agreement in December 2020 to release PMH and its directors and subsidiaries from all of the various claims under the aforementioned litigation. The Settlement Agreement also provided for PMH to purchase the noncontrolling interest. Under the terms of the settlement, the Company paid $27.25 million, of which $22.25 million was to settle all of the outstanding cases between the parties, including the Company, which was subsequently released from their related claims, and $5 million was for the acquisition of the noncontrolling interest. The buyout of the noncontrolling interest was treated as an equity transaction in the consolidated financial statements of PMH. The Company accrued for this legal settlement at September 30, 2020. The payment of the settlement was conditioned upon State and Federal Court approvals, which was

obtained in March 2021 and August 2021, respectively. Accordingly, PMH paid $27.25 million in August 2021, and the buyout of CCCB's noncontrolling interest in PCC was effective on August 18, 2021.

The Company received recoveries from its insurance policies of approximately $12 million. A receivable was recorded for this amount at September 30, 2021, which is included in due from affiliated companies, net in the accompanying consolidated balance sheets. Such monies were received after year-end.

7. Related Party Transactions

The Company and Prospect East Hospital Advisory Services, LLC ("PEHAS"), a wholly-owned subsidiary of Prospect, entered into a Management Services Agreement ("MSA") as of June 20, 2014, under which PEHAS provides certain administrative and management services to PCC and its Subsidiaries. Management fees were previously due to PEHAS under the MSA consist of 2% of net revenues monthly. The Company recognized management fees of $4,004,000 and $6,532,000 for the period from October 1, 2020 to June 1, 2021 and for the year ended September 30, 2020, respectively, which is included within management fees expense in the accompanying consolidated statements of operations. As of September 30, 2021 and 2020, the Company had liabilities related to the MSA due PEHAS of $20,021,089 and $44,492,000, respectively, which is included in due from affiliated companies, net in the accompanying consolidated balance sheets.

Effective June 1, 2021, PEHAS stopped charging management fees to the Company as part of conditions imposed by the Rhode Island Attorney General ("RIAG") in connection with RIAG's approval of the change in ownership of Ivy Holding, Inc., the ultimate parent company of PMH prior to that transaction.

Factoring Arrangements

On March 31, 2020, the Company entered into a Receivables Purchase Agreement ("RPA") with Prospect Medical Group, Inc. ("PMG"), a company which is an affiliated physician organization of PMH in California. Under the RPA, on the last calendar day of each month ("Sales Date"), commencing in March 2020, the Company factors certain of their commercial patient accounts receivable to PMG on a non-recourse basis. Effective December 1, 2020, the Company ceased selling receivables to PMG. The sales price reflected a discount of 10% from the current net carrying value. On each Sales Date, the Company received 85% of the sales price from PMG, and the remaining amount is received within seven business days. The Company continues to collect the patient accounts receivable on behalf of PMG and remits weekly funds collected to PMG for the receivables sold between March 31, 2020 and November 30, 2020. The Company has no liability to PMG after the sale, except for the remittance of cash collected on such accounts, for which the Company charges a 5% service fee. The Company sold approximately $1,274,000 and $8,805,000 of receivables during the years ended September 30, 2021 and 2020, respectively. The total service income earned during the years ended September 30, 2021 and 2020 was $188,000 and $158,000, respectively, and is reflected in other income in the accompanying consolidated statements of operations. The total loss on sale during the years ended September 30, 2021 and 2020 was $134,000 and $874,000, respectively, and is reflected in other (income) expense, net in the accompanying consolidated statements of operations. At September 30, 2021 and 2020, the Company owed PMG $5,000 and $95,000, respectively, which is reflected in due from affiliated companies, net on the accompanying consolidated balance sheets.

8. Commitments and Contingencies

Leases

The Company leases various office facilities and equipment from third parties under non-cancelable operating and capital lease arrangements expiring at various dates through July 2026. Certain operating leases contain rent escalation clauses and renewal options, which have been factored into determining rent expense on a straight-line basis over the lease terms. Capital leases bear interest at rates ranging from 3.65% to 19.46% per annum.

The future minimum annual lease payments (net of anticipated sublease income) required under leases in effect at September 30, 2021, are as follows (in thousands):

For the Years ending September 30,	Capital Leases	Operating Leases
2022	$ 1,123	$ 677
2023	1,071	677
2024	939	612
2025	456	416
2026	40	416
Total minimum lease payments	3,629	$ 2,798
Less: amounts representing interest	(369)	
	3,260	
Less: current portion	(938)	
	$ 2,322	

Lease and rental expense was $5,503,000 and $5,206,000 for the years ended September 30, 2021 and 2020, respectively.

Contingent Liability for Borrowings by Prospect Under Credit Facilities

The Company is contingently liable as a guarantor, among others, for amounts borrowed by PMH on credit facilities. The obligations and related interest expense related to these credit facilities are not reflected in the Company's consolidated financial statements as of and for the years ended September 30, 2021 and 2020, as the borrowings are reflected in the separate consolidated financial statements of PMH.

On February 22, 2018, PMH entered into an ABL Credit Agreement (the "ABL Agreement"), by and among PMH (as the borrower), the lenders party thereto and JPMorgan, as administrative agent and collateral agent. Under the ABL Agreement, the maximum revolving commitment was $250.0 million with ability to expand the facility to $325.0 million (the "ABL Facility"), and the ABL facility bears interest at a variable base rate plus an applicable spread that is based on excess availability under the ABL Facility, as further described in the ABL Agreement, which was 3.75% and 4.0% as of September 30, 2021 and 2020, respectively. Through various amendments and the sale of PMH's acute care hospital in Texas, the maximum commitment under the ABL Agreement was $275.0 million at

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September 30, 2021. This commitment will decrease by $15.0 million in the month after the sale of PMH's operations in New Jersey and by a further $10.0 million when the remaining building in Texas is sold.

The ABL Facility matures on February 22, 2023. As of September 30, 2021 and 2020, the outstanding balance on the ABL facility was $45 million and $0, respectively, and the available balance was $190.7 million and $210.8 million, respectively.

The ABL Facility is secured by a first priority security interest on the working capital assets of PMH and certain of its wholly owned subsidiaries and a second priority security interest on their fixed assets. The ABL Agreement does not have any financial maintenance covenants. The ABL Agreement has a "springing" fixed charge ratio covenant that applies if excess availability is less than the greater of 10% of the maximum borrowing amount and $22,000,000. The fixed charge ratio covenant was not required to be tested for the fiscal quarter ended September 30, 2021.

Litigation

The Company is subject to a variety of claims and suits that arise from time to time in the ordinary course of its business, acquisitions, or other transactions. While the Company's management currently believes that resolving all of these matters, individually or in the aggregate, will not have a material adverse impact on the Company's consolidated financial position or results of operations, the litigation and other claims that the Company faces are subject to inherent uncertainties and management's view of these matters may change in the future. Should an unfavorable final outcome occur, there exists the possibility of a material adverse impact on the Company's consolidated financial position, results of operations and cash flows for the period in which the effect becomes probable and reasonably estimable.

Legislation and HIPAA

The healthcare industry is subject to numerous laws and regulations of federal, state and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government healthcare program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Government activity has continued with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by healthcare providers. Violations of these laws and regulations could result in expulsion from government healthcare programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed.

The Company believes that it is in compliance with fraud and abuse regulations as well as other applicable government laws and regulations. Compliance with such laws and regulations can be subject to future government review and interpretation as well as regulatory actions unknown or unasserted at this time.

The Health Insurance Portability and Accountability Act ("HIPAA") assures health insurance portability, reduces healthcare fraud and abuse, guarantees security and privacy of health information, and enforces standards for health information. The Health Information Technology for Economic and Clinical Health Act ("HITECH Act") expanded upon HIPAA in a number of ways, including establishing notification requirements for certain breaches of protected health information. In addition to these federal rules, California has also developed strict standards for the privacy and

security of health information as well as for reporting certain violations and breaches. The Company may be subject to significant fines and penalties if found not to be compliant with these state or federal provisions.

Collective Bargaining Agreements

As of September 30, 2021, the Company has 258 employees that are subject to a collective bargaining agreement with United Nurses and Allied Professionals ("UNAP"), which was effective beginning July 31, 2021 and expires July 30, 2024. A hospital unit consisting of approximately 374 service employees are subject to a collective bargaining agreement with UNAP, which was effective beginning June 31, 2018 and expires on June 30, 2022.

A small number of employees are subject to a collective bargaining agreement at Roger Williams Medical Center with the Teamsters Local Union No. 251 which was effective on February 3, 2021 and expires on February 4, 2024.

Provider Contracts

Many of the Company's payer and provider contracts are complex in nature and may be subject to differing interpretations regarding amounts due for the provision of medical services. Such differing interpretations may not come to light until a substantial period of time has passed following contract implementation. Liabilities for claims disputes are recorded when the loss is probable and can be estimated. Any adjustments to reserves are reflected in current operations.

PACE financing

In May 2020, the Company entered into an agreement with a third party that specializes in property assessed clean energy ("PACE") financing to finance approximately $42.0 million for qualifying renovations for the property in Rhode Island located at Roger Williams Medical Center. The full amount of the funds were deposited into an escrow account managed by a third party administrator, less deductions for deferred financing fees totaling approximately $2.7 million and lease payoffs of approximately $6.0 million. The Company received cash from the escrow account of approximately $14.9 million which was used to refinance related completed qualifying expenditures under the PACE program and invoices for construction in progress that had been paid. The amount financed is subject to an annual interest rate of 5.75% and the financing has a maturity date of April 30, 2045. Payments are collected through property tax bills as a non-ad valorem assessment. Payments commenced in July 2020. At September 30, 2021, the Company had a financing liability of approximately $32.0 million, of which $0.8 million and $31.2 million is classified within other current liabilities and other long-term liabilities, respectively, in the accompanying consolidated balance sheets. At September 30, 2020, the Company had a financing liability of approximately $26.5 million which is classified within other long-term liabilities in the accompanying consolidated balance sheets. At September 30, 2021, there was approximately $10.7 million left in escrow, required to be spent on qualifying renovations.

In January 2021, the Company entered into an agreement with a third party that specializes in PACE financing to finance approximately $18.0 million for qualifying renovations for the property in Rhode Island located at Our Lady of Fatima Hospital. The full amount of the funds were deposited into an escrow account managed by a third party administrator, less deductions for deferred financing fees totaling approximately $1.4 million. The Company received cash from the escrow account of

approximately $2.9 million which was used to refinance related completed qualifying expenditures under the PACE program and invoices for construction in progress that had been paid. The amount financed is subject to an annual interest rate of 5.75% and the financing has a maturity date of July 31, 2046. Payments are collected through property tax bills as a non-ad valorem assessment. Payments commenced in July 2021. At September 30, 2021, the Company had a financing liability of approximately $4.9 million, of which $0.3 million and $4.6 million is classified within other current liabilities and other long-term liabilities, respectively, in the accompanying consolidated balance sheets. At September 30, 2021, there was approximately $13.4 million left in escrow, required to be spent on qualifying renovations.

9. Defined Contribution Plan

Prospect sponsors, which allows for the Company's employees to participate, two defined contribution plans (the "Plans") covering substantially all employees who meet certain eligibility requirements, and are segregated between union and non-union employees. Under the Plans, employees can contribute up to 100% of their compensation up to the IRS deferred annual maximum. The Company may make discretionary matching contributions to the Plans. Employer contributions to the Plan were $1,998,000 and $2,460,000 for the years ended September 30, 2021 and 2020, respectively.

10. Equity Method Investments

The Company has invested in several joint ventures with unrelated third parties, which are accounted for under the equity method of accounting. Ownership percentages as of September 30, 2021 and 2020 are as follows:

September 30,	**2021**	2020
Roger Williams Radiation Therapy ("RWRT")	**20.00%**	20.00%
Southern New England Regional Cancer Center, LLC ("SNERCC")	**20.00%**	20.00%

RWMC is not liable for any obligations incurred by RWRT or SNERCC nor is it obligated to make any further capital contributions or lend funds to RWRT or SNERCC. As of September 30, 2021 and 2020, the Company's investments in RWRT, SNERCC, and other minor investments under the equity method were approximately $3,948,000 and $3,644,000, respectively, and are included in equity method investments in the accompanying consolidated balance sheets. For the years ended September 30, 2021 and 2020, the Company recognized approximately $304,000 and $881,000, respectively, as its share of the financial results of RWRT, SNERCC, and other minor investments and received $0 and $912,000, respectively, in distributions. The distributions are recorded within equity method investments on the accompanying consolidated balance sheets.

Summarized combined unaudited financial information for RWRT and SNERCC as of and for the years ended September 30, 2021 and 2020 is as follows (in thousands):

September 30,	2021	2020
Cash	$ 1,197	$ 1,710
Receivables and other current assets	1,427	966
Total current assets	2,624	2,676
Property, improvements and equipment, net	6,703	3,711
Goodwill	7,142	7,142
Intangible assets	814	813
Other long-term assets	1,531	1,588
Total assets	$ 18,814	$ 15,930
Accounts payable and accrued liabilities	$ 2,836	$ 1,168
Other long-term liabilities	3,613	576
Equity	12,365	14,186
Total liabilities and partner's capital	$ 18,814	$ 15,930

For the Years Ended September 30,	2021	2020
Revenues	$ 3,318	$ 13,009
Net income	$ 1,047	$ 2,999
Income from equity method investments	$ 304	$ 881

11. Subsequent Events

The Company has evaluated subsequent events through January 7, 2022, the date the Company's consolidated financial statements were available for issuance. There were no subsequent events requiring adjustment to the consolidated financial statements or disclosures as stated herein.

Prospect CharterCARE, LLC

Consolidated Financial Statements

As of and for the Years Ended
September 30, 2020 and 2019

The report accompanying these financial statements was issued by BDO USA, LLP, a Delaware limited liability partnership and the U.S. member of BDO International Limited, a UK company limited by guarantee.

Prospect CharterCARE, LLC

Consolidated Financial Statements

As of and for the Years Ended September 30, 2020 and 2019

Prospect CharterCARE, LLC

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Independent Auditor's Report

Board of Directors
Prospect CharterCARE, LLC
Los Angeles, California

We have audited the accompanying consolidated financial statements of Prospect CharterCARE, LLC, (the "Company") which comprise the consolidated balance sheets as of September 30, 2020 and 2019, and the related consolidated statements of operations, members' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Prospect CharterCARE, LLC and its subsidiaries as of September 30, 2020 and 2019, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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Emphasis of Matter Regarding Covid-19 and the CARES Act

As more fully described in Note 1 to the consolidated financial statements, the Company has been negatively impacted by the outbreak of a novel coronavirus (COVID-19), which was declared a global pandemic by the World Health Organization in March 2020. Furthermore, on March 27, 2020, the President signed into law the Coronavirus Aid, Relief, and Economic Security ("CARES Act") to provide certain relief funds as a result of the COVID-19 outbreak. The application for these relief funds requires the Company to among other things, meet certain conditions as defined, in order for them to be used to support the ongoing operations of the Company. The COVID-19 pandemic and the recognition of the relief funding under CARES Act has impacted the financial position, results of operations, and cash flows of the Company. Our opinion is not modified with respect to this matter.

BDO USA, LLP

February 18, 2021

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Prospect CharterCARE, LLC

Consolidated Balance Sheets
(in thousands)

September 30,	2020	2019
Assets		
Current assets		
Cash and cash equivalents	$ 1,820	$ -
Restricted cash	521	174
Patient accounts receivable, less allowance for doubtful accounts of $25,371 and $17,871	36,314	49,713
Other receivables	4,803	2,895
Due from government payers	6,281	5,531
Due from affiliated companies, net	32,458	-
Inventories	6,569	5,974
Prepaid expenses and other current assets	4,934	3,812
Total current assets	93,700	68,099
Property, improvements and equipment, net	60,265	60,918
Goodwill, net	415	-
Intangible assets, net	-	19
Equity method investments	3,644	3,675
Other assets	2,057	1,970
Total assets	$ 160,081	$ 134,681

See accompanying notes to consolidated financial statements.

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Prospect CharterCARE, LLC

Consolidated Balance Sheets
(in thousands)

September 30,	2020	2019
Liabilities and Members' Equity		
Current liabilities		
Accounts payable and other accrued liabilities	$ 30,512	$ 33,382
Accrued salaries, wages and benefits	23,971	18,150
Deferred revenue	1,376	170
Due to government payers	5,742	4,900
Refund liability, current portion	6,198	-
Due to affiliated companies, net	-	16,694
Capital leases, current portion	254	49
Total current liabilities	68,053	73,345
Capital leases, net of current portion	932	43
Asset retirement obligations	2,982	3,123
Deferred revenue, net of current portion	-	1,484
Refund liability, net of current portion	21,347	-
Other long-term liabilities	35,686	10,964
Total liabilities	129,000	88,959
Commitments, contingencies and subsequent events		
Members' equity		
Member contributions	120,105	120,105
Accumulated deficit	(89,024)	(74,383)
Total members' equity	31,081	45,722
Total liabilities and members' equity	$ 160,081	$ 134,681

See accompanying notes to consolidated financial statements.

CONFIDENTIAL C-CNT-PMH-021263

Prospect CharterCARE, LLC

Consolidated Statements of Operations
(in thousands)

For the Years Ended September 30,	2020	2019
Revenues		
Net patient service revenues	$ 327,759	$ 362,109
Provision for bad debts	(17,091)	(14,290)
Net patient service revenues less provision for bad debts	310,668	347,819
Other non-patient Hospital revenues	11,543	8,879
Total net revenues	322,211	356,698
Operating Expenses		
Salaries, wages and benefits	182,085	189,268
Supplies	58,939	61,933
Taxes and licenses	23,257	22,911
Purchased services	30,900	29,817
Depreciation and amortization	8,924	15,048
Professional fees	16,003	16,545
Legal settlement (Note 8)	22,250	-
Other	4,027	3,461
Insurance	4,040	4,091
Management fees	6,532	7,395
Utilities	4,893	5,159
Lease and rental	5,206	5,185
Research grant expense	2,263	2,626
Repairs and maintenance	1,805	1,702
Registry	1,547	699
Total operating expenses	372,671	365,840
Pandemic relief grant income	36,069	-
Operating income from unconsolidated equity method investments	881	560
Operating loss	(13,510)	(8,582)
Other expense:		
Interest expense	836	1,023
Other expense	715	-
Total other expense	1,551	1,023
Net loss from continuing operations	(15,061)	(9,605)
Income (loss) from discontinued operations	420	(91)
Net loss	$ (14,641)	$ (9,696)

See accompanying notes to consolidated financial statements.

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Prospect CharterCARE, LLC

Consolidated Statements of Members' Equity
(in thousands)

	Member Contributions	Accumulated Deficit	Total Members' Equity
Balance at October 1, 2018	$ 92,108	$ (64,687)	$ 27,421
Member contributions	27,997	-	27,997
Net loss	-	(9,696)	(9,696)
Balance at September 30, 2019	120,105	(74,383)	45,722
Net loss	-	(14,641)	(14,641)
Balance at September 30, 2020	$ 120,105	$ (89,024)	$ 31,081

See accompanying notes to consolidated financial statements.

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Prospect CharterCARE, LLC

Consolidated Statements of Cash Flows
(in thousands)

For the Years Ended September 30,	2020	2019
Operating activities		
Net loss	$ (14,641)	$ (9,696)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	8,856	14,292
Provision for bad debts	(17,091)	(14,290)
Accretion of interest for asset retirement obligations	68	756
Undistributed earnings from equity method investments	(881)	(560)
Changes in operating assets and liabilities, net of business combinations:		
Patient accounts receivables	30,490	10,653
Due to/from government payers, net	92	106
Refund liability	27,545	-
Inventories	(595)	(384)
Prepaid expenses, other receivables and other current assets	(3,030)	(1,213)
Other assets	(88)	332
Accounts payable and other accrued liabilities	26,849	(5,163)
Net cash provided by (used in) operating activities	57,574	(5,167)
Investing activities		
Purchases of property, improvements and equipment	(5,273)	(9,926)
Change in due from affiliated companies, net	(50,254)	-
Cash distributions from equity investments	912	973
Cash paid for acquisitions	(625)	-
Net cash used in investing activities	(55,240)	(8,953)
Financing activities		
Change in due to affiliated companies, net	-	14,659
Repayments of capital leases	(167)	(798)
Net cash (used in) provided by financing activities	(167)	13,861
Change in cash, cash equivalents and restricted cash	2,167	(259)
Cash, cash equivalents and restricted cash, beginning of year	174	433
Cash, cash equivalents and restricted cash, end of year	$ 2,341	$ 174
Supplemental disclosure of cash flow information		
Interest paid	$ 983	$ 1,019
Schedule of non-cash investing and financing activities		
Equipment acquired under capital lease	$ 1,261	$ -
Accrual of property, improvements and equipment	$ 1,412	$ 4,322
Non-cash contributions (Note 6)	$ -	$ 27,997

See accompanying notes to consolidated financial statements.

CONFIDENTIAL C-CNT-PMH-021266

1. Organization

Prospect CharterCARE, LLC ("PCC" or the "Company") is owned 85% by Prospect East Holdings, Inc. ("Prospect East"), a wholly-owned subsidiary of Prospect Medical Holdings, Inc. ("Prospect" or "PMH") and 15% by CharterCARE Community Board ("CCCB"). Subsequent to year-end, PMH entered into a settlement agreement, part of which, when effective, will result in Prospect East purchasing CCCB's 15% ownership interest (see Note 11).

The Company provides a comprehensive range of services at Roger Williams Medical Center ("RWMC") and Our Lady of Fatima Hospital ("Fatima" or "SJHRI").

Admitting physicians are primarily practitioners in the local area. The hospitals have payment arrangements with Medicare, Medicaid and other third-party payers, including commercial insurance carriers, health maintenance organizations ("HMOs") and preferred provider organizations ("PPOs"). A School of Nursing (the "School") was operated out of the Hospital locations but was closed in September 2019.

COVID-19 Pandemic

In January 2020, the Secretary of the U.S. Department of Health and Human Services ("HHS") declared a national public health emergency due to a novel strain of coronavirus. In March 2020, the World Health Organization declared the outbreak of COVID-19, a disease caused by this coronavirus strain, a pandemic. The resulting measures to contain the spread and impact of COVID-19 have adversely affected the Company's results of operations. Where applicable, the impact resulting from the COVID-19 pandemic during the year ended September 30, 2020, has been considered, including updated assessments of the recoverability of assets and evaluation of potential credit losses. As a result of the COVID-19 pandemic, federal and state governments have passed legislation, promulgated regulations and taken other administrative actions intended to assist healthcare providers in providing care to COVID-19 and other patients during the public health emergency. Sources of relief include the Coronavirus Aid, Relief and Economic Security Act (the "CARES Act"), which was enacted on March 27, 2020, and the Paycheck Protection Program and Health Care Enhancement Act (the "PPPHCE Act"), which was enacted on April 24, 2020. Together, the CARES Act and the PPPHCE Act include $175 billion in funding to be distributed to eligible providers through the Public Health and Social Services Emergency Fund (the "Provider Relief Fund" or "PRF"). HHS has allocated the Provider Relief Fund among eligible health care providers through two completed phases of general distributions and a number of targeted distributions beginning in April 2020. In October 2020, HHS announced an additional $20 billion general distribution from the Provider Relief Fund that considers financial losses and changes in operating revenues and expenses, including expenses attributable to COVID-19, and payments already received through PRF distributions.

CARES Act and PPPHCE Act Funds (included Medicare Advanced Payments)

The CARES Act also alleviates some of the financial strain on hospitals, physicians, other healthcare providers and states through a series of Medicare and Medicaid payment policies that temporarily increase Medicare and Medicaid reimbursement and allow for added flexibility, as described below.

(1) Effective May 1, 2020 through March 31, 2021, the 2% sequestration reduction on Medicare fee for service ("FFS") and payments to hospitals, physicians and other providers is suspended and will resume effective April 2021 as authorized by the Sequestration Transparency Act of

2020 and amended by the Consolidated Appropriations Act of 2021. The estimated impact of this change on the Company's operations is an increase of approximately $78,968 of revenues in fiscal 2020. The suspension is financed by a one-year extension of the sequestration adjustment through 2030.

(2) The CARES Act instituted a 20% increase in the Medicare Severity Diagnosis Related Groups ("MS-DRG") payment for confirmed COVID-19 hospital admissions for the duration of the public health emergency as declared by the Secretary of HHS.

(3) The CARES Act eliminated the scheduled nationwide reduction of $4 billion in federal Medicaid Disproportionate Share Hospital ("DSH") allotments to States in federal fiscal year ("FFY") 2020 mandated by the Affordable Care Act and decreased the FFY 2021 Medicaid DSH reduction from $8 billion to $4 billion effective December 1, 2020. Legislation passed in October 2020 delayed the 2021 reduction through December 11, 2020. The reduction mandated by the Patient Protection and Affordable Care Act ("PPACA") is set to be terminated at the end of FFY 2025.

(4) The CARES Act expanded the Medicare Accelerated and Advance Payments Program, which provides prepayment of claims to providers in certain circumstances, such as national emergencies or natural disasters. Under this measure, providers could request accelerated and advance payments during which time providers continue to receive payments for services. Under the CARES Act, accelerated and advance payments could be retained for 120 days; at the end of the 120-day period, the accelerated payment would be repaid via an offset of payments on claims that would otherwise be paid. Generally, repayments of the accelerated and advance payments the Company received were to commence during August 2020; however, under legislation passed in October 2020, providers may retain the accelerated payments for one year from the date of receipt before the Centers for Medicare and Medicaid Services ("CMS") commences recoupment, which will be effectuated by a 25% offset of claims payments for 11 months, followed by 50% offset for the succeeding six months. At the end of the 29-month period, interest on the unpaid balance will be assessed at 4% per annum. As of September 30, 2020, the Company had received Medicare accelerated and advance payments of approximately $27,545,000, of which approximately $6,198,000 and $21,347,000 were reflected in current and noncurrent refund liabilities, respectively, in the accompanying consolidated balance sheets.

(5) A 6.2% increase in the Federal Medical Assistance Percentage ("FMAP") matching funds was instituted to help states respond to the COVID-19 pandemic. The additional funds are available to states from January 1, 2020 through the quarter in which the public health emergency period ends, provided that states meet certain conditions. An increase in states' FMAP leverages Medicaid's existing financing structure, which allows federal funds to be provided to states more quickly and efficiently than establishing a new program or allocating money from a new funding stream. Increased federal matching funds support states in responding to the increased need for services, such as testing and treatment during the COVID-19 public health emergency, as well as increased enrollment as more people lose income and qualify for Medicaid during the economic downturn.

On September 19, 2020, HHS issued a Post-Payment Notice of Reporting Requirements for the PRF that were disbursed under the CARES Act. This notice changed guidance that had been previously communicated during June and July 2020. Key differences include introduction of the concept of

calendar year measurement as opposed to quarterly measurement, the requirement to first apply stimulus monies received to healthcare related expenses attributable to COVID-19 (net of reimbursements from other sources), and change (negative change comparing calendar year 2020 over calendar year 2019) from lost revenues, as defined to net patient care operating income as defined, net of healthcare related expenses previously applied. The notice also allowed for an additional six months through June 30, 2021, for companies to use the remaining amounts toward expenses attributable to COVID-19 that have not been reimbursed by other sources, or apply toward lost net patient care operating income in an amount not to exceed the calendar 2019 net gain. Also, on October 22, 2020, HHS issued a notice that amended the September 19, 2020 guidance, to replace the comparison of operating income to lost revenues. On January 7, 2021, HHS issued further guidance for the PRF that were disbursed under the CARES Act by allowing the use for the calculation of lost revenues to use budgeted revenues as an alternative to comparing with prior year budgets, and allowing for targeted distributions to be used in the same way as general distributions. The definitions included in the Post-Payment Notice of Reporting Requirements may be subject to change or further interpretation. Management will continue to evaluate and monitor compliance with the terms and conditions through June 30, 2021.

The following table shows the funds that the Company received through the PRF in both general and targeted distributions during the year ended September 30, 2020 (in thousands):

	PRF Funds	Hotspot Funds	State funds	Other funds	Total
Funds received during the year ended September 30, 2020	$ 8,320	$ 16,350	$ 15,782	$ 78	$ 40,530
Funds transferred from affiliated companies	459	-	-	-	459
Funds applied to lost revenues	(8,779)	(16,350)	(10,940)	-	(36,069)
Funds applied to incremental expenses	-	-	(4,842)	(30)	(4,872)
Funds applied to incremental capital assets	-	-	-	(48)	(48)
Funds unused at September 30, 2020	$ -	$ -	$ -	$ -	$ -

The amount of lost revenues (represented as a negative change in year-over-year net revenues from patient care related sources) was recorded in "pandemic relief grant income" and incremental expenses were recognized as a reduction to operating expense within the accompanying consolidated statements of operations for the year ended September 30, 2020. The recognition of amounts received is conditioned upon the provision of care for individuals with possible or actual cases of

COVID-19 after January 31, 2020, certification that payment will be used to prevent, prepare for and respond to coronavirus and shall reimburse the recipient only for healthcare related expenses or lost revenues that are attributable to coronavirus, and receipt of the funds. Amounts are recognized as a reduction to operating costs and expenses only to the extent the Company is reasonably assured that underlying conditions are met. These monies have been recognized following the grant accounting model, recognizing income or reduction to expenses over the applicable reporting period as management becomes reasonably assured of meeting the required criteria. As of September 30, 2020, the Company had accounted for all such funds.

HHS has also used funds appropriated to the Provider Relief Fund and the Families First Coronavirus Response Act ("FFCRA") to provide claims reimbursement to health care providers for testing uninsured individuals for COVID-19, treating uninsured individuals with a primary COVID-19 diagnosis, and administering a COVID-19 vaccine to uninsured individuals. The COVID-19 uninsured program is administered through HHS's Health Resources & Services Administration ("HRSA") and began providing reimbursement in May of 2020. Generally, reimbursements under this program are set at Medicare FFS rates, exclusive of the 20% increase in the MS-DRG payment for confirmed COVID-19 hospital admissions under the CARES Act.

Liquidity

At September 30, 2020, the Company had cash and cash equivalents of approximately $1.8 million and positive working capital of approximately $26 million. As of September 30, 2020, the Company had a receivable of approximately $32 million due from Prospect and its subsidiaries, which is included in due from affiliated companies, net in the accompanying consolidated balance sheets and the Company is dependent on this receivable settling in order to maintain its current liquidity. The receivable balance is mostly related to the Medicare Advance payments recorded, where the corresponding liability of approximately $27 million is reflected in current and noncurrent refund liability in the accompanying consolidated balance sheets. The Company believes that its current liquidity or access to financing will be sufficient to meet its operating, investing and financing cashflow requirements for the next year from the date these consolidated financial statements were available to be issued.

2. Significant Accounting Policies

Principles of Consolidation and Basis of Presentation

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and include the accounts of all wholly-owned subsidiaries, but do not include the accounts of the parent companies, Prospect or CCCB. All significant intercompany balances and transactions have been eliminated in consolidation.

Revenues

Net Patient Service Revenues

Operating revenue consists primarily of net patient service revenues. The Company reports net patient service revenues at the estimated net realizable amounts from patients and third-party payers and others in the period in which services are rendered. The Company has agreements with third-party payers, including Medicare, Medicaid, managed care and other insurance programs that

are paid at negotiated rates. These payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges and per diem payments, as further described below. Estimates of contractual allowances are based upon the payment terms specified in the related contractual agreements. The Company accrues for amounts that it believes may ultimately be due to or from the third-party payers. Normal estimation differences between final settlements and amounts accrued in previous years are reported as changes in estimates in the current year. Outstanding receivables, net of allowances for contractual discounts and bad debts, are included in patient accounts receivable in the accompanying consolidated balance sheets.

The following is a summary of sources of patient service revenues (net of contractual allowances and discounts) before provision for doubtful accounts and exclude revenues for discontinued operations (in thousands):

For the Years Ended September 30,	2020	2019
Medicare	$ 135,355	$ 151,701
Medicaid	82,451	86,573
Managed Care	75,650	82,955
Self-Pay/Other	34,303	40,880
Total	$ 327,759	$ 362,109

A summary of the payment arrangements with major third-party payers follows:

Medicare: Medicare is a federal program that provides certain hospital and medical insurance benefits to persons aged 65 and over, some persons with end-stage renal disease and certain other beneficiary categories, including eligible disabled persons. Most inpatient hospital services rendered to Medicare program beneficiaries are paid on a fee-for-service basis at prospectively determined rates per discharge, according to a patient classification system based on clinical, diagnostic, and other factors. Most outpatient services also are paid on a fee-for-service basis generally using prospectively determined rates. The Company receives, as appropriate, Medicare DSH and bad debt payments at tentative rates, with final settlement determined after submission of the annual Medicare cost report and audit thereof by the Medicare Administrative Contractor. The Company also receives, as appropriate, Medicare uncompensated care DSH payments, which are generally not subject to cost report audit except to determine eligibility for Medicare DSH. The Company also receives Medicare outlier payments on an ongoing basis during the year for cases that are unusually costly, and under certain circumstances these payments may be reconciled to more closely reflect the costs in excess of outlier thresholds after the submission and audit of the annual Medicare cost report. Normal estimation differences between filed settlements and amounts accrued are reflected in net patient service revenue.

The Company is reimbursed by Medicare for cost reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports and audits thereof by the Medicare Administrative Contractor. The estimated amounts due to or from the program are reviewed and adjusted annually based on the status of such audits and any subsequent appeals. Differences between final settlements and amounts accrued in previous years are reported as adjustments to net patient service revenue in the year that examination is substantially completed.

Although services for most Medicare beneficiaries are paid by the Federal government on a fee-for-service basis, approximately one-third of Medicare beneficiaries are enrolled in a "Medicare Advantage" plan, which is a type of health plan that contracts with the Medicare program to provide hospital and medical benefits to Medicare beneficiaries. Medicare Advantage Plans include Health Maintenance Organizations ("HMO"), Preferred Provider Organizations ("PPO"), Private Fee-For-Service Plans, Special Needs Plans, and Medicare Medical Savings Account Plans. For Medicare beneficiaries enrolled in a Medicare Advantage plan, most Medicare services are covered by the plan and are not paid for under fee-for-service Medicare. Certain Medicare Advantage plans make capitation payments to the Company using a "Risk Adjustment model," which compensates providers based on the health status (acuity) of each enrollee. Providers with higher acuity enrollees generally will receive more and those with healthier enrollees will receive less.

Medicaid: Medicaid is a joint federal-state funded healthcare benefit program that is administered by states to provide benefits to qualifying individuals who are unable to afford care. The Company receives reimbursements under the fee-for-service component of the Medicaid program at prospectively determined rates for both inpatient and outpatient services. Similar to Medicare, cost report settlements are recorded based upon as-filed cost reports and adjusted for tentative and final settlements, if any. In addition, a substantial portion of Medicaid beneficiaries are enrolled in Medicaid managed care organizations. The Company received payments for services furnished to these beneficiaries based on negotiated contract rates or non-contract payment methodologies where the Company does not have a contract with the managed care organization.

RWMC and SJHSRI are participants in the State of Rhode Island's DSH program, which assists hospitals that provide a disproportionate amount of uncompensated care. Under the program, Rhode Island hospitals, including RWMC and SJHSRI, receive federal and state Medicaid funds as additional reimbursement for treating a disproportionate share of low-income patients. RWMC and SJHSRI recognized revenue related to DSH and Upper Payment Limit ("UPL") reimbursement of approximately $20,239,000 and $20,456,000 for the years ended September 30, 2020 and 2019, respectively. DSH and UPL payments received were approximately $20,073,000 and $20,074,000 for the years ended September 30, 2020 and 2019, respectively. RWMC and SJHSRI recorded license fee expenses of approximately $17,846,000 and $17,565,000 for the years ended September 30, 2020 and 2019, respectively, which is included within taxes and licenses expense within the accompanying consolidated statements of operations.

Managed Care: The Company has also entered into payment agreements with certain commercial insurance carriers, HMOs, and PPOs. The basis for payment under these agreements is in accordance with negotiated contracted rates or at the Company's standard charges for services provided.

Self-Pay: Self-pay patients represent those patients who do not have health insurance and are not covered by some other form of third-party arrangement. Such patients are evaluated, at the time of services or shortly thereafter, for their ability to pay based upon federal and state poverty guidelines, qualifications for Medicaid, as well as the Company's local hospital's indigent and charity care policy.

Laws and regulations governing the third-party payor arrangements are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates

will change by a material amount in the near term. Normal estimation differences between subsequent cash collections on patient accounts receivable and net patient accounts receivable estimated in the prior year are reported as adjustments to net patient service revenue in the current period.

The Company is not aware of any material claims, disputes, or unsettled matters with any payers that would affect revenues that have not been adequately provided for and disclosed in the accompanying consolidated financial statements.

Charity Care

The Company provides charity care to patients who lack financial resources and are deemed to be medically indigent based on criteria established under the Company's charity care policy. This care is provided without charge or at amounts less than the Company's established rates. Because the Company does not pursue collection of amounts determined to qualify as charity care, such amounts are not reported as revenue. The direct and indirect costs related to this care totaled approximately $1,094,000 and $501,000 for the years ended September 30, 2020 and 2019, respectively. Direct and indirect costs for providing charity care are estimated by calculating a ratio of cost to gross charges and then multiplying that ratio by the gross uncompensated charges associated with providing care to charity patients. In addition, the Company provides services to other medically indigent patients under various state Medicaid programs. Such programs pay amounts that are less than the cost of the services provided to the recipients. The Company has not changed its charity care or uninsured discount policies during the years ended September 30, 2020 or 2019.

Provisions for Contractual Allowances and Doubtful Accounts

Collection of receivables from third-party payers and patients is the Company's primary source of cash and is critical to its operating performance. The Company closely monitors its historical collection rates, as well as changes in applicable laws, rules and regulations and contract terms, to assure that provisions for contractual allowances are made using the most accurate information available. However, due to the complexities involved in these estimations, actual payments from payers may be materially different from the amounts management estimates and records. The Company's primary collection risks relate to uninsured patients and the portion of the bill which is the patient's responsibility, primarily co-payments and deductibles. Payments for services may also be denied due to issues over patient eligibility for medical coverage, the Company's ability to demonstrate medical necessity for services rendered and payer authorization of hospitalization.

Accounts receivable are reduced by an allowance for doubtful accounts. Valuation of the collectability of accounts receivable and provision for bad debts is based on historical collection experience, payer mix and the age of the receivables. Management routinely reviews accounts receivable balances in conjunction with these factors and other economic conditions which might ultimately affect the collectability of the patient accounts, and make adjustments to the Company's allowances as warranted. For receivables associated with services provided to patients who have third-party coverage, management analyzes contractually due amounts and subsequently calculates an allowance for doubtful accounts and provision for bad debts once the age of the accounts reaches a specific age category based on historical experience. For receivables associated with self-pay patients, management records a significant provision for bad debts beginning in the period services were provided based on past experience that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible. During the year ended September 30, 2020,

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the Company transitioned from trended models based on a payment to charge ratios ("PCR") to models which primarily consider contractual rates for billed claims, but retained the PCR model for unbilled accounts receivable. Under the new models, net patient revenue was reduced by approximately $6,553,000. The allowance for doubtful accounts as a percent of gross accounts receivable was approximately 41% and 26% as of September 30, 2020 and 2019, respectively. The allowance for doubtful accounts was approximately $25,371,000 and $17,871,000 as of September 30, 2020 and 2019, respectively.

Legislation

All of the Company's hospital facilities are subject to the Emergency Medical Treatment and Active Labor Act ("EMTALA"). This federal law and accompanying regulations require any hospital that participates in the Medicare program to conduct an appropriate medical screening examination of every person who comes to the hospital's emergency department for treatment and, if the patient is suffering from an emergency medical condition, to either stabilize that condition or make an appropriate transfer of the patient to a facility that can handle the condition. The obligation to screen and stabilize emergency medical conditions exists regardless of a patient's ability to pay for treatment. There are severe penalties under EMTALA for violations of the law and regulations, including if a hospital fails to screen or appropriately stabilize or transfer a patient or if the hospital delays appropriate treatment in order to first inquire about the patient's ability to pay. Penalties for violations of EMTALA include civil monetary penalties and exclusion from participation in the Medicare program. In addition, an injured patient, the patient's family or a medical facility that suffers a financial loss as a direct result of another hospital's violation of the law can bring a civil suit against that other hospital. The Company believes that it is in compliance with EMTALA and is not aware of any pending or threatened EMTALA investigations involving allegations of potential wrongdoing that would have a material effect on the Company's consolidated financial statements.

Other Non-Patient Hospital Revenues

Other non-patient Hospital revenues totaled approximately $11,543,000 and $8,879,000 for the years ended September 30, 2020 and 2019, respectively. The principal components of other non-patient Hospital revenues include tuition revenue, grant revenue and rental revenue.

Property, Improvements and Equipment

Property, improvements and equipment are stated on the basis of cost or, in the case of acquisitions, at their acquisition date fair values. Depreciation is provided using the straight-line method over the estimated useful lives of the assets, and amortization of leasehold improvements is provided using the straight-line basis over the shorter of the remaining lease period or the estimated useful lives of the leasehold improvements. Leasehold improvements are generally depreciated over twenty years, buildings are depreciated over twenty years, equipment is depreciated over three to seven years and furniture and fixtures are depreciated over five to seven years. Equipment capitalized under capital lease obligations are amortized over the lesser of the life of the lease or the useful life of the asset.

Goodwill

Goodwill represents the excess of the consideration paid and liabilities assumed over the fair value of the net assets acquired, including identifiable intangible assets.

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On October 1, 2019, the Company elected to adopt the private company alternative, under which private companies can elect to amortize goodwill on a straight-line basis over 10 years, or less than 10 years if the entity demonstrates that another useful life is more appropriate. It also permits a private company to apply a simplified impairment model to goodwill, allowing impairment analysis to be evaluated at the entity level. Accordingly, the Company began amortizing goodwill prospectively as of October 1, 2019, on a straight-line basis over 10 years. The Company evaluates goodwill for impairment at the entity level when a triggering event occurs that indicates that the fair value of the entity may be below its carrying amount. When a triggering event occurs, the Company first assesses qualitative factors to determine whether the quantitative impairment test is necessary. If that qualitative assessment indicates that it is more likely than not that goodwill is impaired, the Company performs the quantitative test to compare the entity's fair value with its carrying amount, including goodwill. If the qualitative assessment indicates that it is not more likely than not that goodwill is impaired, further testing is unnecessary. The goodwill impairment loss, if any, represents the excess of the carrying amount of the entity over its fair value.

In March 2020, the COVID-19 pandemic was identified as a triggering event. In evaluating whether indicators of impairment exist, the Company considered adverse changes in market value, laws and regulations, profitability, cash flows, ability to maintain enrollment and renew payer contracts at favorable terms, among other factors.

Prior to election of the private company alternative, goodwill was not amortized; rather it was reviewed annually for impairment for each reporting unit, or more frequently if impairment indicators arose. Impairment of goodwill was tested by comparing each reporting unit's carrying amount, including goodwill, to the fair value of the reporting unit. The fair value of the reporting units were estimated. The goodwill impairment test was a one-step process which consisted of estimating based on a weighted combination of (i) the guideline company method that utilizes revenue or earnings multiples for comparable publicly-traded companies, and (ii) a discounted cash flow model. If the estimated fair value of the reporting unit is less than its carrying value, this indicated that goodwill would be impaired, and impairment would be recorded based on the deficiency of fair value compared to the carrying value.

There was no goodwill impairment recorded during the years ended September 30, 2020 and 2019.

Insurance Reserves

Medical Malpractice Liability Insurance

The Company carries professional and general liability insurance to cover medical malpractice claims under claims-made policies. Under the policies, insurance premiums cover only those claims actually reported during the policy term. Should the claims-made policy not be renewed or replaced with equivalent insurance, claims related to occurrences during the policy term but reported subsequent to the policy's termination may be uninsured.

During the years ended September 30, 2020 and 2019, PMH's captive insurance company provided malpractice and general liability ($5,000,000 per occurrence and $37,000,000 in the aggregate), along with excess healthcare professional liability and umbrella liability insurance policy on a claims-made basis covering healthcare professional liability, general liability, automobile liability, employers' liability, helipad liability and non-owned aircraft liability. The limit provided was $80,000,000 during

the years ended September 30, 2020 and 2019 for each loss event and in the annual aggregate excess of the primary coverage layers described above. This coverage was fully reinsured by third party carriers.

GAAP requires that a health care organization record and disclose the estimated costs of medical malpractice claims in the period of the incident of malpractice, if it is reasonably possible that liabilities may be incurred and losses can be reasonably estimated. The Company recognizes an estimated liability for incurred but not reported claims and the self-insured risks (including deductibles and potential claims in excess of policy limits) based upon an actuarial valuation of the Company's historical claims experience of the Company's hospitals. The Company's gross claims liability was $7,865,000 and $8,498,000 as of September 30, 2020 and 2019, respectively, and insurance receivables were $1,969,000 and $1,881,000 as of September 30, 2020 and 2019, respectively. The gross claims liability and insurance receivables were estimated using a discount factor of 4% and are included within other long-term liabilities and other long-term assets, respectively, in the accompanying consolidated balance sheets.

Workers' Compensation Insurance

The Company was fully insured for workers' compensation claims with no deductible during the years ended September 30, 2020 and 2019.

Reserve Methodology

The claims reserve is based on the best data available to the Company. The estimate, however, is subject to a significant degree of inherent variability. The estimate is continually monitored and reviewed, and as the reserve is adjusted, the difference is reflected in current operations. While the ultimate amount of medical malpractice liability is dependent on future developments, management is of the opinion that the associated liabilities recognized in the accompanying consolidated financial statements are adequate to cover such claims. Management is not aware of any potential medical malpractice claims whose settlement, if any, would have a material adverse effect on the Company's consolidated financial position, results of operations or cash flows.

Asset Retirement Obligations

The Company recognizes the fair value of a liability for legal obligations associated with asset retirements in the period in which it is incurred, if a reasonable estimate of the fair value of the obligation can be made. Over time, the liability is accreted to its present value each period. Upon settlement of the obligation, any difference between the cost to settle the asset retirement obligation and the liability recorded is recognized as a gain or loss in the statements of operations. The Company has accrued $2,982,000 and $3,123,000 related to asbestos remediation as of September 30, 2020 and 2019, respectively. The liability was estimated using a discount factor which ranged from 1% and 7%.

Cash, Cash Equivalents and Restricted Cash

Cash and Cash Equivalents

The Company considers all highly liquid debt instruments with initial maturities of 90 days or less to be cash equivalents. Cash and cash equivalents are primarily comprised of deposits with banks. The Company maintains its cash at banks with high credit-quality ratings.

Restricted Cash

The Company held restricted cash of $521,000 and $174,000 as of September 30, 2020 and 2019, respectively, which was restricted for research at the Company's hospitals, representative payee funds for long term behavioral health patients, and for School grants during the year ended September 30, 2019.

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the consolidated balance sheets that sum to the total of the same amounts shown in the consolidated statements of cash flows (in thousands):

For the Years Ended September 30,	2020	2019
Cash and cash equivalents	1,820	-
Restricted cash	521	174
Total	$ 2,341	$ 174

Inventories

Inventories of supplies are valued at the lower of amounts that approximate the weighted average cost or net realizable value, which approximates market value, and are expensed as incurred. Inventories consist primarily of medical and surgical supplies and pharmaceuticals.

Income Taxes

For tax reporting purposes, the Company is treated as a Partnership. The Company and its wholly-owned subsidiaries are pass-through entities. Therefore, no provision is made in the accompanying consolidated financial statements for liabilities for federal, state or local income taxes since such liabilities are the responsibility of the Company's parent companies. The Company periodically evaluates its tax positions, including its status as a pass-through entity, to evaluate whether it is more likely than not that such positions would be sustained upon examination by a tax authority for all open tax years, as defined by the statute of limitations, based on its technical merits.

As of September 30, 2020 and 2019, the Company has not established a liability for uncertain tax positions. The Company files income tax returns in the U.S. federal jurisdiction and the state of Rhode Island. Generally, the Company is subject to examination by U.S. federal (or state and local) income tax authorities for three to four years from the filing of a tax return.

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Fair Value of Financial Instruments

Financial instruments consist primarily of cash and cash equivalents, restricted cash, patient and other accounts receivables, accounts payable and accrued expenses, accrued salaries and benefits, amounts due from/to government payers, capital lease obligations, and other liabilities. The carrying amounts of current assets and liabilities approximate their fair value due to the relatively short period of time between the origination of the instruments and their expected realization.

Concentrations of Credit Risk

Cash and cash equivalents are maintained at financial institutions and, at times, balances may exceed federally insured limits of $250,000 per depositor of each financial institution. The Company has not experienced any losses to date related to these balances.

Financial instruments that potentially subject the Company to concentrations of credit risk consist of receivables due from Medicare and Medicaid. The Company received revenues from Medicare and Medicaid as follows (excluding revenues for discontinued operations, in thousands):

Years Ended September 30,	2020	% of Total Revenues	2019	% of Total Revenues
Medicare	$ 135,355	41 %	$ 151,701	42 %
Medicaid	82,451	25 %	86,573	24 %
Total	$ 217,806	66 %	$ 238,274	66 %

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities at the dates, and for the periods, that the consolidated financial statements are prepared. Actual results could materially differ from those estimates. Principal areas requiring the use of estimates include amounts due from/to government payers, allowances for contractual discounts and doubtful accounts, professional and general liability claims, long-lived assets, intangible assets and asset retirement obligations.

Recent Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2014-09, "Revenue from Contracts with Customers (Topic 606)" with an effective date deferred by ASU 2015-14, and further deferred for nonpublic entities by ASU 2020-05. The core principle of ASU 2014-09 is built on the contract between a vendor and a customer for the provision of goods and services, and attempts to depict the exchange of rights and obligations between the parties in the pattern of revenue recognition based on the consideration to which the vendor is entitled. To accomplish this objective, the standard requires five basic steps: (i) identify the contract with the customer, (ii) identify the performance obligations in the contract, (iii) determine the transaction price, (iv) allocate the transaction price to the performance obligations in the contract, (v) recognize revenue when (or as) the entity satisfies a performance obligation. Nonpublic entities will apply the new standard for annual periods beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. Three basic transition methods are

available – full retrospective, retrospective with certain practical expedients, and a cumulative effect approach. Under the third alternative, an entity would apply the new revenue standard only to contracts that are incomplete under legacy U.S. GAAP at the date of initial application and recognize the cumulative effect of the new standard as an adjustment to the opening balance of retained earnings. That is, prior years would not be restated and additional disclosures would be required to enable users of the financial statements to understand the impact of adopting the new standard in the current year compared to prior years that are presented under legacy U.S. GAAP. The Company has evaluated the effect of this guidance on its consolidated financial statements and does not expect the impact to be material to the consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, "Leases (Topic 842)" with effective dates deferred for all entities by ASU 2019-10, and further deferred for nonpublic entities by ASU 2020-05. The core principle of ASU 2016-02 is that a lessee should recognize the assets and liabilities that arise from leases, including operating leases. Under the new requirements, a lessee will recognize in the statement of financial position a liability to make lease payments (the lease liability) and the right-of-use asset representing the right to the underlying asset for the lease term. For leases with a term of 12 months or less, the lessee is permitted to make an accounting policy election by class of underlying asset not to recognize lease assets and lease liabilities. The recognition, measurement, and presentation of expenses and cash flows arising from a lease by a lessee have not significantly changed from previous GAAP. Nonpublic entities will apply the new standard for annual periods beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022. The Company is currently evaluating the standard and the impact on its consolidated financial statements and footnote disclosures.

In June 2016, the FASB issued ASU 2016-13, "Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments". The amendments in this standard require the measurement of all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. In addition, this standard amends the accounting for credit losses on available-for-sale debt securities and purchased financial assets with credit deterioration. The amendment is effective for nonpublic entities for annual reporting periods beginning after December 15, 2022. Early adoption is permitted. The Company is currently evaluating the standard and the impact on its consolidated financial statements and footnote disclosures.

Reclassification of Prior Year Presentation

Certain reclassifications were made to the prior year consolidated financial statements in order to conform to the current year presentation. These reclassifications did not have a material impact on previously reported consolidated financial statements.

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3. Property, Improvements and Equipment

Property, improvements and equipment, consisted of the following (in thousands):

September 30,	2020	2019
Property, improvements and equipment:		
Land and land improvements	$ 7,471	$ 7,471
Buildings and improvements	58,972	40,163
Leasehold improvements	4,768	4,410
Equipment	48,668	43,253
	119,879	95,297
Less: accumulated depreciation	(66,458)	(57,977)
	53,421	37,320
Construction in progress	6,844	23,598
Property, improvements and equipment, net	$ 60,265	$ 60,918

At September 30, 2020 and 2019, the Company had assets under capitalized leases of approximately $5,378,000 and $4,292,000, respectively, and related accumulated depreciation of $3,320,000 and $2,661,000, respectively.

Depreciation expense was $8,815,000 and $13,100,000 for the years ended September 30, 2020 and 2019, respectively.

4. Acquisitions

During the year ended September 30, 2020, CharterCARE Physicians completed a stock purchase acquisition of a medical practice with primary care physicians. Total cash consideration was $625,000, of which $437,000 was attributable to goodwill and $188,000 was attributable to fixed assets. Goodwill acquired is not expected to be deductible for tax purposes.

5. Goodwill and Intangible Assets

The net carrying value of goodwill by reporting unit is as follows (in thousands):

September 30,	2020	2019
Gross	$ 437	$ -
Accumulated impairment	-	-
Accumulated amortization	(22)	-
Net	$ 415	$ -

The changes in the net carrying amount of goodwill for the years ended September 30 are as follows (in thousands):

September 30,	2020	2019
Balance, beginning of year	$ -	$ -
Acquisitions	437	-
Amortization	(22)	-
Balance, end of year	$ 415	$ -

Amortization expense was approximately $22,000 for the year ended September 30, 2020 and is included in goodwill amortization expense in the accompanying consolidated statements of operations. There was no amortization expense recorded during the year ended September 30, 2019 (see Note 2).

Estimated amortization expense for each fiscal year of goodwill is as follows (in thousands):

Years ending September 30,	
2021	$ 44
2022	44
2023	44
2024	44
2025	44
Thereafter	195
Total future amortization expense	$ 415

The weighted-average remaining useful life for the goodwill was approximately nine years as of September 30, 2020.

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Identifiable intangible assets are comprised of the following (in thousands):

	Amortization Period	September 30, 2020	September 30, 2019
Trade names	5 years	$ 8,130	$ 8,130
Other	5 years	97	97
Total acquisition cost of intangible assets		8,227	8,227
Less accumulated amortization		(8,227)	(8,208)
Intangible assets, net		$ -	$ 19

Amortization is recognized on a straight-line basis (management's best estimate of the period of economic benefit) over the respective useful lives. Amortization expense was $19,000 and $1,192,000 for the years ended September 30, 2020 and 2019, respectively.

6. Members' Equity

In accordance with the Amended & Restated Limited Liability Company Agreement of PCC ("LLC Agreement"), the profit or loss of PCC is to be allocated to the members based on their Adjusted Capital Contribution, as defined in the LLC Agreement. Total member contributions were $27,997,000 for the year ended September 30, 2019. There were no member contributions during the year ended September 30, 2020. For the year ended September 30, 2019, contributions were non-cash transactions. All of these contributions were made by Prospect and are accounted for as additional member contributions, however, in accordance with the LLC Agreement, the contributions were allocated 85% to Prospect and 15% to CharterCARE Community Board, consistent with their ownership percentages.

The following is a summary of the members' capital accounts (in thousands):

	Prospect	CharterCARE Community Board	Total
Balance at October 1, 2018	$ 23,308	$ 4,113	$ 27,421
Allocated contributions	23,798	4,199	27,997
Net loss	(8,242)	(1,454)	(9,696)
Balance at September 30, 2019	38,864	6,858	45,722
Net loss	(12,445)	(2,196)	(14,641)
Balance at September 30, 2020	$ 26,419	$ 4,662	$ 31,081

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7. Related Party Transactions

The Company and Prospect East Hospital Advisory Services, LLC ("PEHAS"), a wholly-owned subsidiary of Prospect, entered into a Management Services Agreement ("MSA") as of June 20, 2014, under which PEHAS provides certain administrative and management services to PCC and its Subsidiaries. Management fees due to PEHAS under the MSA consist of 2% of net revenues monthly. The Company recognized management fees of $6,532,000 and $7,395,000 for the years ended September 30, 2020 and 2019, respectively, which is included within management fees expense in the accompanying consolidated statements of operations. As of September 30, 2020 and 2019, the Company had liabilities related to the MSA due to PEHAS of $24,470,000 and $17,938,000, respectively.

In May 2019, Prospect East, which owns 85% of the Company, made a non-cash capital contribution in the amount of approximately $24.7 million, which consisted of converting unpaid management fees due to PEHAS of approximately $20.0 million and approximately $4.7 million of unpaid invoices that Prospect paid on behalf of the Company at April 30, 2019, into equity.

Receivables Purchase Agreement

On March 31, 2020, the Company and other PMH hospital subsidiaries entered into a Receivables Purchase Agreement ("RPA") with Prospect Medical Group, Inc. ("PMG"), a company which is an affiliated physician organization of PMH in California. Under the RPA, on or about the last calendar day of each month ("Sales Date"), commencing in March 2020, the Company sold certain of its commercial patient accounts receivable to PMG on a non-recourse basis. The sales price reflects a discount of 10% from the current net carrying value. The discount was determined as a commercially reasonable rate for an "arm's length" third-party transaction and reflects the uncertainty of collections and time value of money. On each Sales Date, the Company received 85% of the sales price from PMG, and the remaining amount was received within seven business days. The Company continues to collect such patient accounts receivable on behalf of PMG and remits weekly funds collected to PMG. The Company has no liability to PMG after the sale, except for the remittance of cash collected on such accounts, for which the Company charges a 5% service fee. As of September 30, 2020, the Company sold $8,805,000 of receivables. The total service income earned during the year ended September 30, 2020 was $158,000 and is reflected in other income in the accompanying consolidated statements of operations. The total loss on sale during the year ended September 30, 2020 was $874,000 and is reflected in other expense (income), net in the accompanying consolidated statements of operations. The loss reflects the aforementioned contractual discount on the carrying value and it may, or may not, be roughly equivalent to the loss for uncollectible accounts that would have been incurred in the absence of such sale. At September 30, 2020, the Company owed PMG $95,000, which is reflected in due from affiliated companies, net on the accompanying consolidated balance sheets. As of December 1, 2020, the Company has ceased any further sales of receivables under the RPA.

8. Commitments and Contingencies

Leases

The Company leases various office facilities and equipment from third parties under non-cancelable operating and capital lease arrangements expiring at various dates through December 2025. Certain operating leases contain rent escalation clauses and renewal options, which have been factored into

determining rent expense on a straight-line basis over the lease terms. Capital leases bear interest at rates ranging from 4.3% to 6.25% per annum.

The future minimum annual lease payments (net of anticipated sublease income) required under leases in effect at September 30, 2020, are as follows (in thousands):

For the Years ending September 30,	Capital Leases	Operating Leases
2021	$ 309	$ 493
2022	298	477
2023	287	477
2024	266	411
2025	168	216
Total minimum lease payments	1,328	$ 2,074
Less: amounts representing interest	(142)	
	1,186	
Less: current portion	(254)	
	$ 932	

Lease and rental expense was $5,206,000 and $5,185,000 for the years ended September 30, 2020 and 2019, respectively.

Contingent Liability for Borrowings by Prospect Under Credit Facility

The Company is contingently liable as a guarantor, among others, for amounts that may from time to time be borrowed by PMH on a credit facility. The obligations and related interest expense related to the credit facility is not reflected in the Company's consolidated financial statements as of and for the years ended September 30, 2020 and 2019, as the borrowings are reflected in the separate consolidated financial statements of PMH.

On February 22, 2018, PMH entered into an ABL Credit Agreement (the "ABL Agreement"), by and among PMH (as the borrower), the lenders party thereto and JPMorgan, as administrative agent and collateral agent. Under the ABL Agreement, the maximum revolving commitment was $250.0 million with ability to expand the facility to $325.0 million (the "ABL Facility"), and the ABL facility bears interest at a variable base rate plus an applicable spread that is based on excess availability under the ABL Facility, as further described in the ABL Agreement, which was 4.0% and 6.0% as of September 30, 2020 and 2019, respectively. From January 2019 through July 2019 PMH entered into various amendments to the ABL Agreement. Such amendments (i) waived certain events of default at September 30, 2018; (ii) increased the maximum revolving commitment from $250.0 million to $280.0 million, and further to $285.0 million, while simultaneously reducing and removing future expansion of the facility; (iii) introduced $40.0 million of a first in last out ("FILO") revolving facility, which incurred interest at either 2.5% or 3.5% per annum depending on whether they are Eurodollar loans or ABR loans (which were repaid on August 23, 2019); (iv) provides for a reduction in the maximum revolving commitment by $20.0 million and $10.0 million upon the future planned closure or disposition of PMH's hospital facilities in Texas and New Jersey, respectively. In January 2020, the

maximum revolving commitment under the ABL Agreement decreased by $10.0 million to $275.0 million in connection with the sale of one of the acute care building at Nix Health in Texas in December 2019. The ABL Facility matures on February 22, 2023. As of September 30, 2019, the outstanding balance and the available balance on the New ABL facility was approximately $70.0 million and $175.6 million, respectively. As of September 30, 2020, no amounts were borrowed under the ABL Facility and the available balance to borrow was approximately $210.8 million. The ABL Facility is secured by a first priority security interest on all assets of PMH and most of its wholly owned subsidiaries, including the Company, except for certain assets of some hospital tenants pledged as security for obligations owed to their landlord, Medical Properties Trust ("MPT"). No assets of the Company, or its subsidiaries, are pledged as collateral for MPT. The ABL Agreement does not have any financial maintenance covenants. The ABL Agreement has a "springing" fixed charge ratio covenant that applies if excess availability is less than the greater of 10% of the maximum borrowing amount and $22.0 million. The fixed charge ratio covenant was not required to be tested for the fiscal quarter ended September 30, 2020 because no amounts were borrowed as of September 30, 2020.

Litigation

The Company is subject to a variety of claims and suits that arise from time to time in the ordinary course of its business, acquisitions, or other transactions. While the Company's management currently believes that resolving all of these matters, individually or in the aggregate, will not have a material adverse impact on the Company's consolidated financial position or results of operations, the litigation and other claims that the Company faces are subject to inherent uncertainties and management's view of these matters may change in the future. Should an unfavorable final outcome occur, there exists the possibility of a material adverse impact on the Company's consolidated financial position, results of operations and cash flows for the period in which the effect becomes probable and reasonably estimable.

Pension settlement

In June 2014, Prospect, through CCHP, acquired substantially all of the assets of CharterCARE Health Partners and its subsidiaries, in exchange for a 15% interest in CCHP, $43.3 million in cash and a commitment to invest at least $50 million in PCC and its subsidiaries for strategic business development and capital improvements over the next four years (the "CharterCARE acquisition").

One of the seller entities, St. Joseph Health Services of Rhode Island, had a Retirement Plan (the "Retirement Plan") which is a defined benefit pension plan and was set up for the benefit of employees of Our Lady of Fatima Hospital when the hospital was a standalone hospital owned by a religious institution. The Company did not acquire the Retirement Plan as part of the CharterCARE acquisition, and $14 million of the proceeds from the sale were contributed to the Retirement Plan in exchange for Prospect not having any liabilities related to the Retirement Plan. In August 2017, a petition was filed to place the Retirement Plan into receivership by its administrators because it was underfunded.

In June 2018, the receiver for the Retirement Plan (along with various named participants) filed a lawsuit on behalf of all participants against various defendants which included CCCB, Prospect, Prospect East, the Company and its two subsidiaries which own Roger Williams Medical Center (Prospect Chartercare RWMC, LLC) and Our Lady of Fatima Hospital (Prospect Chartercare SJHSRI, LLC), along with the administrators of the Retirement Plan, The Angell Pension Group, Inc., among

others. Also, in March 2019, CCCB sued Prospect and various directors of Prospect, and certain subsidiaries. The suit involves allegations related to the valuation of CCCB's 15% ownership interest in CCHP. In December 2019, CCCB and its subsidiaries settled with the receiver of the Retirement Plan. As a result, in January 2020 the receiver took control of CCCB's noncash assets, including its ownership interest in CCHP. In December 2019, Prospect sued CCCB on the basis that CCCB had breached the original terms of the acquisition by entering into the settlement agreement with the receiver and seeking indemnity against the receiver's June 2018 lawsuit.

Prospect, Prospect East, the Company, Prospect Chartercare RWMC, LLC and Prospect Chartercare SJHSRI, LLC entered into a Settlement Agreement in December 2020 to release the Company and its involved directors and subsidiaries from all of the various claims under the aforementioned litigation. Under the terms of the settlement, Prospect will pay $27.25 million to settle all of the outstanding cases and all parties, including Prospect, will release their related claims. The payment of the settlement is conditioned upon approval by the Superior Court of Rhode Island.

As part of the settlement, Prospect East will acquire CCCB's noncontrolling interest in CCHP, which represents $5 million of the settlement and approximates the fair value of the interest. Accordingly, at September 30, 2020 the Company has recorded an expense for the settlement of $22.25 million. The portion of the settlement related to Prospect East's purchase of the noncontrolling interest will be accounted for when the transaction occurs. The Company is considering whether there will be any recovery from its insurance policies for any portion of this settlement loss; at September 30, 2020 the Company believes that such recovery is not probable under applicable accounting literature and accordingly no receivable for recovery for losses has been recorded.

Legislation and HIPAA

Numerous state and federal laws and regulations govern the collection, dissemination, use, privacy, confidentiality, security, availability and integrity of personally identifiable information, including protected health information. These laws and regulations include the Health Insurance Portability and Accountability Act, as amended, and its implementing regulations, as well as The Health Information Technology for Economic and Clinical Health Act ("HITECH Act") (collectively, "HIPAA"). HIPAA establishes a set of basic national privacy and security standards for the protection of protected health information, or PHI, by health plans, healthcare clearinghouses and certain healthcare providers, referred to as covered entities, and the business associates with whom such covered entities contract for services, which includes us.

HIPAA requires the Company to develop and maintain policies and procedures with respect to PHI that is used or disclosed, including the adoption of administrative, physical and technical safeguards to protect such information. HIPAA also implemented the use of standard transaction code sets and standard identifiers that covered entities must use when submitting or receiving certain electronic healthcare transactions, including activities associated with the billing and collection of healthcare claims.

HIPAA imposes mandatory penalties for certain violations. Penalties for violations of HIPAA and its implementing regulations start at $100 per violation and are not to exceed $50,000 per violation, subject to a cap of $1.5 million for violations of the same standard in a single calendar year. However, a single breach incident can result in violations of multiple standards. HIPAA also authorizes state attorneys general to file suit on behalf of their residents. Courts will be able to award damages, costs and attorneys' fees related to violations of HIPAA in such cases. Although HIPAA does not create a

private right of action allowing individuals to sue the Company in civil court for violations of HIPAA, its standards have been used as the basis for duty of care in state civil suits such as those for negligence or recklessness in the misuse or breach of PHI.

In addition, HIPAA mandates that HHS conduct periodic compliance audits of HIPAA covered entities or business associates for compliance with the HIPAA Privacy and Security Standards. It also tasks HHS with establishing a methodology whereby harmed individuals who were the victims of breaches of unsecured PHI may receive a percentage of the Civil Monetary Penalty fine paid by the violator.

HIPAA further requires that patients be notified of any unauthorized acquisition, access, use or disclosure of their unsecured PHI that compromises the privacy or security of such information, with certain exceptions related to unintentional or inadvertent use or disclosure by employees or authorized individuals. HIPAA specifies that such notifications must be made "without unreasonable delay and in no case later than 60 calendar days after discovery of the breach." If a breach affects 500 patients or more, it must be reported to HHS without unreasonable delay, and HHS will post the name of the breaching entity on its public web site. Breaches affecting 500 patients or more in the same state or jurisdiction must also be reported to the local media. If a breach involves fewer than 500 people, the covered entity must record it in a log and notify HHS at least annually.

In addition to these HIPAA laws, states have also developed their own standards for the privacy and security of health information as well as for reporting certain violations and breaches (for example, California's Confidentiality of Medical Information Act and Lanterman-Petris Short Act). When these state laws provide greater patient privacy protection, they are considered more stringent than HIPAA and are not preempted by HIPAA (HIPAA preempts state privacy laws that provide lesser patient privacy protection than HIPAA's Privacy Rule and state security laws that are contrary to HIPAA's Security Rule). Other federal privacy laws may also apply to certain services provided by the Company, including 42 C.F.R. Part 2, which addresses the confidentiality of substance use disorder records.

Numerous other federal and state laws protect the confidentiality, privacy, availability, integrity and security of personally identifiable information ("PII"), including protected health information ("PHI") governed by HIPAA. These PII laws in many cases are more restrictive than, and may not be preempted by, HIPAA and may be subject to varying interpretations by courts and government agencies, creating complex compliance issues for us and potentially exposing the Company to additional expense, adverse publicity and liability.

New health information standards, whether implemented pursuant to HIPAA, congressional action or otherwise, could have a significant effect on the manner in which the Company must handle healthcare related data, and the cost of complying with standards could be significant. If the Company does not comply with existing or new laws and regulations related to PHI, the Company could be subject to criminal or civil sanctions.

Because of the extreme sensitivity of the PII that is stored and transmitted, the security features of the Company's information systems are very important. If the security measures are breached or fail, unauthorized persons may be able to obtain access to PII and PHI. As a result, the Company's reputation could be severely damaged, the Company could face litigation, damages for contract breach, penalties and regulatory actions for violation of HIPAA and other applicable laws or regulations and significant costs for remediation, notification to individuals and for measures to prevent future occurrences. Any potential security breach could also result in increased costs

associated with liability for stolen assets or information, repairing system damage that may have been caused by such breaches, implementing measures to prevent future occurrences, and engaging third-party experts and consultants. While the Company maintains insurance covering certain security and privacy damages and claim expenses, the Company may not carry insurance or maintain coverage sufficient to compensate for all liability and in any event, insurance coverage would not address the reputational damage that could result from a security breach of PHI or PII.

The Company outsources important aspects of the storage and transmission of client and patient information, and thus rely on third parties to manage functions that have material cyber-security risks. The Company attempts to address these risks in part by requiring outsourcing subcontractors who handle client and patient information to sign business associate agreements contractually requiring those subcontractors to adequately safeguard personal health data to the same extent that applies to the Company. However, it cannot be assured that these contractual measures and other safeguards will adequately protect the Company from the risks associated with the storage and transmission of client and patients' proprietary and protected health information.

The Company also publishes statements to patients that describe how the Company handles and protects personal information. If federal or state regulatory authorities or private litigants consider any portion of these statements to be untrue, the Company may be subject to claims of deceptive practices, which could lead to significant liabilities and consequences, including, without limitation, costs of responding to investigations, defending against litigation, settling claims and complying with regulatory or court orders.

Affordable Care Act

The PPACA has made significant changes to the United States health care system. The legislation impacted multiple aspects of the health care system, including many provisions that change payments from Medicare, Medicaid and insurance companies. Under this legislation, 36 states and the District of Columbia have expanded their Medicaid programs to cover previously uninsured childless adults, and voters in two additional states (Missouri and Oklahoma) approved ballot measures in 2020 to add Medicaid expansion to the state's constitution with expansion coverage to begin no later than July 1, 2021. In addition, many uninsured individuals have had the opportunity to purchase health insurance via state-based marketplaces, state-based marketplaces using a federal platform, state-partnership marketplaces or the federally-facilitated marketplace. PPACA also implemented a number of health insurance market reforms, such as allowing children to remain on their parents' health insurance until age 26 or prohibiting certain plans from denying coverage based on pre-existing conditions. Nationally, these reforms have reduced the number of uninsured individuals.

It is unclear what changes may be made to PPACA, if any, following the results of the presidential and congressional races and pending Supreme Court over the validity of PPACA. The current Administration has promulgated rules to broaden the availability of coverage options that do not comply with the full range of PPACA requirements for individual market coverage, namely Association Health Plans and Short-Term Limited-Duration Insurance. The Administration has also provided additional guidance on state PPACA waivers. These executive actions have been or may be challenged in court. In addition, the Tax Cuts and Jobs Act ("TCJA"), passed in December 2017, eliminated the individual mandate shared responsibility payment (penalty) under PPACA, effective January 1, 2019. The individual mandate penalty was included in PPACA to address concerns that other market reforms expanding access to coverage might produce adverse selection and higher premiums. Although data suggests that some reduction in enrollment occurred in 2019 following elimination of the individual

mandate penalty and that premium rates also dropped slightly nationally, the extent to which the repeal of the individual mandate penalty will impact the uninsured rate and future premiums are unclear at this juncture.

On December 14, 2018, the United States District Court for the Northern District of Texas ruled that the individual mandate without the penalty is unconstitutional and that PPACA is therefore invalid in its entirety. On December 18, 2018, a panel of the United States Court of Appeals for the Fifth Circuit largely affirmed, concluding that the plaintiffs have standing to challenge the law and that the individual mandate without the penalty is unconstitutional, but remanded the matter to the district court for further analysis of the extent to which the individual mandate is severable from some, all, or none of PPACA's other provisions. Litigation in this matter is ongoing, with the Supreme Court scheduled to hear oral arguments on November 10, 2020. The outcome of this appeal is uncertain following the passing of Justice Ruth Bader Ginsburg and the confirmation of Judge Amy Coney Barrett to fill her seat on the Court. In addition, the outcome of the election could result in legislative changes that moot or impact litigation. This litigation along with any future legislative changes to PPACA or other federal and state legislation could have a material impact on the operations of the Company. The Company is continuing to monitor the legislative environment and developments in pending litigation for risks and uncertainties.

Collective Bargaining Agreements

As of September 30, 2020, the Company has 282 employees that are subject to a collective bargaining agreement with United Nurses and Allied Professionals ("UNAP"), which was effective beginning July 15, 2019 and expires July 31, 2021. During April 2015, a hospital unit consisting of approximately 424 service employees of Fatima elected to be represented by UNAP. The parties entered into a new collective bargaining agreement which was effective beginning July 2, 2019 and expires on June 30, 2022. A small number of employees are subject to a collective bargaining agreement with the Federation of Nurses and Health Professionals ("FNHP"), which expires on July 30, 2021.

Provider Contracts

Many of the Company's payer and provider contracts are complex in nature and may be subject to differing interpretations regarding amounts due for the provision of medical services. Such differing interpretations may not come to light until a substantial period of time has passed following contract implementation. Liabilities for claims disputes are recorded when the loss is probable and can be estimated. Any adjustments to reserves are reflected in current operations.

PACE financing

In May 2020, the Company entered into an agreement with a third party that specializes in property assessed clean energy ("PACE") financing to finance approximately $42 million for qualifying renovations for the property located at RWMC. The full amount of the funds were deposited into an escrow account managed by a third party administrator. The amount financed is subject to an annual interest rate of 5.75% and the financing has a maturity date of April 30, 2045. Payments are collected through property tax bills as a non-ad valorem assessment. Payments commenced in July 2020. At September 30, 2020, the Company had a financing liability of approximately $27 million, of which $1 million and $26 million are classified within accounts payable and other accrued liabilities and other long-term liabilities in the accompanying consolidated balance sheets, respectively, and had approximately $15 million left to spend from the financing arrangement on qualifying renovations.

9. Defined Contribution Plan

Prospect sponsors two defined contribution plans (the "Plans") covering substantially all employees who meet certain eligibility requirements, and are segregated between union and non-union employees. Under the Plans, employees can contribute up to 100% of their compensation up to the IRS deferred annual maximum. The Company may make discretionary matching contributions to the Plans. Employer contributions to the Plan were $2,460,000 and $1,981,000 for the years ended September 30, 2020 and 2019, respectively, and are included in employee benefits in the accompanying consolidated statements of operations.

10. Equity Method Investments

The Company has invested in several joint ventures with unrelated third parties, which are accounted for under the equity method of accounting. Ownership percentages as of September 30, 2020 and 2019 are as follows:

September 30,	**2020**	2019
Roger Williams Radiation Therapy ("RWRT")	**20.00%**	20.00%
Southern New England Regional Cancer Center, LLC ("SNERCC")	**20.00%**	20.00%

RWMC is not liable for any obligations insured by RWRT or SNERCC nor is it obligated to make any further capital contributions or lend funds to RWRT or SNERCC. As of September 30, 2020 and 2019, the Company's investments in RWRT, SNERCC, and other minor investments under the equity method were approximately $3,644,000 and $3,675,000, respectively, and are included in equity method investments in the accompanying consolidated balance sheets. For the years ended September 30, 2020 and 2019, the Company recognized approximately $881,000 and $560,000, respectively, as its share of the financial results of RWRT, SNERCC, and other minor investments and received $912,000 and $973,000, respectively, in distributions.

Summarized combined unaudited financial information for RWRT and SNERCC as of and for the years ended September 30, 2020 and 2019 is as follows (in thousands):

September 30,	**2020**	2019
Cash	$ **1,710**	$ 1,905
Receivables and other current assets	**966**	1,683
Total current assets	**2,676**	3,588
Property, improvements and equipment, net	**3,711**	3,849
Goodwill	**7,142**	7,142
Intangible assets	**813**	821
Other long-term assets	**1,588**	1,532

Total assets	$	15,930	$	16,932
Accounts payable and accrued liabilities	$	1,168	$	1,304
Other long-term liabilities		576		948
Equity		14,186		14,680
Total liabilities and partner's capital	$	15,930	$	16,932

For the Years Ended September 30,		2020		2019
Revenues	$	13,009	$	16,678
Net income	$	2,999	$	2,461
Income from equity method investments	$	881	$	560

11. Subsequent Events

The Company has evaluated subsequent events through February 18, 2021, the date the Company's consolidated financial statements were available for issuance.

Subsequent to year-end, through a commutation agreement certain policies and reinsurance amendments were revised, which transferred risk for self-insured layers of coverage for the hospital and physician professional and general liability, medical stop loss and certain buffer layer excess programs from PMH's captive insurance companies to the Company's hospitals and affiliated subsidiaries.

In January 2021, the Company entered into a PACE arrangement with a third party to finance approximately $18 million for qualifying renovations for the property located at Fatima. The full amount of the funds were deposited into an escrow account managed by a third party administrator. The amount financed is subject to an annual interest rate of 5.75% and the financing has a maturity date of July 31, 2046.

Prospect Medical Holdings, Inc.

CharterCARE Statement of Operations

For the Month and the Year-to-Date Period Ending August 31, 2022

Fiscal 2022

Unaudited

	Year-to-Date	
	Actual	**Prior Year**
REVENUE:		
Capitation revenue	$ 2,348,249	$ 1,455,625
Patient services revenue	333,296,889	319,737,260
Other non-hospital services revenue	2,741,268	2,879,706
Other Operating Revenue	5,633,149	5,475,942
Shared Risk Pool Revenue	-	-
Total Gross Revenue	344,019,555	329,548,533
Less: Provision for Bad Debts	(21,772,525)	(13,283,926)
Total Net Revenue	322,247,030 -	316,264,607
OPERATING EXPENSES:		
Salaries	155,538,546	147,404,961
Payroll Taxes & Fringe Benefits	27,089,470	29,283,912
Insurance	(773,465)	6,131,429
Rent	4,920,644	5,027,042
Utilities	5,344,337	4,464,206
Repair & Maintenance	2,867,873	1,584,355
Operating supplies	63,989,354	60,460,947
Outside services	29,873,379	30,820,846
Marketing	932,213	871,257
Travel & Business Development	200,754	126,366
Professional Development	149,601	111,788
Professional fees	16,802,698	38,156,910
Registry	8,961,545	1,844,772
Miscellaneous expense	20,906,867	18,386,736
Other Income/Expense	1,703,171	3,042,539
Total Operating Expenses	338,506,987	347,718,066
Income from Operations	(16,259,957)	(31,453,459)
Income (Loss) Unconsolidated JV	216,078	242,758
EBITDA	(16,043,879)	(31,210,701)
Depreciation expense	9,438,401	9,201,489
Amortization expense	69,160	67,885
Total Depreciation and Amortization	9,507,561	9,269,374
Net Operating Income	(25,551,440)	(40,480,075)
Interest expense	2,351,887	1,001,889
Other (Income) / Expense	(88,700)	3,841,703
Total Other (Income) / Expense	2,263,187	4,843,592
Net income (loss) before income taxes	(27,814,627)	(45,323,667)
Income tax provision (benefit)	-	-
Net income (loss) from continuing operations	(27,814,627)	(45,323,667)
Net Income (Loss) before Allocation to Non-Controlling Interests	(27,814,627)	(45,323,667)
Non-Controlling Interest in Subsidiaries	-	(6,816,193)
Net Income after Non-Controlling Interests	(27,814,627)	(38,507,474)
Other Comprehensive Income (Loss):		
Total other comprehensive (loss) income, net of tax	-	-
Total comprehensive income (loss)	$ (27,814,627)	$ (38,507,474)

Prospect Medical Holdings, Inc.

CharterCare Balance Sheet

As of August 31, 2022

Fiscal 2022

Unaudited

	Actual
CURRENT ASSETS:	
Cash and cash equivalents	$ 3,114,731
Restricted cash	894,182
Accounts Receivable, Patients - Net	41,540,717
Accounts Receivable - Other	5,375,787
Third Party Settlements Receivable	1,410,969
Government Program Receivables	3,762,512
Intercompany accounts	(13,195,784)
Inventory	7,969,643
Prepaid Expenses	6,587,403
Prepaid - Hospital Fee Program	-
Current Assets Held for Sale	-
Total Current Assets	57,460,160
FIXED ASSETS:	
Property, Improvements & Equipment	153,487,009
Accumulated depreciation	(86,471,184)
Property, improvements and equipment, net	67,015,825
OTHER ASSETS:	
Investment in unconsolidated subsidiary	3,683,457
Goodwill	375,180
Other Assets	713,338
Long-Term Assets Held for Sale	-
Total Other Assets	4,771,975
TOTAL ASSETS	**$ 129,247,960**
CURRENT LIABILITIES:	
Accounts payable	29,741,204
Accrued Payroll & Benefits	23,046,194
Other Payable	11,887,157
Capitalized leases - current portion	2,200,547
Debt - current portion	-
Third Party Settlements payable	379,269
Due to Government Payer	4,779,860
Current Liabilities Held for Sale	-
Total Current Liabilities	72,034,231
LONG TERM LIABILITIES:	
Capitalized leases - long-term portion	5,619,897
Other Long Term Liabilities	38,766,870
Malpractice reserves	20,758,430
Asset retirement obligations	3,018,791
Long-Term Liabilities Held for Sale	-
Total Long Term Liabilities	68,163,988
TOTAL LIABILITIES	**140,198,219**
STOCKHOLDER'S EQUITY (DEFICIT)	
Additional Paid in Capital	102,526,396
Retained Earnings (Accumulated Deficit) - Prior Year	(85,662,031)
Retained Earnings (Accumulated Deficit) - Current Year	(27,814,617)
Accumulated Other Comprehensive Income	-
Total Holdings Equity	(10,950,252)
Noncontrolling interest	-
Total Stockholder's Equity (Deficit)	(10,950,252)
TOTAL LIABILITIES & STOCKHOLDER'S EQUITY (DEFICIT)	**$ 129,247,967**

Schedule 3.5(a)
Licenses and Accreditations

Schedule 2.1(a)(xiv) is incorporated herein.

Schedule 3.5(b)
License and Accreditation Notices

1. Accreditation Council for Graduate Medical Education ("ACGME") adverse actions, effective July 7, 2020 and July 8, 2020, for Roger Williams Medical Center (Institution No. 8004300417) for noncompliance with Institutional Requirements. Pursuant to the ACGME letters dated July 28, 2020, April 5, 2021, and March 15, 2022, Roger Williams Medical Center status was subsequently changed to "Continued Accreditation."

2. Pursuant to the Centers for Medicare and Medicaid Services notice, dated Aug. 4, 2021 (CMS Cert. No. 41005) for the Rhode Island Department of Health ("RI DOH") substantial allegation survey completed on July 26, 2021 (Survey ID MCIW11), CMS determined that Our Lady of Fatima Hospital conditions posed an immediate jeopardy to patients. The status of immediate jeopardy was abated effective July 23, 2021, but that the hospital remained in noncompliance with certain Medicare Conditions of Participation. The hospital submitted a plan of correction on Aug. 4, 2021. Pursuant to a subsequent notice dated Oct. 13, 2021, the RI DOH conducted a revisit survey on Sep. 27, 2021 and determined that the hospital is in substantial compliance with the Medicare Conditions of Participation, and that the possible termination from the Medicare program is rescinded.

Schedule 3.6
Regulatory Compliance

(b)

1. Pursuant to the Centers for Medicare and Medicaid Services notice, dated Aug. 4, 2021 (CMS Cert. No. 41005) for the Rhode Island Department of Health ("RI DOH") substantial allegation survey completed on July 26, 2021 (Survey ID MCIW11), CMS determined that Our Lady of Fatima Hospital conditions posed an immediate jeopardy to patients. The status of immediate jeopardy was abated effective July 23, 2021, but that the hospital remained in noncompliance with certain Medicare Conditions of Participation. The hospital submitted a plan of correction on Aug. 4, 2021. Pursuant to a subsequent notice dated Oct. 13, 2021, the RI DOH conducted a revisit survey on Sep. 27, 2021 and determined that the hospital is in substantial compliance with the Medicare Conditions of Participation, and that the possible termination from the Medicare program is rescinded (this event collectively shall be referred to herein as the "2021 Substantial Allegation Survey and Plan of Correction").

(d)

1. National Government Services voluntary refund for CharterCARE Health Plan, dated Oct. 22, 2021, in the amount of $48,953.79 (the "October 2021 Repayment").

2. National Government Services voluntary refund for CharterCARE Health Plan, dated Mar. 30, 2022, in the amount of $19,953.59 (the "March 2022 Repayment").

3. CharterCare Health Partners has proposed a repayment of approximately $45,000 to Rhode Island Medicaid for ambulance services that were incorrectly paid for the period from 2015-2022. CharterCare Health Partners is participating in ongoing negotiations with RIDOH to resolve the incorrectly paid payments (the "RIDOH Repayment Negotiations").

(f)

1. The 2021 Substantial Allegation Survey and Plan of Correction.

(g)

1. The October 2021 Repayment.

2. The March 2022 Repayment.

3. The RIDOH Repayment Negotiations.

(h)

1. The 2021 Substantial Allegation Survey and Plan of Correction.

(i)

1. One employee was identified as being on the OIG Exclusion list two (2) days after the employee started employment and while the employee was still in training. The payback associated with this person's employment was less than $300.00.

(k)

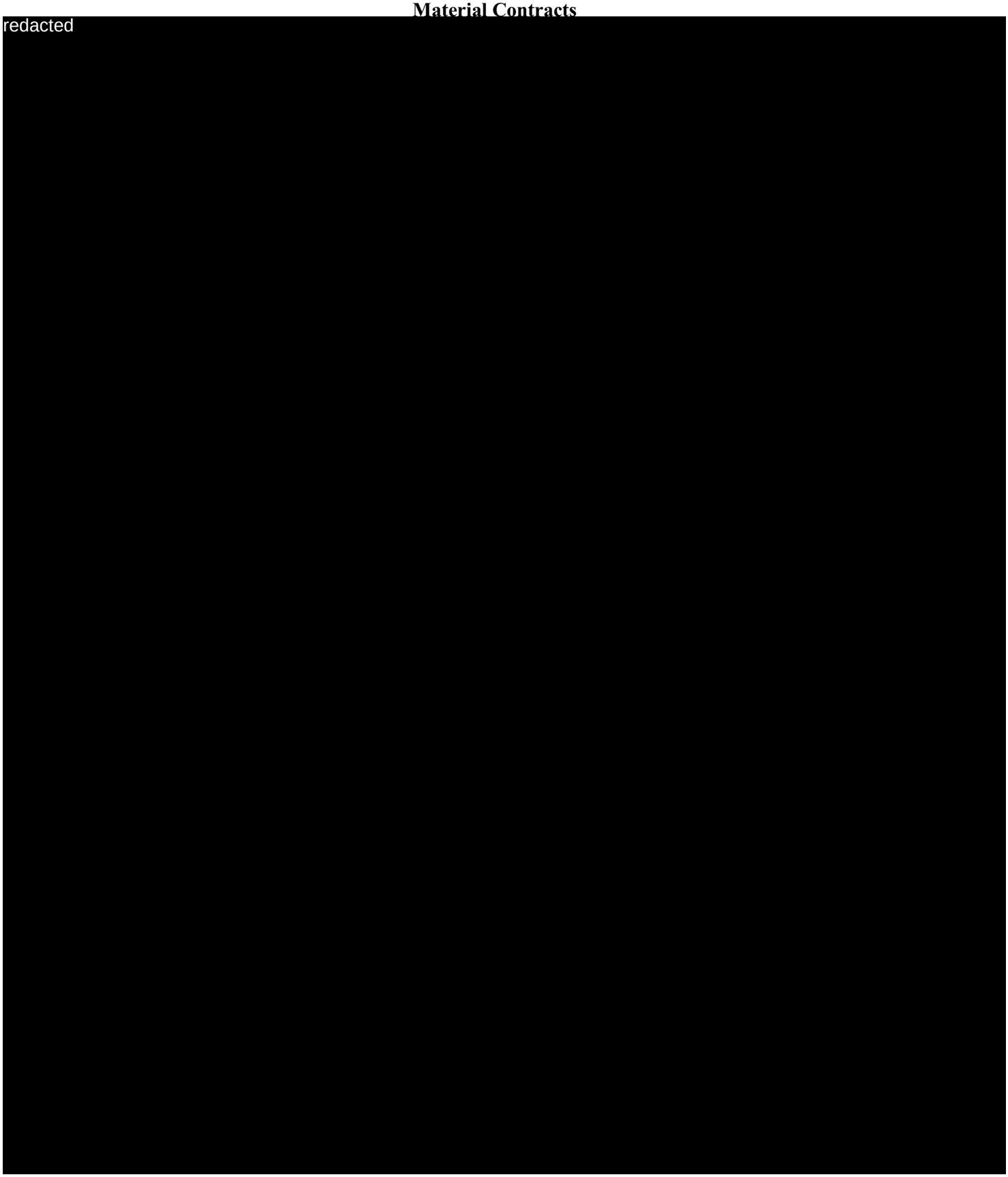
Health System	Case Number	Date Opened	Brief Description
CharterCARE Health Partners (CharterCARE Medical Associates)	2119	03/04/2021	Misdirected fax.
CharterCARE Health Partners (CharterCARE Medical Associates)	2120	04/16/2021	Demographic patient information sheet was accidentally faxed to a wrong number.
CharterCARE Health Partners (Our Lady of Fatima)	2048	06/09/2021	Daily schedule of a BH therapist found in parking lot.
CharterCARE Health Partners (Associates in Primary Care Medicine)	2121	06/11/2021	Records intended for a medical office were accidentally faxed to a wrong number due to mis-typing of the fax number.
CharterCARE Health Partners	2431	04/15/2022	Employee accessed the medical record of a family member.
CharterCARE Health partners	N/A	06/02/2021	Behavioral Health Therapists daily schedule taken home by a remote worker to enter billing data was dropped in our parking lot and found by another employee later in the day. The report appeared undisturbed but was left unattended for a small period of time. The employee who found the report turned it into her supervisor.
Our Lady of Fatima	N/A	06/02/2021	A billing report with information pertinent to approximately twenty-nine (29) patients was located by a staff member in a facility parking lot and recovered. The corresponding investigation determined that a staff member had been transferring the report to another location.

A number of other incidents were identified which were determined to not be reportable pursuant to HIPAA. Information regarding these incidents was made available to Buyer.

Separately, Roger Williams Medical Center received correspondence from the Office for Civil Rights on or about December 15, 2021 (identified as OCR Transaction Number: 01-22-449642), which acknowledged receipt of a complaint regarding HIPAA-related compliance matters. The correspondence noted that the Office of Civil Rights had determined to resolve the matter informally through the provision of technical assistance in the form of material explaining HIPAA's requirements as they relate to implementation of reasonable safeguards.

Schedule 3.8(a)
Material Contracts

redacted



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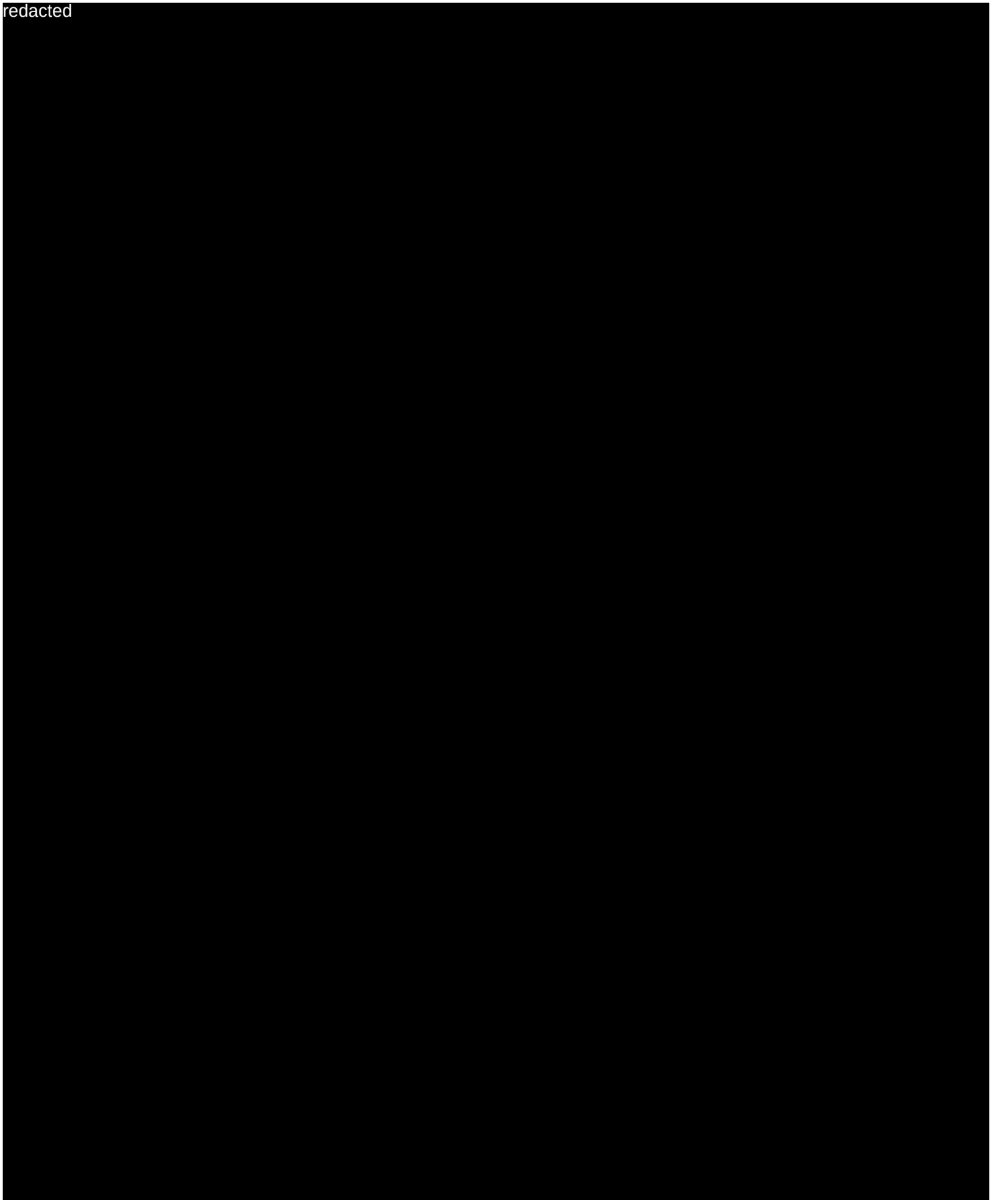

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Schedule 3.8(b)
Breach of Material Contracts

None.

Schedule 3.10(a)
Hazardous Materials

None.

Schedule 3.10(b)
Compliance with Environmental Laws

None.

Schedule 3.11
Insurance

Chamber Inc. / Ivy Holdings, Inc.			
Coverage	**Policy No.**	**Policy Inception**	**Policy Expiration**
Automobile	CA 6675792	10/01/2021	10/01/2023
Corporate Director's & Officers Liability	NDP693695 0	06/01/2021	12/01/2022
Crime	01-685-80-92	10/01/2021	10/01/2023
Employed Lawyers (Corporate Counsel Professional Liability)	EPL 01-817-37-85	10/01/2020	10/01/2023
Employment Practices Liability	PHS2108766 G25786051	10/01/2021 10/01/2019	10/01/2023 06/01/2027
Excess Cyber	CYB103150 0313-1110/3169499 NVX30011692300	10/01/2021 10/01/2021 10/01/2021	10/01/2023 10/01/2023 10/01/2023
Fiduciary Liability	SFD31211617-01	10/01/2021	10/01/2023
Fiduciary Liability & Employment Practices Liability & Private Company Liability	G25786051	10/01/2019	06/01/2027
Property	ZMD7129606-02 020413520 ARL30011656000	10/01/2021	10/01/2023
Security & Privacy (Cyber & Data Protection Liability)	B0713MEDTE2101129	10/01/2013	10/01/2023
Special Crime (Kidnap & Ransom)	U719-85465	07/01/2019	07/01/2025

Prospect Medical Holdings, Inc.			
Coverage	**Policy No.**	**Policy Inception**	**Policy Expiration**
Aviation	AAP N14413157 002	10/01/2021	10/01/2023
Commercial Automobile	CA6675792	10/01/2021	10/01/2023
Crime	021392205-029-000	10/01/2018	10/01/2023
Employer's Liability	PS4064673 LDS4059385	10/01/2021 10/01/2021	10/01/2023 10/01/2023

Prospect Medical Holdings, Inc.			
	0000 79914	10/01/2021	10/01/2023
Excess Program	CHIC-2021-UMB-001	10/01/2021	10/01/2023
Foreign Package/International	PHFD38041630 005	10/01/2021	10/01/2023
Managed Care Errors & Omissions	MSP G21816978 015	10/01/2018	10/01/2023
Pollution	PPI G2784019A 007	10/01/2021	10/01/2023
Property	ZMD7129606-02 020413520 ARL30011656000	10/01/2021	10/01/2023
Reinsurance-Healthcare Umbrella Liability	CHIC- 2021UMB-001 Renewal of CHIC-2020UMB-001	10/01/1998	10/01/2023
Special Crime (Kidnap & Ransom)	U719-85465	07/01/2019	07/01/2025
Storage Tank Liability	G2835776A 003	10/01/2021	10/01/2023
Workers' Compensation	LDS4059385	10/01/2021	10/01/2023
Aviation	AAP N14413157 002	10/01/2021	10/01/2023
Commercial Automobile	CA6675792	10/01/2021	10/01/2023

Prospect CharterCare, LLC and its Subsidiaries			
Coverage	**Policy No.**	**Policy Inception**	**Policy Expiration**
Workers' Compensation	0000072479	10/01/2022	10/01/2023
Property	ZMD7129606-02 020413520 ARL30011656000	10/01/2021	10/01/2023

Schedule 3.12(a)
Employee Benefit Plans

1. Prospect Medical Retirement Savings Plan A (Non-Union) - Principal

2. Prospect Medical Retirement Savings Plan B (Union) – Principal

3. The following constituent benefit programs incorporated under the Prospect Medical Group Employee Benefit Plan:

    a. Medical – Blue Cross Blue Shield EPO, Limited PPO, Standard PPO, Premier PPO, and Value PPO

    b. Medical Expense Reimbursement Plan (MERP) – Catilize Health

    c. Dental - Delta

    d. Vision – VSP

    e. Basic Life and AD&D – Standard Insurance Company

    f. Voluntary Life and AD&D – Standard Insurance Company

    g. Voluntary Short Term Disability – Standard Insurance Company

    h. Long Term Disability – Standard Insurance Company

    i. EAP – Standard Insurance Company

    j. Term Life and AD&D Plan (for executives) - Standard Insurance Company

    k. Long Term Disability (for executives) - Standard Insurance Company

    l. Flexible Spending Accounts (Health Care and Dependent Care) – Tri-AD

4. Executive Earned Time Off Policy (frozen January 16, 2022)

5. Flexible Paid Time Off Policy

6. Educational Assistance

7. Change of Control Severance Agreement, by and between Prospect Medical Holdings, Inc. and Dan Ison, dated January 27, 2022.

8. Employment Agreement, by and between CharterCare Health Partners and Jeff Liebman, dated October 10, 2018.

9. Employment Agreement, by and between CharterCare Health Partners and Otis Brown, dated January 1, 2012.

10. Employment Agreement, by and between Prospect CharterCare, SJHSRI, LLC and Matthew Downer, DMD, dated November 20, 2017.

11. Employment Agreement, by and between Prospect CharterCare, SJHSRI, LLC and Aaron Ercole, DDS, dated October 19, 2021.

12. Per Diem Professional Services Agreement, by and between Prospect CharterCare, SJHSRI, LLC and Wayne Mollohan, DMD dated April 16, 2018.

13. Per Diem Professional Services Agreement, by and between Prospect CharterCare, SJHSRI, LLC and Olutayo Odusanwo, DDS dated April 5, 2021.

14. Per Diem Professional Services Agreement, by and between Prospect CharterCare, SJHSRI, LLC and Joseph G Samartano, DDS dated December 27, 2015.

15. The Selling Entities enter into Medical Resident Agreements with medical residents and fellows, in substantially the same form as those made available to the Buyer.

16. The Selling Entities enter into Professional Services Agreements, Employment Agreements and On-Call Agreements with physicians, in substantially the same forms as those made available to the Buyer.

The Selling Entities' ERISA Affiliates contribute to the following single employer and multiemployer plans:

1. [Crozer Keystone Health System Employee Retirement Plan (Single Employer Plan)

2. Waterbury Hospital Cash Balance Retirement Plan (Single Employer Plan)

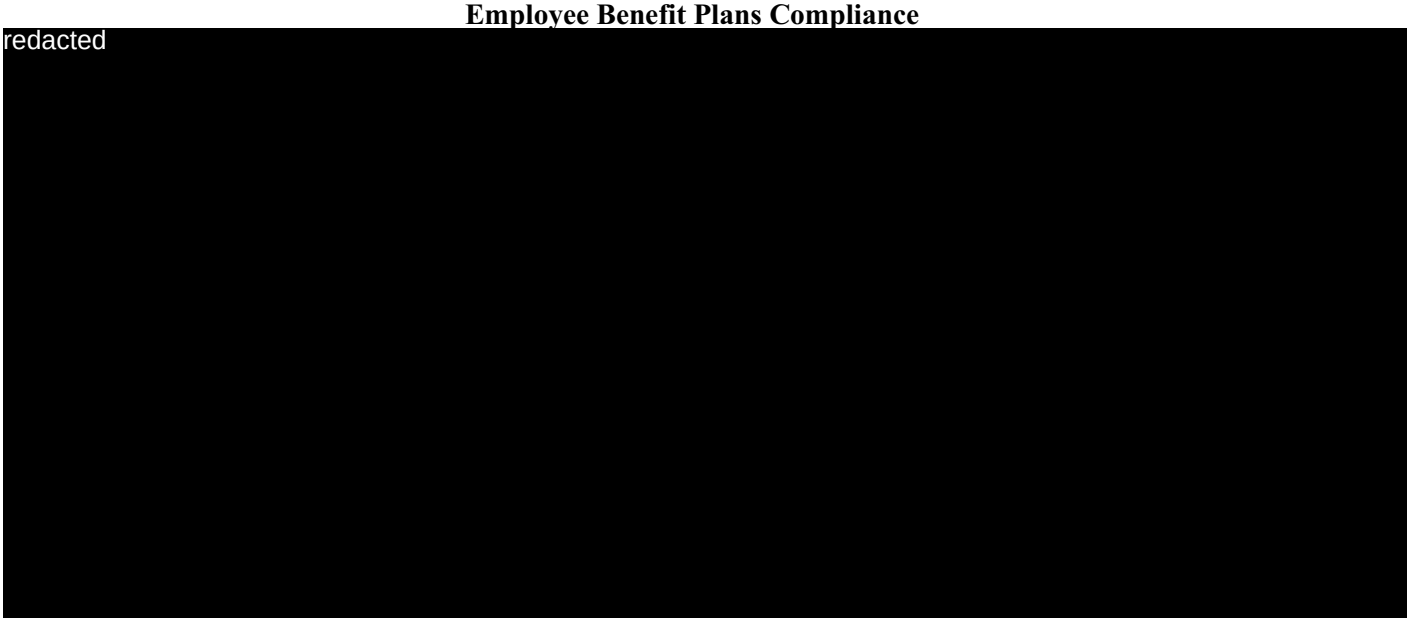
3. Connecticut Health Care Associates Pension Fund (Multiemployer Plan)

4. Eastern Connecticut Health Network, Inc. Pension Plan (Single Employer Plan)

5. New England Health Care Employee Pension Plan (Multiemployer Plan)]

Schedule 3.12(b)
Employee Benefit Plans Compliance

redacted



Schedule 3.13(a)
Employee Relations

Agreement	Covered Entities	Union	Employee Group(s)
Collective Bargaining Agreement (expired June 30, 2022 and currently in negotiations)	Our Lady of Fatima Hospital	United Nurses and Allied Professionals	Service Workers (All full-time, regular part-time and per diem staff employed by the Employer including Admission Registration, Breast Health Patient Navigator, Cashier, Central Services Tech, Central Sterile CSD Aide, Certified Nursing Assistant, Clerk General, Client Services Rep., Cook First, Cook's Helper, Courier, Driver Laundry Aide, EKG Transcriptionist, Environmental Services, Food Services Attendant, Housekeepers, Imaging Assistant, Interpreter Kitchen Attendant, Lab Assistant, Laundry, Laundry Sorter/Driver, Linen Attendant, Materials Coordinator, Materials Handler, Medical Secretary, Mental Health Worker, Mental Health Worker/Certified Nursing Assistant, Nurse Extender, Nutrition Assistant, Operator Lead, Patient Access, Patient Financial Advocator, Patient Registration Secretary, Phlebotomist/AM Draw, Phlebotomist, Reception Registrar, Registration Endoscopy, Registration ER, Registration Secretary, Registration Greeter and Clerks, Rehab Aide, Secretary, Secretary Administrative, Secretary Corresponding, Secretary Executive, Team ESD, Team Leader Transport, Telephone Operator, Unit Secretary, X Ray Aide, X-Ray Receptionist, Medical

			Secretary/CNA; Endoscopy Technician; OR Materials Coordinator; Unit Secretary/CAN)
Collective Bargaining Agreement, dated July 31, 2021 through July 30, 2024	Our Lady of Fatima Hospital	United Nurses and Allied Professionals	All regular full-time and part-time registered nurses
Collective Bargaining Agreement, dated February 4, 2021 through February 3, 2024	Roger Williams Medical Center	International Brotherhood of Teamsters, Local 251	Service Workers (All regular full-time and part-time boiler operators, electricians, HVAC technicians/mechanics, carpenters, pipefitters/plumbers, painters, mechanics, and maintenance engineers)
Negotiations for 1st contract underway	Roger Williams Medical Center	United Nurses and Allied Professionals	All regular full-time and part-time registered nurses
Negotiations for 1st contract underway	Home Healthcare	United Nurses and Allied Professionals	All Home Health employees

Schedule 3.13(b)
Employee Relations Claims & Investigations

redacted

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redacted



Schedule 3.14
Litigation and Proceedings

1. The following matters relate to the January 2014 OLD leases with Dr. Anthony Farina:

    a. Graceco v. Prospect Chartercare, SJHSRI, LLC et al, KC 17-0520 (Superior Court Complaint)
    b. Branting v. Prospect Chartercare, SJHSRI, LLC et al, PC 17-2340 (Superior Court Complaint)
    c. Graceco v. Prospect Chartercare, SJHSRI, LLC et al, 3CA-17-3985 (District Court Complaint)
    d. Branting v. Prospect Chartercare, SJHSRI, LLC et al, 6CA-2017-05166 (District Court Complaint)

2. Prospect CharterCARE, RWMC LLC v. Sorrento Therapeutics, Inc., et al, JAMS Ref. No. 1100110590 (JAMS Orange County)

The following employment pending cases:

Case Name	Initial Filing Date--Status	Description And Status	Court/Agency
Jonathan Kaczmarski v. Joseph G. Samartino, Jr., DDS, Daniel J. Kane, D.M.D. M.A., Andrea Echevarria, Prospect Chartercare, LLC, Prospect Chartercare SJHSRI, LLC, Prospect Medical Holdings, Inc., Chartercare Health Partners, St. Joseph Health Center and Our Lady of Fatima Hospital	6/10/20	Retaliation for complaining (whistleblower), tortious interference with contract, and defamation. **ACTIVE**-In the process of taking Depositions	United States District Court, District of Rhode Island – No. 20-cv-002540-JJM-PAS
Laurie Batastini v. Prospect Chartercare SJHSRI, LLC d/b/a Fatima Hospital	9/15/20	Violation of FMLA. **ACTIVE** in the process of taking Depositions.	United States District Court, District of Rhode Island – Move to JAMS No. 1400018824
Giedrys Freesia v. Prospect Chartercare SJHSRI, LLC and Prospect Chartercare, LLC	1/14/21	Unlawful termination -- Whistleblowers, retaliation for PFMLA leave and	Providence County Superior Court – No. PC2021-00308

		disability discrimination. **ACTIVE.**	Consent To Proceed to Arbitration, but Counsel has not referred yet the case to Arbitration.
Mary Murphy v. Prospect Chartercare RWMC, LLC	3/29/21	Discrimination on basis of disability. **ACTIVE** Right to Sue Letter issued on 09.14.22. Must sue in 90 days.	Rhode Island Commission for Human Rights – No. 21 PPD 061-06/06
Debra L. Manni-Provencal v. Prospect Chartercare, LLC, d/b/a Chartercare, LLC Health Partners	5/10/21	Age discrimination. 9.23.2022 - No Probable Cause letter issued. Plaintiff can request a right to sue within 2 years from the date her charge was filed. The deadline is May 10, 2023.	Rhode Island Commission for Human Rights – No. 21 EAG 166-02106; EEOC No. 16J-2021-00160
Naomi Tirado v. CharterCare Our Lady of Fatima	10/7/22	Disability Discrimination and Retaliation for engaging in Protected Activity. Must prepare response **ACTIVE**	RI Commission of Human Rights
Carol Romano v. CharterCare Health Partners	8/19/21	Age discrimination- pending before RICHR	RI Commission for Human Rights RICHR # 22 EAG077-22/06; EEOC
Brian M. Vieira v. Chartercare Health Partners	8/19/21	Age discrimination. **ACTIVE**-pending before RICHR	Rhode Island Commission for Human Rights No. 22 EAG 092-50/06; EEOC No. 16J-2022-00075
John D. Pullum v. Chartercare Health Partners	3/24/22	Age, disability, race discrimination. **ACTIVE**-Pending before the RICHR	Rhode Island Commission for Human Rights No. 22 EMD 158

Schedule 3.15
Medical Staff Matters

redacted

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Schedule 3.16(a)
Intellectual Property

(i)

Patents:

Status	Title	Country	App. No./ App. Date	Reg. No. / Reg. Date	Owner
Pending	CHIMERIC RECEPTORS TO CEA AND METHODS OF USE THEREOF	Patent Cooperation Treaty	PCT/US2020/062343 11/25/2020		Prospect Chartercare Rwmc LLC D/B/A Roger Williams Medical Center
Published	COMPOSITIONS AND METHODS FOR TREATING PERITONEAL CANCERS	Patent Cooperation Treaty	PCT/US2016/042302 7/14/2016		Prospect Chartercare Rwmc LLC D/B/A Roger Williams Medical Center
Published	COMPOSITIONS AND METHODS FOR TREATING PERITONEAL CANCERS	Taiwan	105122446 7/15/2016		Prospect Chartercare Rwmc LLC D/B/A Roger Williams Medical Center
Published	COMPOSITIONS AND METHODS FOR TREATING PERITONEAL CANCERS	European Patent Office	16825185.8 7/14/2016		Prospect Chartercare Rwmc LLC D/B/A Roger Williams Medical Center
Published	COMPOSITIONS AND METHODS FOR TREATING PERITONEAL CANCERS	Japan	2018-501870 7/14/2016		Prospect Chartercare Rwmc, LLC D/B/A/ Roger Williams Medical Center
Pending	COMPOSITIONS AND METHODS FOR TREATING PERITONEAL CANCERS	Republic of Korea	10-2018-7004608 7/14/2016		Prospect Chartercare Rwmc, LLC D/B/A/ Roger Williams Medical Center
Published	COMPOSITIONS AND METHODS FOR TREATING PERITONEAL CANCERS (IPC)	Hong Kong	18114889.5 7/14/2016		Prospect Chartercare Rwmc LLC D/B/A Roger Williams Medical Center

Status	Title	Country	App. No./ App. Date	Reg. No. / Reg. Date	Owner
Published	COMPOSITIONS FOR IMPROVING CAR-T CELL FUNCTIONALITY AND USE THEREOF	Patent Cooperation Treaty	PCT/US2018/062132 11/20/2018		Prospect Chartercare Rwmc LLC D/B/A Roger Williams Medical Center
Pending	COMPOSITIONS FOR IMPROVING CAR-T CELL FUNCTIONALITY AND USE THEREOF	Japan	PCT/US2018/062132 11/20/2018		Prospect Chartercare Rwmc LLC D/B/A Roger Williams Medical Center
Pending	COMPOSITIONS FOR IMPROVING CAR-T CELL FUNCTIONALITY AND USE THEREOF	Mexico	MX/a/2020/005251 11/20/2018		Unknown
Pending	COMPOSITIONS FOR IMPROVING CAR-T CELL FUNCTIONALITY AND USE THEREOF	United States of America	16/765776 11/20/2018		Prospect Chartercare Rwmc, LLC D/B/A Roger Williams Medical Center
Pending	COMPOSITIONS FOR IMPROVING CAR-T CELL FUNCTIONALITY AND USE THEREOF	European Patent Office	18879092.7 11/20/2018		Prospect Chartercare Rwmc LLC D/B/A Roger Williams Medical Center
Pending	COMPOSITIONS FOR IMPROVING CAR-T CELL FUNCTIONALITY AND USE THEREOF	Republic of Korea	10-2020-7017806 11/20/2018		Prospect Chartercare Rwmc LLC D/B/A Roger Williams Medical Center
Pending	COMPOSITIONS FOR IMPROVING CAR-T CELL FUNCTIONALITY AND USE THEREOF	China	201880086863.1 11/20/2018		Prospect Chartercare Rwmc LLC D/B/A Roger Williams Medical Center
Pending	GERIATRIC CAR-T CELLS AND USE THEREOF	Hong Kong	19123763.5 1/6/2017		Prospect Chartercare Rwmc, LLC D/B/A Roger Williams Medical Center

Status	Title	Country	App. No./ App. Date	Reg. No. / Reg. Date	Owner
Published	GERIATRIC CAR-T CELLS AND USES THEREOF	Patent Cooperation Treaty	PCT/US2017/012549 1/6/2017		Prospect Chartercare Rwmc LLC D/B/A Roger Williams Medical Center
Published	GERIATRIC CAR-T CELLS AND USES THEREOF	China	201780011151.9 1/6/2017		Prospect Chartercare Rwmc LLC D/B/A Roger Williams Medical Center
Published	GERIATRIC CAR-T CELLS AND USES THEREOF	European Patent Office	17736441.1 1/6/2017		Prospect Chartercare Rwmc LLC D/B/A Roger Williams Medical Center
Published	GERIATRIC CAR-T CELLS AND USES THEREOF	Japan	2018-535281 1/6/2017		Prospect Chartercare Rwmc LLC D/B/A Roger Williams Medical Center
~~Registered~~ Issued	HEPATIC ARTERIAL INFUSION OF CAR-T CELLS	United States of America	15/099370 4/14/2016	10471098 11/12/2019	Prospect Chartercare RWMC, LLC D/B/A Roger Williams Medical Center
Pending	HEPATIC ARTERIAL INFUSION OF CAR-T CELLS	Argentina	20160101045 4/15/2016		Prospect Chartercare Rwmc LLC D/B/A Roger Williams Medical Center
Published	HEPATIC ARTERIAL INFUSION OF CAR-T CELLS	Taiwan	105111666 4/14/2016		Prospect Chartercare Rwmc LLC D/B/A Roger Williams Medical Center
Published	HEPATIC ARTERIAL INFUSION OF CAR-T CELLS	China	201680035380.X 4/14/2016		Prospect Chartercare Rwmc LLC D/B/A Roger Williams Medical Center

Status	Title	Country	App. No./ App. Date	Reg. No. / Reg. Date	Owner
Published	HEPATIC ARTERIAL INFUSION OF CAR-T CELLS	European Patent Office	16780765.0 4/14/2016		Prospect Chartercare Rwmc LLC D/B/A Roger Williams Medical Center
Published	HEPATIC ARTERIAL INFUSION OF CAR-T CELLS	Japan	2018-505578 4/14/2016		Prospect Chartercare Rwmc LLC D/B/A Roger Williams Medical Center
Pending	HEPATIC ARTERIAL INFUSION OF CAR-T CELLS	Republic of Korea	10-2017-7033070 4/14/2016		Prospect Chartercare Rwmc LLC D/B/A Roger Williams Medical Center
Pending	HEPATIC ARTERIAL INFUSION OF CAR-T CELLS	Mexico	MX/a/2017/013247 4/14/2016		Prospect Chartercare Rwmc LLC D/B/A Roger Williams Medical Center
Published	HEPATIC ARTERIAL INFUSION OF CAR-T CELLS	Hong Kong	18110746.6 4/14/2016		Prospect Chartercare Rwmc LLC D/B/A Roger Williams Medical Center
Not yet filed	LONG-TERM SURVIVAL AND IMMUNE MEMORY GENERATION OF CAR-T CELLS	United States of America			Unknown
Published	METHODS AND COMPOSITIONS FOR TREATING CANCER	Brazil	1120170117711 12/1/2015		Prospect Chartercare Rwmc LLC
Published	METHODS AND COMPOSITIONS FOR TREATING CANCER	China	201580074883.3 12/1/2015		Roger Williams Hospital
Pending	METHODS AND COMPOSITIONS FOR TREATING CANCER	Eurasian Patent Organization	201791210 12/1/2015		Роджер Уилльямс Хоспитал

Status	Title	Country	App. No./ App. Date	Reg. No. / Reg. Date	Owner
Published	METHODS AND COMPOSITIONS FOR TREATING CANCER	European Patent Office	15865800.5 12/1/2015		Roger Williams Hospital
Issued	METHODS AND COMPOSITIONS FOR TREATING CANCER	Indonesia	P00-2017-04166 12/1/2015	IDP000069894 7/21/2020	Unknown
Published	METHODS AND COMPOSITIONS FOR TREATING CANCER	India	201717023064 12/1/2015		Roger Williams Hospital
Published	METHODS AND COMPOSITIONS FOR TREATING CANCER	Japan	2017-529284 12/1/2015		Prospect Charter Care R W MCA
Pending	METHODS AND COMPOSITIONS FOR TREATING CANCER	Mexico	MX/a/2017/007272 12/1/2015		Roger Williams Hospital
Pending	METHODS AND COMPOSITIONS FOR TREATING CANCER	Malaysia	PI2017000829 12/1/2015		Unknown
Published	METHODS AND COMPOSITIONS FOR TREATING CANCER	Philippines	1-2017-501031 12/1/2015		Roger Williams Hospital
Pending	METHODS AND COMPOSITIONS FOR TREATING CANCER	Republic of Korea	10-2017-7018139 12/1/2015		Prospect Chartercare Rwmc LLC D/B/A Roger Williams Medical Center
Pending	METHODS AND COMPOSITIONS FOR TREATING CANCER	Singapore	11201704519YA 12/1/2015		Prospect Chartercare Rwmc LLC
Pending	METHODS AND COMPOSITIONS FOR TREATING CANCER	South Africa	2017/04064 12/1/2015		Unknown
Pending	METHODS AND COMPOSITIONS FOR TREATING CANCER	Hong Kong	18110565.4 12/1/2015		Prospect Chartercare Rwmc LLC

Status	Title	Country	App. No./ App. Date	Reg. No. / Reg. Date	Owner
Published	METHODS AND COMPOSITIONS FOR TREATING GASTROINTESTINAL STROMAL TUMOR	Japan	2019-027372 2/4/2014		Roger Williams Medical Center
EP Granted	METHODS AND COMPOSITIONS FOR TREATING GASTROINTESTINAL STROMAL TUMOR (GIST)	European Patent Office	14746131.3 2/4/2014	2951302 1/2/2019	Roger Williams Medical Center
Issued	METHODS AND COMPOSITIONS FOR TREATING GASTROINTESTINAL STROMAL TUMOR (GIST)	Germany	14746131.3 2/4/2014	60 2014 039 127.3 1/2/2019	Unknown
~~Registered~~ Issued	METHODS AND COMPOSITIONS FOR TREATING GASTROINTESTINAL STROMAL TUMOR (GIST)	China	201480019952.6 2/4/2014	ZL201480019952.6 3/1/2019	Roger Williams Medical Center
~~Registered~~ Issued	METHODS AND COMPOSITIONS FOR TREATING GASTROINTESTINAL STROMAL TUMOR (GIST)	Hong Kong	16110453.1 2/4/2014	1222202B 4/24/2020	Roger Williams Medical Center
EP Granted	METHODS AND COMPOSITIONS FOR TREATING HIV	European Patent Office	11769573.4 4/14/2011	2558128 12/21/2016	Roger Williams Medical Center
EP Granted	METHODS AND COMPOSITIONS FOR TREATING HIV	European Patent Office	16205421.7 4/14/2011	3202410 3/25/2020	Roger Williams Medical Center
Issued	METHODS AND COMPOSITIONS FOR TREATING HIV	Austria	11769573.4 4/14/2011	2558128 12/21/2016	Unknown
Issued	METHODS AND COMPOSITIONS FOR TREATING HIV	Germany	11769573.4 4/14/2011	2558128 12/21/2016	Unknown
Issued	METHODS AND COMPOSITIONS FOR TREATING HIV	Spain	11769573.4 4/14/2011	2558128 12/21/2016	Roger Williams Medical Center

Status	Title	Country	App. No./ App. Date	Reg. No. / Reg. Date	Owner
~~Registered~~ Issued	METHODS AND COMPOSITIONS FOR TREATING HIV	Italy	11769573.4 4/14/2011	2558128 12/21/2016	Unknown
Published	METHODS AND COMPOSITIONS FOR TREATING HIV	Hong Kong	18102116.5 4/14/2011		Roger Williams Medical Center
Pending	METHODS AND COMPOSITIONS FOR TREATING HIV	European Patent Office	20164927.4 3/23/2020		Roger Williams Medical Center
Issued	METHODS AND COMPOSITIONS FOR TREATING HIV	Germany	16205421.7 4/14/2011	3202410 3/25/2020	Unknown
Allowed	METHODS AND COMPOSITIONS FOR TREATING CANCER	Taiwan	104140317 12/2/2015		Roger Williams Hospital
Published	METHODS FOR TREATING BRAIN TUMORS	Argentina	20150103939 12/2/2015		Roger Williams Hospital
Pending	METHODS FOR TREATING BRAIN TUMORS	Paraguay	74573/2015 12/2/2015		Unknown
Published	METHODS AND COMPOSITIONS FOR TREATING CANCER	Uruguay	36418 12/2/2015		Roger Williams Hospital
EP Granted	RETROVIRAL VECTORS ENCODING MULTIPLE HIGHLY HOMOLOGOUS NON-VIRAL POLYPEPTIDES AND THE USE OF SAME	European Patent Office	10703548.7 1/22/2010	2389443 11/14/2018	Roger Williams Hospital
Issued	RETROVIRAL VECTORS ENCODING MULTIPLE HIGHLY HOMOLOGOUS NON-VIRAL POLYPEPTIDES AND THE USE OF SAME	Germany	10703548.7 1/22/2010	602010055060.5 11/14/2018	Unknown

Status	Title	Country	App. No./ App. Date	Reg. No. / Reg. Date	Owner
Issued	VIRAL VECTORS ENCODING MULTIPLE HIGHLY HOMOLOGOUS NON-VIRAL POLYPEPTIDES AND THE USE OF SAME	United States of America	13/145488 1/22/2010	9206440 12/8/2015	Roger Williams Medical Center
Issued	VIRAL VECTORS ENCODING MULTIPLE HIGHLY HOMOLOGOUS NON-VIRAL POLYPEPTIDES AND THE USE OF SAME	United States of America	14/960236 12/4/2015	10550176 2/4/2020	Roger Williams Medical Center
Issued	VIRAL VECTORS ENCODING MULTIPLE HIGHLY HOMOLOGOUS NON-VIRAL POLYPEPTIDES AND THE USE OF SAME	Hong Kong	12102745.0 1/22/2010	HK1162579 10/25/2019	Roger Williams Hospital

Copyrights:

Owner:	Reg. No.	Reg. Date	Title
Prospect ECHN, Inc.	V9973D200	2019	Children's Health Connection & 31 other titles.

Trademarks:

Owner:	Mark:	App. No./ Reg. No.	App. Date/ Reg. Date
Prospect ECHN, Inc.	ECHNCorpCare Occupational Health	86254713/ 4680979	April 17, 2014/ Feb. 3, 2015
Prospect Chartercare, LLC	H I T M HEPATIC IMMUNOTHERAPY FOR METASTASES	85393437/ 4182133	Aug. 09, 2011/ Jul. 31, 2012

(ii)

1. Prospect ECHN, Inc.

2. Prospect Rockville, Inc.

3. Prospect Manchester Hospital, Inc.

4. Prospect CT Medical Foundation, Inc. d/b/a Eastern CT Medical Professionals and Alliance Medical Group

5. Prospect ECHN Home Health, Inc. d/b/a Visiting Nurse and Health Services of Connecticut

6. Prospect Management Services, LLC

7. Manchester Memorial Hospital

8. Rockville General Hospital

(iii)

1. None.

Schedule 3.16(b)
Intellectual Property

None.

CONFIDENTIAL C-CNT-PMH-021337

Schedule 3.17(b)
Tax Liabilities

None.

CONFIDENTIAL C-CNT-PMH-021338

Schedule 3.19
Seller Brokerage

1. H2C Securities

CONFIDENTIAL C-CNT-PMH-021339

Schedule 3.20(c)
COVID-19 Employee Relations

1. During the COVID-19 pandemic, the Selling Entities terminated and furloughed certain employees and independent contractors as a result of COVID-19 or COVID-19 Measures. These actions were taken due to facility closures that occurred, and vaccination policies that were implemented, as required by federal, state and local laws, regulations and guidance with respect to operations during the COVID-19 pandemic. As of the date hereof, some of the employees of Prospect Blackstone Valley Surgicare, LLC continue to be furloughed due to COVID-19 or COVID-19 Measures.

Schedule 3.20(d)
COVID-19 Measures

None.

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Schedule 3.20(e)
COVID-19 Assistance

The following funds were applied for and received:

Prospect Blackstone Valley Surgicare, LLC

Program	Amounts
Provider Relief Fund	$929,495

Prospect CharterCare, LLC

Program	Amounts
Subaward	$15,782,137.59

Prospect CharterCare Home Health and Hospice, LLC

Program	Amounts
Provider Relief Fund	$804,220
MAAP	$488,714

Prospect CharterCare Physicians, LLC

Program	Amounts
Provider Relief Fund	$553,463
MAAP	$590,928

Prospect CharterCare RWMC, LLC

Program	Amounts
Provider Relief Fund	$12,322,130
MAAP	$15,587,306
MAAP	$694,699

Prospect CharterCare SJHSRI, LLC

Program	Amounts
Provider Relief Fund	$11,792,333
MAAP	$7,047,596
MAAP	$1,905,069
MAAP	$1,230,345

The following funds were applied for (and approved) but have not yet been received:

Prospect CharterCare RWMC, LLC

Program	Amounts
ARPA	$2,408,163.53

Prospect CharterCare SJHSRI, LLC

Program	Amounts
ARPA	$2,105,593.37

Schedule 4.1(b)(ii)
Buyer Governmental Consents

[Buyer to provide]

Schedule 4.1(b)(iii)
Buyer Material Breach of Contracts

[Buyer to provide.]

Schedule 4.7
Buyer Brokerage

1. [Buyer to provide.]

Schedule 6.2(a)
Required Governmental Approvals

[Buyer to list Required Governmental Approvals here.]

Schedule 6.2(c)

1. [Buyer to list Required Consents here.]

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Schedule 8.3(a)
Excluded Employees

1. [Buyer to list excluded employees here. Are there any employees that Buyer does not intend to hire?]

Schedule 8.7
Assistance with Agreements

1. The Seller Global Contracts set forth on Schedule 2.2(g).

Schedule 8.20(a)
Multiemployer Pension Plans

1. Connecticut Health Care Associates Pension Fund (Multiemployer Plan)
2. New England Health Care Employee Pension Plan (Multiemployer Plan)

Peters, Jennifer

From: Ben Mingle
Sent: Monday, April 17, 2023 5:10 PM
To: redacted
Subject: Accepted: Centurion Rhode Island x Barclays Catch Up

Peters, Jennifer

From: Ben Mingle
Sent: Thursday, September 8, 2022 8:39 PM
To: redacted
Subject: Accepted: Centurion Rhode Island

Peters, Jennifer

From: redacted
Sent: Monday, February 27, 2023 4:33 PM
To: Steve Lovoy
Subject: Accepted: Discuss CharterCARE RI Financing

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Peters, Jennifer

From: Ben Mingle
Sent: Thursday, March 2, 2023 6:08 AM
To: redacted
Subject: Accepted: Rhode Island Deal Catch Up

Peters, Jennifer

From: Ben Mingle
Sent: Thursday, September 8, 2022 8:39 PM
To: redacted
Subject: Accepted: Centurion Rhode Island

Peters, Jennifer

From: redacted
Sent: Monday, February 27, 2023 4:33 PM
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Peters, Jennifer

From: Ben Mingle
Sent: Thursday, March 2, 2023 6:08 AM
To: redacted
Subject: Accepted: Rhode Island Deal Catch Up

Peters, Jennifer

Subject:	Centurion Rhode Island x Barclays Catch Up
Location:	redacted
Start:	Wed 4/19/2023 9:00 AM
End:	Wed 4/19/2023 9:30 AM
Show Time As:	Tentative
Recurrence:	(none)
Organizer:	redacted

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Peters, Jennifer

Subject: Centurion Rhode Island
Location: redacted

Start: Tue 9/13/2022 4:00 PM
End: Tue 9/13/2022 4:30 PM
Show Time As: Tentative

Recurrence: (none)

Organizer: redacted

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Prospect CharterCARE, LLC

Consolidated Financial Statements

As of and for the Years Ended
September 30, 2021 and 2020

The report accompanying these financial statements was issued by BDO USA, LLP, a Delaware limited liability partnership and the U.S. member of BDO International Limited, a UK company limited by guarantee.

Prospect CharterCARE, LLC

Consolidated Financial Statements

As of and for the Years Ended September 30, 2021 and 2020

Prospect CharterCARE, LLC

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622 Third Ave, Suite 3100
New York, NY 10017

Independent Auditor's Report

Board of Directors
Prospect CharterCARE, LLC
Los Angeles, California

Opinion

We have audited the consolidated financial statements of Prospect CharterCARE, LLC, (the Company), which comprise the consolidated balance sheets as of September 30, 2021 and 2020, and the related consolidated statements of operations, changes in members' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of September 30, 2021 and 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter Regarding Financial Support

As discussed in Note 1 to the consolidated financial statements, the Company is financially depended on its parent company which has agreed to provide the financial support necessary for the operations of the Company. The accompanying consolidated financial statements do not reflect any adjustments or disclosures that would be required should the parent company discontinue its financial support.

Adoption of Accounting Standards Update (ASU) 2014-09, Revenue from Contracts with Customers (Topic 606)

As more fully described in Note 2 to the consolidated financial statements, the Company changed its method of revenue recognition as a result of the adoption of the amendments to the Financial Accounting Standards Board Accounting Standards Codification resulting from ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*. Our opinion is not modified with respect to these matters.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the consolidated financial statements are issued or available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

BDO USA, LLP

January 7, 2022

Prospect CharterCARE, LLC

Consolidated Balance Sheets
(in thousands)

September 30,	**2021**	2020
Assets		
Current assets		
Cash and cash equivalents	**$ -**	$ 1,820
Restricted cash	**485**	521
Patient accounts receivable, less allowance for doubtful accounts of $25,371 at September 30, 2020	**40,561**	36,314
Other receivables	**5,274**	4,803
Due from government payers	**6,787**	6,281
Due from affiliated companies, net	**24,209**	32,458
Inventories	**7,136**	6,569
Prepaid expenses and other current assets	**5,791**	4,934
Total current assets	**90,243**	93,700
Property, improvements and equipment, net	**62,244**	60,265
Goodwill, net	**420**	415
Equity method investments	**3,948**	3,644
Other assets	**713**	2,057
Total assets	**$ 157,568**	$ 160,081

See accompanying notes to consolidated financial statements.

Prospect CharterCARE, LLC

Consolidated Balance Sheets
(in thousands)

September 30,	**2021**	2020
Liabilities and Members' Equity		
Current liabilities		
Accounts payable and other accrued liabilities	**$ 31,313**	$ 30,512
Accrued salaries, wages and benefits	**19,794**	23,971
Deferred revenue	**1,265**	1,376
Due to government payers	**4,236**	5,742
Refund liability, current portion	**20,935**	6,198
Capital leases, current portion	**938**	254
Total current liabilities	**78,481**	68,053
Capital leases, net of current portion	**2,322**	932
Asset retirement obligations	**3,031**	2,982
Refund liability, net of current portion	**-**	21,347
Other long-term liabilities	**59,462**	35,686
Total liabilities	**143,296**	129,000
Commitments, contingencies and subsequent events		
Members' equity		
Member contributions	**120,105**	120,105
Accumulated deficit	**(105,833)**	(89,024)
Total members' equity	**14,272**	31,081
Total liabilities and members' equity	**$ 157,568**	$ 160,081

See accompanying notes to consolidated financial statements.

CONFIDENTIAL C-CNT-PMH-021610

Prospect CharterCARE, LLC

Consolidated Statements of Operations
(in thousands)

For the Years Ended September 30,	**2021**	2020
Revenues		
Net patient service revenues		$ 327,759
Provision for bad debts		(17,091)
Net patient service revenues less provision for bad debts	**$ 338,972**	310,668
Other non-patient hospital revenues	**9,574**	11,543
Total net revenues	**348,546**	322,211
Operating Expenses		
Salaries, wages and benefits	**191,323**	182,085
Supplies	**67,154**	58,939
Taxes and licenses	**18,376**	23,257
Purchased services	**33,616**	30,900
Depreciation and amortization	**10,865**	8,924
Professional fees	**17,662**	16,003
Legal settlement, net (see Note 6)	**(11,900)**	22,250
Other	**6,024**	4,027
Insurance	**11,923**	4,040
Management fees	**4,004**	6,532
Utilities	**4,812**	4,893
Lease and rental	**5,503**	5,206
Research grant expense	**2,011**	2,263
Repairs and maintenance	**1,809**	1,805
Registry	**2,026**	1,547
Total operating expenses	**365,208**	372,671
Pandemic relief grant income	**245**	36,069
Operating income from unconsolidated equity method investments	**304**	881
Operating loss	**(16,113)**	(13,510)
Other expense:		
Interest expense	**729**	836
Other (income) expense, net	**(33)**	715
Total other expense	**696**	1,551
Net loss from continuing operations	**(16,809)**	(15,061)
Income from discontinued operations	**-**	420
Net loss	**$ (16,809)**	$ (14,641)

See accompanying notes to consolidated financial statements.

CONFIDENTIAL C-CNT-PMH-021611

Prospect CharterCARE, LLC

Consolidated Statements of Members' Equity
(in thousands)

	Member Contributions	Accumulated Deficit	Total Members' Equity
Balance at October 1, 2019	$ 120,105	$ (74,383)	$ 45,722
Net loss	-	(14,641)	(14,641)
Balance at September 30, 2020	120,105	(89,024)	31,081
Net loss	-	(16,809)	(16,809)
Balance at September 30, 2021	$ 120,105	$ (105,833)	$ 14,272

See accompanying notes to consolidated financial statements.

Prospect CharterCARE, LLC

Consolidated Statements of Cash Flows
(in thousands)

For the Years Ended September 30,	**2021**	2020
Operating activities		
Net loss	**$ (16,809)**	$ (14,641)
Adjustments to reconcile net loss to net cash, cash equivalents and restricted cash provided by operating activities:		
Depreciation and amortization	**10,795**	8,856
Provision for bad debts	**-**	(17,091)
Accretion of interest for asset retirement obligations	**70**	68
Undistributed earnings from equity method investments	**(304)**	(881)
Changes in operating assets and liabilities, net of business combinations:		
Patient accounts receivables	**(4,247)**	30,490
Due to/from government payers, net	**(2,012)**	92
Refund liability	**(6,610)**	27,545
Inventories	**(567)**	(595)
Prepaid expenses, other receivables and other current assets	**(1,328)**	(3,030)
Other assets	**1,344**	(88)
Accounts payable and other accrued liabilities	**20,240**	26,849
Net cash, cash equivalents and restricted cash provided by operating activities	**572**	57,574
Investing activities		
Purchases of property, improvements and equipment	**(4,380)**	(5,273)
Change in due from (to) affiliated companies, net	**2,508**	(50,254)
Cash distributions from equity investments	**-**	912
Cash paid for acquisitions	**(105)**	(625)
Net cash, cash equivalents and restricted cash used in investing activities	**(1,977)**	(55,240)
Financing activities		
Repayments of capital leases	**(451)**	(167)
Net cash used in financing activities	**(451)**	(167)
Change in cash, cash equivalents and restricted cash	**(1,856)**	2,167
Cash, cash equivalents and restricted cash, beginning of year	**2,341**	174
Cash, cash equivalents and restricted cash, end of year	**$ 485**	$ 2,341
Supplemental disclosure of cash flow information		
Interest paid	**$ 1,066**	$ 983
Schedule of non-cash investing and financing activities		
Equipment acquired under capital lease	**$ 2,525**	$ 1,261
Equipment acquired under PACE financing	**$ 5,505**	$ -
Accrual of property, improvements and equipment	**$ 236**	$ 1,412

See accompanying notes to consolidated financial statements.

CONFIDENTIAL C-CNT-PMH-021613

1. Organization

In June 2014, Prospect Medical Holdings, Inc. ("Prospect" or "PMH"), through a newly formed indirect subsidiary, Prospect CharterCARE, LLC ("PCC" or the "Company"), acquired substantially all of the assets of CharterCARE Health Partners and its subsidiaries, in exchange for an 85% interest in PCC, $43.3 million in cash and a commitment to invest at least $50 million in CCHP and its subsidiaries for strategic business development and capital improvements over the next four years (the "CharterCARE acquisition"). As a result of the acquisition, PMH had an indirect 85% ownership interest in PCC, with the remaining 15% being owned by the prior owner of the selling entities, CharterCARE Health Partners, which was subsequently renamed CharterCARE Community Board ("CCCB"). Effective August 18, 2021, PMH bought the 15% minority interest and PCC became an indirect wholly-owned subsidiary (see Note 6).

The Company provides a comprehensive range of services at Roger Williams Medical Center ("RWMC") and Our Lady of Fatima Hospital ("Fatima" or "SJHRI").

Admitting physicians are primarily practitioners in the local area. The hospitals have payment arrangements with Medicare, Medicaid and other third-party payers, including commercial insurance carriers, health maintenance organizations ("HMOs") and preferred provider organizations ("PPOs").

COVID-19 Pandemic

During 2020 and 2021, federal, state and local authorities have taken several administrative actions intended to assist healthcare providers in providing care during the outbreak of the novel coronavirus ("COVID-19") public health emergency. Sources of relief include the Coronavirus Aid, Relief and Economic Security Act, the Paycheck Protection Program and Health Care Enhancement Act (the "PPPHCE Act"), the Continuing Appropriations Act, 2021 and Other Extensions Act, and the Consolidated Appropriations Act, 2021 (collectively, the "COVID Acts"). With the COVID Acts, the federal government authorized funding to be distributed through the Public Health and Social Services Emergency Fund ("Provider Relief Fund" or "PRF"). The U.S. Department of Health and Human Services ("HHS") will recoup PRF grant funds not utilized by the established deadlines. The COVID Acts also revised the Medicare accelerated payment program in an attempt to disburse payments to hospitals and other care providers more quickly and permitted employers to defer payment of the 6.2% employer Social Security tax beginning March 27, 2020 through December 31, 2020. In June 2021, HHS established new deadlines for when recipients of PRF grants must use the funding received, generally 12 to 18 months after receipt of the grant funds.

In certain circumstances, when a hospital is experiencing financial difficulty due to delays in receiving payment for the Medicare services it provided, it may be eligible for an accelerated or advance payment pursuant to the Medicare accelerated payment program. The COVID Acts revised the Medicare accelerated payment program in an attempt to disburse payments to healthcare providers more quickly. Recipients may retain the accelerated payments for one year from the date of receipt before recoupment commences, which is effectuated by a 25% offset of claims payments for 11 months, followed by a 50% offset for the succeeding six months. The initial 11-month recoupment period began in April 2021. At the end of the 29-month period, interest on the unpaid balance will be assessed at 4% per annum. As of September 30, 2021, the Company had received Medicare accelerated and advance payments of approximately $27,545,000, of which approximately $6,610,000 had been repaid during year ended September 30, 2021 and approximately $20,935,000 and $27,545,000 were

reflected in current and noncurrent refund liabilities in the accompanying consolidated balance sheets as of September 30, 2021 and 2020, respectively.

The following table shows the funds that the Company received through the PRF in both general and targeted distributions during the years ended September 30, 2021 and 2020 (in thousands):

	General Funds	Targeted Funds	State funds	Other funds	Total
Funds received during the year ended September 30, 2020	$ 8,320	$ 16,350	$ 15,782	$ 78	$ 40,530
Transferred from affiliated companies	459	-	-	-	459
Applied to lost revenues	(8,779)	(16,350)	(10,940)	-	(36,069)
Applied to incremental expenses	-	-	(4,842)	(30)	(4,872)
Applied to incremental capital	-	-	-	(48)	(48)
Funds unused at September 30, 2020	$ -	$ -	$ -	$ -	$ -
Funds received during the year ended September 30, 2021	517	-	-	258	775
Transferred from affiliated companies	2,526	-	-	-	2,526
Applied to lost revenues	(245)	-	-	-	(245)
Applied to incremental expenses	(2,798)	-	-	(258)	(3,056)
Funds unused at September 30, 2021	$ -	$ -	$ -	$ -	$ -

The amount of lost revenues (represented as a negative change in year-over-year net revenues from patient care related sources) was recorded in “pandemic relief grant income” and incremental expenses were recognized as a reduction to operating expense within the accompanying consolidated statements of operations for the years ended September 30, 2021 and 2020. The recognition of amounts received is conditioned upon the provision of care for individuals with possible or actual cases of COVID-19 after January 31, 2020, certification that payment will be used to prevent, prepare for and respond to COVID-19 and will reimburse the recipient only for healthcare related expenses or lost revenues that are attributable to COVID-19, and receipt of the funds. Amounts are recognized as a reduction to operating costs and expenses only to the extent the Company is reasonably assured that underlying conditions are met. These monies have been recognized following the grant accounting model, recognizing income or reduction to expenses over the applicable reporting period as management becomes reasonably assured of meeting the required criteria. As of September 30,

2021, the Company has no funds that had not been recognized in the consolidated statements of operations.

Liquidity

At September 30, 2021, the Company had positive working capital of approximately $11.8 million. As of September 30, 2021, the Company had a receivable of approximately $24.2 million due from Prospect and its subsidiaries, which is included in due from affiliated companies, net in the accompanying consolidated balance sheets. The Company believes that its current liquidity or access to financing will be sufficient to meet its operating, investing and financing cashflow requirements for the next year from the date these consolidated financial statements were available to be issued.

2. Significant Accounting Policies

Principles of Consolidation and Basis of Presentation

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and include the accounts of all wholly-owned subsidiaries, but do not include the accounts of the parent companies, Prospect or CCCB. All significant intercompany balances and transactions have been eliminated in consolidation.

Revenues

Net Patient Service Revenues

On October 1, 2020, the Company adopted the new revenue recognition standard, Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") 2014-09, "Revenue from Contracts with Customers (Topic 606)", using a modified retrospective method of application to all contracts existing on October 1, 2020. The core principle of the guidance in ASU 2014-09 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The adoption of ASU 2014-09 resulted in changes to the presentation and disclosure of revenue primarily related to uninsured or underinsured patients. Prior to the adoption of ASU 2014-09, a significant portion of the provision for doubtful accounts related to self-pay patients, as well as co-pays, co-insurance amounts and deductibles owed by patients with insurance. Under ASU 2014-09, the estimated uncollectable amounts due from these patients are generally considered implicit price concessions that are a direct reduction to net operating revenues, with a corresponding reduction in the amounts presented as provision for doubtful accounts.

The Company has revised its accounting policies related to revenues effective October 1, 2020 and these are discussed below.

The Company recognizes net operating revenues in the period in which performance obligations under contracts by transferring our services to customers are satisfied. Net operating revenues are recognized in the amounts to which the Company expects to be entitled, which are the transaction prices allocated to the distinct services.

Net operating revenues for the Company primarily consist of net patient service revenues, principally for patients covered by Medicare, Medicaid, managed care and other health plans, as well as certain uninsured patients and other uninsured discount and charity programs. Additionally, the Company also earns revenues from capitation arrangements that are made directly with various managed care providers.

The following is a summary of sources of patient service revenues (in thousands):

For the Years Ended September 30,	**2021**	2020
Medicare	**$ 64,576**	$ 60,258
Medicaid	**31,815**	33,595
Managed Care	**208,702**	199,600
Self-Pay/Other	**33,879**	34,306
Total	**$ 338,972**	$ 327,759

Fee-for-Service ("FFS") Revenues

FFS revenues are due from patients, third-party payers (including managed care payers and government programs) and others, and they include variable consideration for retroactive revenue adjustments due to settlement of audits, reviews and investigations. Generally, the Company bills patients and third-party payers several days after the services are performed or shortly after discharge. Revenues are recognized as performance obligations are satisfied.

Performance obligations are determined based on the nature of the services provided and revenues are recognized when performance obligations satisfied over time based on actual charges incurred in relation to total expected charges. This method provides a faithful depiction of the transfer of services over the term of performance obligations based on the inputs needed to satisfy the obligations. Generally, performance obligations satisfied over time relate to patients in the Company's hospitals receiving inpatient acute care services. The Company measures the performance obligation from admission into the hospital, or the commencement of an outpatient service, to the point when it is no longer required to provide services to that patient, which is generally at the time of discharge or completion of the outpatient services. Patient encounters and related episodes of care and procedures qualify as distinct goods and services, provided simultaneously together with other readily available resources, in a single instance of service, and thereby constitute a single performance obligation for each patient encounter and, in most instances, occur at readily determinable transaction prices. All services provided are expected to result in cash flows and are therefore reflected as net patient service revenues in the consolidated financial statements.

The transaction price is determined based on gross charges for services provided, reduced by contractual adjustments provided to third-party payers, discounts provided to uninsured patients, and implicit price concessions provided primarily to uninsured patients. The estimates of contractual adjustments and discounts are based on contractual agreements, discount policies and historical cash collection experience. As a practical expedient, the Company adopted a portfolio approach for the FFS revenue stream to group together contracts with similar characteristics and analyze historical cash collections trends. The contracts within the portfolio share the characteristics conducive to ensuring that the results do not materially differ under the new standard if it were to be applied to individual patient contracts related to each patient encounter.

The Company is responsible for confirming member eligibility, performing program utilization review, potentially directing payment to the provider and accepting the financial risk of loss associated with services rendered, as specified within the Company's patient contracts. The Company has the ability to adjust contractual fees with patients and possess the financial risk of loss in certain contractual obligations. These factors indicate the Company is the principal and, as such, the Company records gross fees contracted with patient in revenues.

Revenues under the traditional FFS service Medicare and Medicaid programs are based primarily on prospective payment systems. Retrospectively determined cost-based revenues under these programs, which were more prevalent in earlier periods, and certain other payments, such as disproportionate share hospital and bad debt expense reimbursement, which are based on our hospitals' cost reports, are estimated using historical trends and current factors. Cost report settlements under these programs are subject to audit by Medicare and Medicaid auditors and administrative and judicial review, and it can take several years until final settlement of such matters is determined and completely resolved. The Company records accruals to reflect the expected final settlements on cost reports. For filed cost reports, the accrual is recorded based on those cost reports and subsequent activity. The accrual for periods for which a cost report is yet to be filed is recorded based on estimates of what the Company expects to report on the filed cost reports. After the cost report is filed, the accrual may need to be adjusted and these accruals are adjusted in future periods as they become known.

Settlements with third-party payers for retroactive revenue adjustments due to audits, reviews or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care using the most likely outcome method. These settlements are estimated based on the terms of the payment agreement with the payer, correspondence from the payer and historical settlement activity, including an assessment to ensure that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements are adjusted in future periods as adjustments become known, or as years are settled or are no longer subject to such audits, reviews and investigations and these accruals are adjusted in future periods as they become known.

The following is a summary of due from and due to governmental payers at September 30, 2021 and 2020 (in thousands):

September 30,	**2021**	2020
Due from government payers:		
Medicaid disproportionate share	**$ 5,970**	$ 5,091
Medicare cost report settlements	**817**	1,190
	$ 6,787	$ 6,281
Due to government payers:		
License Fee	**$ 3,856**	$ 4,461
Medicare cost report settlements	**380**	1,281
	$ 4,236	$ 5,742

The Company is not aware of any material claims, disputes, or unsettled matters with any payers that would affect revenues that have not been adequately provided for and disclosed in the accompanying consolidated financial statements. Because the laws, regulations, instructions and rule interpretations governing Medicare and Medicaid reimbursement are complex, subject to interpretation and can change frequently, the estimates recorded could change by material amounts.

Charity Care

The Company provides charity care to patients who lack financial resources and are deemed to be medically indigent based on criteria established under the Company's charity care policy. This care is provided without charge or at amounts less than the Company's established rates. Because the Company does not pursue collection of amounts determined to qualify as charity care, such amounts are not reported as net operating revenues. The direct and indirect costs related to this care totaled approximately $949,000 and $1,094,000 for the years ended September 30, 2021 and 2020, respectively. Direct and indirect costs for providing charity care are estimated by calculating a ratio of cost to gross charges and then multiplying that ratio by the gross uncompensated charges associated with providing care to charity patients.

Patients who are covered by third-party payers are responsible for related co-pays, co-insurance and deductibles, which vary in amount. The Company estimates the transaction price for patients with co-pays, co-insurance and deductibles and for those who are uninsured based on historical collection experience and current market conditions. The discount offered to certain uninsured patients is recognized as a contractual allowance, which reduces net operating revenues at the time the self-pay accounts are recorded. The uninsured patient accounts, net of contractual allowances recorded, are further reduced to their net realizable value at the time they are recorded through implicit price concessions based on historical collection trends for self-pay accounts and other factors that affect the estimation process. Although outcomes vary, the Company's policy is to attempt to collect amounts due from patients, including co-pays, co-insurance and deductibles due from patients with insurance, at the time of service while complying with all federal and state statutes and regulations. All of the Company's hospital facilities are subject to Emergency Medical Treatment and Active Labor Act ("EMTALA"). This federal law and accompanying regulations require any hospital that participates in the Medicare program to conduct an appropriate medical screening examination of every person who comes to the hospital's emergency department for treatment and, if the patient is suffering from an emergency medical condition, to either stabilize that condition or make an appropriate transfer of the patient to a facility that can treat the condition. The obligation to screen and stabilize emergency medical conditions exists regardless of a patient's ability to pay for treatment. There are severe penalties under EMTALA for violations of the law and regulations, including if a hospital fails to screen or appropriately stabilize or transfer a patient or if the hospital delays appropriate treatment in order to first inquire about the patient's ability to pay. Penalties for violations of EMTALA include civil monetary penalties and exclusion from participation in the Medicare program. In addition, an injured patient, the patient's family or a medical facility that suffers a financial loss as a direct result of another hospital's violation of the law can bring a civil suit against that other hospital. The Company believes that it is in compliance with EMTALA and is not aware of any pending or threatened EMTALA investigations involving allegations of potential wrongdoing that would have a material effect on the Company's consolidated financial statements.

State Supplemental Medicaid Programs

RWMC and SJHSRI are participants in the State of Rhode Island's Disproportionate Share Hospital ("DSH") Program, which assists hospitals that provide a disproportionate amount of uncompensated care. Under the program, Rhode Island hospitals, including RWMC and SJHSRI, receive federal and state Medicaid funds as additional reimbursement for treating a disproportionate share of low-income patients. The Company recognizes revenues related to supplemental Medicaid payments using the most likely outcome method, and the estimates also consider whether it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur. RWMC and SJHSRI recognized revenue related to DSH and Upper Payment Limit ("UPL") reimbursement of approximately $22,273,000 and $20,239,000 for the years ended September 30, 2021 and 2020, respectively. DSH and UPL payments received were approximately $21,394,000 and $20,073,000 for the years ended September 30, 2021 and 2020. The State of Rhode Island also assesses a license fee to all hospitals in Rhode Island based on each hospital's net patient revenue. The Company recorded license fee expense of approximately $14,501,000 and $17,846,000 for the years ended September 30, 2021 and 2020, respectively, which is included within taxes and licenses expense within the accompanying consolidated statements of operations.

Patient Accounts Receivable, Net

Collection of receivables from third-party payers and patients are the Company's primary source of cash and is critical to its operating performance. For patient accounts receivable resulting from revenue recognized prior to October 1, 2020, a provision for doubtful accounts was established to reduce the carrying value of such receivables to their estimated net realizable value. Generally, the Company estimated this allowance based on the aging of our accounts receivable by hospital, its historical collection rates as well as changes in applicable laws, rules and regulations and contract terms, to assure that provisions for contractual allowances are made using the most accurate information available. The allowance for doubtful accounts was approximately $25,371,000 as of September 30, 2020, representing 41% of gross accounts receivable. Under the provisions of ASU 2014-09, which the Company adopted effective October 1, 2020, when the Company has an unconditional right to payment, subject only to the passage of time, the right is treated as a receivable. Patient accounts receivable, including billed accounts and unbilled accounts for which there is the unconditional right to payment, and estimated amounts due from third-party payers for retroactive adjustments, are receivables if the right to consideration is unconditional and only the passage of time is required before payment of that consideration is due. For patient accounts receivable subsequent to the Company's adoption of ASU 2014-09 on October 1, 2020, the estimated uncollectable amounts are generally considered implicit price concessions that are a direct reduction to patient accounts receivable rather than allowance for doubtful accounts. Such implicit price concessions may be caused by denials for payments for services due to issues over patient eligibility for medical coverage, the Company's ability to demonstrate medical necessity for services rendered and payer authorization of hospitalization.

Other Non-Patient Hospital Revenues

Other non-patient hospital revenues totaled approximately $9,574,000 and $11,543,000 for the years ended September 30, 2021 and 2020, respectively. The principal components of other non-patient hospital revenues include grant revenue and rental revenue.

Property, Improvements and Equipment

Property, improvements and equipment are stated on the basis of cost or, in the case of acquisitions, at their acquisition date fair values. Depreciation is provided using the straight-line method over the estimated useful lives of the assets, and amortization of leasehold improvements is provided using the straight-line basis over the shorter of the remaining lease period or the estimated useful lives of the leasehold improvements. Leasehold improvements are generally depreciated over 5 to 40 years, buildings and improvements are depreciated over 5 to 40 years, equipment is depreciated over 2 to 15 years and furniture and fixtures are depreciated over 2 to 20 years. Equipment capitalized under capital lease obligations are amortized over the lesser of the life of the lease or the useful life of the asset.

Goodwill

Goodwill represents the excess of the consideration paid and liabilities assumed over the fair value of the net assets acquired, including identifiable intangible assets.

The Company follows the private company alternative, under which private companies can elect to amortize goodwill on a straight-line basis over 10 years, or less than 10 years if the entity demonstrates that another useful life is more appropriate. It also permits a private company to apply a simplified impairment model to goodwill, allowing impairment analysis to be evaluated at the entity level. Accordingly, the Company amortizes goodwill on a straight-line basis over 10 years. The Company evaluates goodwill for impairment at the entity level when a triggering event occurs that indicates that the fair value of the entity may be below its carrying amount. When a triggering event occurs, the Company first assesses qualitative factors to determine whether the quantitative impairment test is necessary. If that qualitative assessment indicates that it is more likely than not that goodwill is impaired, the Company performs the quantitative test to compare the entity's fair value with its carrying amount, including goodwill. If the qualitative assessment indicates that it is not more likely than not that goodwill is impaired, further testing is unnecessary. The goodwill impairment loss, if any, represents the excess of the carrying amount of the entity over its fair value. There was no goodwill impairment recorded during the years ended September 30, 2021 and 2020.

Insurance Reserves

Medical Malpractice Liability Insurance

The Company carries professional and general liability insurance to cover medical malpractice claims under claims-made policies. Under the policies, insurance premiums cover only those claims actually reported during the policy term. Should the claims-made policy not be renewed or replaced with equivalent insurance, claims related to occurrences during the policy term but reported subsequent to the policy's termination may be uninsured.

During the years ended September 30, 2021 and 2020, PMH's captive insurance company provided malpractice and general liability ($5,000,000 per occurrence and $37,000,000 in the aggregate), along with excess healthcare professional liability and umbrella liability insurance policy on a claims-made basis covering healthcare professional liability, general liability, automobile liability, employers' liability, helipad liability and non-owned aircraft liability. The limit provided was $80,000,000 during the years ended September 30, 2021 and 2020, for each loss event and in the annual aggregate excess

of the primary coverage layers described above. This coverage was fully reinsured by third party carriers.

GAAP requires that a health care organization record and disclose the estimated costs of medical malpractice claims in the period of the incident of malpractice, if it is reasonably possible that liabilities may be incurred and losses can be reasonably estimated. The Company has recognized an estimated liability for incurred but not reported claims and the self-insured risks (including deductibles and potential claims in excess of policy limits) based upon an actuarial valuation of the Company's historical claims experience of its hospitals. At September 30, 2021 and 2020, the total gross claims liability, was approximately $22,003,000 and $7,865,000 and reinsurance recoverable on unpaid losses were approximately $2,481,000 and $1,969,000, respectively, included within other long-term liabilities and prepaid expenses and other current assets, respectively, on the accompanying consolidated balance sheets, and were estimated using a discount factor of 4.00%.

Workers' Compensation Insurance

The Company was fully insured for workers' compensation claims with no deductible during the years ended September 30, 2021 and 2020.

Reserve Methodology

The claims reserve is based on the best data available to the Company. The estimate, however, is subject to a significant degree of inherent variability. The estimate is continually monitored and reviewed, and as the reserve is adjusted, the difference is reflected in current operations. While the ultimate amount of the medical malpractice claims liability is dependent on future developments, management is of the opinion that the associated liabilities recognized in the accompanying consolidated financial statements are adequate to cover such claims. Management is not aware of any potential claims whose settlement, if any, would have a material adverse effect on the Company's consolidated financial position, results of operations or cash flows.

Employee Health Plans

The Company maintains self-insured Exclusive Provider Organization ("EPO")/HMO and PPO plans for all eligible employees. Employee health benefits are administered by a third-party claims administrator, based on plan coverage and eligibility guidelines determined by the Company, as well as by collective bargaining agreements. Commercial insurance policies cover per occurrence losses in excess of $350,000. Actuarially estimated liability for incurred but not reported claims are held by Prospect related to employee health plans, and the liability is trued up through its intercompany account with Prospect, which is included in due from affiliated companies, net in the accompanying consolidated balance sheets.

Asset Retirement Obligations

The Company recognizes the fair value of a liability for legal obligations associated with asset retirements in the period in which it is incurred, if a reasonable estimate of the fair value of the obligation can be made. Over time, the liability is accreted to its present value each period. Upon settlement of the obligation, any difference between the cost to settle the asset retirement obligation and the liability recorded is recognized as a gain or loss in the consolidated statements of operations. The Company has accrued $3,031,000 and $2,982,000 related to asbestos remediation as of September

30, 2021 and 2020, respectively. The liability was estimated using a discount factor which ranged from 1.9% and 2.2%. The Company recorded $68,000 and $70,000 of accretion during the years ended September 20, 2021 and 2020, respectively.

Cash, Cash Equivalents and Restricted Cash

Cash and Cash Equivalents

The Company considers all highly liquid debt instruments with initial maturities of 90 days or less to be cash equivalents. Cash and cash equivalents are primarily comprised of deposits with banks. The Company maintains its cash at banks with high credit-quality ratings.

Restricted Cash

The Company held restricted cash of $485,000 and $521,000 as of September 30, 2021 and 2020, respectively, which was restricted for research at the Company's hospitals and representative payee funds for long term behavioral health patients.

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the consolidated balance sheets that sum to the total of the same amount shown in the consolidated statements of cash flows (in thousands):

September 30,		**2021**		2020
Cash and cash equivalents	$	**-**	$	1,820
Restricted cash		**485**		521
	$	**485**	$	2,341

Inventories

Inventories of supplies are valued at the lower of amounts that approximate the weighted average cost or net realizable value, which approximates market value, and are expensed as incurred. Inventories consist primarily of medical and surgical supplies and pharmaceuticals.

Income Taxes

For tax reporting purposes, the Company was treated as a Partnership through August 17, 2021, and the Company and its wholly-owned subsidiaries were treated as pass-through entities. From August 18, 2021 onwards, in connection with PMH's acquisition of the noncontrolling interest, all of the Company's activities will be reported as part of the Company's parent company filings. Therefore, no provision is made in the accompanying consolidated financial statements for liabilities for federal, state or local income taxes since such liabilities are the responsibility of the Company's parent companies. The Company periodically evaluates its tax positions, including its status as a pass-through entity, to evaluate whether it is more likely than not that such positions would be sustained upon examination by a tax authority for all open tax years, as defined by the statute of limitations, based on its technical merits.

As of September 30, 2021 and 2020, the Company has not established a liability for uncertain tax positions. The Company files income tax returns in the U.S. federal jurisdiction and the state of Rhode Island. Generally, the Company is subject to examination by U.S. federal (or state and local) income tax authorities for three to four years from the filing of a tax return.

Concentrations of Credit Risk

Cash and cash equivalents are maintained at financial institutions and, at times, balances may exceed federally insured limits of $250,000 per depositor of each financial institution. The Company has not experienced any losses to date related to these balances.

Financial instruments that potentially subject the Company to concentrations of credit risk consist of receivables due from Medicare and Medicaid. The Company received revenues from Medicare and Medicaid as follows (excluding revenues for discontinued operations, in thousands):

Years Ended September 30,	**2021**	**% of Total Revenues**	2020	% of Total Revenues
Medicare	**$ 64,576**	**19 %**	$ 60,258	18 %
Medicaid	**31,815**	**9 %**	33,595	10 %
Total	**$ 96,391**	**28 %**	$ 93,853	28 %

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities at the dates, and for the periods, that the consolidated financial statements are prepared. Actual results could materially differ from those estimates. Principal areas requiring the use of estimates include amounts due from/to government payers, allowances for implicit price concession, contractual discounts and doubtful accounts (2020), professional and general liability claims, long-lived assets, intangible assets and asset retirement obligations.

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, "Leases (Topic 842)" with effective dates deferred for all entities by ASU 2019-10, and further deferred for nonpublic entities by ASU 2020-05. The core principle of ASU 2016-02 is that a lessee should recognize the assets and liabilities that arise from leases, including operating leases. Under the new requirements, a lessee will recognize in the consolidated balance sheets a liability to make lease payments (the lease liability) and the right-of-use asset representing the right to the underlying asset for the lease term. For leases with a term of 12 months or less, the lessee is permitted to make an accounting policy election by class of underlying asset not to recognize lease assets and lease liabilities. The recognition, measurement, and presentation of expenses and cash flows arising from a lease by a lessee have not significantly changed from previous GAAP. Nonpublic entities will apply the new standard for annual periods beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022. The Company is currently evaluating the standard and the impact on its consolidated financial statements and footnote disclosures.

In June 2016, the FASB issued ASU 2016-13, "Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments". The amendments in this standard require the measurement of all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. In addition, this standard amends the accounting for credit losses on available-for-sale debt securities and purchased financial assets with credit deterioration. The amendment is effective for nonpublic entities for annual reporting periods beginning after December 15, 2022. Early adoption is permitted. The Company is currently evaluating the standard and the impact on its consolidated financial statements and footnote disclosures.

Recently Adopted Accounting Pronouncements

On October 1, 2020, the Company adopted ASU 2014-09, *Revenue from Contracts with Customers*, and all subsequent amendments thereto (collectively, "Topic 606"). Topic 606 supersedes virtually all existing revenue recognition guidance, including industry-specific guidance, and replaces it with a single, comprehensive framework for recognizing revenue from contracts with customers. Topic 606 also requires enhanced disclosure about the Company's revenue from contracts with customers. The Company elected to adopt Topic 606 using the modified retrospective method. There is minimal impact from the implementation of ASC 606 except for the classification of bad debt and it is likely that the consolidated financial statement users will not have a lack of comparability in the financial statements.

Reclassifications

Certain reclassifications were made to the prior year consolidated financial statements in order to conform to the current year presentation. These reclassifications did not have a material impact on previously reported consolidated financial statements.

3. Property, Improvements and Equipment, Net

Property, improvements and equipment, net, consisted of the following (in thousands):

September 30,	**2021**	2020
Property, improvements and equipment:		
Land and land improvements	**$ 7,471**	$ 7,471
Buildings and improvements	**66,637**	58,972
Leasehold improvements	**4,770**	4,768
Equipment	**57,269**	48,668
	136,147	119,879
Less: accumulated depreciation	**(77,182)**	(66,458)
	58,965	53,421
Construction in progress	**3,279**	6,844
Property, improvements and equipment, net	**$ 62,244**	$ 60,265

At September 30, 2021 and 2020, the Company had assets under capitalized leases of approximately $7,903,000 and $5,378,000, respectively, and related accumulated depreciation of $4,424,000 and $3,320,000, respectively.

Depreciation expense was approximately $10,724,000 and $8,815,000 for the years ended September 30, 2021 and 2020, respectively.

4. Acquisitions

During the year ended September 30, 2021, the Company entered into four acquisitions for a total cash consideration of approximately $106,000. The purchase price was allocated between goodwill and property, improvements and equipment, net. Goodwill acquired is not expected to be deductible for tax purposes.

During the year ended September 30, 2020, CharterCARE Physicians entered into a stock purchase agreement to acquire a medical practice with primary care physicians. Total cash consideration was approximately $625,000. Substantially all of the purchase price was allocated to goodwill. Goodwill acquired is not expected to be deductible for tax purposes.

5. Goodwill and Intangible Assets

The net carrying value of goodwill by reporting unit is as follows (in thousands):

September 30,	**2021**	2020
Gross	**$ 490**	$ 437
Accumulated amortization	**(70)**	(22)
Net	**$ 420**	$ 415

The changes in the net carrying amount of goodwill for the years ended September 30 are as follows (in thousands):

September 30,	**2021**	2020
Balance, beginning of year	**$ 415**	$ -
Acquisitions	**53**	437
Amortization	**(48)**	(22)
Balance, end of year	**$ 420**	$ 415

Amortization expense was approximately $48,000 and $22,000 for the years ended September 30, 2021 and 2020 and is included in goodwill amortization expense in the accompanying consolidated statements of operations.

Estimated amortization expense for each fiscal year of goodwill is as follows (in thousands):

Years ending September 30,		
2022	$	49
2023		49
2024		49
2025		49
2026		49
Thereafter		175
Total future amortization expense	$	420

The weighted-average remaining useful life for the goodwill was approximately nine years as of September 30, 2021.

6. Acquisition of Non-Controlling Interest in CharterCare

PCC, through wholly owned subsidiaries, operates both RWMC and SJHRI. One of the seller entities, SJHRI, had a Retirement Plan (the "Retirement Plan") which is a defined benefit pension plan and was set up for the benefit of employees of SJHRI when the hospital was a standalone hospital owned by a religious institution. PMH and PCC did not acquire the Retirement Plan as part of the CharterCARE acquisition, and $14 million of the proceeds from the sale were contributed to the Retirement Plan in exchange for PMH and its subsidiaries, including PCC, not having any liabilities related to the Retirement Plan. In August 2017, a petition was filed to place the Retirement Plan into receivership by its administrators because it was underfunded. In June 2018, the receiver for the Retirement Plan (along with various named participants) filed a lawsuit on behalf of all participants against various defendants which included CCCB, PMH, PCC, and the two subsidiaries which own RWMC and SJHRI, along with the administrators of the Retirement Plan, The Angell Pension Group, Inc., among others. Also, in March 2019, CCCB sued PMH and various directors of the Company, and certain subsidiaries. The suits involved allegations related to the valuation of CCCB's 15% ownership interest in PCC. In December 2019, CCCB and its subsidiaries settled with the receiver of the Retirement Plan. As a result, in January 2020 the receiver took control of CCCB's noncash assets, including its ownership interest in PCC. In December 2019, PMH sued CCCB on the basis that CCCB had breached the original terms of the acquisition by entering into the settlement agreement with the receiver and seeking indemnity against the receiver's June 2018 lawsuit.

PMH entered into a Settlement Agreement in December 2020 to release PMH and its directors and subsidiaries from all of the various claims under the aforementioned litigation. The Settlement Agreement also provided for PMH to purchase the noncontrolling interest. Under the terms of the settlement, the Company paid $27.25 million, of which $22.25 million was to settle all of the outstanding cases between the parties, including the Company, which was subsequently released from their related claims, and $5 million was for the acquisition of the noncontrolling interest. The buyout of the noncontrolling interest was treated as an equity transaction in the consolidated financial statements of PMH. The Company accrued for this legal settlement at September 30, 2020. The payment of the settlement was conditioned upon State and Federal Court approvals, which was

obtained in March 2021 and August 2021, respectively. Accordingly, PMH paid $27.25 million in August 2021, and the buyout of CCCB's noncontrolling interest in PCC was effective on August 18, 2021.

The Company received recoveries from its insurance policies of approximately $12 million. A receivable was recorded for this amount at September 30, 2021, which is included in due from affiliated companies, net in the accompanying consolidated balance sheets. Such monies were received after year-end.

7. Related Party Transactions

The Company and Prospect East Hospital Advisory Services, LLC ("PEHAS"), a wholly-owned subsidiary of Prospect, entered into a Management Services Agreement ("MSA") as of June 20, 2014, under which PEHAS provides certain administrative and management services to PCC and its Subsidiaries. Management fees were previously due to PEHAS under the MSA consist of 2% of net revenues monthly. The Company recognized management fees of $4,004,000 and $6,532,000 for the period from October 1, 2020 to June 1, 2021 and for the year ended September 30, 2020, respectively, which is included within management fees expense in the accompanying consolidated statements of operations. As of September 30, 2021 and 2020, the Company had liabilities related to the MSA due PEHAS of $20,021,089 and $44,492,000, respectively, which is included in due from affiliated companies, net in the accompanying consolidated balance sheets.

Effective June 1, 2021, PEHAS stopped charging management fees to the Company as part of conditions imposed by the Rhode Island Attorney General ("RIAG") in connection with RIAG's approval of the change in ownership of Ivy Holding, Inc., the ultimate parent company of PMH prior to that transaction.

Factoring Arrangements

On March 31, 2020, the Company entered into a Receivables Purchase Agreement ("RPA") with Prospect Medical Group, Inc. ("PMG"), a company which is an affiliated physician organization of PMH in California. Under the RPA, on the last calendar day of each month ("Sales Date"), commencing in March 2020, the Company factors certain of their commercial patient accounts receivable to PMG on a non-recourse basis. Effective December 1, 2020, the Company ceased selling receivables to PMG. The sales price reflected a discount of 10% from the current net carrying value. On each Sales Date, the Company received 85% of the sales price from PMG, and the remaining amount is received within seven business days. The Company continues to collect the patient accounts receivable on behalf of PMG and remits weekly funds collected to PMG for the receivables sold between March 31, 2020 and November 30, 2020. The Company has no liability to PMG after the sale, except for the remittance of cash collected on such accounts, for which the Company charges a 5% service fee. The Company sold approximately $1,274,000 and $8,805,000 of receivables during the years ended September 30, 2021 and 2020, respectively. The total service income earned during the years ended September 30, 2021 and 2020 was $188,000 and $158,000, respectively, and is reflected in other income in the accompanying consolidated statements of operations. The total loss on sale during the years ended September 30, 2021 and 2020 was $134,000 and $874,000, respectively, and is reflected in other (income) expense, net in the accompanying consolidated statements of operations. At September 30, 2021 and 2020, the Company owed PMG $5,000 and $95,000, respectively, which is reflected in due from affiliated companies, net on the accompanying consolidated balance sheets.

8. Commitments and Contingencies

Leases

The Company leases various office facilities and equipment from third parties under non-cancelable operating and capital lease arrangements expiring at various dates through July 2026. Certain operating leases contain rent escalation clauses and renewal options, which have been factored into determining rent expense on a straight-line basis over the lease terms. Capital leases bear interest at rates ranging from 3.65% to 19.46% per annum.

The future minimum annual lease payments (net of anticipated sublease income) required under leases in effect at September 30, 2021, are as follows (in thousands):

For the Years ending September 30,	Capital Leases	Operating Leases
2022	$ 1,123	$ 677
2023	1,071	677
2024	939	612
2025	456	416
2026	40	416
Total minimum lease payments	3,629	$ 2,798
Less: amounts representing interest	(369)	
	3,260	
Less: current portion	(938)	
	$ 2,322	

Lease and rental expense was $5,503,000 and $5,206,000 for the years ended September 30, 2021 and 2020, respectively.

Contingent Liability for Borrowings by Prospect Under Credit Facilities

The Company is contingently liable as a guarantor, among others, for amounts borrowed by PMH on credit facilities. The obligations and related interest expense related to these credit facilities are not reflected in the Company's consolidated financial statements as of and for the years ended September 30, 2021 and 2020, as the borrowings are reflected in the separate consolidated financial statements of PMH.

On February 22, 2018, PMH entered into an ABL Credit Agreement (the "ABL Agreement"), by and among PMH (as the borrower), the lenders party thereto and JPMorgan, as administrative agent and collateral agent. Under the ABL Agreement, the maximum revolving commitment was $250.0 million with ability to expand the facility to $325.0 million (the "ABL Facility"), and the ABL facility bears interest at a variable base rate plus an applicable spread that is based on excess availability under the ABL Facility, as further described in the ABL Agreement, which was 3.75% and 4.0% as of September 30, 2021 and 2020, respectively. Through various amendments and the sale of PMH's acute care hospital in Texas, the maximum commitment under the ABL Agreement was $275.0 million at

September 30, 2021. This commitment will decrease by $15.0 million in the month after the sale of PMH's operations in New Jersey and by a further $10.0 million when the remaining building in Texas is sold.

The ABL Facility matures on February 22, 2023. As of September 30, 2021 and 2020, the outstanding balance on the ABL facility was $45 million and $0, respectively, and the available balance was $190.7 million and $210.8 million, respectively.

The ABL Facility is secured by a first priority security interest on the working capital assets of PMH and certain of its wholly owned subsidiaries and a second priority security interest on their fixed assets. The ABL Agreement does not have any financial maintenance covenants. The ABL Agreement has a "springing" fixed charge ratio covenant that applies if excess availability is less than the greater of 10% of the maximum borrowing amount and $22,000,000. The fixed charge ratio covenant was not required to be tested for the fiscal quarter ended September 30, 2021.

Litigation

The Company is subject to a variety of claims and suits that arise from time to time in the ordinary course of its business, acquisitions, or other transactions. While the Company's management currently believes that resolving all of these matters, individually or in the aggregate, will not have a material adverse impact on the Company's consolidated financial position or results of operations, the litigation and other claims that the Company faces are subject to inherent uncertainties and management's view of these matters may change in the future. Should an unfavorable final outcome occur, there exists the possibility of a material adverse impact on the Company's consolidated financial position, results of operations and cash flows for the period in which the effect becomes probable and reasonably estimable.

Legislation and HIPAA

The healthcare industry is subject to numerous laws and regulations of federal, state and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government healthcare program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Government activity has continued with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by healthcare providers. Violations of these laws and regulations could result in expulsion from government healthcare programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed.

The Company believes that it is in compliance with fraud and abuse regulations as well as other applicable government laws and regulations. Compliance with such laws and regulations can be subject to future government review and interpretation as well as regulatory actions unknown or unasserted at this time.

The Health Insurance Portability and Accountability Act ("HIPAA") assures health insurance portability, reduces healthcare fraud and abuse, guarantees security and privacy of health information, and enforces standards for health information. The Health Information Technology for Economic and Clinical Health Act ("HITECH Act") expanded upon HIPAA in a number of ways, including establishing notification requirements for certain breaches of protected health information. In addition to these federal rules, California has also developed strict standards for the privacy and

security of health information as well as for reporting certain violations and breaches. The Company may be subject to significant fines and penalties if found not to be compliant with these state or federal provisions.

Collective Bargaining Agreements

As of September 30, 2021, the Company has 258 employees that are subject to a collective bargaining agreement with United Nurses and Allied Professionals ("UNAP"), which was effective beginning July 31, 2021 and expires July 30, 2024. A hospital unit consisting of approximately 374 service employees are subject to a collective bargaining agreement with UNAP, which was effective beginning June 31, 2018 and expires on June 30, 2022.

A small number of employees are subject to a collective bargaining agreement at Roger Williams Medical Center with the Teamsters Local Union No. 251 which was effective on February 3, 2021 and expires on February 4, 2024.

Provider Contracts

Many of the Company's payer and provider contracts are complex in nature and may be subject to differing interpretations regarding amounts due for the provision of medical services. Such differing interpretations may not come to light until a substantial period of time has passed following contract implementation. Liabilities for claims disputes are recorded when the loss is probable and can be estimated. Any adjustments to reserves are reflected in current operations.

PACE financing

In May 2020, the Company entered into an agreement with a third party that specializes in property assessed clean energy ("PACE") financing to finance approximately $42.0 million for qualifying renovations for the property in Rhode Island located at Roger Williams Medical Center. The full amount of the funds were deposited into an escrow account managed by a third party administrator, less deductions for deferred financing fees totaling approximately $2.7 million and lease payoffs of approximately $6.0 million. The Company received cash from the escrow account of approximately $14.9 million which was used to refinance related completed qualifying expenditures under the PACE program and invoices for construction in progress that had been paid. The amount financed is subject to an annual interest rate of 5.75% and the financing has a maturity date of April 30, 2045. Payments are collected through property tax bills as a non-ad valorem assessment. Payments commenced in July 2020. At September 30, 2021, the Company had a financing liability of approximately $32.0 million, of which $0.8 million and $31.2 million is classified within other current liabilities and other long-term liabilities, respectively, in the accompanying consolidated balance sheets. At September 30, 2020, the Company had a financing liability of approximately $26.5 million which is classified within other long-term liabilities in the accompanying consolidated balance sheets. At September 30, 2021, there was approximately $10.7 million left in escrow, required to be spent on qualifying renovations.

In January 2021, the Company entered into an agreement with a third party that specializes in PACE financing to finance approximately $18.0 million for qualifying renovations for the property in Rhode Island located at Our Lady of Fatima Hospital. The full amount of the funds were deposited into an escrow account managed by a third party administrator, less deductions for deferred financing fees totaling approximately $1.4 million. The Company received cash from the escrow account of

approximately $2.9 million which was used to refinance related completed qualifying expenditures under the PACE program and invoices for construction in progress that had been paid. The amount financed is subject to an annual interest rate of 5.75% and the financing has a maturity date of July 31, 2046. Payments are collected through property tax bills as a non-ad valorem assessment. Payments commenced in July 2021. At September 30, 2021, the Company had a financing liability of approximately $4.9 million, of which $0.3 million and $4.6 million is classified within other current liabilities and other long-term liabilities, respectively, in the accompanying consolidated balance sheets. At September 30, 2021, there was approximately $13.4 million left in escrow, required to be spent on qualifying renovations.

9. Defined Contribution Plan

Prospect sponsors, which allows for the Company's employees to participate, two defined contribution plans (the "Plans") covering substantially all employees who meet certain eligibility requirements, and are segregated between union and non-union employees. Under the Plans, employees can contribute up to 100% of their compensation up to the IRS deferred annual maximum. The Company may make discretionary matching contributions to the Plans. Employer contributions to the Plan were $1,998,000 and $2,460,000 for the years ended September 30, 2021 and 2020, respectively.

10. Equity Method Investments

The Company has invested in several joint ventures with unrelated third parties, which are accounted for under the equity method of accounting. Ownership percentages as of September 30, 2021 and 2020 are as follows:

September 30,	**2021**	2020
Roger Williams Radiation Therapy ("RWRT")	**20.00%**	20.00%
Southern New England Regional Cancer Center, LLC ("SNERCC")	**20.00%**	20.00%

RWMC is not liable for any obligations incurred by RWRT or SNERCC nor is it obligated to make any further capital contributions or lend funds to RWRT or SNERCC. As of September 30, 2021 and 2020, the Company's investments in RWRT, SNERCC, and other minor investments under the equity method were approximately $3,948,000 and $3,644,000, respectively, and are included in equity method investments in the accompanying consolidated balance sheets. For the years ended September 30, 2021 and 2020, the Company recognized approximately $304,000 and $881,000, respectively, as its share of the financial results of RWRT, SNERCC, and other minor investments and received $0 and $912,000, respectively, in distributions. The distributions are recorded within equity method investments on the accompanying consolidated balance sheets.

Summarized combined unaudited financial information for RWRT and SNERCC as of and for the years ended September 30, 2021 and 2020 is as follows (in thousands):

September 30,	**2021**	2020
Cash	**$ 1,197**	$ 1,710
Receivables and other current assets	**1,427**	966
Total current assets	**2,624**	2,676
Property, improvements and equipment, net	**6,703**	3,711
Goodwill	**7,142**	7,142
Intangible assets	**814**	813
Other long-term assets	**1,531**	1,588
Total assets	**$ 18,814**	$ 15,930
Accounts payable and accrued liabilities	**$ 2,836**	$ 1,168
Other long-term liabilities	**3,613**	576
Equity	**12,365**	14,186
Total liabilities and partner's capital	**$ 18,814**	$ 15,930

For the Years Ended September 30,	**2021**	2020
Revenues	**$ 3,318**	$ 13,009
Net income	**$ 1,047**	$ 2,999
Income from equity method investments	**$ 304**	$ 881

11. Subsequent Events

The Company has evaluated subsequent events through January 7, 2022, the date the Company's consolidated financial statements were available for issuance. There were no subsequent events requiring adjustment to the consolidated financial statements or disclosures as stated herein.

Peters, Jennifer

Subject:	CharterCare Update
Location:	Microsoft Teams Meeting
Start:	Tue 10/4/2022 11:00 AM
End:	Tue 10/4/2022 11:30 AM
Show Time As:	Tentative
Recurrence:	(none)
Meeting Status:	Not yet responded
Organizer:	Ben Mingle
Required Attendees:	redacted
Optional Attendees:	Steve Lovoy; redacted ; Gregory Grove; Jerimi J. Ullom

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Microsoft Teams meeting

Join on your computer, mobile app or room device
Click here to join the meeting

Meeting ID: redacted
Passcode: redacted
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March 1, 2024

VIA ELECTRONIC DELIVERY

Julia Harvey, Esq.
Special Assistant Attorney General
Office of the Attorney General
150 South Main Street
Providence, RI 02903

Re: The Centurion Foundation, Inc. ("Centurion"), CharterCARE Health of Rhode Island, Inc., CharterCARE Roger Williams Medical Center; CharterCARE Our Lady of Fatima Hospital, Chamber, Inc., Ivy Holdings, Inc., Ivy Intermediate Holding, Inc., Prospect Medical Holdings, Inc. ("PMH"), Prospect East Holdings, Inc., Prospect CharterCARE, LLC ("Prospect CharterCARE"), Prospect CharterCARE SJHSRI, LLC ("OLF"), and Prospect CharterCARE RWMC, LLC ("RWMC") (together, the "Transacting Parties") Hospital Conversions Act Initial Application ("HCA Application")

Dear Ms. Harvey:

Enclosed please find a link to the Transacting Parties' Responses to the Office of the Rhode Island Attorney General's Second Set of Supplemental Questions (the "Response"). The parties have also included documents bates stamped C-CNT-PMH-02186 through C-CNT-PMH-021829.

The Response and documents bates stamped C-CNT-PMH-02186 through C-CNT-PMH-021829 constitute confidential and proprietary commercial and/or financial information subject to the confidentiality protections set forth in Rhode Island General Laws § 23-17.14-32. Pursuant to Rhode Island General Laws § 38-2-2, "non-public" records include "commercial or financial information obtained from a person, firm or corporation that is of a privileged or confidential nature" as well as "personnel and other personal individually identifiable records otherwise deemed confidential by federal or state law or regulation, or the disclosure of which would constitute a clearly unwarranted invasion of personal privacy …". The information contained in the Response and documents bates stamped C-CNT-PMH-02186 through C-CNT-PMH-021829 are confidential and proprietary to the Transacting Parties. Accordingly, the Transacting Parties respectfully request that the Office of Attorney General maintain these documents and the information contained herein confidential.

If you have any questions, please contact me.

As always, thank you for your consideration.

Sincerely,

/s/ Patricia K. Rocha

PATRICIA K. ROCHA
procha@apslaw.com

Enclosure

cc: Miriam Weizenbaum, Esq.
Sarah Rice, Esq.
Sandra Powell
Jacqueline Kelley, Esq.
Michael Dexter
Fernanda Lopes MPH
Ben Mingle
Jeffrey Liebman
Richard R. Beretta, Jr., Esq.
Leslie D. Parker, Esq.
Patrick Sampson, Esq.

Prospect/Centurion Transacting Parties Responses to Attorney General's Second Set of Supplemental Questions
March 1, 2024

A.	Prospect Financial	Transacting Parties Responses
A.1	Please identify the individual or individuals that developed the management projections that were provided to VMG and used in the valuation.	The projections provided to VMG were prepared by Centurion (namely, Ben Mingle and Steve Lovoy) with input from QHR. The Prospect CharterCARE leadership team (namely, Jeff Liebman and Dan Ison) were interviewed by VMG and provided the basis upon which the projections were prepared.
A.2	Please list the individuals that were involved with development of the pro forma/EBITDA bridge and transition plans.	The individuals involved with the development of the pro forma/EBITDA bridge were Centurion (namely, Ben Mingle and Steve Lovoy) with input from QHR and the Prospect CharterCARE leadership team (namely, Jeff Liebman, Dan Ison, and their teams). It was also reviewed and endorsed by Alvarez & Marsal. With respect to the transition plan at Question 48, Jeff Liebman and Centurion (namely, Ben Mingle and Steve Lovoy) developed the transition plan with information in part gathered by QHR.
A.3	Please provide the following information related to PCC's, RWMC's and OLF's fixed assets: 1. Fixed asset record in excel (book depreciation, not tax depreciation) 2. Balance sheet that ties to the fixed asset records 3. Verification of any Capital Leases 4. Medicare Fixed Asset Record, which shows historical costs and may be different than a typical fixed asset record that was established when Prospect acquired the Hospitals (and may have costs based on a valuation and not historical)	Please see: - C-CNT-PMH-021829 for the detailed fixed asset register - C-CNT-PMH-021826 for the balance sheet - C-CNT-PMH-021827 for a reconciliation to the 101A report - C-CNT-PMH-021828 for capital lease listings by entity Prospect CharterCARE does not maintain the document in request #4.

Prospect/Centurion Transacting Parties Responses to Attorney General's Second Set of Supplemental Questions
March 1, 2024

B.	Tax Status and Documentation	
B.1	In your response to Supplemental Question #I.D.44 which requested "the accompanying schedule for Line 7 of Part II of Form 990-PF, which identifies the borrower and any other required information," you stated, "It is unclear what schedule this question is requesting." To specify, we are requesting the schedule that accompanies Line 7 of Part II of Centurion's 2022 Form 990-PF, which discloses $11,324,642 in "other notes and loans receivable." According to the IRS' Form 990-PF instructions, the following is required to be submitted with that same Line 7: "Attach a schedule similar to the one for line 6. The schedule should also identify the relationship of the borrower to any officer, director, trustee, foundation manager, or other disqualified person. For a note receivable from any section 501(c)(3) organization, list only the name of the borrower and the balance due on the required schedule." For reference, the Line 6 instructions include the following: "For each outstanding loan or other receivable that must be reported separately, the attached schedule should show the following information (preferably using columns). 1. Borrower's name and title. 2. Original amount. 3. Balance due. 4. Date of note. 5.Maturity date. 6. Repayment terms. 7. Interest rate. 8. Security provided by the borrower. 9. Purpose of the loan. 10.Description and fair market value of the consideration furnished by the lender (for example, cash—$1,000; or 100 shares of XYZ, Inc., common stock— $9,000)."	$11,324,642 line 7 Part II is redacted [redacted] the details of which have previously been provided. No schedule is required or exists.

Prospect/Centurion Transacting Parties Responses to Attorney General's Second Set of Supplemental Questions
March 1, 2024

B.2	In your responses to Supplemental Questions #I.D.49 and #I.B.1, you refer to compensation for members of the Board of Directors of CharterCARE Health of Rhode Island, including quarterly payments of $5,000. Describe any comparability data and other evidence that was used or will be used to ensure that compensation of officers and directors of the New CharterCARE System is reasonable in accordance with Treasury regulations.	Centurion leadership has numerous relationships in the nonprofit market and is familiar with how much these nonprofits pay their board members. Centurion uses its industry relationships and knowledge, public financial data of nonprofit organizations, and advice from legal counsel to ensure that compensation to officers and directors is reasonable.
B.3	Supplemental Question #I.G.6 requested information about how fees to be paid to Centurion were determined, including the Monthly Corporate Administrative Services Fee and the Monthly Participation Fee. Describe any comparability data and other evidence that was used or will be used to ensure that these fees are reasonable in accordance with Treasury regulations.	Centurion has years of experience pricing out their services from the real estate transactions it regularly enters into and is comfortable estimating the work a project will require. Centurion was consistent with its existing pricing process when it determined the appropriate corporate administrative fee for the New CharterCARE System. Centurion leadership is familiar with pricing in the market for corporate administrative services from its existing relationships and knowledge in the healthcare space, including the existing work it has already done for this transaction. During his tenure at the Guardian Foundation, Gregory Grove regularly worked on and formulated similar corporate administrative services agreements for Guardian's more than thirty long-term care and senior housing facilities, which comprised over 2,100 beds. Mr. Grove regularly established a monthly corporate administrative services fee and monthly participation fee based on his experience, knowledge of the industry and specific facilities, and advice of counsel. By using its typical process for establishing fees, its existing knowledge in the industry from other transactions, including Mr. Grove's work at Guardian, and the existing transaction, and by consulting with its legal advisors, Centurion calculated the corporate administrative fee that it believes is fair and reasonable.

Prospect/Centurion Transacting Parties Responses to Attorney General's Second Set of Supplemental Questions
March 1, 2024

B.4	In Form 1023 for CharterCARE Health of Rhode Island, Inc. (C-CNT-PMH-010234-C-CNT-PMH-010300), the response provided to Part V line 8 indicates that the organization participates in joint ventures in which it shares profits and losses with partners. Form 1023 requires that additional information be provided, as follows: "If "Yes," state your ownership percentage in each joint venture, list your investment in each joint venture, describe the tax status of other participants in each joint venture (including whether they are section 501(c)(3) organizations), describe activities of each joint venture, describe how you exercise control over the activities of each joint venture, and describe how each joint venture furthers your exempt purposes." This information was not provided in the form. Please provide this information.	As of the present date, CharterCARE Health of Rhode Island has not entered into any joint venture or any partnership or limited liability company treated as a partnership, but the New CharterCARE System will be assuming the Selling Entities' Joint Venture Interests (as defined in the APA) in accordance with APA Section 2.1(a)(xviii). Such business endeavors are common within the nonprofit sector, and CharterCARE Health of Rhode Island may undertake additional joint venture endeavors in the future if it will further CharterCARE Health of Rhode Island's charitable and other Code Section 501(c)(3) purposes and it will not generate any impermissible private benefit, private inurement, or excess benefit.
B.5	In Form 1023 for CharterCARE Roger Williams Medical Center (C-CNT-PMH-010375-C-CNT-PMH-010447), the response provided to Part V line 8 indicates that the organization participates in joint ventures in which it shares profits and losses with partners. Form 1023 requires that additional information be provided, as follows: "If "Yes," state your ownership percentage in each joint venture, list your investment in each joint venture, describe the tax status of other participants in each joint venture (including whether they are section 501(c)(3) organizations), describe activities of each joint venture, describe how you exercise control over the activities of each joint venture, and describe how each joint venture furthers your exempt purposes." This information was not provided in the form. Please provide this information.	As of the present date, CharterCARE RWMC has not entered into any joint venture or any partnership or limited liability company treated as a partnership, but the New CharterCARE System will be assuming the Selling Entities' Joint Venture Interests (as defined in the APA) in accordance with APA Section 2.1(a)(xviii). Such business endeavors are common within the nonprofit sector, and CharterCARE RWMC may undertake additional joint venture endeavors in the future if it will further CharterCARE RWMC charitable and other Code Section 501(c)(3) purposes and it will not generate any impermissible private benefit, private inurement, or excess benefit.

Prospect/Centurion Transacting Parties Responses to Attorney General's Second Set of Supplemental Questions
March 1, 2024

B.6	In Form 1023 for CharterCARE Our Lady of Fatima Hospital (C-CNT-PMH-010301-C-CNT-PMH-010374), the response provided to Part V line 8 indicates that the organization participates in joint ventures in which it shares profits and losses with partners. Form 1023 requires that additional information be provided, as follows: "If "Yes," state your ownership percentage in each joint venture, list your investment in each joint venture, describe the tax status of other participants in each joint venture (including whether they are section 501(c)(3) organizations), describe activities of each joint venture, describe how you exercise control over the activities of each joint venture, and describe how each joint venture furthers your exempt purposes." This information was not provided in the form. Please provide this information.	As of the present date, CharterCARE OLF has not entered into any joint venture or any partnership or limited liability company treated as a partnership, but the New CharterCARE System will be assuming the Selling Entities' Joint Venture Interests (as defined in the APA) in accordance with APA Section 2.1(a)(xviii). Such business endeavors are common within the nonprofit sector, and CharterCARE OLF may undertake additional joint venture endeavors in the future if it will further CharterCARE OLF charitable and other Code Section 501(c)(3) purposes and it will not generate any impermissible private benefit, private inurement, or excess benefit.
B.7	Following the completion of the transaction, will any officers or directors of any of Centurion Transacting Parties and CharterCARE Health of Rhode Island Foundation, Inc. receive compensation from more than one of the Centurion Transacting Parties and CharterCARE Health of Rhode Island Foundation, Inc.? Please describe.	There is no plan for any officers or directors of any of the Centurion Transaction Parties and CharterCARE Health of Rhode Island Foundation to receive compensation from more than one of the Centurion Transacting Parties and CharterCARE Health of Rhode Island Foundation, Inc. Specifically, to the extent that any of the board members receive a salary from one of the Centurion Transacting Parties, they will not receive board compensation for service on any board associated with CharterCARE Health of Rhode Island.
C.	**Miscellaneous**	

Prospect/Centurion Transacting Parties Responses to Attorney General's Second Set of Supplemental Questions
March 1, 2024

C.1	redacted	redacted